

**ANIMAL HUSBANDRY, DAIRYING AND FISHERIES DEPARTMENT
DEMAND NO.8**

DAIRY DEVELOPMENT DEPARTMENT

Policy Note for 2007-2008

Dairy Development activities in Tamil Nadu have reached majority of the potential villages of the State through sustained efforts like organization of societies, good animal health care, breeding plan and infrastructure development. It has been observed that 50% of the revenue villages in Tamil Nadu have come under co-operative ambit when compared to 6% in West Bengal and Bihar, 7% in Madhya Pradesh 14% in Uttar Pradesh and 24% in Rajasthan¹. The main reason for proper co-operative coverage in dairying activities in the State is due to regular and assured income to the farmers even at times of severe drought and flood.

Introduction of Clean Milk Production practices by creating awareness and understanding among the persons handling milk from production point to milk processing and packing point, supported by strict quality assurance has given very good result. Raw chilled milk is brought directly from chilling Centres to dairies for processing and the era of milk processing twice has been totally eliminated. In Tamil Nadu, private and co-operative dairies together are procuring 43.45 Lakh Litres Per Day (LLPD) of milk. Both the sectors together are marketing 37.82 LLPD of milk. The processing capacity of the co-operative dairy sector is being utilized to the maximum

1 NDDB ANNUAL REPORT 2005-06 and DAIRY INDIA YEAR BOOK 2006

extent. Tamil Nadu co-operative dairies have catered to the milk needs of national milk grid successfully and had supplied milk and milk products to New Delhi, Kerala, Andhra Pradesh, West Bengal and Pondicherry.

Dairy sector has assumed much significance by generating income not only to the rural farmers but also to the urban and sub-urban population by providing employment opportunities. Further the women folk also have self-employment opportunities.

Average milk procurement by Dairy Co-operatives in Tamil Nadu during the year 2000-2001 was 19.94 LLPD. During 2006-2007, the above procurement has increased to 26.10 LLPD registering 31 % growth.

Milk sale by District Unions and Federation during 2000-2001 was 13.71 LLPD only. In the current year 2006-2007, average milk sales have reached 19.29 LLPD registering 40% growth. On 4.9.2006 the total milk sales reached the highest peak of 22.38 LLPD.

The market share of the Dairy Co-operatives has increased and aavin brand holds the major market share in Tamil Nadu. During current year 25.37 LLPD of milk was procured on 26.06.2006. This is the highest ever procurement by the unions. This has proved beyond doubt that the millions of small

marginal farmers and landless agricultural labourers have taken up dairy activities as a prime alternate income generation activity.

Similarly the highest milk sales by Dairy Co-operatives have also reached the maximum of 10.77 LLLPD on 21.2.2007 in Chennai and 12.27 LLLPD in Districts on 4.9.2006. Village level Co-operatives have concentrated on milk quality improvement activities, and ensured improved quality milk to the consumers.

Global milk scenario is on the declining trend² due to drought and global warming. Decline in milk procurement was also observed in India. The Co-operatives in Tamil Nadu through sustained efforts and effective market intervention have been able to increase the milk procurement by 5% compared to last year.

The total milk sales to the consumers also recorded 11% growth compared to previous year. Compared to other States, the price of aavin milk is the cheapest in the country.

Tamil Nadu Co-operative Milk Producers' Federation Limited has taken the following measures to maintain procurement.

MILK PRODUCERS' WELFARE

- (1) Uniform milk procurement price chart for the payment of milk cost from the Union to Society and from the Society to the milk producers has been implemented.
- (2) The production in the cattle feed plant is maintained without any interruption and feed bags are being supplied to the producers.
- (3) With the co-ordination of Animal Husbandry Department preventive vaccination is being done for the milch animals belonging to the milk producers.
- (4) More number of 'Kaalnadai Paadukaapu' camps are being conducted regularly.

2 - Food and Beverage News, February 3rd 2007.

- (5) Milk producers are at present covered under group insurance scheme with payment of a minimum amount of Rs.50/- per person. For Crossbred milch animals owned by the milk producers, insurance scheme with 50% premium contribution by milk producers and balance 50% grant by Govt. of India scheme is available through Tamil Nadu Livestock Development Agency in Vellore, Coimbatore, Salem, Namakkal and Erode Districts.

Further the following measures are being proposed for producers' welfare.

- (1) Action will be taken to extend livestock insurance scheme to other districts.
- (2) Electronic Milk weighing machine at a cost of Rs.8500/- will be provided with monthly installment for repayment.
- (3) Automatic milking machines will be provided as a pilot project in Coimbatore and Namakkal District Primary Milk Co-operative Societies from out of their own fund.
- (4) Eligible milk producers will be enrolled as members in the Agricultural labour welfare board for any welfare benefits they are entitled to.

