

3) The milk cooperatives played a crucial role during operation Flood, but the entry of private sector brought creativity and competition. Explain (200 words)

→ Operation Flood was started in 1970s to that transformed dairy sector and the institutional innovation of cooperative model, introduced by "Verghese Kurien" made India leading in milk production around the world.

India's Dairy Sector.

- Dairy is one of the biggest agri-businesses in India and biggest agri-commodity in term of value. greater than paddy (rice), wheat, and sugarcane combined.
- India is largest producer of milk about 208 million tonnes in 2020-21.
- Growth rate of milk production of India is near 5-6% per annum.

Challenges Faced by Dairy Sector.

- Dairy sector is dominated by small holders with an average herd size of 4-5 animals.
- There is no minimum support price for milk. It is more like contract based between company and the farmers.
- Prices of milk is largely determined by forces of demand and supply.
- It is also an unorganized sector.
when crops goes fail small and marginal farmers are depended on their animals.

Private Sector in Dairy

- After 1991 reforms private sector were partially opened for Dairy.
- Under the leadership of A. B. Vajpayee the dairy sector was completely de-licenced.
- Start-ups like Country Delight provide milk at costumer's doorstep.

→ Competition between Private and cooperatives will lead price unstable. It will hurt the consumers. So (MSP) is needed. to co-op with inflation. That will help both farmers and consumers. New innovations, raise productivity, Food safety should be focused.