

DAIRY DEVELOPMENT DEPARTMENT

POLICY NOTE 2009-10

DEMAND NO.8

INTRODUCTION

Dairying, by playing a significant role in strengthening rural economy has brought about socio-economic transformation in Tamil Nadu. Small farmers, marginal farmers and downtrodden constitute majority of milk producers. Dairying has vast potential to generate employment and has helped in poverty alleviation in the rural belt. Dairying provides definite and regular income and employment to millions of rural families throughout the year, especially to women thereby improving the quality of their life. The milk producers in the State in the Co-operative sector on an average get daily income of Rs.329.00 lakhs collectively (Rs.1,20,085 lakhs annually) for the milk they pour to the dairy societies which indicate the importance of this sector in the rural economy.

While India is the largest milk producing country in the world, Tamil Nadu is one of the frontline States in milk production and ranks as number one in the country in the coverage of more than 50% of revenue villages

under Co-operative ambit. There are 8012 functional primary milk societies with 22.09 lakhs members.

During 2008-09, average milk procurement by Dairy Co-operatives was 26.30 lakhs litres per day (llpd). On 12.02.2009, a record milk sale of 11.03 lakhs litres was achieved in the history of Chennai Metro Dairies. The market shares of Dairy Co-operatives have increased considerably and **aavin** brand holds the major market share in Tamil Nadu.

DAIRY DEVELOPMENT DEPARTMENT

The growth of dairying in our State is laudable ever since the Dairy Development Department was established in 1958 in Tamil Nadu. The administrative and statutory control of all the dairy cooperatives in the State was transferred to this department on 01.08.1965. The Commissioner for Milk Production and Dairy Development is the Head of the Department and also officiates as the Functional Registrar of Dairy Co-operatives. He also functions as the Managing Director of the Tamil Nadu Co-operative Milk Producers' Federation Limited and State Registering authority under Milk and Milk Products Order, 1992 for the State of Tamil Nadu.

Under the relevant provisions of the Tamil Nadu Co-operative Societies Act, 1983 and Tamil Nadu Co-operative Societies Rules, 1988, he exercises

statutory functions like registration of new societies, revival of dormant societies, inspection of societies, settlement of disputes, conduct of election to the boards of management, constitution of boards, issue of direction to societies in the interest of public etc.,

The Commissioner for Milk Production and Dairy Development is assisted by Deputy Milk Commissioner (Co-operation) and 23 Deputy Registrars (Dairying) at the regional level for discharging the statutory and administrative functions.

PRIMARY MILK CO-OPERATIVE SOCIETIES

8012 Milk Producers' Societies including 1408 Milk Producers Co-operatives exclusively for women and 61 Primary Milk Consumer Co-operative societies are functioning in Tamil Nadu. During 2008-09, 208 societies were newly registered, including 48 milk Co-operative societies exclusively managed by women. Apart from this, 153 dormant societies were also revived.

For the benefit of the members, farmer induction programmes are conducted on modern animal husbandry practices for upgrading milch animals and their productivity. Since members of the milk producers' Co-operative societies are stakeholders, when the society earns profit, the member producers are paid dividend on share capital, patronage rebate and bonus

for the services rendered by them to the society .This ploughing back of profit for the benefit of producers is unique in the dairy co-operative sector and this has created a close bond between the producers and the co-operative societies.

DISTRICT CO-OPERATIVE MILK PRODUCERS' UNION LIMITED

17 District Co-operative Milk Producers' Unions are functioning covering all the districts of Tamil Nadu with primary milk co-operatives as affiliated members to the district unions. The District Collectors are the Special Officers of the Unions.

The main functions of these Unions are procurement of milk from primary societies by ensuring clean milk production, quality based milk cost payment, supply of input services, animal health coverage, development and supply of feed and fodder, implementation of State and Central Government schemes at District level, marketing of liquid milk locally and through metro dairies and conversion of surplus milk into traditional and value added products.

TAMIL NADU CO-OPERATIVE MILK PRODUCERS' FEDERATION

The Tamil Nadu Co-operative Milk Producers' Federation Limited, the Apex body of 17 District Co-operative Milk Producers' Unions, was established

on 1st February of 1981. The Federation has 3 dairy plants in Chennai which collect milk from District Unions, process and pack in sachets and send for sale to consumers in and around Chennai City. Ambathur product dairy is engaged in manufacturing of milk products. Recently, closed circuit T.V monitoring system has been installed at Ambattur Metro Dairy for effective supervision. Further, 5 numbers of new Road Milk Tankers were purchased at an estimated cost of Rs.71.60 lakhs by Tamil Nadu Cooperative Milk Producers' Federation Limited to maintain cold chain of transportation of milk.

MILK AND MILK PRODUCTS ORDER, 1992

In exercise of the powers conferred by section 3 of Essential Commodities Act, 1955, the Central Government made the Milk and Milk Products Order '92 (MMPO '92), in the interest of general public for maintaining and increasing supply of liquid milk of desired quality. 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 MTs per annum have to be registered under MMPO '92.

