



# Dairy Pulse

10<sup>th</sup> Edition



Think Dairy



Suruchi Consultants  
Delivering solutions with Integrity

16<sup>th</sup> - 31<sup>st</sup> Mar, 2016

# Dairy Pulse 10<sup>th</sup> Edition (16<sup>th</sup> to 31<sup>st</sup>, March 2016)

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### Dairy exports from India...Russia drops stringent condition

India Infoline News Service | Mumbai | March 31, 2016 08:51 IST

Source: <http://www.indiainfoline.com/article>

**Russia turned to India for imports of dairy products in 2014 after it had banned such supplies from the EU, Australia and the US, protesting against sanctions following its annexation of Crimea.**



Russia has agreed to drop a stringent condition that was obstructing Indian supplies of dairy products to that country, reports a financial newspaper.

Once the formalities are completed, dairy majors like Amul and Mother Dairy will be able to take advantage of strong demand in Russia, says the business daily.

Russia turned to India for imports of dairy products in 2014 after it had banned such supplies from the EU, Australia and the US, protesting against sanctions following its annexation of Crimea.

Russia was the largest importer of food products from the EU before the sanctions were imposed.

But dairy exports from India could not commence as Russia set a strict condition that the products be made of milk procured from a company having at least 1,000 animals, according to the paper.

However, Russia has now agreed to do away with that condition, as Indian officials have stated that most of the Indian dairy units are small and mid-sized and can't comply with the rule, says the daily.

An import protocol is expected to be signed soon with Russia's Federal Service for Veterinary and Phytosanitary Surveillance, which will pave the way for Indian dairy product supplies to that country, reports the paper.

## Russia ready to sign bilateral agreement, clears road for certification

Thursday, 31 March, 2016, 08 : 00 AM [IST]

Pushkar Oak and Anurag More, Mumbai

Source: <http://www.fnbnews.com/Dairy-Products>

The stalled bilateral agreement on supplies of Indian dairy products to the Russian market received a fresh impetus with Russia agreeing to sign the same in regard to initialising veterinary certificates for Indian dairy products. Recently, representatives of the commerce ministry of India had a dialogue with Rosselkhoznadzor, a federal service agency of Russia for veterinary and phytosanitary surveillance.

On the first day of telephonic negotiations held on March 2, between India and Russia, Artem Daushev, deputy head, directorate for international cooperation and veterinary control of export/import and transportation, Russia Rosselkhoznadzor, informed, "The Rosselkhoznadzor was ready to sign the bilateral protocol on supplies of Indian dairy products to the Russian market."

A senior official from the Export Inspection Council (EIC) said, "We are happy that Russia has responded positively. They have demanded certifications and assurance which we will definitely extend. The concern over the condition of 1,000 cattle heads is now removed."

Government departments of both the countries discussed the amendments to the protocol suggested by Russia. Russia also agreed that it was necessary to initialise veterinary certificates for Indian dairy products for Russia as soon as possible. After the certificates are initialised, the Rosselkhoznadzor will be ready to harmonise the certificate with competent services of other EEU (Eurasian Economic Union) countries.

A statement issued by Rosselkhoznadzor said, "Russia expressed concern as India did not inform Rosselkhoznadzor about foot-and-mouth disease (FMD) outbreaks reported in India. In its turn India assured Rosselkhoznadzor that all information is submitted to the OIE (World Organisation for Animal Health) and published on the official website of the organisation. In response, Russia stressed that it is expedient to submit such information directly to the Rosselkhoznadzor."

According to the said statement, "In the nearest time, India will send all the required information on measures taken in response to the last FMD outbreak in India to Russia. Both nations also discussed conditions of animal product export from the Russian federation to India."

India has assured Rosselkhoznadzor that it will fulfil all the requirements for the veterinary certificates which will accompany dairy products and animal non-food products (animal hides) exported to India.

### Background

Secretaries from department of commerce, India, with Agricultural and Processed Food Products Export Development Authority (APEDA) specialists and some Indian businessmen held a meeting at the event Gulfood – 2016, Dubai, to initiate a dialogue for establishing dairy protocol.

During the meeting, representatives from both the nations discussed dairy products exports to Russia and agreed to address an issue of Russia – India Protocol on safe export of finished dairy products from India to Russia. The parties planned to negotiate the issue in the form of teleconference in the beginning of March 2016.

R S Sodhi, MD, Amul or Gujarat Cooperative Milk Marketing Federation (GCMMF), was delighted with the Russian government's positive nod to intervene in the issue in removing the earlier conditions. He said, "Russian government's move to look into the protocol with a new perspective is appreciable. Our commerce ministry officials had taken efforts to avail exports to Russia. The Russian government has agreed on the basis that the Indian government produces all the certificates with regard to diseases and animals used in the dairies. Indian government has agreed to this condition and will work for the same."

Schreiber Dynamix Dairies is one of the company, which received clearance to export to Russia. Anup Chatterjee, director, business development, Schreiber Dynamix Dairies, Pune, Maharashtra, said, "We are expecting that Russian government accepts the proposal and signs the protocol soon so that real business begins. We are hearing this since a year that India will export its dairy products to Russia."

Schreiber Dairy already has its hold in Russia. Schreiber Dairy Brazil exports its manufactured dairy products to Russia.

J V Parekh, technical consultant, dairy, Parekh Technical Consultancy, offered an industry perspective. He said, "What dairy industry wants is that the protocol between Indian and Russian governments should be concluded as soon as possible and the Indian dairy companies be allowed export to Russia which will help the Indian farmers to supply milk for making value-added dairy products. The rest of the issues between the governments could be negotiated and resolved in due course. I am sure that India will get its market for cheese in Russia at the earliest."

The Russian government's Rosselkhozadzor will approve Indian dairies only after producing animal certificates that the cattle are free from diseases and inspections.

## OMFED PANEER SALE KEEPS SHOOTING UP

Mar 31, 2016

Source:[dailypioneer.com](http://dailypioneer.com)

The Omfed had recorded sale of its paneer to the tune of 5.93 lakh kg in 2014 whereas it increased to 12.97 lakh kg in 2015, posting a 118-per cent growth. In January this year, the sale was 1,63,840 kg and in February 1,80,328 kg.

Omfed sources said customers do appreciate this product in various festivities and ceremonies, apart from using it on day-to-day cuisine. It has got a self-life of 10 days of its packing under refrigerated condition. It contains proteins, calcium, carbohydrate, energy for body maintenance, stamina and energy in the body.



**Paneer**

“I always trust Omfed Paneer for its best quality,” said Jyoti Bahuguna, a Hindi teacher of the Delhi Public School, Kalinga.

Looking at the demand of the customers, the Omfed has decided to enhance its paneer production to 2 lakh kg per day in all its dairies, said Omfed Managing Director Bishnupada Sethi.

## Milk and the making of India

Mar 31, 2016

Source:[freepressjournal.in](http://freepressjournal.in)

Milk as a consumption item has never failed to excite India. But it was Dr. Kurien who gave a new impetus to the supply side of milk as well. He did this through the NDDB (National Dairy Development Board) and the GCMMF (Gujarat Cooperative Milk Marketing Federation).

And he created the Indian version of the milk co-operative movement which has transformed this country. The results are visible – India is the premier producer as well as the largest consumer worldwide. That, too, with small farmers – each having between 2-10 heads of cattle as a backyard dairy farming. More significantly, this industry grew with practically no subsidy from the

government.

What makes the Indian milk movement unique is its ability to pay 80% of the market price to the farmer. Kurien ensured that everything else – milk collection, processing, packaging, distribution and marketing – was managed within 20% of the marketing cost. That made the farmer earn more, which incentivized him to produce more. For Kurien the small farmer was crucial. He believed in production by the masses, not mass production.

Milk thus provides income for farmers, nutrition for Indians, and rural prosperity for the economy. With Modi's vision of doubling rural incomes, milk is bound to play a bigger role.

To discuss this, the FPJ-IMC Forum organised a panel discussion with experts at the Indian Merchants' Chamber, Mumbai. The panel comprised T. Nanda Kumar, Chairman National Dairy Development Board (NDDB); R.S. Sodhi, Managing Director, GCMMF popularly referred to as Amul; Mahesh Pathak, Principal Secretary Animal Husbandry, Dairy Development & Fisheries, Government of Maharashtra; and Madan Sabnavis, Chief Economist, CARE. The event was moderated by R.N.Bhaskar of FPJ with editorial support from Pankaj Joshi, and Lalit Wadhvani.

The welcome address was given by Dilip Piramal, president, Indian Merchants' Chamber (IMC) and the vote of thanks by G. Chandrashekhar, Economic Advisor, IMC.

### **Significance of the milk industry**

**Nanda Kumar:** If agriculture's contribution to GDP is so low, why is dairy important? About 33% of agri-GDP is dairy, and more importantly, we have about 50% of people in agriculture. In Dr. Verghese Kurien's words, we at Amul are not in the business of dairying, we are in the business of rural prosperity.

Regarding the [recent] Budget the government's aim is to double farmers' incomes by 2022. It is impossible to do this without dairy. Dairy is a more equitable agri-occupation. 85% of the small and marginal farmers in India own 45% of the land, but own 75% of the bovine. For a landless person, dairying is one of the best occupations.



*Nanda Kumar, Chairman National Dairy Development Board  
(NDDB)*

*“Doubling farmers’ income by 2022 is impossible without dairy farming which has a CAGR of 19.6%. 85% of the farmers in India who are marginal and small own 45% of the land, but 75% of the bovine. So probably for a landless person, dairying is one of the best occupations”*

In a country which is predominately vegetarian how do you handle children between six months and five years without dairy? Also, we’ve always worried about the levels of under-nutrition.

**Sodhi:** Today we have become not only the world’s largest producer and consumer, but also self-sufficient, because the Amul model gave all a win-win situation. India is the only country where farmers get 80-85% of what consumer pays. In most of the world, farmers get only one-third.

Processors accessed a good system to procure from millions of farmers, process it and market it. Lastly, consumers are very happy to get very hygienically packed nutritious milk at a very, very reasonable cost vis-à-vis other countries.

We have to see how we can continue to grow and how we can encourage tomorrow’s generation to go for this profession. Dairy can help in the ‘Make-in-India’, in the rural areas where most of the population lives, since you do not require much land. It can provide a livelihood source to the maximum people in rural India.

**Pathak:** For doubling rural incomes, animal husbandry, dairy and poultry are important. These reduce the farmer’s risk, mitigate the strain when rains are not good, keep income flowing. Our aim is that the farmers’ income comes throughout the year and not seasonally.

**Sodhi:** If you ensure a remunerative price on a continuous basis to the farmer, the farmer will produce milk. In Gujarat there is a district called Banaskantha, which is a very semi-arid area on the border of Rajasthan desert. About 45 years ago when co-operatives were formed there people said, when there is no water how can you produce? Today that district gives 45 lakh litres per day, which is the maximum all over India.

4-5 years ago we went to Kolkata and the people said West Bengal has no milk. Now whatever milk we are selling in Calcutta in year is procured locally.

## **Milk industry background**

**Nanda Kumar:** The story of milk production growth is well known, from 22 million tonnes in 1970 to 146 million tones of milk in 2015. The monetary value of this is more than the current combined value of rice and wheat, and this was achieved without subsidy and incentives. The important element in this growth was the farmer institutions, which worked on three basic principles of ‘trust, transparency and technology’. With a base of small farmers, we are 18% of global production.

**Sodhi:** There was a time in the ‘seventies when you had to have the aluminum card of Delhi Milk Scheme to buy two bottles of milk – that too, if you stood in the queue two hours before the booth opened. India then was producing only 20 million tonnes of milk and this was static – we were dependent more on imports from the developed countries, Australia and New Zealand. Thanks to Dr. Kurien, the model of Amul was created, and replicated, and today we are self-sufficient, whereas most of our neighbouring countries are still importers from the same nations.

## **Growth opportunities**

**Nanda Kumar:** There is a shift in food expenditure, with spend on staple cereals coming down and milk rising. Food spend today is on high value agriculture, including fruits, indicating a prosperous and aspirational India.

International studies are looking at a growth of about 19.6% CAGR till 2020 for India’s dairy market. Consensus is that India’s GDP growth cannot be below 7-8%. Combine this with urbanization. In another 8-9 years 50% of India is going to live in cities, and a hundred of them will be smart cities. Also right now we process only 20-22% of output. Any increase here will contribute to growth.

Both public and private sector can grow with the same basic principles. How transparent you are, how much trust the farmer has in you, will ultimately determine whether you can work with the farmers.

*R.S. Sodhi, Managing Director, GCMMF (Amul)*



*“India is the world’s largest producer and consumer of milk and the only country where farmers get 80-85% of the MRP. In the ‘70s*

*India’s production was 20 Million tonnes and per capita consumption was 110 gms. Today production is 146 Million tones and per capita consumption is 340 gms.”*

**Sodhi:** In the ‘seventies India’s per capita consumption was 110 gm. Today it is 340 gm. along with increase in population, consumption is growing because of prosperity.

From today’s population of 1.25 billion, it is expected that by 2050 it will be around 1.7 billion. With growing consumption, if today we consume 150 million metric tonnes, by 2050 we will consume three times more. When value-added products increase, industry growth will be beyond three times in value terms. People involved in the dairy industry, whether in production, processing or marketing, are very fortunate, because it is definitely going to grow.

**Pathak:** Population growth, demography, rising incomes, all will keep dairy industry demand in a very comfortable position. Our target is to produce some 220 million tonnes by 2020. Private sector role is vital, especially when nearly three-fourths of the industry is unorganised. They have to enter even production, which today is substantially unorganised and hence has lot of inefficiencies. Integrated dairy farms is the next opportunity for the private sector. For co-operatives, there is opportunity in regional imbalance in the eastern, north eastern and extreme northern regions.

Recently there was a FSSAI report that almost three-fourths of the milk samples are failing the test, even for pouched milk. Most of the milk sale is non-standardized, from local suppliers, and

most of the test-checking is done on the organised sector. The move to being organised is important from the point of safety, and also from the point of better prices to the farmers.

**Nanda Kumar:** Uttar Pradesh is a classic case in point, where about 1% of the total milk production is procured through cooperative routes. It's ready for large players, like Amul and

Mother Dairy. So is Eastern India which has adequate natural resources, where 27% of the cattle population gives 17% of milk. What they lack is good breeds, good institutions and probably a good marketing infrastructure.



*Madan Sabnavis, Chief Economist, CARE*

*“The dairy industry stands on four pillars 1: Output – dairy segment output is highest in value terms in the entire primary sector. 2:*

*Demand – As rural incomes rise, a progressively larger proportion will be spent on dairy products. 3: Employment – 70-75 million households are dependent on dairy*

*farming. 4: Price – in 1988 the price was Rs. 2 per litre of milk, which is around*

*Rs.40 today”*

**Sabnavis:** Let us look at a macroeconomic model. The dairy industry stands on four pillars. First is output. The dairy segment output is highest in value terms in the entire primary sector. To grow the primary sector, focus on where the value lies. Second is demand. As rural incomes rise, a progressively larger proportion will be spent on dairy products. Demand for milk will increase, and production can grow in tandem.

Third is employment. It has been mentioned that 70-75 million households are dependent on dairy farming. To enhance employment in the rural areas, we have to look for a factor with the greatest potential. Focussing on dairy segment would help halt migration from rural to urban areas.

Fourth is price. In 1988 or 1989, price was Rs. 2 for a litre of milk, which is around Rs.40 today, quite clearly a big increase, outpacing the WPI. If you are working in this segment there's a good chance that your income will keep increasing, it will keep pace with inflation. Also when prices of agricultural products go up, there's a huge noise, but for dairy products nobody has ever complained about paying higher prices.

**Sodhi:** India's milk consumption is 340 gm per person per day, varying across states. In the North it is 600-700 gm, in the North East, it is 100-120 gm and West will have 300-400 gm. In Europe, it is 850 gm. In India around 30-40% are malnourished, and milk is the best source of nutrition, with protein and fat.

## Current global and domestic position

**Sodhi:** At present, the dairy industry worldwide is facing stress. In Australia and New Zealand, prices are lower by 60% compared to two years back. European prices are 30-40% lower.

There are four factors behind this. China, a large importer, has reduced imports. Russia has started to reduce or totally ban import of dairy products from European nations. Third is the in-tandem production rise in the European Union nations, which abolished their quotas on milk production in 2015, and started competing with Australia and New Zealand. The last is the crude price crash. Crude oil exporter nations are all dairy product importers.

