

Theoretical Aspects of Indian Dairy System in India

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Abstract

This paper is explaining about the theoretical aspects of the dairy industry in India, it focused and draw some conclusions from the south India. This research adopted quantitative methodology. This paper is collected data from the all secondary sources to understand how the dairy industries are working India over a period of time. This paper is completely understanding the dairy system in India and drawn some empirical evidences.

Introduction:

History of dairy development from National dairy development board, operation flood-I & II, National dairy plan, Telangana State Dairy Development Corporation Ltd formation, women thrift co-operatives groups, how the women are getting help from the statutory bodies and dairy position, marketing in India and livestock position. India is the country which is the highest milk producer in the world from 2014-15 it is reached around 146.3 million tonnes, presently the milk India standing with the 18.5 percent contribution with the across the nations. With an anticipated milk production of 146.3 million tonnes, an increase of 6.2 per cent over the previous year, India continued to be the largest milk producing nation in the world. The per capita availability of milk increased to 322 grams per day which were more than the world average. The dairy cooperatives collectively procured 13.9 million tonnes of milk registering a growth of around 11.1 percent as compared to last year. Liquid milk marketing of the cooperatives stood at 11.7 million tonnes with an increase of around 6.1 percent over last year. Imports of milk & milk products increased nominally while exports declined by 56 percent. Export of milk powder declined from 1.38 lakh tonnes during 2013-14 to 0.36 lakh tonnes during the current year. The average price of skimmed milk powder declined from 297 per kg in April 2014 to 213 per kg in March 2015 in the domestic market. The constant decline in domestic prices and international prices directed to insignificant growth in milk production, it is all happening because cooperative was gained momentum and contributed to the country to reach a significant place. There is clearly some stress in the current state of affairs in the dairy industry in the country, because the dairy farmer constantly getting support from the governmental organization, and other civil societies so that the dairy farmers are able to reach the sustainable level and their incomes were fully secured by the holistic dairy ecosystem. It is revealed that a large amount of supply of milk raising from the dairy cooperatives so that they were able to accumulate a large amount of Skimmed Milk so that the Milk Powder (SMP) is making by them to export or domestic use. According

to some reports, the private companies have pushed down prices to very low levels, thereby affecting farmers' income and the viability of smallholder dairy farms. Further, many private dairy plants that were usually into powder and other value-added products for better realization have either closed down their operations or scaled down their milk collection causing hardship to the dairy farmers. The FAO reported that 3.1 percent increase in world milk production from 765 million tonnes in 2013 to 789 million tonnes in 2014 due to favorable weather conditions and feed prices. Milk production amongst major exporters – the European Union, New Zealand and the United States of America grew at a higher rate. China, the largest importer of milk powder, reduced purchases of dairy commodities after the middle of 2014. In addition, Russia, the major dairy importing country, imposed a full ban on import of milk and cheese since August 2014. These developments led to an imbalance in the world dairy trade. International prices of dairy products continued to remain low throughout the year. Between April 2014 and March 2015, prices for Skimmed Milk Powder (SMP) declined by 30 percent, Whole Milk Powder (WMP) by 23 percent, butter by 5 percent and cheese by 25 percent. The producer prices of milk dropped by 25 to 50 percent in major exporting countries and in certain countries touched their lowest level since 2007. With a downturn in the dairy market, the cash flow turned negative and about 3 percent of cows in major exporting countries are reported to have been discarded during the year. Women milk producers continued to be a priority for activities undertaken during the year. In India, women are critical to milk production, as they are involved in almost all aspects of work related to animal management. Therefore, efforts were made to increase the number of women members in the village level Dairy Cooperative Societies (DCS). Women members of the DCS are also being invigorated to undertake management roles. During 2014-15, the number of all women DCS increased to 27317. As of March 2015, the total number of women members in dairy cooperatives across the country was 4.5 million. A significant step taken in this direction was to encourage the cooperative milk unions receiving funding under the National Dairy Plan - I, to employ Lady Extension Officers who would create awareness about the benefits of dairying to the farmers at village level and motivate more women to join the dairy cooperatives. Training and salary support for the lady extension officers is being provided to the milk unions. The decades-old State-owned trusted milk brand – Vijaya Dairy has been rechristened Vijaya-Telangana. Unveiling the logo of the new name at a programme, State Animal Husbandry Minister T. Srinivas Yadav said on 23 July 2016 that the milk packets with new designs available in the markets would also attract the consumers more. He said that the government was making efforts to increase collection to cater to the growing demand of Vijaya Dairy products from the present 5 lakh liters to 20 lakh liters a day. The government had already pressed 100 mobile vehicles into service for dairy development and health services to the cattle, he added. With this, the decades-old state-owned trusted APDDCF Ltd as known as Telangana State Dairy Development Co-operative