The Deputy Milk Commissioner (Co-operation), District Collectors and 23 Deputy Registrars (Dairying) at the regional level are authorized to carry out periodic inspection and supervision of dairies and

implementation of MMPO '92 under the direct control of Commissioner for Milk Production and Dairy Development. The National Productivity Council and Export Council of India are authorized to take up mandatory inspections.

To ensure quality, a well established MMPO Quality Control Laboratory is functioning under the direct control of Commissioner for Milk Production and Dairy Development at Madhavaram, Chennai-51. During this year, 1227 samples of Milk and Milk Products were tested in the laboratory to ensure supply of quality milk and milk products to consumers. As on date, 52 dairies have been registered under MMPO '92 with handling capacity of 84.78 lakhs litres per day.

OBJECTIVES OF THE DAIRY DEVELOPMENT DEPARTMENT

1. To bring the un-organized dairy sector into organized sector in a phased manner.
2. To monitor, supervise and regulate dairy activities.
3. Ensure input activities and animal health care for increasing milk production.
4. To assure remunerative price to the milk producers.
5. To ensure liquid milk availability and supply of clean processed milk following hygienic and food safety measures to the consumers at reasonable price.

6. To ensure quality of milk and milk products as per the statutory specifications.
7. To ensure transparency in administration in order to strengthen confidence on the sector.

STRATEGIES ADOPTED TO ACHIEVE OBJECTIVES

1. Up-gradation of milch animals, sustainability and improvement in productivity in the long run.
2. Provision of veterinary health, breeding, feed and fodder and insurance to animals owned by the milk producers in Co-operative sector.
3. Cultivation of improved varieties of fodder and distribution to the producers at reasonable price.
4. Inculcation of modern animal husbandry methods and practices to producers through training and study tours for learning new techniques.
5. Implementation of clean milk production with quality testing at village level and installation of Bulk Milk Coolers to improve the initial quality of milk.
6. Provision of stainless steel (SS) milk cans, stainless steel milk collection kits, Artificial Insemination equipments, milk testing equipments, automatic milk collection unit, milking machines and Bulk Milk Coolers.
7. Imparting training to society staff in Co-operative management, artificial insemination and first aid to animals.

8. Creation and Development of human resources at all levels.
9. Timely payment of milk cost to the producers.
10. Transportation of chilled milk to processing plant.
11. Modernization of Co-operative dairies infrastructure to enable supply of clean and hygienic milk and milk products to consumers.
12. Maintenance of food safety in dairying of all organized dairy sector.
13. Conversion of surplus milk into milk products such as skimmed milk powder, butter and ghee in dairies.
14. Production of value added products like khova, Ice cream, Gulab Jamun, Paneer, Cheese and other milk products.
15. Implementation of State plans, Central Government schemes, Centre-State shared schemes and all sponsored schemes for the growth of dairy sector in Tamil Nadu.
16. Rehabilitation of weaker milk unions by financial assistance.
17. Effective implementation of MMPO '92 for improving the quality of Milk and Milk Products at consumer level.
18. Development of e-governance to ensure transparency in administration at all levels.

19. Effective implementation of RTI Act, 2005 and ensuring vigilance activities.

MILK PRODUCERS' WELFARE

1. Uniform milk procurement price is adopted.
2. Highest milk production of 28.26 lpd through Co-operative sectors was achieved on 19.06.2008. Highest milk sale of 11.03 lakhs litres through Chennai metro dairies was achieved on 12.02.2009.
3. On line transfer of funds has been introduced among Federation, Unions and select societies to quicken the process of disbursement of milk cost to producers.
4. 6882 of the 8012 societies are working in profit as per the tentative financial statement. Rs.390 lakhs were distributed from the profit to 1,09,568 milk producers of 1446 societies towards dividend, member bonus and additional purchase price.
5. The District Co-operative Milk Producers' Unions of Tiruchirapalli and Coimbatore have distributed a sum of Rs.522.50 lakhs to 9680 producers and Rs.381.65 lakhs to 18,000 producers respectively as incentives to the milk producers from out of the surplus fund of the Unions.
6. 208 new Milk Producers' Co-operative Societies were registered, including 48 Milk Producers' Co-operative Societies exclusively for women.

7. 153 dormant societies were revived and made functional.
8. Quality feed are being supplied to producers.
9. A Bypass Protein Manufacturing unit has been established at a financial outlay of Rs.100.00 lakhs at Erode District Cooperative Milk Producers' Union.
10. Two Mineral Mixture Plants at a total cost of Rs.30.00 lakhs have been established in Erode and Thirunelveli District Cooperative Milk Producers' Unions.
11. Preventive vaccination is being done for milch animals belonging to milk producers in coordination with Department of Animal Husbandry.
12. 20.65 lakhs frozen semen straws has been produced at Nucleus Jersey and Stud Farm at Udhamandalam which is the first Frozen Semen Production Station getting ISO Certification in the country and "A" grade from Central Monitoring Unit, Government of India for maintaining its quality and production of Frozen Semen Straws for genetic up-gradation of Cattle of Tamil Nadu Farmers.
13. Under buffalo calves development programme, 810 buffalo calves were selected from 10 Districts for providing feed and animal care to stabilize buffalo population.