Across India too, farmers today get 20-60% lower price of milk. But in Gujarat – where we procure 20 million litres of milk daily – farmers are getting 2-5% more prices compared to last year, because in Gujarat 93% of the milk is converted into value-added products and marketed. With a commodity market of just 7%, farmers are not exposed to price volatility.

**Sabnavis:** In case we are actually self-sufficient, we can think of exports as an avenue. For this, the industry has to become more organized, convert milk into manufactured products.

## Challenges to growth

**Nanda Kumar:** We have serious issues of low productivity, which emerge from some indigenous breeds and also from our feeding challenges. Another challenge is pressure on feed, fodder and water due to climate change. Processing and support infrastructure is far from adequate for growth of 19.6%.

There is also the new definition of food safety and its newer challenges. Maintaining quality is a task when milk is collected, processed and probably sold twice a day.

**Sodhi:** Gradually we will have more mouths to feed and lesser hands to produce thanks to population growth and urbanisation.

How can we encourage rural India to produce more food? How do we attract the younger generation to the dairy industry? Only if they find it commercially remunerative, and also more glamorous via modern industry techniques.

**Sabnavis:** Increasing cattle livestock could lead to environmental issues. Second, in India once cattle stop giving milk, we destroy them. The current ban which you have on beef – do we have the wherewithal to actually look after cattle once they stop giving milk?

## **NDDDB makes fodder mapping hi-tech**

Mar 30, 2016

Source: [business-standard.com](http://business-standard.com)

Dairy farming as such might sound mundane, but big co-operatives are increasingly taking the help of technology heavy-weights like Indian Space Research Organisation (ISRO) to help them track the milk system at a village level more efficiently.

The National Dairy Development Board (NDDDB), has taken help of satellite imaging technology to track the animal population, fodder status, as well as land use patterns at a village level. For that matter, an NDDDB project won an award at the Geosmart India 2016 for developing ‘internet-based dairy geographical information system’ or IDGIS.

IDGIS is basically a strong visualisation tool, which not only enables identification of villages but also integrates human census, livestock census & land-use and land-cover of villages, in all the major milk producing states of India. It has been developed by NDDDB, primarily to support the Milk Unions.

A senior NDDDB official said that around 500,000 villages have been covered under the IDGIS, and this helps the milk unions to plan their village level activities more efficiently.

Anand-based NDDDB has also joined hands with the Space Applications Centre-an arm of ISRO, and have completed a pilot study of fodder growing areas in Banaskantha district of Gujarat last year using satellite imaging. The move is expected to help policy makers address the issue of scarcity of cattle-fodder in the country.

NDDDB informed that it is now trying to replicate the same in other areas. The project assumes significance, when we pitch this against the current fodder growing pattern in India. While India is the largest milk producing country in the world, around 80 per cent of dairy farmers are small and marginal, who typically contribute about 70 per cent of the total milk production. They, however, do not own much farm land, and as per industry estimates only 5 per cent of the country's farmland as such is devoted to fodder farming.



**Dairy Farming**

ISRO had already successfully developed the crop production forecasts (FASAL) technology, for major food crops, using remote sensing techniques. However, as the NDDDB official informed fodder crops are normally grown sparsely and in very small plots by our farmers, typically one hectare or less. "This makes the job of discrimination of these crops through remote sensing quite challenging," he added.

The pilot project at Banaskanth could estimate the area under green fodder crops in the district (81 thousand hectares) and the fallow areas & culturable wastelands (57 thousand hectares) with 77 per cent accuracy level. It also pointed out that around 35 per cent of the villages in this Gujarat district has more than 5 per cent wasteland which could be developed to grow fodder.

The official further explained that the aim of the study was that the data generated could help use available fodder optimally. That is to say, one can plan well in advance based on data on fodder availability in case of any shortage situation. Fodder prices have been escalating in the past few years and industry insiders claim that it has nearly doubled in the past ten years. Fodder shortage is estimated to rise to 400 million tonnes by 2025.

This study will now be scaled up at the state and national level.

## Nestle turns to chocolate and dairy to reduce load on Maggi noodles

Mar 30, 2016

Source:[livemint.com](http://livemint.com)

Nestle India Ltd, the local arm of Swiss packaged food company, is planning to launch new dairy products in the next couple of months as part of its strategy to cut dependence on Maggi instant noodles that accounted for about 30% of its total sales in 2014. In the quarter ended 31 December, the company launched two new chocolate products.

The plan to diversify and reduce dependence on Maggi sales was spelled out by Suresh Narayanan immediately after he came to India as the chairman and managing director of the company in July last year. At that time, Nestle India was caught in a controversy after India's food regulator Food Safety and Standards Authority of India (FSSAI) banned the sale of Maggi on 5 June, citing the presence of flavour enhancer monosodium glutamate and excess lead.

Nestle India could not sell the product for six months in 2015.

"We are aiming to expand our product range with this launch," Nikhil Chand, general manager (chocolates and confectionery), Nestlé India, said, commenting on the company's just-launched chocolate KIT KAT Duo.



**Nestle Products**

Over the next few quarters, Nestle has lined up a few product launches in dairy, chocolate and confectionery categories.

"The focus will be on adding value to existing products and strategic new launches," Narayanan said on 10 March, on the sidelines of a public event organised by an industry lobby group.

Nestle relaunched Maggi noodles in November but is yet to regain its market share.

The company has managed to cover 75-80% of distribution and results would be visible in the coming quarters, Narayanan had said.

In January, Maggi noodles had a 42% market share, as compared with 77% a year ago, according to a report in The Economic Times on 22 February that cited Nielsen data.

For the year to December (Nestlé India follows a January-December accounting year), net profit fell 52% to Rs.563.27 crore.

“The company faced an unusual situation with Maggi Noodles that impacted its operations during the 2nd, 3rd and 4th quarters. The results for the year and for the 4th quarter ended 31 December, 2015 are not fully comparable with the results of the previous corresponding periods,” Nestlé India said in its latest annual result statement.

Equity analysts remain positive about Nestle India’s performance. “We remain positive on Nestlé from 2-3 years perspective, being a strong play on urban revival. But over medium term the company’s margins and volumes will remain under pressure,” Edelweiss Securities analyst Abneesh Roy said in a note on 15 February.

## **OSPCB to OMFED : Set up waste treatment plant within 11 months**

Mar 29, 2016

Source:[prameyanews7.com](http://prameyanews7.com)

On the backdrop of violation of pollution norms by OMFED and the subsequent notification of the Odisha State Pollution Control Board (OSPCB) to ensure proper treatment of the waste water before discharge, in the latest developments OSPCB has asked OMFED to set up a waste treatment plant within 11 months.

The OSPCB has issued a notice to the leading dairy producer in the State, asking it to ensure strict compliance of anti-pollution measures, treatment facility of waste water before releasing the effluents to water bodies.



**OMFED Parlour**

The OSPCB has agreed to grant OMFED 11 months time period for establishing a treatment plant while it has said, that it would inspect the undergoing construction process and thereafter the treatment process every four months, said Regional Director of OSPCB Hadibandhu Panigrahi.

Notably, the pollution levels of effluents discharged from OMFED plant was found to be out of limits. That it may certainly pose major health risks to the city dwellers, as it kept polluting Kuakhai and its tributaries, so the issue on getting highlighted by the media, the OSPCB had issued a show cause notice and asked OMFED to establish a treatment plant at the earliest.

## **Milk Mantra in talks with Samara Capital to raise Rs200 crore**

Mar 29, 2016

Source:[livemint.com](http://livemint.com)

Milk Mantra Dairy Pvt. Ltd, an Odisha-based company, is in talks with private equity firm Samara Capital to raise Rs.200 crore to fund its expansion, according to two persons in the know.

The company, whose products include milk, buttermilk, curd and milkshakes under the Milky Moo brand, is backed by Fidelity Growth Partners, which will exit through the new fund-raising round. The promoters will also divest some stake to raise growth capital for the company.

The new investor will acquire a significant minority stake in Milk Mantra, one of the persons cited above said, on condition of anonymity. Milk Mantra has hired advisory firm KPMG India to find potential investors, the second person said, also on condition of anonymity.

The firm's revenue was about Rs.100 crore in FY15; the deal is expected to be signed at a valuation of Rs.500 crore, the second person added.

With this funding, Milk Mantra which already markets ready-to-drink milk beverage MooShake in markets such as Bengaluru, plans a pan-India presence.

In 2014, Milk Mantra raised series C funding of Rs.80 crore, led by Fidelity Growth Partners India and Aavishkaar India II Co. Ltd. The transaction provided an exit to angel investors and Aavishkaar India Micro Venture Capital Fund.



**Milkmantra MD**

When contacted, Srikumar Misra, the company's founder, managing director and chief executive officer, refused to speak about the fund-raising plans. Mails sent to Fidelity and Samara Capital spokespersons remain unanswered. A KPMG India spokesperson, too, declined to comment. Vineet Rai, chief executive officer and managing director, Aavishkar Inc., a venture capital firm focused on India's rural areas and underserved parts, said it has no immediate plans to exit Milk Mantra.

Founded in 2009, Milk Mantra collects milk from a network of more than 20,000 farmers across more than 500 villages. In 2014, it acquired Westernland Dairy in Sambalpur, to get access to western Odisha, Jharkhand and Chhattisgarh markets. The firm currently has two processing plants at Konark and Sambalpur districts in Odisha.

Demand for milk in India is expected to grow at a compounded annual rate of 5% from 138 million tonnes (MT) in 2014 to 200 MT in 2022, according to the National Dairy Development Board, drawing attention of several international firms and private equity investors.

"Strong demand prospects in Indian dairy, driven by formalisation of the basic dairy products and growth of the value-added dairy products, will continue to attract private equity and strategic investors. Companies with strong milk procurement infrastructure and direct farm engagement will be the intended targets for acquisition and partnerships. These companies will also attract premium on the valuations," said Shiva Mudgil, senior dairy analyst and vice-president, food and agribusiness research and advisory at Rabobank.

Earlier this month, Groupe Lactalis SA, the world's-largest dairy player, made its second buyout in India by acquiring the dairy division of Indore-based diversified public listed Anik Industries Ltd for Rs.470 crore. Anik Industries' dairy division markets products such as spray-dried milk, ghee, skimmed powder and whole milk under the Anik and Sourabh brands.

In 2014, the \$18-billion Lactalis had acquired a 100% stake in Hyderabad-based Tirumala Milk Products Pvt. Ltd from its founders and private equity firm The Carlyle Group in a deal worth \$270 million. IDFC Alternatives' \$28.8 million investment in Parag Milk Foods Pvt. Ltd in 2012; a \$25 million investment in Prabhat Dairy Ltd by Rabobank's India Agribusiness Fund and French development finance institution Proparco in 2013; and Cargill Ventures' \$20.3 million investment in Dodla Dairy Ltd in 2012 are among the larger deals that have been concluded in the sector.

## Want to Drink Pure Milk? Just Dip a Strip in It!

Mar 28, 2016

Source: [newindianexpress.com](http://newindianexpress.com)

Milk – the creamy liquid staple for your morning cuppa, in all its whiteness, might not be pure after all. “There are chances that you are drinking more of a toxic concoction of glucose, urea, boric acid and even detergent, than milk,” says Avisek Barla.

A final year BTech student of Biotechnology at IIT Madras, Avisek has developed a cost-efficient device that could detect adulterants in milk in a matter of seconds. Called a polymer chip, the device is a strip of paper made of reagents.

“The strip has been divided into zones and can detect as many as four adulterants in a single test.



**Avisek developed a cost effective device**

FSSAI identifies about 33 adulterants in milk, and the device so far can detect the presence of glucose, urea, boric acid and detergent,” Avisek says.

The 23-year-old was recently conferred with the Gandhian Young Technological Innovation award at New Delhi for his innovation.

Avishek says he chose to work on this because he wanted to develop something that could have a functional value for the common man.

“The main intention behind the device is to curb adulteration at the source. The adulterant detection equipment that milk distributors use cost as high as `2 lakh, and the test is done only after the milk is procured from the farmer. On the other hand, the paper strip at a nominal cost will help a distributor test for adulterants before they buy milk from the farmer. One only needs to put a drop of the milk sample on the paper to get the results. If the paper changes colour, it indicates adulterants. At this juncture, it is the distributor’s job to reject the sample at the source” Avishek says.

As adulteration occurs on multiple levels starting from farmers to milk aggregators to distributors, Avishek adds it is also necessary for the tests to be done in households.

Avishek and his team are currently working on detecting other adulterants as well as percentage of other constituents such as fat, proteins and antibiotics in milk. “We are in talks with companies to launch the device,” he adds.

## **Dairy sector to get a big push**

Mar 28, 2016

Source:[thehindu.com](http://thehindu.com)

Government to act on recommendations made by Cabinet Sub-Committee in its report on developing the industry

The Telangana government on Sunday informed the Assembly in the form of a written reply to a starred question that a Cabinet Sub-Committee under the chairmanship of the Minister for Animal Husbandry and Dairy Development, Pocharam Srinivas Reddy, was constituted to study the thrust areas for overall development of dairy industry in the State.

Based on the committee’s report, the government would take suitable decisions in due course and the additional financial burden on the exchequer would be worked out accordingly.

PRIORITY ISSUES		
	<b>ON WATER WOES</b> Discussion on water crisis in the Assembly Government to take up temporary measures such as flushing, deepening of sources and hiring of private sources at an estimated <b>Rs. 310.61 crore</b>	Action plan prepared for Adilabad and Khammam districts
	Action plan also prepared for <b>Rs. 217.24 crore</b> for attending urgent works such as replacement of old pumps, repairs to motors and replacement of old pipelines and valves	One chief engineer for two districts nominated to monitor the situation
	<b>TEXTILE SECTOR</b> Warangal to be made a textile hub Steps to be taken to attract small and tiny entrepreneurs from different parts of the country	Mega textile park on an extent of about <b>2,000 to 3,000</b> acres of land to be built
	<b>INFRASTRUCTURE</b> Government hospitals in twin cities unable to maintain hygiene	Lack of infrastructure the main reason <b>Rs. 35.31 crore</b> allocated and spent in 2015-16 for the same

To another starred question about falling groundwater levels, the government's reply was an admittance and it also acknowledged that there was a severe drinking water crisis, apart from which it also agreed that there was a shortage of fodder for cattle due to the prevailing drought conditions.

As for mitigating the effects of the drought, the government said a crash programme was conducted in January and February, following it up with a Contingency Action Plan under the Chief Minister's Relief Fund at an estimated Rs. 310.61 crore.

This money is to be used to take up temporary measures, including flushing, deepening of sources, hiring of private sources and transportation after identifying 12,616 vulnerable habitations in 231 mandals that were declared drought-hit.

In addition, an action plan was prepared for Adilabad and Khammam districts that were not declared drought-hit, at a cost of Rs. 31.55 crore, the State government's reply said. An action plan was also prepared for Rs. 217.24 crore for attending to urgent works like replacement of old pumps, repairs to motors and replacement of old pipelines and valves.

One chief engineer for two districts was also being nominated to monitor the situation.

In response to a question about the handlooms and textiles sector, the reply said Chief Minister K. Chandrasekhar Rao had asked for Warangal to be made a textile hub in the State.

He wanted steps to be taken to attract small and tiny entrepreneurs from different parts of the country.

A new mega textile park in an extent of about 2,000 to 3,000 acres land too was in the reckoning.

In a candid admission, the government accepted that government hospitals in the State, especially in the twin cities, were unable to maintain hygiene due to lack of infrastructure and said that a sum of Rs. 35.31 crore was allocated and spent in the financial year 2015-16 for the purpose.

## **Amul mulls on setting up processing unit in NE**

Mar 27, 2016

Source:[franchiseindia.com](http://franchiseindia.com)

Gujarat Cooperative Milk Marketing Federation (GCMMF), which sells dairy products under the Amul brand, is planning to set up a processing unit in the Northeast.

“We are setting up two processing units in UP – one in Kanpur and one in Lucknow – which will be operational in five- six months. We are also planning to set up a processing unit near Kolkata and in Northeast. We are investing Rs 200 crore for each of these units,” R S Sodhi, Managing Director, GCMMF’s told PTI.