- (5) Cattle Feed packed in 30 kg bags will be introduced.
- (6) Technical Monitoring Committee will reconsider the recovery of 0.50 paise per litre of milk from milk producers at Erode, Dharmapuri and Dindigul District unions.

SOCIETY EMPLOYEES' WELFARE

- (1) Productivity linked Bonus of Rs.825/- to all the society employees has been paid.
- (2) Regularization and fixation of scale of pay for the primary society employees will be done as per the provisions of the Act.
- (3) The administrative cost has been restricted to a maximum of 0.10 paise per litre of milk for the Union. Society will recover a maximum of 0.40 paise per litre of milk as administrative cost from the milk producers.

LABOUR WELFARE

- (1) Provision of raincoat, enhancement of stitching charges, night shift Allowances and washing Allowance for the Dairy factory, transport and marketing employees.
- (2) Revision of scale of pay for Electrician grade I, Boiler man grade II and sanction of 5% personal pay and compensatory personal pay to the reinstated workmen who participated in strike.
- (3) Reimbursement of long pending medical reimbursement claim for the employees and their family members who have undergone hospitalization for treatment.
- (4) For the first time in the history of Tamil Nadu Co-operative Milk Producers' Federation (aavin), Government have formulated a High Level Committee to update the service rules, i.e, recruitment, appointment and promotion as well as formulation of standing orders for the Tamil Nadu Co-operative Milk Producers' Federation Limited.

CUSTOMERS' CARE

Customers' requirement and preference are given importance by aavin. Quality products are marketed. Milk is delivered in time. 24 hours consumer care cell is operating at Nandanam in Chennai and complaints are attended immediately. Consumers can approach aavin through Toll Free No.1800 4253300.

OBJECTIVES OF THE DAIRY DEVELOPMENT SECTOR

- (1) To assure remunerative price to the milk producers.
- (2) To ensure the availability and supply of clean processed milk as per consumers' need and to provide necessary milk products with requisite quality to the consumer at a competitive price.

STRATEGIES ADOPTED TO ACHIEVE OBJECTIVES

- (1) Veterinary health cover, breeding cover, feed supply etc., are provided to animals owned by the milk producers in co-operative sector.
- (2) Milch animals up-gradation and improving their productivity in long run are also undertaken. Improved varieties of fodder are cultivated in union land and distributed to the milk producers.

- (3) Training to society staff in first aid and artificial insemination are rendered. Modern animal husbandry methods and practices are inculcated to farmers through training and motivation. In addition to that, skill development in cost effective ration balancing technique for efficient and economic feeding is also provided.
- (4) Initiated milk procurement system with quality testing at village level for milk collected from the members, formation of new milk collection routes to procure milk from the societies, undertake milk transport, processing and packaging in modern dairy plants after observing all quality assurance standards.
- (5) Establishment of Chilling Centres / Bulk Milk Coolers at places where milk is available, provision of Stainless Steel (SS) milk cans, milk-o-testers, liquid nitrogen containers, artificial insemination equipments, automatic milk collection stations and other testing equipments to societies.
- (6) Conversion of surplus milk into milk products such as Skimmed Milk Powder, Butter and Ghee in Feeder Balancing Dairies.
- (7) Strengthening of processing plants to handle surplus milk, maintaining the quality assurance (ISO/HACCP) at all stages in Chennai processing plants, adoption of modern processing system, providing necessary infrastructure facilities, thereby enabling supply of quality milk and milk products to the consumers.
- (8) Government of Tamil Nadu / Government of India sponsored Dairy Development schemes are being implemented.
- (9) Providing financial support to the milk producers' unions to ensure upto date milk payment to the milk producers and support the weaker unions to prevent financial losses.
- (10) Action is taken to maintain timely payment and to keep the societies economically viable.
- (11) Manufacturing milk products such as Yogurt, Ice Cream, Khova, Gulab Jamoon, Butter Milk, Curd, Mysore pa, Lassi and introduction of Sugar free ice cream in Chennai.

The Federation co-ordinates the activities of the District Co-operative Milk Producers' Unions and provides technical expertise as and when required and also undertakes planning, erection, expansion and commissioning of Dairy Plants and Bulk Milk Coolers in the milk unions on turnkey basis. Federation helps the unions in marketing their milk products like skim milk powder, ghee, butter, tetra pack products and cheese in Tamil Nadu and in other States.

DAIRY DEVELOPMENT DEPARTMENT

Formation of societies, registration of societies, supervision and control of Primary Milk Co-operatives, District Co-operative Milk Producers' Unions and Tamil Nadu Co-operative Milk Producers' Federation are being carried out by the Dairy Development Department.