14. 'Kaalnadai Padhukappu Thittam' and 'Special Infertility Camps' are conducted regularly for the benefit of members at society level.
15. The milch animals owned by the members were covered under insurance scheme with the assistance of TNLDA in Dharmapuri, Villupuram, Tiruvannamalai, Tiruchirapalli and Tirunelveli Districts.
16. Eligible milk producers are being enrolled as members in Agricultural Labour Welfare Board for availing the welfare benefits.
17. 126 personal computer based milk collection stations were supplied to Milk Producers' Co-operative Societies to ensure transparency in milk testing and accounting.
18. During 2008-09, 122 Bulk Milk Coolers were installed and made operational to improve basic quality of milk. At present, 164 Bulk Milk Coolers are functioning in the State.
19. Automatic Milking Machines were supplied to 37 Milk Co-operatives to ensure the initial quality of milk and hygienic procurement besides replacing manpower requirement.
20. In the District Co-operative Milk Producers' Unions, under the Milch Animal Breeding Programme, around 9 lakhs milch animals in 4929 Dairy

Co-operative Societies are being covered through 2539 Artificial Insemination Centres. 2375 Artificial Insemination centres are functioning as Mobile Artificial Insemination centres. 13.95 lakhs Artificial Inseminations have been carried out and 4.82 lakhs calves were born.

21. 5351 Dairy Co-operative Societies are covered under animal health cover through regular veterinary input units with qualified Veterinary Doctors. Exclusive animal health camps were conducted in 897 Milk Producers' Co-operative Societies.
22. 5.96 lakhs cases were treated during this year. Emergency veterinary units are also functioning to attend distress calls from the members. 68 regular veterinary units and 48 emergency units are functioning under the control of District Co-operative Milk Producers' Unions.
23. 571 milk producers visited Gujarat, Andhra Pradesh and Karnataka to know the "best practices" to update their knowledge in Dairying.
24. 3,850 milk producers were trained to upgrade technical skill and knowledge on dairying.
25. By way of encouraging the wards of the employees of the Federation, State first rank holder in State Board Plus two examination in 2008, Thiru. Rajesh Kumar, Son of Thiru. V. Mani, employee of

Kancheepuram-Thiruvallur District Cooperative Milk Producers' Union Ltd., was sanctioned with Rs.12,000/- as scholarship per annum besides a Lap top.

26. 17 Computers were distributed to the children of pouring members of Milk Producers' Co-operative Societies of each Union, who top scored in the +2 examination.
27. Out of every 10 paise deducted by the District Unions from milk producers towards administrative cost, a minimum of 2.5 paise is being set apart for animal health care. Out of this amount collected, new Mobile Veterinary Units are being established to provide regular and emergency health cover to animals of milk producers.
28. To enhance milk production as well as to increase income of milk producers, a new scheme called "Perarignar Anna Centenary Dairy Scheme for Rural Women" (PACDSRW) is being implemented. Under this scheme, it has been planned to provide 10,000 Cross Bred Milch animals to Women Self Help Groups in 200 villages at a cost of Rs.22.00 Crores for a period of 2 years.
29. To enhance milk productivity, under the above schemes, women Self Help Groups are being encouraged to grow fodder in an extent of 500 acres

in the operational areas of Coimbatore, Madurai and Thanjavur District Unions.

WELFARE OF EMPLOYEES OF DEPARTMENT AND DAIRY CO-OPERATIVES

1. During 2008-09, 30 employees of Dairy Development Department and 26 employees of Tamil Nadu Co-operative Milk Producers' Federation Limited (TCMPF Ltd.) / District Co-operative Milk Producers' Unions (DCMPU) were promoted.
2. Under compassionate grounds, 9 appointments were made in the department and 12 appointments in the Federation.
3. Government orders were issued regularizing 83 casual labourers of District Co-operative Milk Producers' Unions.
4. By way of granting bonus and exgratia at 8.33% and 11.67% respectively, Rs.559.20 lakhs was distributed to the employees of the Federation and Unions.
5. Rs.74.60 lakhs worth of Deepavali and Pongal Gift packets were distributed to 32,802 employees of the Dairy Co-operatives.
6. Rs.229.03 lakhs was disbursed to the Dairy Co-operative Employees as Productivity linked incentives.

7. Government have constituted a committee to formulate service conditions of the employees of Primary Dairy Cooperatives.
8. Top 10 scorers in State Board +2 examination (5 boys and 5 girls) among the children of regular employees of Federation and Unions were awarded with one Lap top each.
9. A Technical Training Centre is being established at Madhavaram to train technical staff of milk Unions and Federation.
10. For the benefit of women employees, two Crèches were established in the Federation.
11. Fixed Traveling Allowance to the field employees of District Cooperative Milk Producers' Union was enhanced to Rs.100/- from the existing level.
12. Night shift allowance, stitching charges for uniforms and supply of soap to the Tamil Nadu Cooperative Milk Producers' Federation Limited employees and the District Union employees were enhanced.
13. Stitching charges for uniforms to the employees of Primary Dairy Societies has been enhanced.
14. 1260 village level workers (VLW) and 413 veterinarians were re-trained on Animal breeding skill.