**RS Sodhi, Amul’s MD**

“Our main focus is on the domestic market for expansion. Of the total revenues, we export only about Rs 250 crore . We are expecting Rs 23,000 crore in sales by the end of the financial year. The rise in revenue is only due to increase in volume,” he added.

GCMMF has 60 milk processing units spread across the country and exports its value-added products to over 50 countries. The federation procures about 14.85 million litres of milk every day from 18,536 village milk cooperative societies and 17 member unions covering 31 districts and 3.37 million milk producer members.

## Include more dairy farmers in govt. scheme

Mar 27, 2016

Source:[thehindu.com](http://thehindu.com)

The demand for inclusion of more farmers supplying milk to the dairies in Karimnagar and Nalgonda and the need for all dairy farmers to fetch a price of Rs. 4 a litre figured prominently in the Legislative Assembly during the question hour on Sunday.

The question was raised among others by Ramesh Chennamaneni and in response, Agriculture Minister Pocharam Srinivas Reddy said that the practice of giving Rs. 4 a litre to dairy farmers was introduced only after the TRS came to power.

“For 13 years, the previous governments did not do anything. Earlier, procurement by the Vijaya Dairy was only a lakh litres, but after we announced Rs. 4 a litre, procurement shot up to 6 lakh litres,” he pointed out.



The discussion saw members including Mr. Ramesh Chennamaneni and Anjaiah (TRS) and Vamsichand Reddy (Congress) speaking about several problems in the sector, including arrears from the government, non-supply of feed, mineral mixture and veterinary medicines. Mr. Ramesh wanted farmers who supplied milk to the dairies in Karimnagar and Nalgonda to be included in the scheme too.

Mr. Srinivas Reddy said that while about Rs. 16 crore was allocated thus far, it was said that the demand for payment of Rs. 4 a litre for farmers could work out to Rs. 59 crore.

The Chief Minister had given the nod for the amount too, he said. As for fodder seed, the demand was about 1,800 metric tonnes in the State, including 270 MT for just Mahabubnagar alone, he said, adding that the government was prepared to extend help to the sector to the hilt.

## **Mahindra & Mahindra forays into dairy business with Saboro in 4 variants**

Saturday, 26 March, 2016, 08 : 00 AM [IST] <http://www.fnbnews.com/Dairy-Products>

### **Our Bureau, Bengaluru**

The agri business vertical of Mahindra & Mahindra has now forayed into dairy market with the launch of Saboro milk. It will be made available in four variants: double toned milk, full cream milk, protein rich milk, and cream rich milk. The brand is available only in Indore, but the company expects to launch a range of fresh dairy products in Madhya Pradesh over the next one year.

The company said that Saboro is derived from the Spanish word Sabor which means taste. It reflects its commitment towards delivering high quality fresh fruits and dairy products to the Indian consumer.

Dr Pawan Goenka, executive director, Mahindra & Mahindra Ltd, noted,“Our agri business cherishes the long-term aspiration of delivering ‘FarmTech Prosperity.’ Today, with Saboro, we are taking another important step in our journey to become a complete value chain player. Our stringent systems and processes have resulted in products that stand out in the market in terms of its quality especially with our Mahindra Quality Standards (MQS). With our launch today, we are confident that Saboro will establish itself as a premium brand for milk in India in the near future.”

Adding further, Ashok Sharma, president & chief executive, agri and Africa and South Asia operations, Mahindra & Mahindra Ltd, stated,“We have entered the branded dairy segment with an aim to connect the farmers with the discerning Indian customers who look for dairy products that are fresh and of the highest quality. The milk variants are specially fortified with Vitamin A and D. We are confident that, with Mahindra’s inherent farmer connect and robust quality systems, Saboro will soon become a brand of choice for dairy products.”

The company has put in place a technologically advanced milk collection supply chain in around 70 villages near Indore where it works directly with farmers with an aim of ensuring that they get the best value for their milk and the consumers get milk that is of the highest quality.

## White Revolution needed in eastern states: Experts

Mar 26, 2016

Source:[indiatoday.intoday.in](http://indiatoday.intoday.in)

To increase production of milk in the country, there is a need to extend the famed White Revolution from the northern parts of the country to the eastern states, say experts.

“President Pranab Mukherjee has mentioned the need for bringing Green Revolution in the east, this will create animal feed and can help in extending the White Revolution in the region,” National Dairy Development Board (NDDB) Chairman T Nanda Kumar told PTI at a function here.

Both milk production and consumption is very low in the eastern states, he said.



**NDDB Chairman**

“However, with the support of state governments, these hurdles can be overcome by creating strong veterinary services, 24/7 power supply, good infrastructure like roads and facility to keep frozen semen for better breeds,” he said.

NDDB has taken up Jharkhand and Assam as model states for raising milk production and has become successful, he said.

Echoing similar view, Gujarat Cooperative Milk Marketing Federations Managing Director R S Sodhi said milk cooperatives in Gujarat remain the only industry in the world which gives back almost 80 per cent of the market price of milk to the farmer, against 30 per cent globally.

Other milk cooperatives in the country also ensure the farmer gets a return of around 70 per cent of the market price, he said.

“This way the farmer earns more and is incentivised to produce more milk. It helps meet the rapidly growing demand for milk, thanks to the nutritional needs of much of India and the gradual shift from cereals to milk products on account of growing affluence,” he added.

He said the move from unorganised to organised is very important as it will ensure better price realisation for farmers and also enhance quality.

Maharashtra's Principal Secretary, Animal Husbandry, Dairy Development and Fisheries, Mahesh Pathak, said the state was now facing an urgent need for good quality fodder.

“With lack of rains and water woes, good quality fodder is becoming an important issue for the dairy sector,” he said, adding to ensure quality of milk and other dairy products, integrated dairy plants are needed.

## Telangana Govt urged to ramp up Vijaya Dairy output

Mar 25, 2016

Source:[thehansindia.com](http://thehansindia.com)

Dairy farmers of Telangana on Thursday urged the government to increase the production capacity of the Vijaya dairy and introduce more welfare programmes for dairy farmers.

Progressive Dairy Farmers Association president M Jitender Reddy told media that the state required 40 lakh litres of milk every day in which Vijaya dairy is able to procure and market only four lakh litres of milk. "The production of Vijaya dairy has remained the same for the last 10 years," he said.

Jitender said that in the last 10 years, private milk competitors have occupied the market and left Vijaya dairy in a pathetic condition. "If the situation is allowed to continue, then the government will soon have to shut down Vijaya dairy's operations," he said.



**Dairy Farmer**

The dairy farmers appealed to the government to show some concern to the sector and provide subsidy on electricity and feed for animals. Jitender said that young people were running away from dairy profession. "With the poor standards of dairy farming, no youth is showing interest to invest in this sector," he said.

The members pointing on the corrupt practices of some of the local officials of Vijaya dairy said that in a few procurement centres in rural areas, officials were procuring milk from non-local farmers and providing incentive meant for local farmers.

## A savoury tribute to 'Bhausahab' Chitale

Mar 24, 2016

Source:[indianexpress.com](http://indianexpress.com)

The house is quiet on a cool Saturday afternoon, and my eight-year-old self is feeling a bit peckish. I tiptoe past my napping mother into the kitchen, and begin opening, as quietly as possible, a large steel dabba packed with an assortment of farsaan.

The kitchen is dark, so I rely on my nose to find the rare treat I seek. I am pleased to catch that whiff of intensely savoury bakarwadi. With its heady bouquet of garam masalas, toasted dry coconut, a solid punch of hing, thick sev, crushed curry leaves and much else rolled into a crunchy, besan-maida crust. The outer crust itself has a good crunch, not too brittle, that holds together the ever so slightly soft masala layer within.

I pick two, and it's instant gratification. This isn't any other bakarwadi, mind you. A really special one from the iconic Chitale Bandhu Mithaiwale shop on Pune's Bajirao Road probably brought back by a kind relative travelling from Pune.

There are a few things in life you can take for granted. For me, the Chitale bakarwadi is one of them, with its distinct, unwavering taste that has barely changed over the last few decades. This says something about the fierce lifelong loyalty that the Chitale brand is capable of evoking, especially seeing as I have never set foot in their Pune store in my entire life.



**Dairy Products**

Raghunathrao Chitale, 95, the man who was credited with developing what is arguably Maharashtra's most popular bakarwadi version, passed away in Pune on March 20.

The Chitale group of companies has always been a very collaborative venture run by four generations of family members since the 1940s. What started as a small dairy business in Sangli in 1938 by Raghunathrao's father, Bhaskar Ganesh Chitale, has now diversified into five companies, Chitale Dairy, Chitale Bandhu, Chitale Foods, Chitale Agro and even an Information Tech firm Chitale Digitals. But it was Raghunathrao — he set up and was at the helm of the Chitale Bandhu Mithaiwale venture — who was responsible for churning out some of its most popular goodies: the bakarwadi, amba burfi, shrikhand and pedhas. From the business' humble beginnings in 1950 with a small manual unit run with the assistance of domestic help to reportedly producing a whopping three tonnes of bakarwadi a day on,

the venture has indeed come a long way. It was perhaps Raghunathrao's and his family's absolute insistence on quality that ensures this unflinching bakarwadi love till date. In what was probably his last media interview to Loksatta's Vasanti Vartak about three years ago, Raghunathrao shared this lesson he learned about quality from his father: "The day you are tempted to dilute milk with water, shut down the business, and go find yourself a salaried job."

## **Mother Dairy set to offer 'Nolen Gur' flavoured ice-cream**

Mar 24, 2016

Source: [thehindubusinessline.com](http://thehindubusinessline.com)

### **Home-grown ice-cream brand Mother Dairy is ready to offer 'Nolen Gur' (palm jaggery) flavoured cups and tubs in Kolkata.**

"We will launch the 'Nolen Gur' flavoured ice-cream in Kolkata in the next two-three weeks. This is part of our focus to expand in the eastern region," Subhashis Basu, Busines Head – Dairy Products, Mother Dairy, told BusinessLine. 'Nolen gur', a hot favourite in the eastern region, is widely used in various sweets and desserts. At present, 'Nolen Gur' flavoured ice-creams are available, but only in the unbranded, niche category.

#### **New experience**

Basu said Mother Dairy, the third largest ice-cream brand in India after Amul and Kwality Walls (as per Euromonitor data-2014), was looking at giving consumers a 'parlour-like experience' in the branded format by offering exotic flavours in "affordable" prices.



**Mother Dairy Icecream**

The 'Nolen Gur' ice-cream with added condensed milk will cost 20/cup (90 ml) and 150 for a 750-ml consumer pack. Later, this flavour will be test-marketed in Delhi, said Basu, who was earlier associated with PepsiCo and Parle.

As part of its regional focus in North India, Mother Dairy is also ready with more 'Indianised' flavours – Ek Dum Aam, Kesariya Mastani and Matka Kulfi. And, for premium Western tastes, it plans to offer Passion Fruit Blossom with Kiwi sauce, Almond Caramello, among others.

## **Nestlé India supports greater access to water and sustainable water use**

Mar 23, 2016

Source:[indiainfoline.com](http://indiainfoline.com)

'Good Food, Good Life' is the promise we make to billions of consumers around the world. While fulfilling this promise of high quality and safe, products and services, we recognise our responsibility to ensure that we use water as efficiently as possible. According to the 2030 Water Resources Group, global withdrawals of water by industry, agriculture and communities are set to exceed supply by 40% by 2030. As the world's largest food and beverage company, we can make a significant contribution to helping address this problem, not just in our factories but also in our supply chains and communities.

Speaking on this occasion, Sanjay Khajuria, Senior Vice President Corporate Affairs, Nestlé India says, "As part of our efforts to mitigate the disparities in access to water, we engage in various initiatives across our value chain. Within our manufacturing facilities, these include reducing the water used per tonne of product, adopting new technology and recycling or re-using water. We encourage collective community action for long term sustainable water use in agriculture and to provide access to drinking water and sanitation in schools. Khajuria further elaborates, "We are happy with the progress made in promoting water stewardship through our partnership with AgSRI in Karnataka. We are also collaborating with Piramal Water (Sarvajal) for purification systems for drinking water treatment. These are some of the steps taken towards a more sustainable future for our business and for communities, which is in line with our business philosophy of, Creating Shared Value."



**Nestle**

In India we have categorised our water and sanitation related activities under the following broad initiatives.

Clean Drinking Water Projects have ensured 255 water tanks across six states benefitting more than 109,000 students. We have also partnered with Piramal Water (Sarvajal) for drinking water treatment in locations where groundwater quality does not meet our stringent quality standards. Sarvajal's top of the line technology provides real-time data on water quality to ensure delivery of safe water.

Water Awareness Programmes are aimed at creating awareness that the community must use water resources in a sustainable manner. These programmes have reached out to over 58,300 students at schools where we build drinking water facilities.

We work with milk and coffee farmers to encourage sustainable water usage in agriculture. We have also launched a water stewardship initiative with AgSRI at the Kabini river Basin in Karnataka, implementing pilot projects promoting the System of Rice Intensification and Sustainable Sugarcane Initiative.

Through our Sanitation Facilities, we are encouraging girl students to stay in school, while promoting good hygiene practices. Till date we have set up over 234 sanitation facilities benefitting more than 80,000 girl students

As signatories of the World Business Council for Sustainable Development WASH Pledge we ensure every Nestlé employee has access to safe water, sanitation and hygiene of an appropriate standard in the workplace.

## Markfed ties up with Amazon

Mar 23, 2016

Source:[indiancooperative.com](http://indiancooperative.com)

Punjab's leading farmers' cooperative Markfed, has gone partners with virtual retailer Amazon in marketing its delicacies including the most talked about dish sarson da saag and dal makhni, reports Hindustan Times.

Orders for the Punjabi dishes are pouring in from even from Mumbai, Patna and Gurgaon. The products on offer include rajmah, matar-paneer, chana and palak paneer, besides other seasonal dishes.



**Dairy Farmers in Punjab**

Markfed has been a significant exporter of ready-to-eat and other edible items to the US, UK, Canada, Australia, New Zealand, and European countries, besides Philippines and the Gulf. Sources say banding together with Amazon will get it vast markets beyond Punjab. Its milk brand Verka is well known but has of late been facing competition from the Gujarat-headquartered cooperative Amul.

Punjabis and Punjabi food lovers are found not only in different parts of India but all over the world. Markfed did a business of about Rs 20 crore in the last fiscal tallying a turnover of Rs 11 crore in India and Rs 9 crore in foreign countries

## **Mother Dairy's new TVC campaign for Dailycious Dairy Whitener in WB, Assam**

Wednesday, 23 March, 2016, 08 : 00 AM [IST] <http://www.fnbnews.com/Dairy-Products>

**Our Bureau, Bengaluru**

Mother Dairy Fruit and Vegetable Pvt. Ltd (MDFVPL), a wholly-owned subsidiary of the National Dairy Development Board (NDDB), is launching a new television commercial (TVC) for their dairy whitener product – Dailycious, which will be specially targeted for consumers across the regions of West Bengal & Assam. The new TVC will feature actor Radhika Apte as the leading lady of the two-film campaign, created by Ogilvy.

Speaking on the campaign, Subhashis Basu, business head, value-added dairy products, Mother Dairy, said, "At Mother Dairy, we have always been proud to be a part of the daily lives of millions of consumers and dairy whitener is one such category that starts the day of many of our consumers. Over the period, this connect has established our presence with our audience; however, this season we wanted to strengthen the bond and this new TVC is a perfect platform to take the thought forward. I am confident that the new campaign will make perfect appeal to grab the mind share."

"In communicating the Dailycious Dairy Whitener from Mother Dairy, we decided to centre our stories around the all-important cup of tea. A well-made cup of tea can infuse magic into everyday moments, much like the effect of the goodness of Mother Dairy Dailycious Dairy Whitener on the tea itself. Featuring the talented Radhika Apte, we've created a set of two spots in this campaign," said Ajay Gahlaut, executive creative director, Ogilvy India.

The TVC will also be available on YouTube and other digital channels. The campaign will be Mother Dairy's first initiative towards developing a regional approach in Bengali and Assamese. The newly-launched campaign will be supported by a series of initiatives involving a 360° approach spanning across print, radio, digital and BTL activities.

Mother Dairy was commissioned under the flagship 'Operation Flood' project of NDDB in December 1974 and today the company is a wholly-owned subsidiary of NDDB. It has been a market leader in the branded milk segment in Delhi NCR and also markets milk to regions like Mumbai, Lucknow,

Kanpur, Tirupati and Hyderabad.