Dairy Development Department exercises statutory functions like Inquiry, Inspection, Surcharge and Supersession, election, Appointment of Special Officers, liquidators and winding up of dormant Societies etc. Commissioner for Milk Production and Dairy Development, Deputy Milk Commissioner

(Co-operation), and Circle Deputy Registrars (Dairying) are vested with quasi-Judicial powers in respect of settlement of disputes, appeal, revision and review under various provisions of Tamil Nadu Co-operative Societies Act, 1983 and the Tamil Nadu Co-operative Societies Rules, 1988 made there under.

Commissioner for Milk Production and Dairy Development has been designated as the State Registering Authority for the State of Tamil Nadu, under the provisions of Milk and Milk Products Order'92. All the Dairy units including private Dairies handling more than 10,000 LPD of milk or Milk Products containing milk solids in excess of 500 metric tonnes per annum have to obtain registration certificate under the provision of Milk and Milk Products Order'92. Commissioner for Milk Production and Dairy Development / State Registering Authority has been conferred with powers to register the dairy units which have handling capacity from 10,000 LPD to 2,00,000 LPD. Commissioner / State Registering Authority, Deputy Milk Commissioner (Co-operation) / District Collectors and Deputy Registrars (Dairying) have been authorised to carry out supervision and periodic inspection of the dairies functioning under Milk and Milk Products Order '92.

Centralized Quality Control Laboratory established with Government of India's grant is functioning under the direct control of Commissioner for Milk Production and Dairy Development at Madhavaram. Milk Samples are being collected from various selling outlets and quality of samples are tested at the laboratory to ensure the supply of quality and clean milk to the consumers.

PROGRESS UNDER DAIRY DEVELOPMENT SECTOR (YEAR 2006-2007)

PRIMARY SOCIETIES

1. 352 new Milk Producers' Co-operative Societies (MPCS) have been organised during the year 2006-2007, out of which 113 are women MPCS.
2. 7662 MPCS are functioning of which 7129 MPCS are functioning in profit. Steps are being taken to improve procurement and to make the balance 533 MPCS in profit.
3. 1210 Women Milk Producers' Co-operative Societies are functioning.

DISTRICT UNIONS

There are 17 District Co-operative Milk Producers' Unions functioning in Tamil Nadu, covering 30 Districts. In the District Co-operative Milk Producers' Unions, under the Milch Animal Breeding Programme around 8 lakhs milch animals in 4696 societies are being covered through 2365 Artificial Insemination centers. In order to extend the coverage of milch animals under the breeding programme, to provide breeding services at the Door Step of the producers and to improve the rate of conception, Stationary Artificial insemination centers are being converted into Mobile Artificial Insemination centers. 12.78 lakhs Artificial inseminations have been carried out and 4.15 lakhs crossbreed calves were born as on 31.3.2007.

3753 Dairy Co-operative Societies are covered under animal health programme through regular visits by qualified Veterinary Doctors. Further, exclusive animal health camps were conducted in 3873 Milk Producers' Co-operative Societies during the year 2006-2007.

5.19 lakhs cases have been treated in the year 2006-2007. Emergency veterinary units are also operated to attend the distress calls from the members. 50 regular veterinary units and 56 emergency units are functioning under the control of District Co-operative Milk Producers' Unions.

The Artificial Inseminations carried out in the field is being closely monitored through the Artificial Insemination Monitoring System to assess the conception rate, calving rate and bull fertility.

TABLE I
SIGNIFICANT INFORMATION

S.No	Items	Achieve - ment as on 31.3.2007
1.	Total number of functional Milk Producers' Co-operative Societies	7662
2.	New MPCS organized	352
3.	Total number of Members in Milk Co-operative Societies.	21.93 Lakh
4.	Total No. of pouring members	3.98 lakh
5.	Milk Procurement by societies	26.10 LLPD
6.	No. of District Unions	17
7.	State Level Federation	1
8.	Milk Procurement by Unions	22.10 LLPD
9.	Milk Marketing in Chennai City	9.87 LLPD
10.	Milk Marketing in District Unions	9.42 LLPD
11.	Number of Union Dairies	15
12.	No. of Federation dairies	4
13.	Handling Capacity of Union Dairies	19.42 LLPD
14.	Handling Capacity of Federation Dairies	10.00 LLPD
15.	Number of Chilling Centres (Functional)	36
16.	Handling Capacity of Chilling Centres	13.55 LLPD
17.	No. of BMC units functioning	22
18.	Handling capacity of BMC	0.87 LLPD
19.	No. of rural milk collection routes	483
20.	No. of milk distribution routes at District level	194
21.	No. of milk distribution routes at Chennai Metro	106
22.	No. of Powder Plants	4
23.	Capacity of Powder Plants	70 MTs
24.	No. of Automatic Vending Machine Units in Chennai	218