CONSUMER WELFARE

Consumers' requirements and preferences are given due importance by Tamil Nadu Co-operative Milk Producers' Federation Ltd., to supply quality products in the brand name of **aavin**. Toll free No.18004253300 has been provided to contact the consumer cell of the Federation at Nandanam functioning round the clock to lodge the grievances and steps are taken to redress the grievances immediately. Milk Parlours functioning for about 16 hours to cater to the needs of the consumers have been opened. To fulfill customers' needs, special campaigns for sale of monthly cards were organized during the month of April 2008. Pro-biotic Curd was introduced in Chennai market.

In order to bring the unorganized dairy sector into organized fold, during 2008-09, MMPO registration certificates were issued to 4 new dairies with a total handling capacity of 1,95,000 lpd. To ensure quality consciousness among consumers, the existing MMPO Quality Control Laboratory is being strengthened with modern equipments.

As part of quality policy, all metro dairies have obtained ISO and Hazard Analysis and Critical Control Point (HACCP) Certificates. Recently, ISO and HACCP Certificates were renewed for Ambathur product dairy for another three years. Hazard Analysis and Critical Control Point (HACCP) is a quality system which

ensures food safety and quality in Milk and Milk Products sold by *aavin*.

STATE AND CENTRAL GOVERNMENT SCHEMES

STATE SCHEMES

PART II SCHEMES FOR THE YEAR 2008-2009

For the year 2008-2009, an amount Rs.132.85 lakhs was sanctioned for milk producers of Tamil Nadu. State Government's Share is Rs.110.85 lakhs and balance amount of Rs.22.00 lakhs is met by the beneficiary Unions / Societies. The various stages in the implementation of the schemes are given below:-

- a) Provision of 2000 stainless steel milk cans @ Rs.2200/- per can to 500 Milk Producers' Co-operative Societies at a total cost of Rs.44 lakhs with Rs.22 lakhs as Government grant and Rs.22 lakhs as beneficiaries' contribution.
- b) Provision of 150 stainless steel kits at Rs.6,000/- each to 150 Milk Producers' Co-operative Societies at a cost of Rs.9 lakhs.
- c) Softy ice cream units to 3 Milk Producers' Co-operative Societies @ Rs.60,000/- per unit, Khova Pan to 3 Milk Producers' Co-operative Societies at Rs.25,000/- per unit and Paneer making machine to 2 Milk Producers Co-operative Societies at Rs,50,000/- per unit were provided.

- d) Provision of 5 mobile milking machines at Rs.3.25 lakhs per unit to 5 Milk Producers' Co-operative Societies including one milking machine and a mini door auto at a total cost of Rs.16.25 lakhs.
- e) Purchase of Computers, Xerox, Printer and Fax machines for implementing e-governance at Office of the Commissioner for Milk Production and Dairy Development at a financial out lay of Rs.7.50 lakhs.
- f) Renovation of training hall in the Office of the Commissioner for Milk Production and Dairy Development with financial outlay of Rs.3 lakhs.
- g) Provision of fruit storage-cum-implements shed for 125 acres orchard at Madhavaram Milk Colony at a cost of Rs.10 lakhs.
- h) Provision of 2 bore wells with motor to irrigate the trees in the orchard at a total cost of Rs.3 lakhs.
- i) Provision of 4 Iron grill gates for fodder farm and orchard at Madhavaram Milk Colony at a cost of Rs.1.60 lakhs.
- j) Establishment of whey drink manufacturing unit in the Nilgiris District Cooperative Milk Producers' Union Ltd., with a financial outlay of Rs.35 lakhs .

THIRUVANNAMALAI DAIRY AND MILK POWDER PLANT

The Government accorded administrative approval for the establishment of a Dairy cum Powder

Plant with capacity of 2 llpd and 20 metric tonnes per day respectively at Thiruvannamalai. The project cost is Rs.29.31 crores of which the Government share is Rs.146.57 lakhs. The remaining portion is NABARD loan. Out of the total project cost, Rs.703.52 lakhs have been released by Government during the year 2007-08. During 2008-09, a sum of Rs.18.00 crores have been released to implement this project. Further, the State Government have also accorded permission to entrust the project to National Dairy Development Board exempting from Tamil Nadu Tender Transparency Act on turn-key basis. Since the National Dairy Development Board has revised the estimate to Rs.60.00 crores, NABARD has been addressed by the Government to sanction additional amount of Rs.30.00 crores for the project.

INTEGRATED DAIRY FARM FOR RURAL WOMEN (IDF)

To increase milk production in Tamil Nadu as well as to increase income of the Milk Producers, a New Scheme called "Peraringnar Anna Centenary Dairy Scheme for Rural Women" (PACDSRW) is being implemented. Under this Scheme, 10,000 cross bred milch animals have to be provided to Women Self Help Groups in 200 villages at a cost of Rs.22.00 crores for a period of 2 years through Tamil Nadu Cooperative Milk

Producers' Federation Limited. During 2008-09, for implementation of the scheme in 100 units of Integrated Dairy Farm, Milk Producers' Cooperative Societies in 6 Revenue Districts namely Coimbatore, Thanjavur, Thiruvarur, Nagapattinam, Theni and Madurai coming under the administrative control of Coimbatore, Thanjavur and Madurai District Co-operative Milk Producers' Union areas were identified at an outlay of Rs.11.00 crores.