## **M&M gains after its agri business forays into dairy sector**

Mar 22, 2016

Source:[business-standard.com](http://business-standard.com)

Mahindra & Mahindra rose 2.07% to Rs 1,252.65 at 14:30 IST on BSE after the company announced that its Mahindra Agri Business forayed into dairy business with the launch of its branded dairy products, 'Saboro'.

The announcement was made during market hours today, 22 March 2016.

Meanwhile, the S&P BSE Sensex was down 152.77 points or 0.8% at 25,132.60.

On BSE, so far 69,699 shares were traded in the counter as against average daily volume of 74,227 shares in the past one quarter. The stock hit high of Rs 1,263.40 and low of Rs 1,226.10 so far during the day. The stock had hit a record high of Rs 1,441.45 on 7 August 2015. The stock had hit a 52-week low of Rs 1,092 on 12 February 2016. The stock had underperformed the market over the past one month till 21 March 2016, declining 0.26% compared with Sensex's 6.65% gains. The scrip had also underperformed the market in past one quarter, dropping 3.89% as against Sensex's 1.75% fall.

The large-cap company has equity capital of Rs 310.55 crore. Face value per share is Rs 5.

Mahindra & Mahindra (M&M) said that it has launched Saboro milk in Indore, Madhya Pradesh. The company will introduce a range of fresh dairy products in Madhya Pradesh over the next one year. The company under the Saboro brand, will offer an assortment of products, the first of which is the Saboro pouch available in four variants- double toned milk, full cream milk, protein rich milk and cream rich milk. The company has invested around Rs 5 crore in the first year for the set up of village level collection centre (VLC), infrastructure and brand building. The company expects to achieve around 5% market share in the first year of Rs 260 crore industry in Indore.



M&M's net profit declined 14.2% to Rs 807.99 crore on 17.1% growth in net sales to Rs 10900.39 crore in Q3 December 2015 over Q3 December 2014.

Mahindra Group enjoys a leadership position in tractors, utility vehicles, information technology, financial services and vacation ownership. In addition, Mahindra enjoys a strong presence in the agribusiness, aerospace, components, consulting services, defence, energy, industrial equipment, logistics, real estate, retail, steel, commercial vehicles and two-wheeler industries.

## Govt asks farmers to sell milk to SUMUL

Mar 22, 2016

Source:[navhindtimes.in](http://navhindtimes.in)

The state government has asked dairy farmers to sell milk to Gujarat-based Surat District Cooperative Milk Producers Union Ltd (SUMUL) in return for which they will get technical support from the milk cooperative. This is likely to spell death knell for Goa Dairy.

With state highly dependent on milk import to fulfill its daily demand of milk, Minister for Animal Husbandry and Veterinary Services Ramesh Tawadkar on Monday announced a plan to increase daily milk production to 1-1.5 lakh litres by the end of this year to make the state self-sufficient in milk. He said that in this regard the state government has sought technical support from SUMUL for dairy farmers which they are not getting from Goa Dairy. The state has also planned to introduce community dairy farming concept as well as to provide fat checking machines to each dairy society, he added.

Addressing a press conference here on Monday, Tawadkar said, "We have set a target to achieve production of 1-1.25 lakh litres of milk daily within a period of one year with technical support to dairy farmers from SUMUL. At present Goa Dairy procures about 70,000 litres per day and processes 90,000 litres of milk per day after purchasing 20,000 litres per day from the numerous milk societies.

Tawadkar said, "A report prepared by the animal husbandry and veterinary services suggest that there are still some pain points for the dairy sector in the form of spiraling input costs and lack of quality fodder which is resulting in low yield from cattle. So we have decided to provide quality feed and fat checking machines to all 183 registered dairy societies."



Sumul Dairy

Tawadkar further said that village societies that supply milk to Goa Dairy have revealed that it follows unfair practices while measuring milk fat content and provides lower quality of fodder to them.

The state has allowed SUMUL to implement its schemes and establish large-scale dairy farms in Goa as Goa Dairy has allegedly failed to increase milk production and provide support to milk producers, among other issues.

It has to be mentioned here that the Chief Minister Laxmikant Parsekar had recently in the annual budget proposed to introduce a community dairy farming scheme under which self-help groups, farmers' clubs as well as individual farmers will be allowed to undertake farming under one roof. It was also proposed to provide required infrastructure support with an initial cost of Rs 15 crore.

## **ITC looking at new products in ghee segment**

Mar 22, 2016

Source: [thehindubusinessline.com](http://thehindubusinessline.com)

Diversified conglomerate ITC Ltd, which entered the dairy segment with the launch of its ghee in October 2015, is targeting a larger play in the space.

The company is looking at new products in the segment and larger foray across southern markets.

The Kolkata-based FMCG major had launched the ghee under the 'Aashirvaad Svasti' brand in Karnataka. Sources indicate that the product is now being rolled out in Tamil Nadu.

The Aashirvaad brand is pegged at over 3,000 crore, and controls nearly 75 per cent of the country's branded 'atta' market.

"We will deepen our focus in the existing sectors and are also evaluating new categories," Sanjiv Puri, Executive Director, ITC, told BusinessLine during an interview.

He, however, did not specify the product range that the company is exploring, but maintained that offerings will be "specifically suited to local tastes", as per the company's strategy on regional focus.



### **Svasti-ghee**

“Commencing with entry into the ghee segment, the intention is to craft differentiated and value-added products which would be hallmarks of quality. We are taking a regional approach and the ghee is customised to cater to local preferences,” he added.

#### Investment in foods

While Puri did not mention the exact investment that has gone into setting up the dairy business, a “significant portion” of the targeted investments of 25,000 crore for ITC over the next few years would be in foods.

“For the foray into the dairy segment, ITC has worked extensively on creating a strong back-end,” he said.

Currently, the company is sourcing its dairy products from its Munger facility in Bihar. Plans, according to sources, are also afoot to set up similar processing facilities in other parts of the country as well.

While ITC does not give revenue details of its foods business separately, juices, dairy and food items are categorised under the “others” FMCG head.

The segment reported a total revenue of around 6,445 crore (almost 24 per cent of net sales) and a loss (before tax) of 14 crore for the first nine months (ending December 2015) of this fiscal.

## **Prabhat's Dairy's unique initiative to skill Indian youth -Prabhat Academy**

Mar 21, 2016

Prabhat dairy Ltd an integrated milk and dairy products company in India has recently launched its 'Prabhat Sales Academy'. Its the first time a Dairy company in India has started a sales academy to enhance the sales skills of Indian youth.

The year 2016's batch will be their first batch.

With Prabhat Academy they aim to have competent sales employees by enhancing capability on periodical interventions resulting into increase in productivity

Prabhat Academy has been conceptualised, designed and executed by Mr. Dinkar Suri, CEO Retail Market Movers in conjunction with and well known trainer from the FMCG industry Mr Sunil Haribal who will conduct this rigorous training and skilling programme for the Academy. Mr. Sunil Haribal is a well known face in the B2C sales training for the companies like Coca Cola, Crompton Greaves, and Anchor etc while Mr Dinkar Suri and his firm Retail Market Movers have earned plaudits for their special expertise in Sales Development & Execution in the FMCG industry.



**Mr. Sunil Haribal is a well known face in the B2C sales training for the companies like Coco Cola, Crompton Greaves, and Anchor**

The procedure involves that the Master Trainers from Sunil Haribal's team accompanies the sales associates for on the job intervention. Prabhat has named this unique programme as 'EKLAVYA'. Prabhat Dairy Ltd caters to institutional as well as retail customers.



**Prabhat has named this unique programme as 'EKLAVYA'.**

Process:

80% – On the Job certification of B2C Sales Employees

20% – Feedback & Classroom sessions

They key highlights of this academy are to making Selling a Science through organized way of working, Quantify parameters for evaluation, developing action Plans for Areas of Improvement for respective sales employee, Pre & Post intervention evaluation.

Prabhat Dairy Ltd produces fresh, dry, frozen, cultured and fermented dairy products, including pasteurized milk, flavoured milk, sweetened condensed milk, ultra-pasteurised or ultra-high temperature (UHT) milk, yoghurt, dairy whitener, clarified butter (ghee), milk powder, ingredients for baby foods, lassi and chaas.

Prabhat has 2 state of the art manufacturing units at Shrirampur (Ahmednagar) and Turbhe (Navi Mumbai). They have established automated production facilities at their Shrirampur and Navi Mumbai facilities equipped with advanced technology which ensures operational efficiencies including lower production losses, strict quality control and ability to process large orders.

Prabhat Dairy Ltd has been recognised for its work in developing one of the leading brands in the dairy products industry in India with strong consumer recognition, particularly in the State of Maharashtra.

## **In JK, no testing of oils, milk in markets**

Mar 21, 2016

Source:[greaterkashmir.com](http://greaterkashmir.com)

Apart from 'killer foods', Kashmir markets are flooded with cooking oils laced with dangerous additives and adulterants, and also the milk and milk products containing chemicals such as detergents—the trend that experts say is “creating a health catastrophe.”

According to sources, cooking oils with contamination or adulteration have flooded the Valley markets in absence of any quality checking mechanism in place. The oils, they said, are being tested for “basic things” such as concentration, viscosity and iodine content and are allowed for public consumption “if these parameters are found to be satisfying.”

In reality, according to the sources, no tests are conducted to check the dangerous adulterations of rapeseed oil, BHA (Beta Hydroxy Acid) and BHT (Butylatedhydroxytoluene) “beyond safe limits and excessive solvent residues”.



**Milk procurement**

“All these chemicals are either proven to be carcinogenic in nature or are strongly suspected to be so. Some even have mutagenic property i.e. it can change gene structure or expression,” an official said. “This is indeed creating a health catastrophe.”

Assistant Commissioner of Food Safety, Hilal Ahmed Mir, accepted that oil testing in the state is “not up to the mark.”

“What can we do? We are doing our best within the given resources and manpower,” he said.

In the past, the Food Safety Organization (FSO) has seized and destroyed some oils based on complaints. However, after the “customary warning”, the sale of these dangerous oils was allowed uninterrupted, the sources said.

“Even if we start legal proceedings against the manufacturers of inferior, adulterated oils, how can we prove anything in court when we have no scientific evidence?” said an official of the FSO.

He said food testing and analysis is “not taken seriously” in J&K. “There are no funds to be paid for food items required for testing or other necessary documentation,” the official said. “We are forced to buy biscuits worth Rs 5 to Rs 10 biscuits because we have to pay for samples from our pockets.”

In addition, the FSO, has also been turning a blind eye to reuse of oil by roadside vendors for frying foods.

“Reuse of frying oils produces BaP (benzo[a]pyrene), a chemical linked to various cancers. A 2001 National Cancer Institute, USA, study found levels of benzo[a]pyrene to be significantly higher in foods that were cooked on high heat,” an official said.

Last year, as per the officials of the FSO, 55 percent milk samples tested in Srinagar were found to have adulterations.

“We have no facilities to test for synthetic chemicals such as shampoos, pesticides and heavy metals,” an official said.

Milk testing is limited to quantity of fat and non-fat solids and addition of water, in J&K, he added.

He admitted that adulteration such as “bicarbonates, caustic and flour” apart from water, are very often suspected in milk—both loose and packaged—but nothing is done by the department.

Many Food Safety Officers say their higher officials ask them to levy a ‘token fine’ of Rs 500-1000 on sellers of adulterated milk.

In 2012, a survey by the FSSAI had revealed that 80 per cent of milk sold in Jammu and Kashmir contained adulterants.

The Indian Council of Medical Research (ICMR), in one of its reports, said detergents are a cause of food poisoning and gastro-intestinal complications. Other common additives to milk impair the functioning of various organs of the body, cause heart problems and cancer, it said.

While the FSSAI has been very vocal in calling for strengthening of food safety laws and infrastructure in states, no funds from this GoI-organization have been released to realize this vision. Recently, the Union Minister for Health, JP Nadda disclosed in the RajyaSabha that no funds have been provided for upgradation of State food testing laboratories during 2012-13 to 2015-16.

## **PFA forwarded 500 cases to courts in six months**

THE NEWSPAPER'S STAFF REPORTER — UPDATED MAR 20, 2016 10:09AM

<http://www.dawn.com/news>

LAHORE: The Punjab Food Authority (PFA) has forwarded 500 unhygienic/adulterated food related cases since August 2015 to various civil courts in the provincial capital for action.

It expects punishment of imprisonment for a period from six months to three years to the accused in a majority of cases.

“Of the total 500, about 200 cases are currently at the stage of evidence/statement recording in various civil courts of the district headquarters, Cantt and Model Town. In the rest of 300 cases, notices have been issued to the accused to appearing before the courts and defend the cases against them under the PFA Act-2015,” said Komal, a food safety officer of the PFA, while talking to Dawn on Saturday.

To a question, she said a majority of the cases were related to unhygienic food, adulterated milk and water, etc.

“Decisions in many cases are expected in the coming months and many accused will be penalised by the courts,” she expressed hope.

Meanwhile, the PFA teams at various entry/exit points of the city disposed of 423 litres of adulterated milk being transported in 87 vehicles.

The teams, according to a spokesperson, also seized 3,787 litre milk for testing. Other PFA teams sealed many milk shops for selling adulterated milk in the city, including Subhan Milk Shop, Alsarim Milk Shop, Sharaft Milk Shop, Al-Janat Milk Centre, Hashmi Milk Shop, Subhan Milk Shop, Siddiq Milk Shop, Abdul Ghafoor Milk Shop, Bullheh Shah Milk Shop, Hajveri Milk Shop and Haji Milk Shop in the areas of Shami Park, Shahdara, Model Colony, Aziz Bhatti Town and other localities.

**BEAUTIFICATION:** The City District Government of Lahore has started beautifying the city by getting a number of walls painted.

The objective of the initiative is to promote peace, harmony, brotherhood and culture and eliminate the practice of wall chalking.

According to a spokesman, the students of National College of Arts, Punjab University and other volunteers are participating in the drive.

They are currently painting various walls in the Liberty and Gulberg’s Main Boulevard areas.

*Published in Dawn, March 20th, 2016*

## Prabhat Dairy collaborates with Maharashtra Govt to increase employment potential

Mar 20, 2016

Source: [economictimes.indiatimes.com](http://economictimes.indiatimes.com)

Prabhat Dairy, one of the leading brands in the country's dairy products industry, has signed a MOU with Directorate of Skill Development, Employment and Entrepreneurship (DSDE&E), Government of Maharashtra.

DSDE&E is a initiative by Government of Maharashtra to facilitate employment and provide self-employment guidance for the youth to enhance their incomes, thus promoting inclusive growth.

The collaboration is for increasing employment potential in the State potential in the State of Maharashtra by enabling supply of skilled manpower in the dairy sector, strengthening the training infrastructure related to the requisite skill set as well as by adopting new age technologies.

“By enhancing the skill ecosystem in the State of Maharashtra, Prabhat Dairy will try to ensure enhancement in the employability potential leading to generation of employment of 5,000 youth to be directly/indirectly employed by Prabhat,” said Vivek Nirmal, Joint Managing Director at Prabhat Dairy in a statement.



**Prabhat Dairy**

Prabhat has 2 state of the art manufacturing units at Shirampur (Ahmednagar) and Turbhe (Navi Mumbai). They have automated production facilities at their Shirampur and Navi Mumbai facilities equipped with advanced technology which will ensure operational efficiencies including lower production losses, strict quality control and ability to process large orders.

## 'Varsity promoting livestock professions'

Mar 20, 2016

Source:[timesofindia.indiatimes.com](http://timesofindia.indiatimes.com)

The Pashu Palan Mela of Guru Angad Dev Veterinary and Animal Sciences University (Gadvasu) here concluded with a message to develop livestock farming as an impressive and effective option of diversification on Saturday. Gadvasu vice-chancellor Dr AS Nanda said the university is not only contributing in the field of education and research, but also promoting livestock professions with its extension activities.

To develop livestock professions, the university is extending its services, support, knowhow, and training to every economic category. Besides delivering services to commercial farmers, it is also disseminating all techniques to medium and lower category of livestock community.