Federation Ltd (TSDDCF). Vijaya Dairy was planning to launch bulk milk packets of six liters and supply ghee in poly pet bottles, as part of an expansion plan of the federation, Telangana State Dairy Development Cooperative Federation Limited managing director K. Nirmala said. Tetra pack milk would also be reintroduced into the market, she added.

Dairy Cooperatives at a Glance:

The milk is producing since it is a domestic product in every rural area, this National Dairy Development Board is doing some survey in the year 2014-2015, from the survey it is concluded that the cooperative in number more. The survey did in India for that here only south reason has presented in the following table, a total number of cooperatives was presented in the following table-2.1, in the survey Telangana is added only in the financial year 2014-15.

Table-2.1 Number of cooperatives in South India

South	1980-81	1990-91	2000-01	2013-14	2014-15
Andhra Pradesh	298	4766	4912	5593	3425
Karnat aka	1267	5621	8516	13772	14377
Keral a	-	1016	2781	3789	3836
Tamil Nadu	2387	6871	8369	11043	10997
Telangana	-	-	-	-	1660
Puducherry	-	71	92	102	102

Note: Meghalaya, Mizoram, Telangana and Utrakhand states are included from 2014-15.

In rural area every individual has one or two more cows or buffalo as their domestic animals, they will do agriculture works with them and at end of the day they take milk in morning and evening, every member is a producer of the milk and everyone is participating in milk production, the following table-2.2, presents the members of milk producers.

Table-2.2 Milk producers in South India

South	1980-81	1990-91	2000-01	2013-14	2014-15
Andhra Pradesh	33	561	702	858	637
Karnat aka	195	1013	1528	2297	2359
Keral a	-	225	637	989	919
Tamilnadu	481	1590	1957	2202	1922
Telangana	-	-	-	-	115
Puducherry	-	17	27	38	38

In the rural collection of milk is at a particular place, this place is decided all the members from the total village and they gather here every day to collect the entire village milk production, then they send to dairy to whom they are committed. The following table-2.3 presents the milk procurement in the state of Telangana thousand kilograms per day.

Table-2.3Per day Milk in South India

South	1980-81	1990-91	2000-01	2013-14	2014-15
Andhra Pradesh	79	763	879	1730	1221
Karnat aka	261	917	1887	5161	5861
Keral a	-	185	646	963	1018
Tamilnadu	301	1106	1618	2385	2435
Telangana	-	-	-	-	423
Puducherry	-	26	45	36	26

After collection of milk they undergo for the process, then the milk will send to all customers in the scheduled area, in Telangana only 736 thousand liters per day is sealing. The sale of liquid milk marketing (thousand liters per day) has presented in the following table-2.4.

Table-2.4Sale of Milk in South India

South	1980-81	1990-91	2000-01	2013-14	2014-15
Andhra Pradesh	19	552	733	1719	1121
Karnat aka	166	889	1501	2998	3219
Keral a	-	223	640	1189	1232
Tamilnadu	109	405	559	1018	1023
Telangana	-	-	-	-	736
Puducherry	-	22	43	106	105
Chennai	245	662	725	1095	1113

Dairy Co-operative Societies or strengthening of existing Dairy Cooperative Societies with facilities for milk chilling using bulk milk coolers and testing facilities. While about 2.44 lakh new members were inducted into the system, another 3.4 lakh existing members benefited from the improvements in the milk collection system. The incremental membership achieved till now more than 51 percent in women. Incremental milk procurement for the villages covered has been more than 7, 50,000 kg per day till March-2015. The Indian dairy industry has developed considerable development from the Eighth Plan and the programmes were focused on the non-farm livelihoods, gradually it is achieved around 146.30 million by the year of 2014-2015.