MILK PROCUREMENT

The average quantity of milk procured by the District Co-operative Milk Producers' Unions during the year 2005-2006 and 2006-2007 is furnished below:-

TABLE II

S.No	Name of the Union	2005-2006	2006-2007
		(In thousand litres per day)	
1	Kancheepuram-Tiruvallur	55	54
2	Villupuram	162	167
3	Vellore	294	298
4	Dharmapuri	148	146
5	Salem	371	397
6	Erode	234	216
7	Coimbatore	207	219
8	Nilgiris	21	20
9	Madurai	188	208
10	Dindigul	39	41
11	Trichy	292	298
12	Thanjavur	24	28
13	Pudukkottai	10	11
14	Sivagangai	29	28
15	Virudhunagar	12	12
16	Tirunelveli	65	61
17	Kanyakumari	8	6
	Total	2159	2210

In 2005-2006, 7640 Co-operative Milk Producers' Societies have procured 25.09 lakh litres of milk per day (LLPD). In 2006-2007, number of MPCs increased to 7662 and the milk procurement has also increased to 26.10 LLPD.

Milk procurement by DCMPUs has increased from 21.59 LLPD (2005-2006) to 22.10 LLPD (2006-2007).

MILK PROCUREMENT PRICE

Milk procurement price has been increased from Rs.10.50 to Rs. 12.00 per litre for cow milk (4.5% FAT & 8.5% SNF) and from Rs.12.50 to Rs. 14.00 per litre for buffalo milk (7% FAT & 8.8% SNF) with effect from 07.03.2007. Uniform milk procurement price chart have been prepared and followed by all the 17 District Co-operative Milk Producers' Unions.

MILK SALES IN DISTRICT UNIONS AND CHENNAI METRO

The average quantity of District Co-operative Milk Producers' Unions local milk sale during the year 2005-2006 and 2006-2007 is given below:-

TABLE III

S.No	Name of the Union	2005-2006	2006-2007
		(In thousand litres per day)	
1.	Kancheepuram-Tiruvallur	1	1
2.	Villupuram	43	25
3.	Vellore	47	69
4.	Dharmapuri	15	18
5.	Salem	112	123
6.	Erode	92	90
7.	Coimbatore	173	182
8.	Nilgiris	20	21
9.	Madurai	132	156
10.	Dindigul	16	22
11.	Trichy	116	103
12.	Thanjavur	11	21
13.	Pudukkottai	5	6
14.	Sivagangai	25	27
15.	Virudhunagar	5	6

16.	Tirunelveli	53	49
17.	Kanyakumari	21	23
	Total	887	942
18	Chennai Metro sales	849	987
	Grand Total	1736	1929

METRO MILK SALES

Sale of milk in sachet is being carried out through 24 zones, 516 Depots, 364 Distribution Points, 35 Wholesale Milk Distributors, 89 Milk Retailers and 48 Milk Consumers' Co-operative Societies.

Sale of milk products is being carried out through 42 parlours, 185 Franchise Retail Outlets (FROs), 12 Wholesale dealers, and 4824 Retailers. Federation also caters to the needs for functions like marriages by booking special orders.

Standardised milk is being sold through 218 Automatic Vending Machines and 110 Fiber Reinforced Plastics Tubs (FRPs) to the city consumers. Milk products are also sold in certain AVM Units. Milk in sachets is also being sold through AVM units.

The recent raise in selling price of milk has not impacted the sale and the Tamil Nadu Co-operative Milk Producers' Federation and District Co-operative Milk Producers' Unions maintain their sales volume.

OTHER ACTIVITIES DURING THE YEAR 2006-2007

(a) INFRASTRUCTURE DEVELOPMENT

In order to meet the increasing milk procurement, infrastructure facilities were created in dairies and chilling centres of District Co-operative Milk Producers' Unions and Federation at a cost of Rs.715.45 lakhs to handle additional quantity of milk procured.

(b) CATTLE FEED

During the year 2006-2007, 9935 MTs of cattle feed was produced and 9812 MTs of cattle feed was sold.

(c) FODDER DEVELOPMENT

34 hectare of District unions land are covered under green fodder development activities. Out of which, 25 hectare are developed under Government of India's "Grass Land Development" scheme

(d) FROZEN SEMEN STRAW PRODUCTION

17.32 lakhs Frozen semen straws were produced at Nucleus Jersey and Stud Farm (NJF) at Udhagamandalam during the year 2006-2007.