Dr Harish Kumar Verma, director of Extension Education, said: "Some of our departments provide services for rearing livestock, whereas others are in the field of value addition of livestock products. Women can also come in these professions comfortably with their household responsibilities." He revealed that ornamental fish, aquarium making, flavoured milk and lassi, cheese, meat pickle, meat kofta, meat patties, meatballs, and a number of fish delicacies come in these professions. He said young entrepreneurs can earn good returns in goat and pig farming.



**Dairy Farmers**

Dr Verma said the College of Dairy Science and Technology has developed more than three dozen products. The Department of Livestock Products Technology has developed about 40 products, and the College of Fisheries has developed more than ten value-added products. In this mela, new value-added products were also on board. He further said that the College of Dairy Science and Technology has also developed good quality functional low fat 'dahi' by adding 'generally recognized as safe' (GRAS) grade additive i.e. beta glucan. Dahi is one among the most popular nourishing fermented dairy products of

Indian subcontinent, and offers an attractive vehicle for fortification.

The Department of Livestock Products Technology, Gadavasu, has developed and introduced two novel products — egg paneer and chicken meat chips — in the mela. The College of Fisheries developed products like fish fillets, steaks, and cutlets prepared from carp fish. Other spineless fish species were displayed along with the sale of ready-to-eat meat.

## Prabhat Dairy ties up with Future Consumer Enterprise

Mar 20, 2016

### [Prabhat Dairy](#) ties up with Future Consumer Enterprise & Tirumala Milk Products Pvt Ltd

Press Release – Saturday, 19 March 2016.

**Mumbai, 18th March 2016** – Future Consumer Enterprise Ltd a FMCG company of Future Group has tied-up with Prabhat Dairy to take its Nilgiris brand of dairy products to a wider market. Under this agreement, Prabhat has offered to provide them processed Milk & Milk products made available in retail packs under the brand name of Nilgiri's as per the required quality standards, packaging and specifications.

Tirumala (Lactalis India) has contracted Prabhat to supply them Sweetened Condensed Milk in tubes of different sizes under the brand name of "LACTEL SSHUP" again under their specifications and branding.

Mr.Vivek Nirmal, Joint Managing Director, Prabhat Dairy says "I am happy to be associated with Future Group and Tirumala (Lactalis India) to supply them the required products with best of the best quality standards, packed as per their specifications & branding. We are already a well established dairy ingredients supplier and contract manufacturer for institutional clients like Britannia, Abbott, ITC, Mondelez etc."

[Prabhat Dairy Limited](#) is an integrated milk and dairy products company in India catering to institutional as well as retail customers. The Company produces fresh, dry, frozen, cultured and fermented dairy products, including pasteurized milk, flavoured milk, sweetened condensed milk, ultra-pasteurized or ultra-high temperature (UHT) milk, yoghurt, dairy whitener, clarified butter (ghee), Cheese, Paneer, Shrikhand, milk powder, ingredients for baby foods, lassi and chaas.

Prabhat has 2 state-of-the-art manufacturing units at Shrirampur (Ahmednagar) and Turbhe (Navi Mumbai). They have established automated production facilities at their Shrirampur and Navi Mumbai

facilities equipped with advanced technology which ensures operational efficiencies including lower production losses, strict quality control and ability to process large orders.

## **Strong management at the local dairy level will prevent contamination**

Mar 19, 2016

Source [hindustantimes.com](http://hindustantimes.com)

It is good to see Harsh Vardhan, Union minister for science and technology, apprising members of the Lok Sabha on adulterated milk, which has become a part of our diet.

However, like many previous mentions of the issue, this one also missed the point: Contamination due to management practices. While efforts are put into testing milk available in the market, we often forget the cows and buffaloes, which are the primary producers of milk, and the food safety measures that need to be ensured at dairies and animal farms.

Milk is approximately 80% water and the quality of milk produced by cattle is as good or bad as the water it consumes. In villages, the water meant for cattle consumption is not of very good quality and is unsafe for human consumption. It is laced with lead, zinc, iron, virus and bacterial content. One cannot expect good-quality milk from a cow or buffalo if it drinks this water.

In a majority of dairies located on the peripheries of cities, farm animals do not get sunlight and fresh air inside the cramped concrete halls that function as dairies. Twenty or more cattle on cracked, uneven floors with heaps of dung and urine all around is considered as an acceptable way to raise sentient beings. They are fed with stale bread, injected with oxytocin to extract milk and kept on heavy doses of antibiotics. Since animals are milked at the same place, the milk gets contaminated with dung, urine and dead flies. The final product is supplied directly to sweet shops and households that prefer high fat milk for consumption and manufacturing. As this milk contains heavy doses of antibiotics, it is unsafe to consume even after pasteurisation.



**Dairy Farm**

The milk produced in and around the city does not undergo any testing for adulteration before sale as it is privately operated. Cows and buffaloes raised in urban areas forage on garbage in the absence of any other diet. Cattle owners do not want to invest in quality diet when garbage and food offered by generous people are available to the cattle. Without any investment in housing, food and other needs of cattle, the dairy owner in the city has nothing to lose as he gets a better price than the shop across the street selling packaged milk.

Governments in top milk-producing nations such as New Zealand and the United States have set guidelines for farmers to address milk adulteration. While in some countries, it's the duty of the government food regulator to ensure welfare of farm animals under a quality assurance programme, in other countries the food regulator and animal husbandry departments conduct it jointly. To obtain a licence to start milk production, farmers have to adhere to guidelines regarding food safety, animal welfare and chemical contamination.

The Food Safety and Standards Authority of India has failed to address the contamination resulting from unregulated dairy management practices. The Karnal-based National Dairy Research Institute has drafted the National Code of Practices for Management of Dairy Animals in India to address this gap. These guidelines are supported by the Animal Welfare Board of India as they ensure welfare of animals considering milk production. However, these guidelines exist only on paper.

Next time, someone mentions adulterated milk, do think about what is being done about the welfare of the animals which give us milk.

## **NDDB wins India geospatial excellence award**

Mar 19, 2016

Source:[timesofindia.indiatimes.com](http://timesofindia.indiatimes.com)

Anand-headquartered National Dairy Development Board (NDDB) was recently awarded the India geospatial excellence award in the annual Geosmart India 2016 conference of the geo-spatial /GIS industry at the India Expo Centre at Greater Noida.

This award was presented for developing the internet-based Dairy Geographical Information System (IDGIS). The awards and recognitions were given for exemplary innovations and practices in the Indian geospatial industry.

General VK Singh, Minister of State for Statistics and Programme Implementation and External Affairs of Government of India presented the awards.

The awardees were decided by an independent jury under the chairmanship of Dr Sailesh Naik, former secretary of Ministry of Earth Sciences, Government of India joined by Bharti Sinha, executive director of Association of Geospatial Industries and Lt General AKS Chande (retired), president of Defence Security and Public Safety, Geospatial media as members.

## Milk adulteration: 2 years on, law still in cold storage

Mar 18, 2016

Source: [timesofindia.indiatimes.com](http://timesofindia.indiatimes.com)

Almost 22% of the milk sold in Karnataka is adulterated. This is not a recent revelation but one that was thrown up by a Food Safety and Standards Authority of India (FSSAI) study in 2011. Taking cognizance of the finding, the Congress government in 2014 mooted a legislation to punish errant milk suppliers. However, it is yet to see the light of day, thanks to bureaucratic hurdles resulting from the government's lack of interest.

"We had written to the health department seeking their permission to draft a separate law to check milk adulteration since it comes directly under their jurisdiction. But we haven't got a go-ahead till now," said NS Channappa Gowda, secretary, department of animal husbandry and fisheries. He said he will write to them again.

Health department officials, however, defended their decision saying several states including Karnataka had been pressuring the Centre to amend the existing Food Safety and Standards Act and make adulteration of milk a non-bailable offence. "Otherwise, the state government has to draft the amended law and send it to the Centre for approval because the Act is a central legislation," a senior official said.



**Karnataka milk federation**

A few years ago, the University of Agricultural and Veterinary Sciences had conducted a random study and found at least a dozen private dairies in border areas of Tamil Nadu, Maharashtra and Andhra Pradesh selling synthetic milk in Karnataka. It contained urea, caustic soda, refined oil (cheap cooking oil) and common detergents. The study found detergents were added to give milk a frothy look and refined oil to increase the fat content.

KMF sources said chemicals like hydrogen peroxide and formalin are also added to extend the milk's shelf life and to save on electricity costs. Unscrupulous milkmen and private dairies operating near Bengaluru – Hosur and Salem districts of Tamil Nadu – have also been selling such milk for Rs 15-Rs 20 a per litre.

"There are reports of even farmers using similar tactics before selling milk to the union of a major dairy in Karnataka," sources added.

## Kerala to Produce 'Organic Milk' with Dutch Tie up

Mar 18, 2016

Source:[newindianexpress.com](http://newindianexpress.com)

MILMA, the Kerala Co-operative Milk Marketing Federation Ltd, is set to join hands with the Netherlands to produce nutritious, high-quality 'organic milk' – without using synthetic feed or antibiotics while rearing the cattle.

As many as five milk societies in Mullankolli, in high range Wayanad, have been identified for implementing the ambitious project, which will begin soon after getting the final clearance from the Dutch government.

Organic milk will be produced by rearing cattle in a thoroughly natural environment, without giving them any synthetic feed or antibiotics.

K T Thomas, Managing Director of MILMA in Malabar region, which manages dairy co-operative societies in six northern districts of the state, said an MoU is expected to be signed in this regard soon.

“We are planning to implement organic milk project with the support of the Netherlands government,” he told PTI.



**Milma Products**

“For this, we have joined hands with Solidaridad, a state-recognised NGO in Netherlands and Transdisciplinary University in Bengaluru which focuses on the promotion of traditional food, culture and treatment systems,” he said.

Aluva-based Indocert has been identified as the agency to certify the organic milk, Thomas said, adding that a group of local women have already been given training in ethnic veterinary treatment to take care of cattle under the project.

The official said organic milk production is a time-consuming process and cattle should be reared in the natural environ, feeding only natural grass and fodder, at least for one and half years.

“A group of selected dairy farmers of Mullankolli will be entrusted with the production of organic milk.

They will be given strict directions for rearing cattle. We have to change all the current agriculture and dairy practises to produce the real organic milk,” he said.

The cattle would be given only natural grass and fodder and all the other synthetic and artificial cattle feed would be avoided.

Pesticide and insecticide-sprayed grass and antibiotics would also be completely avoided.

Even if the cattle would be give antibiotic, 15-20 days would be considered as a withdrawal period and milk would not be taken from it during that time.

A group of experts from Transdisciplinary University visited the state recently to monitor the ethnic veterinary treatment training given to selected women as part of the project.

A meeting of these women and university representatives would be held in Kozhikode on March 21 to share their experiences in this regard.

Though MILMA is yet to fix the price of the proposed product, it will be slightly expensive compared to its other products, Thomas said.

“For MILMA, the organic milk project is not just for profit making. We are planning it under our corporate social responsibility programme. It is part of our objective to provide safe milk to the society,” he said.

The official, however, admits that there are limitations for the mass production of organic milk in the initial phase.

In view of increasing instances of pesticide residues in vegetables, especially those arriving from neighbouring states, Kerala recently had launched a massive drive to produce organic vegetables with the support of government, neighbouring societies and NGOs.

## Report: 2 out of 3 people in India have adulterated milk containing detergent, caustic soda

March 17, 2016 [India](http://www.siasat.com/news), <http://www.siasat.com/news>



New Delhi: Have you ever thought that milk, which is considered to be essential for body growth can actually harm our own health? This information might come as a shocking news to all of us as it is reported that over 68% of milk found in the country is adulterated.

Meaning 2 out of 3 people in India have adulterated milk.

Reports suggest that the milk we consume does not conform to the standards laid down by the food regulator.

The Lok Sabha on Wednesday informed that the most common adulterant found in the milk are detergent, caustic soda, glucose, white paint and refined oil. These items are often considered very hazardous and could cause serious ailments.

Science and Technology Minister Harsh Vardhan said during Question Hour that a new scanner has been developed which can detect adulteration in milk in 40 seconds and can even pinpoint the adulterant.

Earlier, for every type of adulteration, a separate chemical test was required. But now a single scanner can do the job, he said.

There were murmurs among members when the minister suggested that these scanners could be purchased by MPs through their constituency funds.

Though the scanners are costly as of now, each test costs a mere 10 paisa, he said.

Vardhan said in the near future, GPS-based technology could be used to track the exact location where the milk supplied in the cold chain has been tampered with.

There are two lakh villages in the country from where milk is collected.

## **Patanjali to set up 4 more plants in 2 years**

Mar 17, 2016

Source:[timesofindia.indiatimes.com](http://timesofindia.indiatimes.com)

If the breakneck speed at which Patanjali Ayurved is growing is not enough of a bad news for established FMCG companies in the country, there is more in the pipeline. Baba Ramdev's company is on course to set up four more manufacturing units across India within the next couple of years, giving every FMCG company in the country a run for their money.

In addition, it is also setting up a dairy facility for cow milk in Ahmednagar in Maharashtra to mark its foray into packaged milk. "We are in talks to set up a plant in Maharashtra. We are also in talks to set up units in Madhya Pradesh and Punjab. We are also planning (a manufacturing unit) in Andhra Pradesh," said Acharya Balkrishna, MD, Patanjali Ayurved. Speaking in chaste Hindi for over an hour and a half, the founder-director of Patanjali Ayurved discussed the company's growth plans in detail with TOI.



The company has earmarked Rs 1,000 crore for its expansion projects in the next financial year. The funds, which will be used for the new units, are a mix of internal accruals and bank loans from SBI and Punjab National Bank. Patanjali Ayurved has already ordered machineries and is in the process of buying land in these states. During the 'Make In India' week in February, the company signed an agreement with Maharashtra to set up a unit in the state.

Patanjali Ayurved is expanding into these states so that it can easily source its raw materials. "In

Maharashtra, we are particularly interested because Vidarbha and Marathwada are in our sights. We can source raw materials from the farmers directly,” Balkrishna said.

## All out for milk price hike

Mar 17, 2016

Source:[thehindu.com](http://thehindu.com)

Dairy farmers are up in arms again, seeking an increase in the price of milk and a ban on cattle feed containing chemical ingredients.

The farmers, under the aegis of the Kerala Aggressive Dairy Farmers’ Association, took out a protest here on Tuesday, parading milch cows and milking them at Mullakkal on the main thoroughfare, only to pour it out onto the street. A ceremonial ‘abhisheka’ for the deities and a symbolic cleansing of the mindset of the authorities by sprinkling the surroundings with a solution made of cow dung were part of the protest demonstrations. Dairy farmers are unable to make both ends meet, says Gino G. Maliyakal, general secretary of the association. The cattle feed prices have been steeply hiked in recent months with no proportional rise in the milk price. The prices of cattle feed have gone up by 60 per cent in the past 6 months, according to him. The association is bent on making it a poll issue, he says, hinting at more protests to highlight the plight of dairy farmers.

### No regular quality checks

One of the main issues in the dairy sector in Kerala is the import of milk from neighbouring States. The quality check on milk is done only when required and not on a regular basis, Mr. Gino says. Milk powder being mixed with milk, an accepted practice among milk marketing companies including Milma in Kerala, is an unhealthy practice, according to him.



**Milma**

He also alleges that the FSSAI has facilitated the practice by fixing the standards on fat content and SNF above normal levels. Milk of indigenous cows can never match the standards, he says. The cows of modern breeds survive on unnatural cattle feed containing urea which is harmful both for the cattle as well as those who consume milk.

He contends that one of the popular brands of cattle feed made in the private sector in Kerala has excess urea content. The association has boycotted the brand and has asked the government to curb its sale.

One of the main demands of the association is setting up of a regulatory commission in the dairy sector to streamline issues pertaining to prices of milk and cattle feed, ingredients of cattle feed and standards on fat and SNF in milk. The Central government's policy allowing multinational companies to import milk from foreign countries has also done much harm to the domestic sector. Earlier, import was allowed only on milk products.

The previous Congress-led government at the Centre had lifted the curbs, facilitating direct import of milk, he says.

Dairy farmers organise protest with milch cows demanding price hike, ban on cattle feed containing urea.