The growth has not stooped into the domestic, it gradually reached the international as exports as a result so many milk and milk allied products came into existence. At the end of the year 2014-2015, the index number of wholesale prices showing milk is 242.63 and the dairy products prices as 199.50. The government is implementing various schemes for the development of the dairy sector for the development of rural people.

National Dairy Plan (NDP):

The Government is also investigative beginning a national dairy plan with an outlay of more than Rs.17, 300 crores to accomplish a target of 180 tonnes of milk-producing yearly by 2012-22. Milk production is expected to grow at 4 percent with an annual incremental output of 5 million tones in the next 15 years. Under this plan, the government is anticipating to boost milk production in foremost milk producing belts in India by giving them a capacity building and other activities which help to increase the milk production, it also expanded each and every part of India by incorporating the civil society organizations, as a result, new milk unions or new structures were developed. The plan envisages breed improvement through Artificial Insemination and through nature service, setting up plants to augment cattle feed, bypass protein, and mineral mixture. The plan also proposed to bring 65 percent of the surplus milk produced under the organization sector for procurement as against the present 30 percent. Efforts are on the top for World Bank funding for this project.

Telangana State Dairy Development Corporation LTD (TSDDCF):

After bifurcation of Andhra Pradesh, this new state Telangana has emerged and the corporation was formed in the month of July 2015. The dairy development has to understand without the prior state is a little bit difficult, so Andhra Pradesh has to continue for understanding the dairy development for a moment. The (APDDCL) Andhra Pradesh dairy development corporation Ltd was formed in the year of 2-4-1974 as a state government undertaking in place of a government department with the object of procurement and sale of milk, manufacturing, and distribution of milk products and cattle feed with an authorized capital of Rs. 15 crores. The Dairy Industry in Andhra Pradesh took a new dimension with the implementation of Operation Flood-I project. Under this scheme, a two-tier infrastructure of village level co-operatives and district level milk producer's unions have been established in Guntur milk shed. Later it is implemented in various other district milk sheds were formed.

Operation Flood – I Programme (OF-I):

under this programme, a feeder balancing dairy of 1.5 lakhs liters per day (LPD) was established at Sangam-Jagarlamudi in Guntur district. Funds have been provided for expansion of the Vijayawada milk Production Factory. The cattle fodder plant was established for the 100 MT per day. The total investment under operation flood-I project in Andhra Pradesh has been to the tune of Rs.474 lakhs. APDDCF Ltd has started for the raising and accumulate the funds from the IDC by incorporated with the Operation Flood-II programme, the major intention to accumulate funds and properly invest. In this programme the funds allocated through the dairy cooperatives federations, so in this phase, the Andhra Pradesh adopted completely this all incorporations, as a result, made Andhra Pradesh has created remarkable history in the dairy markets, still, it is moving with the positive growth by competing with several challenges. Under the IDC policy, the government has funded to all cooperatives in the Andhra Pradesh state by focusing village units, as a result, it got hype in the dairy sector, gradually the industry sustaining as today with the excellence growth.

The Operation Flood Programme--II (OF-II):

The state government made an agreement with the IDC on 8-1-1981 for the execution of it with the three-tier co-operative construction on and Design. The IDC has approved to invest Rs. 50 crores (afterward raised to Rs. 70 crores) for dairy expansion in Andhra Pradesh with 30 percent grant amount and 70 percent loan, it is also expanded over the period of 7 years initial period from 1980-81. The total duration throughout payment of the credit might be 20 years, by comprehensive of 5 years of elegance period throughout which the attention will be exploited. The current rate of interest indictable would be 8.5 percent annum, compounded semi-yearly. Out of 23 regions of Andhra Pradesh OF-II programme are being executed in 16 districts and the outstanding in 7 districts which were not encompassed in the existed scheme, it would be supported under the sixth five-year plan by the state government, an amount of Rs.6 crores have previously been assigned for this purpose. The seven districts which are not enclosed OF-II are Anantapur, Warangal, Nellore, Karimnagar, Khammam, Adilabad and Mahaboobnagar. After the creation of the alliance, the administrative construction was somewhat altered on account of the application of OF-II programme. At present, there are 9 milk-sheds which are employed under the controller of a Joint Director. The alliance has taken up wide-ranging and large programmes which are included feed mixing operations, infrastructure expansion, self-employment programmes by the Ford company foundation programme and input programmes. They also improve the cross-breeding programmes at the same time. It has already developed throughout the villages and block and there 528 district level co-operatives were enrolled up to the month of June 1982. After some time they occupied the 16 districts for the OF-II programmes. There are few dairies which they run their own operation,