Supply of Cross Bred Jersey cows and Murrah / Graded Murrah Buffaloes have commenced.

CENTRALLY SPONSORED SCHEME

1.NATIONAL AGRICULTURAL DEVELOPMENT PROGRAMME

a) PERSONAL COMPUTER BASED AUTOMATIC MILK COLLECTION STATION

Automatic Milk Collection Station comprises an Electronic Milk Weighing Unit, Electronic Milk Tester and Data Processing Unit. The membership codes of individual members are entered manually through an electronic keyboard. The Automatic Milk Collection Station interfaced with a personal computer can maintain complete record of the Village Cooperative together with the details of all transactions of the society. It facilitates efficiency and accuracy of fat testing in milk, reduces staff of society / collection centre

through automation and quality consciousness at producer level. So far, 126 personal computer based automatic collection stations were installed in Primary Dairy Cooperatives.

b) MILKING MACHINE

To overcome the problem of scarcity of labour and to avoid unhygienic milk handling, milking machines were provided to the Dairy Cooperative Societies. Provision of milking machine will be in line with the objectives of Clean Milk Production (CMP) as it avoids direct contact between milk and milk man. With this facility, the Dairy Cooperative Societies can procure more clean milk with less bacterial load. This is to ensure clean milk production, complete milking, avoidance of mastitis, reduction in manpower, prevention of adulteration, saving of time and reduction in the cost of milking. So far, 32 milking machines were provided to Primary Dairy Cooperatives.

c) BUFFALO CALVES DEVELOPMENT PROGRAMME

As per the animal census available, the buffalo population is declining. The scheme will create awareness on animal husbandry practices, learning by doing and importance of nutrition. By intensive system of calf rearing, income generation will be more. Due to non-availability of compounded calf feed to the farmers, they are not able to get the full capacity of animal

productivity. Better management practices during calthood will yield better results in entire life of the animal.

To arrest the fall and to stabilize buffalo population, support is needed to the buffalo rearers to rear female buffalo calves upto first calving. Further, It is an acknowledged fact that buffalo is a better converter of coarse feed into fat-rich milk even under harsh agro-climatic situations. We have in the country the world's best buffalo – the Murrah – capable of milk yields as high as 25 litre per day. Popularization of Murrah would ensure better returns to farmers. Under this scheme, 810 female buffalo calves were selected from 10 Districts for rearing by giving balanced cattle feed and proper animal health care.

d) MINERAL MIXTURE PLANT

Milk producing ability of dairy animals depends on mineral matter in dairy feed ration. The dairy cattle requires major minerals such as calcium, phosphorus, magnesium, sodium, potassium, chlorine and sulphur. Growing and lactating animals need specific quantities of minerals, specially calcium and phosphorus. Minor minerals which are required in very small quantities are known as trace minerals or micro minerals. Though the requirement of these trace minerals are small, their proper level should be ensured in the feed to achieve

optimum performance and herd health. Even small deficiencies can result in problems relating to reproduction, health and milk production.

To enhance milk production and to improve breeding besides reducing inter-calving period, two mineral mixture plants have been established at Erode and Tirunelveli.

e) BYPASS PROTEIN FEED MANUFACTURING UNIT

For Better utilization of available protein through treated feed ingredients, to enhance milk production through better feed management and to reduce cost of milk production, bypass protein manufacturing unit has been established at Erode District Co-operative Milk Producers' Union Limited.

f) STRENGTHENING OF MMPO QUALITY CONTROL LABORATORY

The existing MMPO Quality Control Laboratory is being strengthened to analyze aflatoxin, heavy metal, insecticide residues, pesticide residues, anti-biotic residues, estimation of total nitrogen, adulterants and bacterial load by purchasing atomic absorption spectrophotometer, gas chromatography with mass spectrometer, nitrogen analyzer, impedance machine and tinto meters at a total financial outlay of Rs.222 lakhs.

g) SKILL DEVELOPMENT

To upgrade technical skill and knowledge to meet the emerging challenges of Dairying, 1260 village level workers, 413 veterinarians and 3,850 milk producers were trained.

h) STUDY TOUR

571 elite milk producers were taken on a study tour to update knowledge in dairying.

2. INTENSIVE DAIRY DEVELOPMENT PROGRAMME

The scheme aims at improving milk procurement, milk sales, creation of infrastructure required for milk processing and marketing, extension of input activities and manpower development in districts for a period of five years. The entire fund is sanctioned as 100% grant.

The Government of India have accorded sanction for Rs.312.15 lakhs to Sivagangai District Co-operative Milk Producers' Union as 100% grant to implement 'Intensive Dairy Development Programme' in Sivagangai and Ramanathapuram Districts. So far, Rs.157.59 lakhs was received and utilized for the above purpose.

Further, Government of India have sanctioned Rs.554.06 lakhs to Tirunelveli and Rs. 291.77 lakhs to Kanyakumari District Co-operative Milk Producers' Unions. So far, Rs 204.53 lakhs and Rs.200.00 lakhs was received at Tirunelveli union. The first year grant of

Rs.204.53 lakhs was fully utilized. The grant for second year was recently received and being utilized. Kanyakumari union has received the grant of Rs.49.83 lakhs and fully utilized.