## **Vigyan Gadodia: From banking to dairy farming**

An alumnus of IIT and IIM turns a rural entrepreneur to save cows, promote the benefits of cow milk and bring technology into Indian farmers' lives



Image Credit: Rakesh Kumar

Vigyan Gadodia (left) at his cow milk dairy farming unit at Lisaria, Rajasthan

Published: 16:12 March 16, 2016,

<http://gulfnews.com/culture>

By Rakesh Kumar, Special to Weekend Review

Vigyan Gadodia can talk about benefits of cow milk for hours. And why not. After all, it's a topic closest to his heart.

"We need to save cows to save the country," he says at the start of his long conversation on the topic, which is routinely interrupted by servings of butter milk and ice-cream, which are all, as he likes to point

out, prepared with cow milk. At lunch, when we are served a preparation of carrot, he doesn't forget to mention that the vegetable has been grown using "nitrogen-rich water".

It's difficult to guess that 40-year-old Gadodia is a biochemical engineer from Indian Institute of Technology (IIT), Delhi. But, while he is multi-tasking — taking calls from his customers in Jaipur and answering queries of new, potential customers on WhatsApp — his training as engineer also comes to the fore. He shows me dried algae in a small vial for which, he says, he has recently tied up with IIT Roorkee. "I have given them a project to see if this can be commercially produced as cattle feed or as bio-fuel mixed with cow dung."

He adds, in the same vein, that he's also talking to the Roorkee institute for production of ethanol from weed grasses that have no food application. "World over, people are mixing ethanol with petrol to save depleting oil resources," he says, adding that he's working on some more techno-commercial ventures.

It's clear that although Gadodia has turned a rural entrepreneur to save cows, biotechnology still has a place in his heart.

After he obtained the dual degrees of B Tech and M Tech in biochemical engineering and biotechnology from IIT, Delhi, he completed Masters in Business Administration from Indian Institute of Management (IIM), Kolkata, and then got into banking. In 2006, when he decided to chuck his cushy corporate life, he was head of microfinance vertical at Yes Bank. It was in 2012 that he set up a 1.72 hectare dairy farm in Lisaria village, 70 kilometres north of Rajasthan's capital of Jaipur, with 16 cows.

Between 2006 and 2012, he tried different things, from vermi-composting to organic farming to running a BPO for a rural NGO. "I wanted to explore opportunities in villages before deciding on what I wanted to do. This could be done only if I stayed in a rural setting. I had lived in metros most of my life and couldn't shift to a village immediately, so I decided to stay in a rural township, which was close to a city. I decided to spend time in Reengus [on the Jaipur-Bikaner highway]," he says.

Gadodia runs his dairy farm through a company — Sahaj Inclusive Opportunities (India) Private Limited — and is supplying cow milk to 250 customers in Jaipur. Today, he has 150 cows, including calves and heifers, in the herd, and a processing plant that allows him to take cow milk from farmers in his neighbourhood. But more importantly, in 25 villages around Lisaria, almost every farmer is now rearing cows.

There are some, such as the 38-year-old Sitaram Yadav, who now have more cows than buffaloes. "I have been visiting Vigyanji's farm for three years. I thought if he could quit everything for cows, why couldn't we rear them? I bought one cow two years ago, then another six months later and in January last year, bought three more. Now, I am producing 50 litres of cow milk and am able to finance the education of my two younger brothers," says Yadav, who had three buffaloes but has sold two.

Similarly, 55-year-old Ram Kumar of neighbouring Anantpura village had three buffaloes but he sold one and brought three cows in last two years.

Gadodia says he didn't need to tell farmers about benefits of cow milk. "They know more than me about the animal. I only have to tell them that there's a market for cow milk, too, and people are even willing

to pay a premium if we offer them pure milk,” he says, before explaining that cow milk is lighter on the stomach and digests easily besides being more nutritious than buffalo milk.

“For farmers, what matters,” he adds, “is the price at which they are able to sell their milk. At present, buffalo milk sells at a higher price than cow milk but I have shown them, by example, that there are people who are willing to pay much more for cow milk than for buffalo milk if you give them pure and good quality milk.”

Gadodia says he began with 40 litres of milk, which he brought in public transport before delivering it to his customers’ doorsteps. “You have to make people aware about cows, and as people learn about its benefits, they switch from buffalo milk to cow milk,” he adds.

His farm today produces 500 litres of cow milk with 50 milch cows, but after the processing plant has become active, he has been taking milk from farmers, too. “The farmers will be my satellite farms. They will produce better quality since individual farmers can focus more on their cows. We have promised to pay a premium if they rear indigenous breeds,” he says.

The Sahaj dairy farm will soon start producing a variety of cow milk products such as butter milk, shakes, yogurt drinks and ice-cream. Gadodia’s elder brother, Vidyut, a polymer engineer from IIT Delhi who has been with Reliance Polymers for 20 years, also quit his job in December 2014 to join the farm.

But Gadodia’s aim is not to become a big producer of milk — his goal is making farmers’ lives better. He keeps interacting with scientists at the Rajasthan University of Veterinary and Animal Sciences (RAJUVAS), Bikaner, to learn new things about farming. “I have an MoU with the university for technology extension. We implement new technologies at our farm. Farmers come here, learn about it and take it with themselves,” he says.

Under the MoU, more than 20 farmers received training in hydroponics (a technique where water is used as a cultivation medium) at RAJUVAS for three days recently.

He’s growing Azolla, a fern rich in omega 3, at his farm and feeding it to his cows. Azolla, he tells me, was a chance discovery. He’d gone to Ajmer Krishi Vigyan Kendra (KVK) looking for algae when he chanced upon it. A professor told him about its qualities — that it is rich in omega 3 and its by-product, nitrogen-rich water — and he brought some for his farm.

“Azolla can reduce feed cost. It is far cheaper than the cattle feed and far healthier for the cow and its milk. We can feed up to one kilogram of dried Azolla to a cow,” he says as he shows me around the green carpet of Azolla under a greenhouse.

“My challenge as an engineer is to make technology accessible to farmers. Today they have learnt about Azolla from me but it’s not a knowledge that I discovered. Similarly, there are various other things being worked upon in science laboratories but seldom find their way to farmers,” he says, suddenly slipping back into the shoes of an engineer that he is.

The idea, he explains, is to create micro-entrepreneurs to improve investment appetite in rural India.

He signs off with his latest interest. "I am talking to the scientists at CEERI [Central Electronics Engineering Research Institute] to see how UV technology could be used to arrest growth of bacteria in milk," he says before rushing off to the milking area to show me how there's zero human intervention between milking cows and packing it into steel containers.

*Rakesh Kumar is a writer based in Jaipur, India.*

## **No hike in ice-cream prices as input costs fall**

Mar 16, 2016

Source:[timesofindia.indiatimes.com](http://timesofindia.indiatimes.com)

This summer will be cooler for ice-cream lovers as their favourite scoops are unlikely to get more expensive. With raw material costs remaining low and higher demand anticipated, top ice-cream makers in the state will refrain from hiking prices this summer.

"There is no price revision in end products. Generally, ice-cream prices increase before summer but this season, after many years, we are not going for any hike," said Rajesh Gandhi, managing director of Vadilal Industries Ltd.

Prices of skimmed milk powder (SPM), a key raw material for ice-cream, have come down substantially, offering ice-cream makers room to keep retail prices unchanged.

"The world over, commodities prices have eased. SMP price has declined to Rs 140 per kg from Rs 225 last year," said R S Sodhi, managing director, Gujarat Co-operative Milk Marketing Federation (GCMMF), which markets milk products under the Amul brand.



**Amul Icecream**

Other ingredients such as milk cream, fat, sugar and dry fruits have become a bit costlier. "Although the prices of these commodities have increased, they are still lower than price levels seen two years ago. Last year retail prices had to be increased to offset higher costs," said Ankit Chona, MD, Havmor Ice Cream Ltd.

There were also expectations that the excise duty on ice-cream would be raised in the budget. However, that has not happened, providing a cushion to the ice-cream industry. "There may be a price cut in

select ice-cream products,” Chona added.

Industry players estimate demand to grow by 15-20% in 2016-17. All three major ice-cream players have seen a good start to the summer with spurts in sales and they anticipate sales to grow by 20-25% this year.

As competition is set to heat up, Amul, Vadilal and Havmor have decided to launch new flavours and step up their marketing spend to grab a bigger chunk of the Rs 4,000 crore organized ice-cream market in the country. Gujarat accounts for 20% of India’s ice-cream market. The major focus this year is on the premium and kids segments.

## **New scanner will spot milk adulteration in 40 seconds: Govt**

Mar 16, 2016

Source:[thehindubusinessline.com](http://thehindubusinessline.com)

The Union government on Thursday said 68.4 per cent of milk in the country does not conform to standards laid down by the food regulator. It said the most common adulterant found in it was detergent, caustic soda, glucose, white paint and refined oil, all which are considered “very hazardous” for health.

However, a new Ksheer Scanner had been developed, which can singly detect all adulteration in milk in 40 seconds. “It can even pinpoint the adulterant. The cost of the test is 5-10 paise,” Science & Technology Minister Harsh Vardhan said in reply to a question by Nagendra Kumar Pradhan (BJD).

Vardhan said the Council of Scientific and Industrial Research had got in touch with two leading companies in Gujarat and Rajasthan.

A Ksheer Scanner, costing 10,000, was also being developed for domestic use, he informed the House.

### **Needlestick Injuries: Education is Key**

MARCH 31, 2016 06:01 PM [HTTP://WWW.AGWEB.COM/LIVESTOCK/DAIRY/ARTICLE](http://www.agweb.com/livestock/dairy/article)



© John Maday

By: John Maday

Large-animal veterinarians, and the farm and ranch crews they train, face inherently dangerous working conditions. One of those dangers, with potentially serious or even fatal results, is injury from needles while injecting medications.

Recently, University of Minnesota veterinarian Jeff Bender, DVM, MS, ACVPM, conducted a webinar on needlestick injuries on behalf of the Upper Midwest Agricultural Safety and Health (UMASH) Center. Health problems associated with these injuries can include infectious diseases due to exposure to manure, blood or other contaminants, but the webinar focused primarily on the dangers of human exposure to drugs or drug components intended for animals. Injectable animal-health products, including vaccines, antibiotics, analgesics and anesthetics are thoroughly tested for safety in the target animal, but rarely are tested for human safety.

The USDA, Bender notes, has licensed over 2,000 vaccines for use in animals, with about 500 of those being live vaccines. If a person accidentally injects himself or herself, the vaccine, or in many cases, the adjuvant, can cause serious adverse reactions. Surprisingly, research has shown a significant incidence of farm workers intentionally injecting themselves with animal-health products, such as an equine vaccine for West Nile Virus. Most cases, however, result from accidental injections.

National survey have shown that 80 percent of farmers working with livestock have, at some time, injured themselves with syringe needles. A survey in Minnesota showed that 83 percent of veterinarians and 78 percent of veterinary technicians have experienced needlestick injuries. In That survey, 44 percent of veterinarians and 46 percent of veterinary technicians had experienced needlestick injuries over the previous 12 months.

Much of the research into needlestick injuries has focused on human health professionals, but some of the results certainly have implications for livestock production. Among nurses for example, the highest number of injuries occur during their first year of practice, and a high percentage of injuries occur on Fridays, suggesting inexperience, fatigue and haste correspond with a higher risk level.

Experience in human medicine also has shown that training and educational materials focused on prevention of needlestick injuries tend to result in reductions.

Bender encourages veterinarians and managers to continuously train employees, create awareness of the dangers and provide a working environment that minimizes risk. For employee practices he recommends:

- Ensure proper restraint of the animal before administering injections.
- Enlist help from a co-worker when restraining and injecting animals.
- Do not re-cap syringes, or do so only when using appropriate safety devices.
- Do not put a syringe in your mouth to free your hands for other tasks.
- Do not put syringes in your pants pockets.
- Discard bent needles.
- Use an appropriate sharps disposal container and keep it within arm's reach for the worker injecting animals.

Bender points out that the [UMASH website](#), at the University of Minnesota, includes fact sheets and a series of videos on preventing needlestick injuries, available in English and Spanish.



© Amazing Almonds/Flickr

## Nut and cereal milks ‘behind the challenge to dairy’, research says

Posted By: [News Deskon](#): March 30, 2016In: [Beverage](#), [Dairy](#), [Industries](#)

<http://www.foodbev.com/news>

Nut and cereal milks have joined soy in the plant-based challenge to traditional dairy, according to research from Innova Market Insights.

Despite dairy alternatives accounting for just 6% of global dairy launches, in 2015 the market saw continuing penetration outside of the Asian market, where it has traditionally been most successful. This is reflected in stagnant launch numbers for the region, Innova said, while rising activity in Europe has taken its global share up from 30% to 38%.

Soy milks traditionally dominated the sector and still featured in over 60% of dairy alternative drinks launches globally in 2015, either as a main or secondary ingredient, although this has fallen from nearly three-quarters in 2011. Almond milks, which have seen dynamic growth in recent years, have increased their share to more than 28% of launches – ahead of rice, coconut and oat milks.

“The non-dairy milk drinks market has seen considerable development in recent years in the light of rising interest in lactose and dairy-free options,” said Innova director of innovation Lu Ann Williams. “Its initial spread from traditional markets in Asia to the West was via specialist health food outlets, but in recent years it has moved more squarely into the mainstream and grown beyond its reliance on soy to a whole range of other plant-based foods, led by nuts and grains.”

The other notable feature of market development has been the stronger move of dairy alternative drinks out of the white milks sub-category and into flavoured variants, with brands increasingly introducing upmarket and complex flavours and blends in line with the wider milk drinks market, Innova reported.

There has also been a strong move into fashionable milk-based coffee drinks in line with the rest of the milks market.

Soy milk has traditionally been marketed on its health benefits and its newer, plant-based competition has continued this trend. Over 90% of dairy alternative drinks launched in 2015 were marketed on a health platform of some kind.

The most popular individual claim was lactose-free, used in over 47% of introductions and up from about one-third in 2011. Lactose-free’s popularity was probably a result of improved allergen labelling, as well as growing awareness of lactose intolerance and interest in free-from foods in general.

Interest in clean labelling appears to have boosted the use of natural and additive/preservative-free claims, Innova said. These were used on 36% of launches, rising to nearly 64% if organic claims are also included.

There is also rising use of non-GMO claims despite legislation in many markets, including the EU, where non-GMO claims featured on 11% of new products, that means genetically modified ingredients have to be declared anyway. The US has seen growing levels of concern in recent years, with nearly half of dairy

alternative drinks launched in the country in 2015 carrying non-GMO claims, compared with just under a quarter globally.

Williams continued: “The dairy alternative drinks market is booming and further growth is expected with growing interest in dairy-free and lactose-free products as a lifestyle choice, rather than simply an option for those with allergies and intolerances. In the move to offer something new, we are also starting to see not only a wide variety of increasingly sophisticated flavour options, but also blends of milks from different sources.”

## New Milk Featuring an Old Protein Promises Big Health Benefits

Dairy products containing only one of two milk proteins might be easier to digest than conventional milk.



Cartons of milk from The a2 Milk Company. (Image: YouTube)

MAR 30, 2016 [HTTP://WWW.TAKEPART.COM/ARTICLE](http://www.takepart.com/article)



Jane Lear is a regular contributor to TakePart. She was on staff at 'Gourmet' for almost 20 years.

The latest buzz in dairy circles is generated not by the [raw versus pasteurized milk controversy](#)—although the risks of raw milk continue to pop up [in the news](#)—but by A2 milk.

Say what?

The milk and other dairy products—which producers claim are more easily digested than the majority of commercially produced milk—may be new to the market in the U.S., but what sets them apart from your standard half-gallon is ancient history. Before we get into the various health claims swirling around the products, which range from A2 milk saving you from indigestion to A2 milk saving you from type 1 diabetes, let's be clear on what A2 milk is.

Here's the deal. Cow's milk is about 87 percent water. The remaining 13 percent is the complex mixture of lactose, fat, minerals, and protein known as milk solids. The primary component of the protein in milk solids is casein, which is involved in the coagulation of milk. Any cheese maker or dairy chemist will tell you that casein is an incredibly complicated substance, and there's still lots to learn about it. One thing they do know, though, is that about 30 percent of it is what's called beta casein. The two most common variants of the beta-casein gene are A1 and A2. Even though they differ by just one amino acid, the small difference can result in the variants having different properties. Chemistry is so cool.

In milk, A2 is often referred to as the “original” protein, because that was the only type produced by early domesticated cows. (Humans and goats also produce only A2.) But then, around 10,000 years ago, a natural mutation occurred in some dairy cows in Europe, after which they produced A1 beta casein.