after the establishment of the APDDCF Ltd. Which the organizations like Sangam-Jagaramudi dairy which is located in the Guntur district and Vishaka dairy which established in the Vishakapatnam district were incorporated with the APDDC and allowed them to control them also for the making the good and positive market. Later few districts were joined in this movement and registered under the AP MACs Act-1995.

The National Dairy Development Board:

The National Dairy Development Board is an organization of nationwide reputation which is set up by an Act of Parliament of India. The NDDB Main operation will run from the Anand, Gujarat district, it is also having the regional level offices across India. The NDDB's sister companies included like the Mother Dairy, Delhi. The NDDB founded by the great Dr.VergheeseKurien and Dr. Amrita Patel who is the present chairman of the organization. The NDDB was set up in the year 1965 for satisfying the farmer need which is also a major choice of the Prime Minister of India. The same time the stepping stone is the Lal Bahadur Shastri has protracted the achievement of the Kaira cooperative Milk Producer's Union (Amul) to circulate the different part of India.

Institution Building:

The major work of the NDDB's is the Institution Building of the primary milk producers by incorporating the universal and value-based establishment especially their capacities in the management, operations by establishing the village and block level committees, their major intention is the to prepare a Village Dairy Cooperative Societies (DCS) which are purely involved through the professional's mechanism.

The Concept of LPG:

In the era of the Globalization and liberalization has made the operation or organizations into a small and gave more opportunities go forward to here and there where there is a market or need. In this time the cooperative especially milk cooperatives also enriched well to pump out their milk to their countries and full developed mechanism and operational and other managerial allocation incorporated and theygrow well in this time, as a result, the all-milk unions and village level cooperatives were grown and strengthen up to compete for each other and ultimately completion other countries.

The Design & Process:

The first design process started with the conclusive institution building among the producers who are small and marginal in nature, they tried to incorporate the shared

vision among the farmers who are doing the same activities, The whole process commences with allocating the BODs (Board or the directors management committee) to teaching them to a vision and mission of the organizations. They also developed the people to self-help and mutual assistance principles to achieve their opportunities, as a result, the all-milk unions became compatible and strengthened.

The Dairy Cooperative Societies:

A Dairy Cooperative Society is the village level institution which where the small group of producers supply their milk and receive and give services to the organization.

Design:

The DCS will function run in the local level which is having the small scope of the small business, medium enterprises which availing the services to their producers or members, producer needs much economically and effectively. This will be demonstrated by the three sections of DCS like Producer which means members, the office staff like a secretary and other relevant and the Management Committee Members who are acting the all responsibilities in the organizations.

1. The DCS concentrates to look of the issues like improving the business, market and marketing relations with help of the milk consortium or Union the major activities incorporate availing the quality of milk, services, and other related allocations activities.
2. The DCS level there three segments incorporated like producer or members, worker or staff and managerial or Management Committee Members (MCMs) to work hard for the fissionable changes which are the mission and vision-centric.
3. There is also the Institution building process at the DCS level establishes the responsibilities and a set of absorbed efforts to get the aimed provisions.

The Process:

The process encompasses the manufacture a set of simplification efforts at the DCS level. The core vision is indicating like:

- To make them sustain the concerned changes we required for the whole people to involve in the operations.
- To keep the unconditional efforts and energy important making more successful, there is also a huge involvement required for the expected result.
- Social anticipation is also one of the utmost sources of motivation.

The Milk Producers' Cooperative Unions:

A Cooperative Unions were designated in the district level, the institution was formed by the primary producers who are producing from the village, they also prepared the Dairy Cooperative Societies with small and marginal people for collection of collection milk, value addition like processing, internal and external marketing and sharing the benefits which come from the business.