CENTRALLY SPONSORED SCHEMES

(1) SUPPORT TO TRAINING AND EMPLOYMENT PROGRAMME FOR WOMEN (STEP)

The Government of India introduced "STEP" Scheme at a total cost of Rs.649.464 lakhs to improve the socio economic conditions of poor rural women belonging to SC/ST, asset less women and Self-Help-Group. The grants in aid of Rs.584.518 Lakhs will be met by Government of India as its 90% share and the balance 10% share of Rs.64.946 Lakhs to be met by the implementing Agency. The period of the scheme is 3 years from 2002 to 2005. Further, the Government of India extended the

scheme period upto March 2008 and the balance funds of Rs.281.929 lakhs are awaited from the Government of India.

This Scheme is implemented in 7 District Co-operative Milk Producers' Unions viz. Salem, Erode, Dharmapuri, Vellore, Villupuram, Coimbatore and Trichy comprising of 13 Revenue Districts.

The Government of India has released a sum of Rs.227.839 lakhs for the 1st year and Rs.74.75 lakhs released as 1st instalment for the 2nd year against Rs.197.999 lakhs. The STEP scheme implementing Unions and the Federation have utilised a sum of Rs.227.599 lakhs.

The targeted 145 Women Dairy Co-operative Societies have been organised and 10150 women members enrolled. The average milk procurement from STEP Societies is 26,283 litre per day with an average income of Rs.60/- per day per beneficiary. With the implementation of STEP scheme the average income of beneficiary will be enhanced from Rs.7000/- per year to Rs.20,000/- per year at the end of this project.

(2) INTENSIVE DAIRY DEVELOPMENT PROGRAMME

The Government of India have accorded sanction for Rs.312.15 lakhs to Sivagangai District Co-operative Milk Producers' Union as full grant to implement 'Intensive Dairy Development Programme' in Sivagangai and Ramanathapuram Districts from 2005-2006. First year grant of Rs.55.45 lakhs was received and utilized. Second year (2006-2007) grant of Rs.102.14 lakhs has also been received and being utilised by the union.

Under this programme, funds have been sanctioned to unions to improve milk procurement, milk sales, creation of infrastructure required for milk processing and marketing, extension of input activities, manpower development in districts for a period of five years.

During the year 2006-2007, the Government of India accorded administrative approval for the implementation of 'Intensive Dairy Development Programme' in Tirunelveli and Kanyakumari District Co-operatives Milk Producers' Unions for a total outlay of Rs.554.06 lakhs and Rs.291.77 lakhs respectively. Tirunelveli, Thoothukudi and Kanyakumari Districts will be benefited under this scheme.

The first year grant of Rs.49.83 lakhs was received and being utilised by Kanyakumari District Co-operative Milk Producers' Union. The first year grant of Rs.204.50 lakhs for Tirunelveli District Co-operative Milk Producers' Union is in process.

Besides, a proposal for Rs.899.875 lakhs has also been sent to Govt. of India to avail financial assistance to improve dairy development activities in Thanjavur District Co-operative Milk Producers' Union.

(3) STRENGTHENING INFRASTRUCTURE FOR QUALITY AND CLEAN MILK PRODUCTION

The Government of India sponsored a scheme called 'Strengthening Infrastructure for Quality and Clean Milk Production' to strengthen infrastructure facilities and to ensure Clean milk production at village level. The period of the scheme is two / three years.

Objective of the scheme is to train farmers on quality and clean milk production activities, to provide chemicals and utensils to the milk pouring members, to strengthen district union dairies / chilling centres laboratory and to install bulk milk coolers at societies to improve initial quality of milk.

The Government of India will release the entire amount as full grant for training, provision of antiseptic solutions, supply of stainless steel utensils and modernization of Quality Control Labs at Dairies / Chilling Centres. Government of India will release 75 percent as grant for installation of bulk milk coolers and the remaining 25 percent will be met by the concerned beneficiary District Co-operatives Milk Producers' Union.

The Government of India so far has sanctioned Rs.1224.21 lakhs to Vellore, Villupuram, Trichy, Dharmapuri, Salem, Kancheepuram-Tiruvallur, Erode, Nilgiris and Madurai milk Unions for implementation of the scheme.

Under these schemes, 48001 members will be benefited, 90 Bulk Milk Coolers will be installed and the chilling capacity will be increased by another 3.71 lakh litres per day.

(4) FIELD PERFORMANCE RECORDING OF ELITE ANIMALS

Field Performance - Recording system is being implemented by the Federation with the financial assistance of Government of India through the Tamil Nadu Livestock Development Agency, (TNLDA) for production of crossbred bulls required for breeding of the milch animals belonging to the Milk Producers. Under this programme, Cows with a peak yield of 12 litres were identified and out of these, 1,898 disease free cows have been selected and these cows will be impregnated by way of Artificial Insemination and on calving their milk yield will be recorded. Among them, the high yielding cows will be selected as Bull Mothers for production of crossbred bulls.