In today's dairy herds, any given cow will have two copies of the A2 gene, or two copies of the A1 gene, or be an A1A2 hybrid. (Genetics 101: Every animal receives one copy of the gene from its sire, or father, and one copy from its dam, or mother.)

This will all be over soon, so stay with me.

The A1 mutation “occurred primarily in the large breeds such as Holsteins, which produce considerably more milk than other breeds,” wrote Cookson Beecher in [Food Safety News](#) last year. “These heavy-producing breeds were quickly adopted by dairies in Europe and the U.S. and, as a result, just about all the regular milk sold today in U.S. stores and in much of Europe contains only the A1 protein, while others produce both the A1 and A2 proteins.” That said, according to [Progressive Dairyman](#), about 40 percent of the Holstein sires in active A1 lineups are among those bulls with two copies of the A2 gene, and more than 80 percent of Holstein sires have at least one copy of the A2 gene. Hold that thought.

So, just to recap: A2 milk comes just from cows having two copies of the A2 gene for beta casein. Guernsey, Jersey, Swiss Normande, and most African and Indian cattle breeds typically produce A2 milk. (After galloping through a number of A2 milk threads, let me clarify one point: The venerable [Jersey](#) breed was developed on Jersey, in the Channel Islands, *not* New Jersey.)

Proponents of A2 milk—including New Zealand dairy science professor Keith Woodford, author of the 2007 book *Devil in the Milk: Illness, Health and the Politics of A1 and A2 Milk*—claim that it’s easier to digest and that A1 milk is linked to a range of illnesses and conditions, from diarrhea, nausea, mucus buildup, and bloating to eczema, type 1 diabetes, coronary heart disease, autism, and schizophrenia.

Those that take a more skeptical view note that most of the research (as well as heavy marketing and in-store demos) has been done by—wait for it—[The a2 Milk Company](#), founded in New Zealand by Dr. Corran McLachlan in 2000.

“While studying at Cambridge University, Corrie learned that proteins in milk affect people differently. He learned that ordinary cows produce milk with different beta-casein proteins, called A1 and A2 (among others),” explains the website. “What was amazing? People who had discomfort when drinking ordinary cow’s milk were able to enjoy a2 Milk without the same downsides because it contains only the A2 protein and no A1.”

You can guess what’s coming next.

“Market stock has tripled to NZ\$1.2 billion in the past year,” wrote Emma O’Brien for [Bloomberg Business](#) on Feb. 29. “The point of difference is that a2 Milk products are sourced from dairy cows that produce only the A2 type of beta-casein protein, whereas most dairy contains both A2 and A1. Sales of the company’s A1-free fresh milk, milk powder, ice cream, and other dairy goods drove an 80-fold increase in first-half profit and enabled a2 Milk to fund a foray into China’s booming \$19.9 billion market for infant formula.”

While a2 Milk has been a commonly available brand in Australia and New Zealand for some years, it only entered the U.S. marketplace, specifically in California stores, in spring 2015. According to a *Farm Journal* [AgWeb](#) post from last May, the company developed a proprietary genetic test (*ka-ching!*) to identify A2 cows so the milk can be segregated for its supply chain, and the search was soon on for A2 herds in this country.

According to *Bloomberg*, the company sources its American milk from four U.S. dairies, mostly in Nebraska, and sells to stores owned by Whole Foods, Sprouts Farmers Market, Albertsons, and Kroger. The opportunities for small, nimble niche dairies are promising, and Holstein breeders have already started to [select for the trait](#).

If by any chance you have gotten this far, you want me to shut up and tell you the benefits of A2 milk.

Well, when it comes to the heavy hitters—diabetes and heart disease—a 2005 review in the [European Journal of Clinical Nutrition](#) concluded that there is “no convincing or even probable evidence” that the A1 beta casein of cow’s milk could lead to type 1 diabetes or a risk factor for coronary heart disease. “The animal experiments with diabetes-prone rodents that supported the hypothesis about diabetes were not confirmed by larger, better standardized multicentre experiments. The single animal experiment supporting an A1 beta-casein and CHD link was small, short, in an unsuitable animal model and had other design weaknesses.”

When it comes to [lactose intolerance](#), because A2 milk contains the same amount of lactose (which is not a protein but a milk sugar) as A1 milk does, in medically diagnosed cases of lactose intolerance, A2 milk will not provide the benefits that lactose-free milk or [alternative plant-based milks](#) offer. However, because much lactose intolerance is self-diagnosed, the cause of digestive troubles in those cases may be connected with an aversion to A1, not lactose, so drinking A2 milk may help prevent the discomfort experienced from drinking regular milk.

But the jury is still out, and, realistically, will be for some time. In a blind randomized crossover [pilot study](#) published in the *European Journal of Clinical Nutrition* in 2014, “preliminary results suggest differences in gastrointestinal responses in some adult humans consuming milk containing beta-casein of either the A1 or the A2 beta-casein type, but require confirmation in a larger study of participants with perceived intolerance to ordinary A1 beta-casein-containing milk.” The study was coauthored by Keith Woodford and supported by a grant from A2 Dairy Products Australia. The company also supplied the milk but had no role in the data analysis.

Remember how I said this stuff is complicated?

## **Tetra Pak launches ice cream filler designed for small makers to save costs**

Monday, 21 March, 2016, 08 : 00 AM [IST] <http://www.fnbnews.com/Dairy-Products>

Lausanne, Switzerland

Tetra Pak, a leading food processing and packaging solutions company, recently launched an ice cream filler designed specifically for small to medium producers looking to lower operating costs with minimal investment.

The product produces up to 18,000 ice cream cones per hour and features three enhanced components: A cone dispenser with high reliability and capable of handling different cones and cups; An easy-to-operate chocolate sprayer with exceptional accuracy; and A precise lid dispenser improving standardisation.

These features help manufacturers boost efficiency by reducing waste, minimising stops and increasing overall speed, while ensuring product quality. Furthermore, the modular design of the machine offers significant production flexibility with simple setup and easy equipment changeovers. This allows customers to switch smoothly between different cone sizes or cups, as well as ice cream flavours, in just a few minutes.

Peter Lindstrom, category director, Tetra Pak, said, “The ice cream market is extremely competitive. Our customers face the challenge of providing quality products to consumers while keeping costs down. Our new filler offers an effective solution which improves cone handling and delivers different products on one machine. This significantly cuts operational costs – our pilot tests show that customers can save up to 69,000 Euros per year on the cone dispenser alone, thanks to reduced wastage.”

The company sees particular demand for the line from customers in Southeast Asia and South America where new producers are entering the market, and also in Eastern Europe where existing manufacturers are looking for more production flexibility.

The cone dispenser, chocolate sprayer and lid dispenser are also available individually for customers who want to upgrade their existing ice cream filling lines.

## Dairy Talk



By: [Jim Dickrell](#)

Jim Dickrell is the editor of Dairy Herd Management and is based in Monticello, Minn.

### [ButterBurgers, Frozen Custard and Nine Million Pounds of Cheese Curds](#)

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Mar 18, 2016, <http://www.agweb.com/livestock/dairy/blog>

If you want to make any farmer's blood boil, mention Chipotle and its anti-farmer message that big farms are bad, food not grown locally will destroy the planet and anything not grown organically will kill you.

It's refreshing, then, to have a fast food restaurant chain such as Culver's, which champions burgers, frozen custard, and cheese curds and has a [marketing campaign](#) that actually thanks farmers for their efforts.

Culver's is famous in the Midwest for its ButterBurgers, made with fresh beef and well-buttered buns, its frozen custard and now its deep-fried cheese curds on demand. The chain's white- and blue-tiled restaurants are kept immaculately clean, and sullen, bored workers so common at other burger joints don't seem to exist at Culver's. At least, I've never met one.

Craig Culver, who with his dad co-founded Culver's and just recently stepped down as its CEO, spoke at the Professional Dairy Producers of Wisconsin Business Conference in Madison last week. The company, which started with a single store in Sauk City, Wis. in 1984, has grown to 566 restaurants in 23 states. Restaurants in Georgia and North Carolina, marking the 24<sup>th</sup> and 25<sup>th</sup> states, will open this year, and the total number of Culver's stores will reach 600 by year end.

Culver was well received by the 1,5000 in attendance at the meeting last week. Many already knew Culver's restaurants only use Wisconsin milk and cheese, selling tons of milk shakes, 6 million gallons of frozen custard and 9 million lb. cheese curds annually. Milk is also now the default beverage in Culver's kids meals. But Culver's message was also sobering.

His restaurants, like all other restaurants that want to remain profitable in the hyper-competitive quick serve business, pay attention to customer wants. Case in point: Gluten free buns.

“We serve just 10 to 15 gluten free buns a day per store,” says Culver. “But we don’t want to do anything that prevents someone from coming in to one of our restaurants.”

Ditto for antibiotic- and hormone-free. “The movement toward both is marketing; it truly is,” says Culver. “Mom is making the decisions of where the family eats, and she believes it’s better for her kids.”

If a restaurant doesn’t provide antibiotic or hormone-free, mom will simply choose to take her family to places that are. Culver’s is already antibiotic-free when it comes to chicken. While not imminent, the antibiotic-free movement is expanding to beef and pork. “You have to be prepared for it,” he says.

The marketing even goes to the image of the farms Culver’s features in its advertising. One PDPW audience member urged Culver to film some of those ads in a modern, freestall facility. Culver firmly but politely declined. “I have nothing against large farms. But I like the picture of the little red barn; it’s more romantic,” he says.

Again, it’s marketing. Little red barns resonate better with consumers than drive-through freestall barns. The problem, of course, is that it no longer reflects reality when 80% of U.S. milk production comes from herds with 200 or more cows.

So what’s the one thing that keeps Mr. Culver up at night? Food safety. He points to [Chipotle](#).

which lost 30% of its sales after being unable to rectify the issue as more outbreaks occur, or even identify the source of the food borne illnesses. “Food safety is something you may not even have control over because the problem can come in your back door without you knowing it. But nobody blames the source; everybody blames the restaurant,” he says.

It’s quite a dilemma: Restaurants must cater to the whims of consumers, but will be held liable if meeting those needs leads to disaster. Think Chipotle. One would hope a better-educated consumer would make better-educated choices. But in 2016, some of the most highly-educated consumers are making some of the least-educated decisions. Where will it end?

## STAGGERING NEW NUTRITIONAL GUIDELINES - DAIRY SHOULD ONLY BE 8% OF TOTAL DAILY FOOD INTAKE

17 MAR 2016

<https://www.fginsight.com/news>

BY ALISTAIR DRIVER

**Public Heath England's new dietary guidelines have generated a furore within the dairy industry after recommending the public should cut dairy consumption down to just 8 per cent of their daily dietary intake.**



**The Government is recommending the public cuts down its milk consumption**

The UK dairy industry has responded angrily to new Government eating guidelines that virtually halve the recommended daily intake of dairy products.

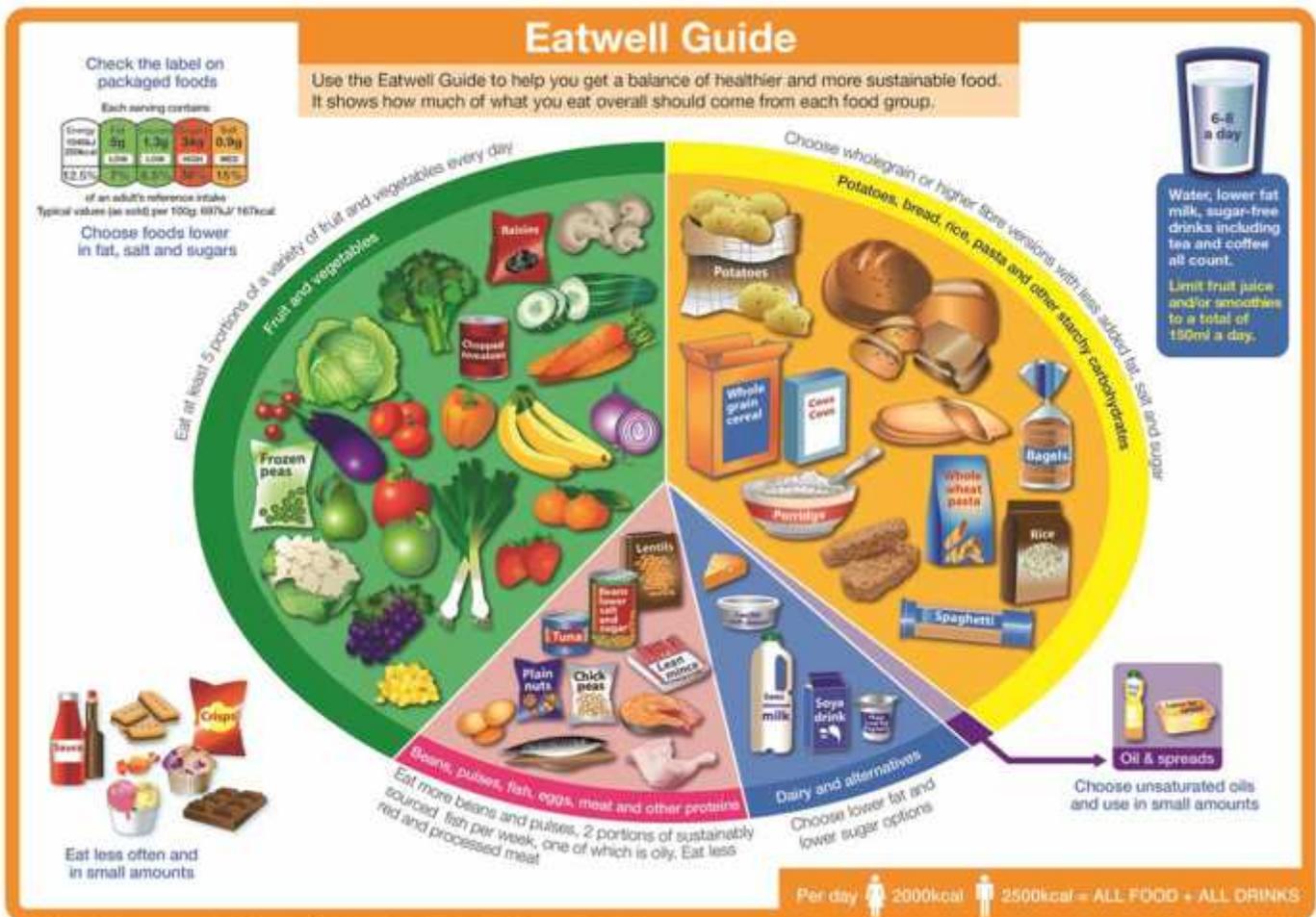
Public Health England's new [Eatwell guidelines](#) recommend dairy products should account for just 8 per cent of an individual's daily food intake, compared with 15 per cent under the [previous guidelines](#).

Dairy UK described the decision as 'baffling and disappointing' and claimed it went against prevailing scientific advice.

The Eatwell guidelines group foods into five main groups and, illustrated with the Eatwell plate, make recommendations for how much of each group to include in the diets and preferred options within those categories.

The latest guidelines make the following recommendations.

- Potatoes, bread, rice, pasta and starchy carbohydrates (yellow section) – 37%
- Fruit and veg (green section) – 39%
- Beans, pulses, fish, eggs, meat etc. (pink section) – 12%
- Dairy (blue section) – 8%
- Oils and spreads (purple section) – 1%
- Foods to eat less often and in small amounts – 3%



Source: Public Health England in association with the Welsh government, Food Standards Scotland and the Food Standards Agency in Northern Ireland

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Explaining why dairy products had been downgraded a PHE spokesperson said: “Our independent expert body said you can get calcium from across the diet and not just from dairy products.

“We are currently meeting or exceeding calcium recommendations whereas we are still consuming too much saturated fat and salt.

“We did analysis and some modelling using our national diet nutrition survey and the result was the dairy segment decreased in size but it was all evidence based.”

## **DAIRY COUNCIL RESPONSE**

Anne Mullen, director of nutrition at the Dairy Council issued an immediate response to PHE's comments.

She said: "Whole milk is low in sodium and is not high in fat; skimmed varieties are low in both."

Responding to the comments on calcium, she referred to data indicating that 1 in 5 teenage girls do not achieve calcium requirements as well as 'mild to moderate' iodine deficiency among school girls and pregnant women in the UK.