Design:

The small milk unions will raise with the small and marginal business enterprises which are preparing with the in-depth institution building like making them teach the all progressive things in the all operations, like involvement in the business operation, preparing groups, regular meeting, regular bookkeeping, regular discussion on services and etc. this union also making them self has self-sustained in the all angles socio-economic and political aspects. The unanimity of the unions was changed to mutual and self-help, as a result, it progresses up to mature level.

Strengthening Procurement Systems in the organization:

The previous condition of the milk conditions was not in proper measures and there is a high chance of the middle involvement and they usually gave the amount or sometimes they were upscaled some days. There are many cases found in every village most of the dairy farmers have testimonies. The growth of the milk unions was slowly increased through cooperatives and small producers milk unions, there is a proper mechanism was developed through NDDB, so while strengthening them towards the practices in the dairying simultaneously the NDDB gave big ruminants units to practices, as a result, the dairy farmers got practices doing the dairying activities side by side they maintained their livelihoods.

Procurement Enhancement Strategies:

The NDDB also started helping Milk cooperative Unions by addressing important and more specific issues which are distressing them on milk collection, they incorporated many strategies to enhance their milk collection. They started the idea of 'Depth' and Spread' –they stated milk unit at village and incorporated the village milk unit which are necessities like weighing machine, computer, printer and another related thing, they also started maintaining the Bulk chilling units where is the long duration areas are there, ultimately they made the system to very sophisticated which the small milk producer cannot make their own.

The NDDB increased the fund to construct the Milk chilling plants and other extra mechanization activities so that the growth of the dairying in the state automatically increased.

Creating a platform to Enhance their involvement in Cooperatives:

The NDDB has created a platform for enhancing the women participation in the cooperative by providing the dynamics programmes. It is evident in India women takes care of the animals and their catering, so that the NDDB had a thought that they are the key stakeholders in the dairying, so they have given them a vital role in the dairy cooperatives, they started with the small dairying cooperatives and has given membership and through them the key skill for the rearing and milk management. The same time the dairies growing without the registration or vague manners, so that the NDDB has come up with a women empowerment has a major vision which is initiated back in 1995, they initiated a programme “Women Dairy Cooperative Leadership Programme” (WDCLP) which is a pilot basis which has a basic stone for the success of women as a result the dairy milk women cooperative formed in a large manner. It has created a strong women management network visibly, health, wealth and education have raised non-visible. As continuous efforts and support schemes or programmes the women they gained so much economic and social power, especially in the dairy system the statistics are evidence that women dairy producer making a turnover like 43.80 Lakh of which 3.29 Lakh community-based milk Management Committees (2013). It also clears that there 354 members are there by 2013 including with 26,700 of 1.60 lakh village dairy cooperatives, as a result, the growth rate increased by 10%.

The Women’s Dairy Cooperatives (WDCs):

The MHRD, Government of India usually had a focus on financing for cooperative and especially the milk producers and the unions with the initiated project “Support to Training and Employment Programme” (STEP). By implementing the programme the dairy cooperatives formed and made strengthen well.

The Women’s Thrift Groups (WTGs):

The thrift cooperatives initially initiated by their own for the savings money, the NDDB has made them incorporate to give dairy development training and prepared them to create their economics’. So still they are maintaining trusteeship. The continuous saving in the thrift cooperatives, the banks offered them for the lending four times money by creation for daily income-based livelihoods which the NDDB has captured them for investing in the dairy which can help them to pay their internal or external lending in the community-based thrift cooperatives, Most Importantly, it also created the social mobility of rural poor women as a result they were empowered slowly and gradually.

All things made experienced to face any kind of obstacles and they were grown with greater responsibilities. All practices and accomplishments are moving to forward by creating a great change in the people's life socially socio and economic. it also creating wellbeing among the people. The cooperatives like namely Ichhamati Cooperative Milk Union organization which is locating in the West Bengal and Mulukanoor Women's Mutually Aided Milk Producers Cooperative Union, Andhra Pradesh have progressed only with women owed cooperative which are totally handling with enterprise base.