Similarly, the Government of India has accorded administrative approval on 11.10.2007 for the implementation of 'Intensive Dairy Development Programme' in Thanjavur District Co-operative Milk Producers' Union for the benefit of Thanjavur, Tiruvarur and Nagapattinam Districts at a total outlay of Rs.867.624 lakhs. As against the first year grant of Rs.210.284 lakhs, Thanjavur Union has received Rs.125 lakhs and utilized.

As on 31.03.2009, 2.42 lakhs milk producers of 859 functional societies in 8 revenue districts have benefited under this programme. In the above Unions, 96 new milk societies have been registered and 74 dormant milk societies have been made functional.

3. STRENGTHENING INFRASTRUCTURE FOR QUALITY AND CLEAN MILK PRODUCTION

The scheme aims at training farmers on clean milk production activities, provision of chemicals and utensils to pouring members, strengthening of laboratories at District union dairies / chilling centres and installation of Bulk Milk Coolers at societies to improve initial quality of

milk at village level. The amount is received as 100% grant spread over two to four years.

The grant under this scheme is being utilized for training, provision of antiseptic solutions, supply of stainless steel utensils and modernization of quality control laboratories at Dairies / Chilling Centres. The Government of India gives 75% as grant for installation of Bulk Milk Coolers (BMC) and the remaining 25% is met by the concerned beneficiary District Unions.

So far, a sum of Rs.1351.37 lakhs was sanctioned to Vellore, Villupuram, Tiruchirapalli, Dharmapuri, Salem, Kancheepuram-Tiruvallur, Erode, The Nilgiris, Madurai and Dindigul Milk Unions. Out of the total project cost sanctioned, the grant portion of Government of India is Rs.1102.45 lakhs and the contribution of the implementing Unions is Rs.248.93 lakhs. Government of India have released a sum of Rs.827.61 lakhs and the balance of Rs.274.84 lakhs is awaited from the Government of India.

4. 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 Groups. The grants-in-aid of Rs.584.518 lakhs will be

met by the Government of India as its 90% share and the balance 10% share of Rs.64.946 lakhs by the implementing Agency.

This Scheme is implemented in 7 District Co-operative Milk Producers' Unions viz. Salem, Erode, Dharmapuri, Vellore, Villupuram, Coimbatore and Tiruchirapalli covering 15 revenue districts.

So far, the Government of India have released a sum of Rs.425.838 lakhs grants-in-aid for 1st and 2nd year and the amount was utilized. In the third year, out of the grants-in-aid of Rs.158.68 lakhs, Government of India have released a sum of Rs.95.27 lakhs.

The targeted 145 Dairy Co-operative Societies managed exclusively by women have been registered and 10150 women members have been enrolled. The average milk procurement from STEP societies is 26,872 litres per day with an average income of Rs.60/- per day per beneficiary.

**5. REHABILITATION PLAN
CENTRAL – STATE SHARED SCHEME
“ASSISTANCE TO CO-OPERATIVES”
REHABILITATION OF UNIONS**

Under the 9th five year plan, Government of India formulated “Assistance to Co-operatives” scheme to rehabilitate the loss making District Co-operative Milk Producers' Unions.

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

Erode and Villupuram District Co-operative Milk Producers' Union Ltd., covering 3 districts have been already assisted under the scheme with the financial assistance from the Government of India and the Government of Tamil Nadu with a total project cost of Rs.9.00 crores and Rs.4.00 crores respectively.

The Government of Tamil Nadu and the Government of India have accorded administrative approval for the implementation of rehabilitation plan for Dharmapuri Union at a total cost of Rs.970.990 lakhs. The Central Government's share of Rs.450 lakhs and the State Government's share of Rs.485.495 lakhs have been sanctioned and disbursed to the Union. The above sum of Rs.935.495 lakhs has been fully utilized for settling the milk cost over dues to the milk producers through the Milk Producers' Co-operative Societies. A sum of Rs.35.495 lakhs is awaited from the Government of India. The Dindigul District Co-operatives Milk Producers' Union has submitted proposal for consideration under this scheme.

6. FIELD PERFORMANCE RECORDING PROGRAMME

Field performance recording system is being implemented by the Federation with the financial assistance of the Government of India through the Tamilnadu Livestock Development Agency (TNLDA) for production of crossbred bulls required for breeding milch animals belonging to milk producers. It is implemented in seven milk Unions viz, Vellore, Salem, Erode, Coimbatore, Tiruchirapalli, Madurai and Tirunelveli.

Under this programme, cows with a peak milk yield of 12 litres and above per day are identified, impregnated and on calving, their milk yields are recorded. Among the milk recorded animals, the high yielding cows are used as Bull Mothers for production of crossbred bulls.

Milk recording has been completed in 1698 animals. Out of 168 male calves born, 51 male calves have been purchased as breeding bulls and reared by Tamilnadu Livestock Development Agency.