(5) PROGENY TESTING SCHEME

Progeny Testing Scheme is being implemented by the Federation with the financial assistance of Government of India through the Tamil Nadu Live Stock Development Agency (TNLDA), in order to select superior cross bred bulls for breeding of the milch animals belonging to the milk Producers. In order to select the superior cross bred bulls, a minimum of 20 cross bred bulls were selected and the cows belonging to the milk Producers were impregnated using the semen collected from these bulls by way of artificial insemination. Based on the study of certain important economic traits like the quantity of milk produced in the first lactation, Fat and SNF, age at first calving of the heifers born to these cows, the best of the crossbred bulls are selected.

(6) LIVESTOCK INSURANCE SCHEME

Livestock Insurance Scheme is being implemented by the Federation as a pilot project with the assistance of Government of India through TNLDA. It was targeted to cover a total of 46,000 milch animals during the year 2006-07 under insurance cover in the districts of Coimbatore, Salem, Namakkal, Erode and Vellore. As against this, 53,114 milch animals have been provided with insurance cover. As

per the scheme guidelines out of the total premium payable, 50% is provided as subsidy and the balance 50% is to be borne by the milk producers.

(7) REHABILITATION PLAN - CENTRAL SECTOR PLAN SCHEME - "ASSISTANCE TO CO-OPERATIVES" – REHABILITATION OF UNIONS.

During 9th five year plan, Government of India formulated a scheme called "Assistance to Co-operatives" to rehabilitate the loss making District Co-operative Milk Producers' Unions.

The plan envisages 50 percent grant from the Government of India and 50 percent grant from the State Government to wipe off cash loss in District Co-operative Milk Producers' Unions and make them viable with suitable Rehabilitation Plan.

The Government of India accorded administrative approval for the implementation of rehabilitation plan at Dharmapuri District Co-operative Milk Producers' Union at a total cost of Rs. 970.99 lakhs from 2005-2006. The Govt. of India's share of Rs.175.00 lakhs and the State Government's share of Rs.350.00 lakhs have been sanctioned and disbursed to the union.

The State Government has also recommended and forwarded the rehabilitation project proposal of Dindigul District Co-operative Milk Producers' Union for Rs.180.00 lakhs to Government of India and the approval is awaited.

LIVELIHOOD IMPROVEMENT FOR TSUNAMI AFFECTED DISTRICTS

The Federation has planned to introduce a special package in dairy sector at 12 coastal Tsunami affected districts, with 100% financial assistances from **ASIAN DEVELOPMENT BANK** for the creation of infrastructure.

Under the Restoration of Livelihood of Tsunami affected people component of this project, a sum of Rs.619.15 lakhs has been approved. With this amount, the following activities will be carried out:-

- (1) 200 New Milk Producers' Co-operative Societies will be organized with 5000 beneficiaries belonging to various self-help groups. Rs.100.00 Lakhs worth of society equipments will be provided free of cost.
- (2) 19 Bulk milk coolers will be established at a total cost of Rs.309.00 lakhs.
- (3) Infrastructure assistance worth of Rs.201.15 lakhs will be provided to 45 Self Help Groups (SHGs) for the sale of milk and milk products at 45 locations.
- (4) Training will be given to SHG members in dairying at a total cost of Rs.9.00 lakhs.

First installment of Rs.200.00 lakhs has been released by Government of Tamil Nadu.

STATE GOVERNMENT SCHEME

PART II SCHEMES FOR THE YEAR 2007-2008

It is proposed to implement the following schemes at a total value of Rs.418.00 lakhs under Part-II Scheme as detailed below:-

State Government's share is Rs.218.00 lakhs which is the highest amount proposed to the dairy sector and the balance amount of Rs.200.00 lakhs will be met by the beneficiary Unions / Societies.

- (a) 5000 Stainless Steel Milk Cans will be purchased at the rate of Rs.4000 per can and supplied to 1000 Milk Producers' Co-operative Societies at a total cost of Rs.200.00 lakhs. The Government will sanction 50% of the cost and the balance 50% will be met by the beneficiary societies.
- (b) It is proposed to procure 50 Stainless Steel Milk Collection Kits containing Stainless Steel Materials like Stainless Steel Collection Trays, Funnel, Filter Units, Measures and Sample bottles for milk testing at the rate of Rs.6000/- per kit to 50 Milk Producers Co-operative Societies. The total cost of the above kits works out to Rs.3.00 lakhs.
- (c) It is proposed to install 10 Bulk Milk Coolers of 5000 litre capacity at Milk Producers' Co-operative Societies. The cost of each Bulk Milk Cooler is Rs.20.00 lakhs. The Government will sanction Rs.100.00 lakhs out of total cost of Rs.200.00 lakhs as its 50% share and the beneficiary union will meet the balance 50%.
- (d) It is proposed to install 10 Personal Computer based milk collection stations to Milk Producers Co-operative Societies (MPCS) at the rate of Rs.1.50 lakhs per unit. The entire amount of Rs.15.00 lakhs will be met by the Government.

