

# AP plans ₹ 965-cr fodder devt scheme

BS REPORTER

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The Andhra Pradesh government is working on a plan to make villages self-sufficient in fodder by allowing a range of works to be carried out under the Mahatma Gandhi National Rural Employment Guarantee Scheme.

According to minister for animal husbandry and dairy development P Viswarup, the ₹ 965-crore plan would include enabling development of fodder nurseries, bund plantation, perennial fodder crops and fodder conservation over the next four years.

He was speaking at a workshop on dairy development in Andhra Pradesh organised by the Federation of Andhra Pradesh Chambers of Commerce and Industry (Fapcci) here on Friday.

Three new milk chilling and processing facilities are being planned at Madakashira and Kalyanadurgam in Anantapur district and at Pulkal in Medak district, he said. New bulk cooling units are also being planned for Warangal and West Godavari districts.

The state has 68 bulk cooling units in 1,318 villages at present. The government would invest ₹ 723 crore in expanding marketing facilities and cooling units in Tier II and Tier III cities. The per capita availability of milk in the state rose to 200 gram per day from 105 gram in 1970. The current milk production is at 11.25 million tonnes, and is targeted to touch 15 million tonnes by 2020.



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## CO-OPS VS PRIVATE

According to National Dairy Development Board executive director NV Belavadi, the total dairy production in India is 310 million kg per day, of which 150 million kg (48 per cent of the total) is consumed within the production area, while the rest is the marketable surplus.

Within the marketable surplus, 110 million kg (67 per cent) is sold in the unorganised sector, while only 52 million kg is marketed by the organised sector. Within the latter, the co-operatives and private sector now have a nearly equal share on a national level, as compared with a major share held by co-operatives till the 1990s.

In Andhra Pradesh, the private sector was larger than co-operatives while the latter have a 90 per cent share in Gujarat and 75-80 per cent share

in Karnataka.

According to S Bhale Rao, special chief secretary to the state government, there are several reasons for failure of co-operatives in the state. He suggested that co-operatives should be looked at from the economic and business perspective.

## 'REDUCE VAT ON DAIRY'

Dairy sector entrepreneurs from Andhra Pradesh today asked the state government to reduce the value-added tax (VAT) on dairy products to 4 per cent from the current rate of 14.5 per cent.

Fapcci agriculture committee president K Bhaskar Reddy said the rates in neighbouring states were at 4 per cent and because of the differential rates, dairy products from the state were becoming uncompetitive in other states.



# AP bets on 'Gopal Mithra' to revolutionise dairy sector

## Govt to spend Rs 723 cr to set up bulk milk cooling units

**Our Bureau**

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Andhra Pradesh, which stands second in the country in milk production, is betting on 'Gopal Mithra' (friend of cowherd) to increase productivity and production. The State, which has also announced setting up over 900 mini dairies, is also focussing on supply chain, cooling centres and processing units.

"We have begun the process and it would take at least 4-5 years to herald dairy revolution in the State. We are also involving women self-help groups to improve animal management systems.

It would take 5-6 months before the initiatives percolate down to the farm communities. We are planning to promote high-milk yielding cows as part of this programme," Dr M.V. Reddy, Director of Animal Husbandry

(Andhra Pradesh), said.

The industry and other stakeholders should be ready with relevant ecosystem when milk production multiplies after the Gopal Mithra programme begins to yield results.

Addressing dairy farmers and industry at the workshop on 'Development of dairy industry in Andhra Pradesh - a changing perspective', here on Friday, he said the State would have specialised dairy units, each having five animals. This would require investments of Rs 100 crore.

### DAIRY TURNOVER

Dairy industry had come of age and achieved total turnover of Rs 25,000 crore or 26 per cent of the total agricultural output of Rs 83,000 crore.

Though it stood second in milk production, average



yield an animal was very low when compared to the animals in Punjab and Haryana.

Earlier inaugurating the workshop, Mr P. Vishwarup, Minister for Animal Husbandry and Dairy Develop-

ment, called for establishment of integrated community dairy parlours with processing and marketing infrastructure.

He said the Government would spend Rs 723 crore in

Tier-II and Tier-III cities to set up bulk milk cooling units and to expand marketing facilities in the next four years.

Mr P. Mohanaiah, Chief General Manager of Nabard (National Bank for Agriculture and Rural Development), said that farmers should look at dairy as a supplementary source of income.

"Land holdings are becoming smaller and smaller. As a result, agriculture has become a difficult proposition," he said.

Dr K. Sree Hari Rao, a dairy technologist, said fortification of milk with vitamins and minerals could be a good market opportunity.

"Changing lifestyles with increased disposal incomes have changed eating habits. There is a huge potential to tap for the milk industry," he said.