7. PROGENY TESTING SCHEME

In order to select superior cross bred bulls for breeding milch animals belonging to milk producers, progeny testing scheme is being implemented by the Federation with the financial assistance of the Government of India through Tamilnadu Livestock Development Agency (TNLDA). To select the superior

crossbred bulls, a batch of 20 to 25 cross bred bulls are inducted for testing and cows belonging to milk producers in seven Unions viz, Vellore, Salem, Erode, Coimbatore, Tiruchirapalli, Madurai and Tirunelveli are impregnated using the semen collected from these bulls. Based on the study of certain important economic traits like the quantity of milk produced in the first lactation, Fat and SNF and age at first calving from the heifers born to these cows, the best of the crossbred bulls are selected. Sixth set of progeny testing programme is under progress.

8. LIVESTOCK INSURANCE SCHEME

Livestock Insurance Scheme is being implemented by the Federation as a pilot project with the assistance of the Government of India through Tamilnadu Livestock Development Agency. So far, 76,193 milch animals have been covered under insurance in the districts of Dharmapuri, Tiruchirapalli, Tirunelveli, Tiruvannamalai and Villupuram during the year 2008-09. 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.

VISION FOR THE YEAR 2009-2010

ORGANIZATION/REVIVAL OF MILK PRODUCERS' CO-OPERATIVE SOCIETIES

During this year (2009-10), it is proposed to form 150 Milk Producers' Co-operative Societies and revive 100 Milk Producers' Co-operative Societies.

MILK PROCUREMENT

During 2009-10, it is proposed to procure 28 lakhs litres of milk per day.

MILK MARKETING

During 2009-10, it is proposed to market 10.35 lpd of milk in Chennai metro and 10.00 lpd of milk at the District Unions.

STRENGTHENING OF PROCESSING CAPACITY

During 2009-10, for creation of additional infrastructure for increasing milk handling, processing, packing etc., equipments will be purchased and infrastructure strengthened.

INSTALLATION OF BULK MILK COOLING CENTRES

During 2009-10, 18 Bulk Milk Coolers are proposed to be installed and made operational.

PROPOSED PART- II SCHEMES 2009-10

It is proposed to implement the following schemes at a total cost of Rs.137.00 lakhs, out of which Rs.27 lakhs is being the beneficiary share under part II scheme as detailed below:

- a) Provision of 2000 Stainless steel milk cans @ Rs.2700/- per can to 500 Milk Producers' Co-operative Societies. The total cost works out to Rs.54 lakhs, out of which Rs.27 lakhs is the Government grant and the remaining Rs.27 lakhs will be met by the beneficiary.
- b) Provision of 100 stainless steel kits at Rs.6,500/- each to 100 Milk Producers' Co-operative Societies at a total cost of Rs.6.50 lakhs.
- c) Provision of 100 electronic weighing machines at Rs.18,000/- each to 100 Milk Producers' Co-operative Societies at a total cost of Rs.18.00 lakhs.
- d) Provision of 5 water softening units @ Rs.1.00 lakhs each for 5 Milk Producers' Co-operative Societies at a total cost of Rs.5.00 lakhs.
- e) Purchase of computers and Fax machines for strengthening of e-Governance at 23 Circle offices at a financial out lay of Rs.13.80 lakhs.
- f) Provision of Work stations for all the sections in the Office of the Commissioner for Milk Production and Dairy Development at a total cost of Rs.17.00 lakhs.
- g) Provision of Mobile Van to MMPO quality control laboratory, to collect samples from various dairies for analyzing Milk and Milk Products at the Office of the Commissioner for Milk Production and Dairy Development at a cost of Rs.15 lakhs.

- h) Special repairs to Commissioner's office at a cost of Rs.4.40 lakhs.
- i) Provision of Yard wall in front of Office of the Commissioner for Milk Production and Dairy Development at a cost of Rs.3.00 lakhs.
- j) Provision of standby motor with pump set at Madhavaram Milk Colony at a cost of Rs.0.30 lakh.

NATIONAL AGRICULTURAL DEVELOPMENT PROGRAMME (NADP)

National Development Council resolved to implement a special additional central assistance scheme called National Agricultural Development Programme (NADP) / Rashtriya Kissan Vikas Yojana (RKVY). This scheme with 100% Central Government grant of additional investment aims at 4% growth in agriculture and allied sectors during the 11th plan period by ensuring a holistic development.

For the year 2008-09, the Government have sanctioned the following items for a total value of Rs.903.25 lakhs on 100% grant from the Government of India.

- a) Buffalo calves development programme at a financial outlay of Rs.120.00 lakhs.
- b) Establishment of 2 Mineral mixture manufacturing units at Tiruchirapalli and Villupuram at a financial outlay of Rs.40.00 lakhs.

- c) Establishment of MMPO Quality Control Laboratory at Madurai at a financial outlay of Rs.10.00 lakhs.
- d) Skill development programme to technical staff at a financial outlay of Rs.10.00 lakhs.
- e) Study tour to 550 elite farmers of Milk Producers' Co-operative Societies at a financial outlay of Rs.27.50 lakhs.
- f) Provision of 100 Personal Computer based milk collection stations at a cost Rs.145.00 lakhs.
- g) Provision of 70 milking machines at a total cost of Rs.70.00 lakhs.
- h) Provision of 100 Chaff cutters for Integrated Dairy Farms (IDF) at a total cost of Rs.62.00 lakhs.
- i) Supply of mineral mixture supplement in the ratio of 1 Kg. to 1 member for familiarization at a total cost of Rs.207.50 lakhs which includes 50% of share by beneficiary.
- j) Establishment of 70 Mobile input units for 100% animal health coverage to milch animals under Cooperative ambit with a financial outlay of Rs.315 lakhs.