BACKWARD REGION GRANT FUND (RASHTRIYA SAM VIKAS YOJANA - RSVY)

- (a) The Government of Tamil Nadu has sanctioned a sum of Rs.100.361 lakhs for the installation of 2 bulk milk coolers and for the implementation of clean milk production programme in 119 Milk Producers Co-operative Societies at Sivagangai District Co-operative Milk Producers' Union under RSVY scheme. The scheme is in progress.
- (b) Rs.110.29 lakhs is sanctioned to Thanjavur District Co-operative Milk Producers' Union for improvement of milk production through veterinary camps, training to farmers, green fodder cultivation and creation of other infrastructure.
- (c) Rs.43.50 lakhs is sanctioned to Dindigul District Co-operative Milk Producers' Union for purchase milk processing equipments.

MILK PRODUCTION, PLANNING AND CONTROL FOR THE YEAR 2007-2008

(1) ORGANIZATION / REVIVAL OF MPCS

It is proposed to organize 250 MPCS and revive 50 MPCS during the year 2007-2008.

(2) MILK PROCUREMENT

It is proposed to procure 28 lakh litres of milk per day by the societies during the year 2007-2008.

(3) MILK MARKETING

10.25 lakhs litre of milk will be marketed per day at Chennai Metro during the year 2007-08 compared to 9.87 LLPD during the year 2006-07. 9.95 LLPD of milk will be marketed in District Co-operative Milk producers' Unions during the year 2007-08 compared to 9.42 LLPD in the year 2006-07.

(4) EXPANSION OF PROCESSING CAPACITY

Rs.1733.50 lakhs worth equipments for creation of additional infrastructure for increasing milk handling, processing, packing etc., will be provided in the year 2007-08.

Feeder Balancing Dairies will be strengthened to act as Regional suppliers of Processed Milk and Milk Products to the smaller Unions.

(5) INSTALLATION OF BULK MILK COOLERS

86 bulk milk coolers are proposed to be installed and made operational during the year 2007-2008.

(6) TRAINING OF MILK PRODUCERS.

29600 milk producers will be trained at a cost of Rs.37.00 lakhs under quality and clean milk production activities. 8000 milk producers will be trained at a total cost of Rs.30.00 lakhs on Dairy animal management activities.

XI FIVE YEAR PLAN – PROPOSED PILOT PROJECT ACTIVITIES IN 2007-2008

LAB TO LAND-TRANSFER OF TECHNOLOGY TO THE VILLAGES

(1) AUTOMATIC MILK COLLECTION STATION

It has been proposed to install 30 personal computer based automatic milk collection stations at an estimated cost of Rs.45.00 lakhs in MPCS procuring milk more than 1000 LPD. Milk received at these MPCS will be handled hygienically and payment will be made to producers based on quality.

(2) FEED MIXING UNIT

It has been proposed to establish 50 feed mixing unit at MPCS procuring milk more than 1000 litres per day for the production of cattle feed in small scale with capacity to produce 1 ton of feed per day at a total cost of Rs.250.00 lakhs.

(3) AUTOMATIC MILKING MACHINE

To ensure hygienic milking and to reduce time, labour and additional cost to producers for milking high yielding cows, 4 automatic milking machines in selected societies at a cost of Rs.5.80 lakhs has been proposed. It will retain initial quality of milk by avoiding external microbial contamination.

(4) FOOD PARK

As a pilot project it is proposed to create one milk product Food Park at a total project cost of Rs.2.00 lakhs by the union at the society level with the technical support from the Tamil Nadu Veterinary and Animal Sciences University (**TANUVAS**).

(5) FEMALE CALF REARING SCHEME

10,000 Crossbreed / buffalo female calf rearing scheme at a total project cost of Rs.600.00 lakhs has been proposed during the XI Five year plan period.

POLICY INITIATIVES

In order to maintain freshness and the initial quality of milk, as it comes out from the udder of the animal, it is proposed to introduce clean milk production activities at village levels. Tamil Nadu Co-operative Milk Producers' Federation Limited proposes to implement the following activities at societies during the year 2007-2008.