Dr Mullen said: "It would seem PHE do not quite understand the unique nutritional benefits of milk or their own micronutrient data from NDNS."

She also questioned PHE's modelling methods and evidence base. "Modelling like this is not 'evidence based'. It should be peer reviewed, publicly available and more transparent," she said.

## **BAFFLING AND DISAPPOINTING**

Dairy UK chief executive Judith Bryans said: “In the UK, dietary guidelines disregard an ever-growing body of robust, science-based evidence which stresses the importance of dairy consumption at all ages.

“It is genuinely disconcerting to see that the dairy food group being disadvantaged by a public health campaign.

“At a time when obesity is a real crisis for children and adults alike, nutrient-dense whole foods such as dairy products should be put front and centre in dietary guidelines.

“Furthermore, dairy products are used in 98 per cent of homes around the UK and only yesterday the Chancellor in his Budget speech excluded dairy products from the sugar tax.”

Dr Bryans said PHE’s decision goes against a series of recent public announcements and reports which showed a better understanding of the role of milk and dairy products in a healthy and balanced diet.

These include the latest Scientific Advisory Committee on Nutrition (SACN) report on carbohydrates and human health and the recent Dairy All-Party Parliamentary Group recommendations on dairy and public health

## **NOT CONSULTED**

She cited countries including France, Canada, Australia which have had successful 3-a-Day dairy consumption programmes for years which all emphasise the importance of dairy foods

She said: “The message has been clear – dairy products should be celebrated and promoted.

“The dairy industry was not consulted during this process and had no opportunity to give scientific evidence or help prevent serious flaws in the guidelines.

“For example, we do not believe that vulnerable groups such as breastfeeding women or teenage girls can practically meet their needs for calcium or iodine using the new eatwell plate.

“We need to understand how Public Health England reached their conclusions. Therefore, we will request all documents behind this decision and we will conduct our own modelling once these documents are made available.”

## **BALANCED DIET**

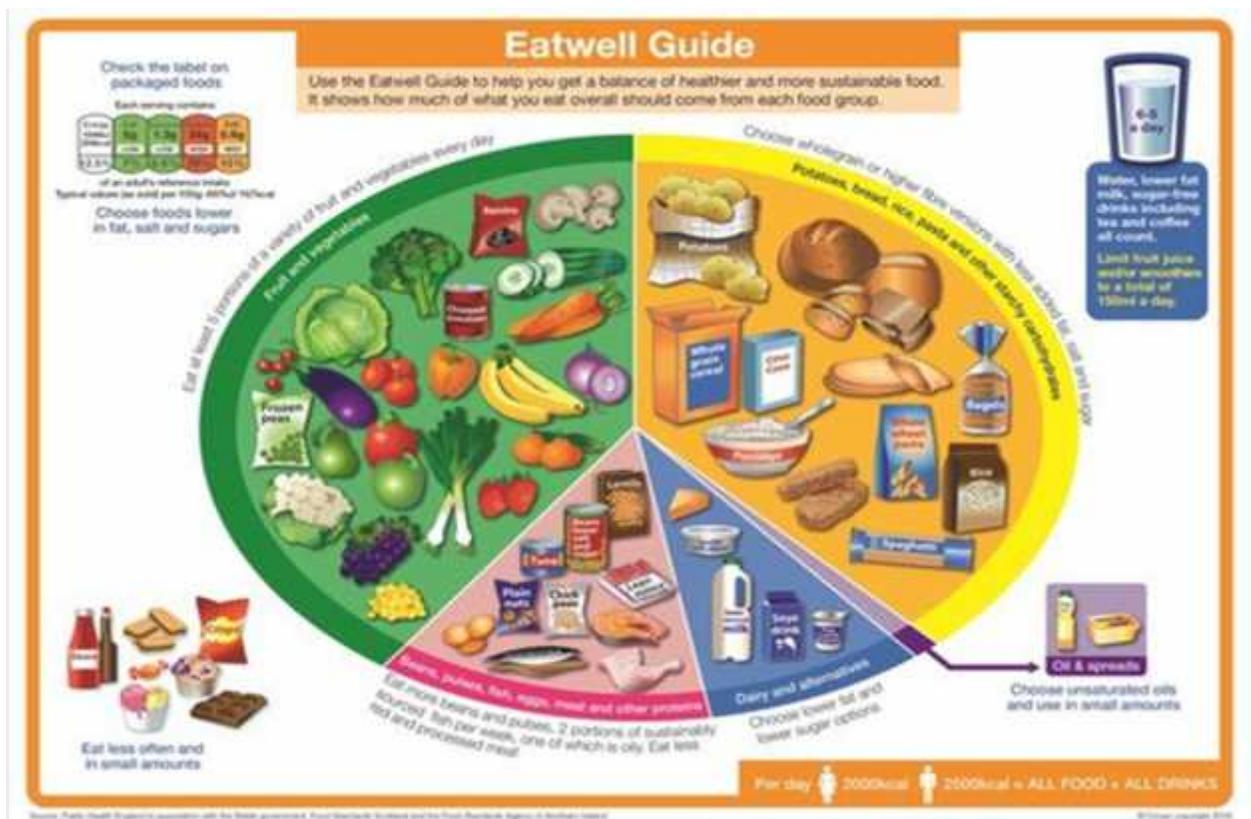
Alison Tedstone, PHE chief nutritionist said: "Our new Eatwell Guide helps people to understand what a healthy balanced diet looks like.

"The evidence shows that we should continue to base our meals on starchy carbohydrates, especially wholegrain, and eat at least 5 portions of a variety of fruit and vegetables each day.

"On the whole, cutting back on foods and drinks that are high in saturated fat, salt, sugar and calories would improve our diets, helping to reduce obesity and the risk of serious illnesses such as heart disease and some cancers.

"A smoothie, together with fruit juice, now only counts as 1 of your 5 A Day and should be drunk with a meal as it's high in sugar."

### WHAT THE EATWELL GUIDE SAYS ABOUT DAIRY PRODUCTS



The new Eatwell guide says a healthy diet should now include more fruit, vegetables and starchy carbohydrates and have fewer sugary foods and drinks.

The Eatwell plate depicts a 'healthy, balanced diet', which includes:

- eating at least 5 portions of a variety of fruit and vegetables every day
- basing meals on potatoes, bread, rice, pasta or other starchy carbohydrates, ideally wholegrain
- having some dairy or dairy alternatives (such as soya drinks) choosing lower fat and lower sugar options
- eating some beans, pulses, fish, eggs, meat and other proteins (including 2 portions of fish every week, one of which should be oily)
- choosing unsaturated oils and spreads and consuming in small amounts
- drinking 6 to 8 cups or glasses of fluid a day
- if consuming foods and drinks high in fat, salt and sugar then have these less often and in small amounts.

**On dairy**, it urges the public to 'try to have some milk and dairy food (or dairy alternatives) – such as cheese, yoghurt and fromage frais'.

It says: "These are good sources of protein and vitamins, and they're also an important source of calcium, which helps to keep our bones strong.

"Some dairy food can be high in fat and saturated fat, but there are plenty of lower-fat options to choose from."

It recommends going for 'lower fat and lower sugar products where possible', such as 1 per cent fat milk 'which contains about half the fat of semi-skimmed milk without a noticeable change in taste or texture' or reduced fat cheese.

It adds: "Or you could have just a smaller amount of the full-fat varieties less often. When buying dairy alternatives, go for unsweetened, calcium-fortified versions."

## HOW MUCH DAIRY PRODUCE IS THE PUBLIC BEING ADVISED TO EAT?

PHE have provided some sample daily consumption menus to illustrate its advice.

As far as dairy products are concerned one recommends:

- 150ml of semi-skimmed milk on cereals plus 30ml with tea for breakfast
- 5g of low fat spread on bread for lunch
- Another two 30ml of milk with tea over the course of the day.

Another goes for:

- 150g of low fat yoghurt on muesli plus 30ml with tea for breakfast
- 10g of grated reduced fat cheese on baked potato for lunch
- A 45g spoonful of greek style yoghurt on as part of a dessert in the evening
- 5g of reduced fat spread on a bagel for a snack
- Another two 30ml of milk with tea over the course of the day

### Milk price here for rest of 2016

By [Sally Rae](https://mail.google.com) on Thu, 17 Mar 2016, <https://mail.google.com>

Hopes of a rise in global dairy prices were dashed this week with a 2.9% overall fall in the GlobalDairyTrade auction.

Futures prices had pointed to a modest overall rise in the 1%-5% range and for a 7% rise for whole milk powder (WMP), but the mainstay WMP product posted a 0.8% decrease.

The result was a good reflection of the current fragility of that part of the dairy cycle, ASB rural economist Nathan Penny said.

After a positive result last auction - the first for the year - weak commodity market sentiment, particularly from oil, knocked back prices and that dynamic was likely to continue for a while.

Over the coming months, any price lift was likely to be modest and often accompanied by a subsequent price fall, Mr Penny said.

Westpac senior economist Anne Boniface said the auction result was consistent with the bank's view WMP prices would "bump along" near current levels until late this year.

That meant the bank remained comfortable with its \$4.60 farm gate milk price for next season, implying cash flow pressures would remain intense for New Zealand dairy farmers "for some time yet".

Last week, Fonterra reduced its farm-gate milk price forecast by 25c to \$3.90 for 2015-16. Yesterday, the co-operative confirmed the permanent closure of its Kaikoura site, following the conclusion of staff consultation.

The Kaikoura plant was open for three to five months a year, and had employed 22 full-time staff, half of who wanted to be redeployed elsewhere in the company.

The decision to close the site had not been made lightly, Fonterra director New Zealand manufacturing Mark Leslie said.

While it was difficult for the people involved, the co-operative had a responsibility to its farmer shareholders, unit holders and customers to be as efficient as possible across its business, particularly given the low milk price, Mr Leslie said.

Kaikoura's cheese volumes would be split between Fonterra's Lichfield, Clandeboye, Stirling and Whareroa cheese plants, where cheese production was up to 16% more cost-effective than at Kaikoura.

Ms Boniface said it was not just New Zealand dairy farmers who were feeling the pressure of an extended period of very low dairy prices. European farmers, who had been the key source of the lift in global supply over the last year, were also feeling the pain.

There had been extensive lobbying by farmers for greater support in helping them deal with the sustained period of low prices.

The European Commission recently announced an additional range of support measures, following an earlier support package introduced in September last year, and it remained to be seen what impacts those new measures would have, she said.

European milk processors might not want to reduce production after big investments to increase processing capacity.

Furthermore, lifting the volume of skim milk powder and butter stored in intervention schemes might support prices in the short-term "but simply kicks the oversupply can down the road", she said.

Looking at monthly, seasonally adjusted European milk production data, there were signs the pace of growth was slowing, but Ms Boniface urged caution over reading too much into that data.

The numbers were subject to revision and it was very early days yet. It provided "perhaps a glimmer of hope" low prices were starting to lead to an adjustment in European milk supply.

But even if that proved the case, the sustained period of low prices would probably have ensured many customers had plenty of product on hand. In addition, European stockpiles would need to be worked through.

So even if the pace of growth in global dairy supplies started to slow, any rebound in prices was unlikely to be particularly rapid, she said.

## Dairy prices fall following European moves to support farmers

GERARD HUTCHING

Last updated 09:09, March 16 2016

<http://www.stuff.co.nz/business/farming/dairy>



European farmers have been vocal about low dairy prices recently. In this 2015 protest in Brussels farmers were demanding a fair milk price.

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Moves by the European Union on Tuesday have probably spooked the dairy market and led to the latest fall in prices on the global dairy auction.

Prices fell 2.9 per cent, to US\$2190 per metric tonne.

At the previous auction a fortnight ago, prices rose 1.4 per cent to an average of US\$2253 a tonne, after four consecutive falls.

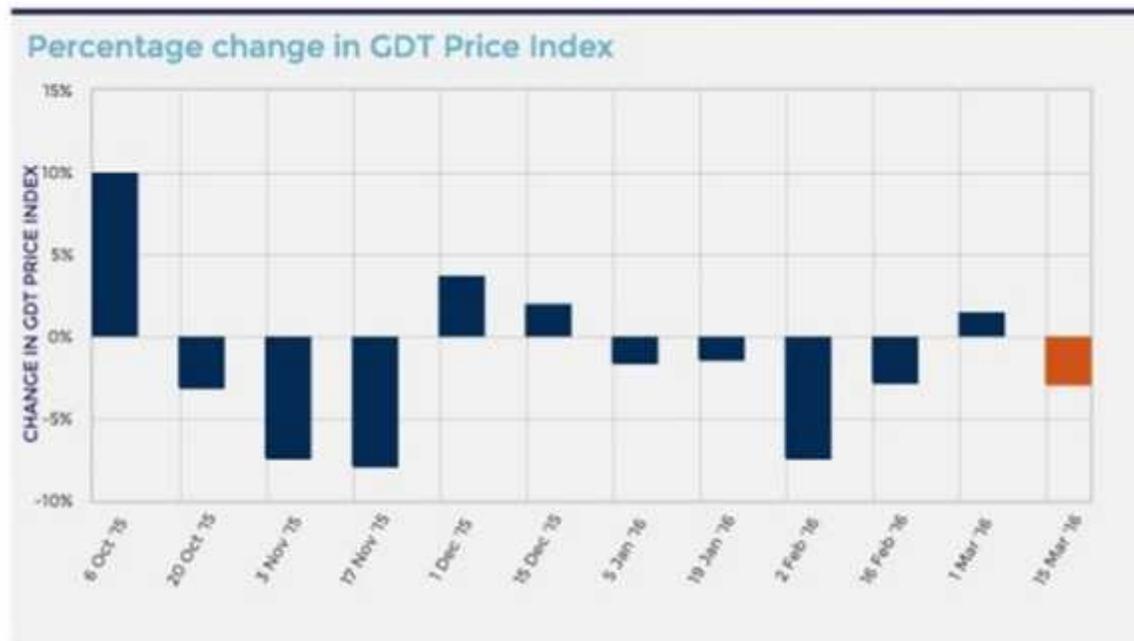


VALENTYN VOLKOV/123RF

Prices rose 1.4 per cent at the previous auction after four consecutive falls.

New Zealand's major export, whole milk powder (WMP), fell 0.8 per cent to US\$1971.

Federated Farmers dairy spokesman Andrew Hoggard said he had guessed it right for once because he had analysed the price fall was based on the EU's announcements to support its dairy farmers.



GLOBALDAIRYTRADE

Dairy prices fell 2.9 per cent overnight.

"All the indicators were pointing to the prices going up and the only thing that's changed in the last 48 hours is the news out of Europe.

"They've framed it as solving the crisis, quite frankly I think it's just going to prolong the crisis," Hoggard said.

ASB economist Nathan Penny said the suspicion was that the EU announcements had confused things because the futures market had been indicating higher prices.

"It's been a good indicator for a while but last night was the exception. We've essentially lost the gains we made at the last auction," he said.

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The EU had introduced a raft of measures to support prices.

"They are a bit ambiguous in what they may mean, it could be support in the short term but long term may prolong the recovery," Penny said.

Among the measures are increasing the amount the EU can buy through intervention, and voluntary supply reductions.

Hoggard said the intervention worked by setting a limit on the milk powder price, and if the price fell below that, they put it into storage until the market price comes back up.

"That was the story in the 80s, by keeping trickling stuff out it keeps prices level," Hoggard said.

French farmers had been the most vocal recently in demanding support payments.

Hoggard praised Dutch company FrieslandCampina for its policy of paying its farmers not to increase production,

"There were some things they've done which are sensible in terms of holding back volume," he said.

The AgriHQ 2015-16 farmgate milk price is unchanged at \$4.14/kg milksolids, still well above Fonterra's latest forecast of \$3.90/kgMS.

Analyst Susan Kilsby said it was likely skim milk prices would continue to stay low in the coming months because stocks were building in Europe.

Prices were down for all commodities except butter milk powder (BMP) and lactose. The BMP price index lifted 6.4 per cent, although prices for the commodity are still relatively weak. Lactose was up 0.8 per cent.

The cheddar price index lost 5.6 per cent and prices for milkfat based products were also weak. The butter price index was down 2.8 per cent while the index for anhydrous milkfat dropped 6.5 per cent.

There were 134 bidders trading 20,406 metric tonnes of product.