SIGNIFICANT INFORMATION

Some of the significant information regarding Dairy Sector are furnished as follows:-

TABLE-I

(As on 31.03.2009)

Sl. No	Items	Achievement
1.	Total number of functional Milk Producers' Co-operative Societies	8012
2.	New Milk Producers' Co-operative Societies registered during 2008-09	208
3.	Total number of Members in Milk Producers' Co-operative Societies (in lakhs)	22.09
4.	Total No. of pouring members(in lakhs)	4.11
5.	Milk Production by societies(in llpd)	26.30
6.	No. of District Unions	17
7.	State Level Federation	1
8.	No. of Registered private dairies in the State	33
9.	Milk Procurement by Unions(in llpd)	22.00
10.	Milk Procurement by Registered Private dairies (in llpd)	22.75
11.	Milk Marketing in Chennai City (in llpd)	10.71
12.	Milk Marketing in District Unions (llpd)	9.46
13.	Number of Union Dairies	15
14.	No. of Federation Dairies	4
15.	Handling Capacity of Union Dairies (in llpd)	19.42
16.	Handling Capacity of Federation Dairies (in llpd)	10.00
17.	Handling capacity of Registered Private dairies (in llpd)	36.24
18.	Number of Chilling Centres	36
19.	Handling Capacity of Chilling Centres (in llpd)	13.55
20.	No. of Bulk Milk Cooler units functioning	164
21.	Handling capacity of Bulk Milk Cooler (in llpd)	6.45
22.	No. of rural milk collection routes	507
23.	No. of milk distribution routes at District level	230
24.	No. of milk distribution routes at Chennai Metro	103
25.	No. of Powder Plants	4
26.	Capacity of powder plants for drying milk	70 MT / day
27.	No. of Automatic Vending Machine Units in Chennai metro	189

TABLE-I I
Milk procurement by District Co-operative Milk Producers' Unions
(As on 31.03.2009)

Sl. No.	Name of the Union	2007-08	2008-09
		(In thousand litres per day)	
1.	Kancheepuram-Tiruvallur	48	43
2.	Villupuram	165	164
3.	Vellore	276	291
4.	Dharmapuri	139	143
5.	Salem	407	436
6.	Erode	193	203
7.	Coimbatore	208	203
8.	The Nilgiris	22	21
9.	Madurai	227	222
10.	Dindigul	40	42
11.	Tiruchirapalli	286	279
12.	Thanjavur	34	30
13.	Pudukottai	11	13
14.	Sivagangai	30	30
15.	Virudhunagar	11	9
16.	Tirunelveli	61	64
17.	Kanyakumari	6	7
	Total	2164	2200

TABLE-III
Milk sales in District Co-operative Milk Producers' Unions and
Chennai Metro
(As on 31.03.2009)

Sl. No.	Name of the Union	2007-08	2008-09
		(In thousand litres per day)	
1.	Kancheepuram-Tiruvallur	1	1
2.	Villupuram	31	30
3.	Vellore	75	70
4.	Dharmapuri	17	16
5.	Salem	144	146
6.	Erode	83	67
7.	Coimbatore	176	170
8.	The Nilgiris	21	20
9.	Madurai	185	180
10.	Dindigul	20	13
11.	Tiruchirapalli	102	105
12.	Thanjavur	22	12
13.	Pudukottai	6	7
14.	Sivagangai	29	30
15.	Virudhunagar	7	6
16.	Tirunelveli	49	55
17.	Kanyakumari	17	18
	Total	985	946
18.	Chennai Metro Sales	1036	1071
	Grand Total	2021	2017

**DEPARTMENT OF AUDIT FOR MILK
CO-OPERATIVES**

The Department of Audit for Milk Co-operatives is functioning from 01.10.1987 and is entrusted with the statutory audit of 9603 Primary Milk Producers' Co-operative Societies, 17 District level Milk Producers' Unions and one Apex Co-operative Milk Producers' Federation in the State level.

Final audit of Tamil Nadu Co-operative Milk Producers' Federation Limited for the year 2003-2004 has been completed and Audit Certificates were issued. Final audit for the 17 District Co-operative Milk Producers' Unions have been completed and Audit Certificates were issued. Out of 9603 Primary Milk Producers' Co-operative Societies, final audit for 5503 Societies have been completed.

Audit fees to the tune of Rs.38,12,517/- and F.R. cost to the tune of Rs.58,66,061/- have been collected and remitted into the Government account.

During 2009-10, an amount of Rs.5.00 lakhs has been allotted under Part-II Scheme for purchase of Computers with accessories for the Directorate of Audit for Milk Co-operatives and five offices of the Regional Deputy Directors.

**U. MATHIVANAN,
Minister for Dairy Development.**