(a) ESTABLISHMENT OF BULK MILK COOLERS

As a part of Quality and Clean Milk Production activities, Bulk Milk Coolers are being installed at MPCs on cluster basis. By installing Bulk Milk Coolers, milk is chilled within 30 minutes of milking. The bacterial growth in milk is arrested and freshness is retained. The milk products will also have long shelf-life. Transport cost will also be reduced. 157 Bulk Milk Coolers under various schemes will be made operational before 31.03.2008 at an approximate total cost of Rs.15.00 Crores.

22 bulk milk coolers have been commissioned and orders have been placed for 49 bulk milk coolers. During the year 2007-08, it is proposed to install 86 Bulk milk Coolers at Milk Producers' Co-operative Societies. By doing this, the chilling capacity of the state will be increased by 4 LLPD.

(b) QUALITY AND CLEAN MILK PRODUCTION

Federation is concentrating more on quality milk procurement from Milk Producers' Co-operative Societies to improve the initial quality of milk.

Clean Milk Production Programme envisages not only good quality milk production but also improvement of animal management, feed, fodder, artificial insemination, training of farmers and society personnel, installation of Bulk Milk Coolers, maintaining milk yard free from flies, dirt-less usage of Stainless Steel vessel for minimum level of bacterial load.

In Dairy Co-operatives, the following measures are being taken under "Quality and Clean Milk Production":-

- (1) Aluminum milk cans and milk collection gadgets are gradually replaced with Stainless Steel materials.
- (2) Milk Producers will be provided with Stainless Steel Pails, antiseptic solution like 'saaf kit' for udder cleaning on pre and post milking.
- (3) Clean milk production awareness programmes are being conducted.
- (4) Booklets in Tamil about Quality Clean Milk Production are being circulated among the Producers.
- (5) Dovetailing the activities of Animal Husbandry Department, TANUVAS and TNLDA are being carried out for milch animal health and breeding activities.

MOBILE BREEDING FACILITY-TNLDA SCHEME

With the Co-ordination of Tamil Nadu Livestock Development Agency (TNLDA) various breed improvement activities besides Livestock insurance scheme for cross bred cows will be carried out. The Private Mobile Artificial Insemination facility will be better utilized to provide coverage in uncovered areas of the Milk Producers' Co-operative Societies.

AUDIT

DEPARTMENT OF AUDIT FOR MILK CO-OPERATIVES

Department of Audit for Milk Co-operatives is functioning from 01.10.1987. This Department is entrusted with the statutory audit of village level Primary Milk Co-operative Societies, District Level Co-operative Milk Producers' Union and the Tamil Nadu Co-operative Milk Producers' Federation. In the

Department of Audit for Milk Co-operatives, 335 employees are working under lean service basis from the Co-operative Department.

GOVERNMENT REVENUE

For the audit year 2005-2006, the total demand under audit fees is Rs.59.01 lakhs. The audit demand of Rs.56.07 lakhs has been collected. The total demand for F.R.Cost (Fundamental Rule audit cost) is Rs. 58.40 lakhs, out of which Rs.53.60 lakhs has been collected.

JOINT ACTION PLAN

The progress of Audit of Dairy Development Department, TCMPF, District Co-operative milk Producers' Unions and Milk Producers' Co-operative Societies are periodically reviewed by the Commissioner for Milk Production and Dairy Development.

- Audit co-ordination committee meetings every month on first Wednesday for Federation, second Wednesday for primary societies, third Wednesday for unions are being conducted respectively to sort out the pending audit issues.
- Audit defect rectification committee meeting is periodically conducted and suitable action is taken on the audit defects.

APPRECIATION BY NATIONAL DAIRY DEVELOPMENT BOARD (NDDB)

NDDB has appreciated the growth of the Tamil Nadu Co-operative Milk Producers' Federation Limited. In their News Magazine for the month of November 2006, it has reported that "One of the main contributing factors for the growth was identified as consistency in the quality of milk supplied. More emphasis is attributed to the quality of products being manufactured by the Federation and District Unions"³.

The Tamil Nadu Co-operative Milk Producers' Federation Limited has carried out an in-depth analysis regarding infrastructure gap in the Dairy Development sector in consultation with the Animal Husbandry Department, Tamil Nadu Veterinary and Animal Science University and Tamil Nadu Livestock Development Agency experts. Creating Disease Free Zones for milch animals, Quality and Clean Milk Production to meet international standards, value addition of milk and milk products, diversification of milk based products, improved marketing strategies are the goals of the Dairy Development Department, which are being achieved.

U. MATHIVANAN,
MINISTER FOR DAIRY DEVELOPMENT.

3- NDDB News Magazine November 2006