GS III, Agriculture 29/5/21

Government of India needs to intervene in the dairy sector to prevent the impending crisis. Analyse in the context of pandemic.

Animal husbandary contribute 28% GVA of agriculture with growth rate of 6% and provide employment to 70 millon population especially rural landless labourers

However the dairy sector is more susceptible to even minor shocks it can be seen during pandemic

Problems

1] Sector is more unorganized & no political voice to advocate their rights

2] Price depends on demand & supply with no government support like MSP pandemic affected the demand

3] Less than 40% operates through dairy cooperatives but exclude small & marginal farms because of fat based pricing, as it varies depending on scale & cattle biological cycle

4] Also Lockdown affected door to door supply of milk & shortage in fodder veterinary health care

5] Only few state have well developed cooperatives & with fair remunerative price for milk

Ex:- AMUL - Gujrath, NANDINI (KMF) - karnataka

In 2021 Union Finance Minister admitted problems of Milk producers, Following intervention need

1] Model law on dairy sector which address stable market & remunerative price (based on quality of milk, by central govt

2] Fastening inclusion of dairy farmers into kisan credit card scheme (

3] Sub categorising dairy sector within Agricultural priority sector lending (PSL) norms

4] Value addition through establishing Mega Food parks

5] Increasing veterinary services and also insurance coverage to cattle at interest subvention

GoI through National Gokul Mission promoting indegenous cow breeds