Leadership Programme (WDCLP) for Women's Dairy Cooperative:

Leadership Programme (WDCLP) for Women's Dairy Cooperative was started in the year 1995 as a pilot programme with focused objective 1) strengthening the women to start a small dairy cooperative union by making women's participation is one of the keys so that they can make leaders among them. The NDDDB provided support to the women Milk Unions and conducted several programmes especially basing on WDCLP objectives as a result majority of the women milk unions going forward. In the programme WDCLP programme the all Milk Unions were identified all women staff made participated in training which designed to develop their concealed potential at the village level, they taught the key strategies which can help them in coming days. The great success of this programme is that all women were involved and initiated, the systematic strategies worked well.

NDP-I Programme -Focus on Women:

The NDP-I emphasizes on the better contribution of women members as produce level as well as governance of village level milk unions or institutions. In all the accepted projects a minustest of 30% of female producer affiliates were targeted. The project also has facilitated a Women Extension officer for each EIA to safeguard the involvement of women and to facilitate all over activities especially the mission of institution values and others among all women producers and stakeholders. Women milk institutions were also given assistance under NDP-I through numerous capacity building programs which helps them to run their institutions smoothly and vision canticle.

The Village Based Milk Procurement Systems (VBMP) Under the NDP Scheme:

The Dairying is one of the major sources of income for lots of rural dairy farmers which majorly donates towards strengthening the incomes including all small dairy farmers and who involved in the milk manufacture system. In a market-driven economy, it is more important than to have the producer-centric organizations, who especially maintain their principles whoa can have a great desire with which support to small and marginal dairy farmers. The consolidated NDDDB programmes were helped

them to sustain in the market-driven economy. The enormous efforts to increase the milk production through an increase in productivity with help of NDP Phase-I it resulted the milk productivity has increased instead of keeping more animals, the people tried to keep one or two cattle and catered nicely as NDDDB trainings as a result the growing marketable surplus of milk is today, and reached the world largest producer across all nations.

The majorly this people facilitated the maintained these factors:

- Establishment of milk procurement system in the current dairy milk cooperatives and Encouraging the dairy farmers producer companies in all the areas where cooperatives are not instigated and where the low coverage of milk production and procurement.

The major objectives of the VBMPs include the aspect:

- Setting up a milk procurement centers which were sustainable system while also ensuring fairness and transparency.
- Ensuring that quality milk is collected by bringing in maximum milk producers under the organized sector.
- Creating more village-level institutional structures following cooperative principles and safeguard the interest of small producers.
- Helping provide rural milk producers with greater access to the organized milk processing sector and thereby enhance the income of small rural dairy farmers.
- The proposed activities would include:
- Support existing Milk Producers Institutions and promote new ones which would form part of a Producer Company under the Companies (Amendment) act 2002.
- Training and capacity building of milk producers and other functionaries.
- Investments in the village level Infrastructure for milk collection and bulking such Milk cans.

The Dairy Marketing System:

The marketing includes every aspect of the business and it creates harmonious indication to the production operations. Marketing is the plays a key role in the operations, the All business activities facilitating the exchange and included in marketing. The 4 Ps of marketing also referred to as the marketing mix i.e product, price, promotion, and place. The first P the product is to be sold. In order to market a product, the marketer has to consider all the characteristics of the product and how these conform to what the target consumer wants. There may not be just one type of target consumer for a product, however, in many cases, the consumer's interest in a

product exists in multiple market segments. 'A market segment is a (relatively) homogenous group of customers who will respond to a marketing mix in a similar way'. Likewise, segmenting a market is defined as 'the process of splitting customers or potential customers in a market into different group or segments, within which customers share a comparable level of attention in the same or similar set of needs fulfilled by a different advertising proposal. A dairy marketing system that comprises both a government-controlled channel, which will be referred to as the formal marketing sub-system and a non-government (i.e. private) marketing channel which will be referred to as the informal marketing sub-system. Dairy marketing in the traditional livestock production subsector often involves small-scale producers and some local traders (usually peddlers). However, dairy marketing in the modern sub-sector will usually be the output of several producers both small-scale and large-scale, as well as a number of marketing enterprises, ranging from small-scale individual traders or co-operatives organizations to large private and public organizations. Therefore, one can state that 1) traditional dairy marketing will often be affected through direct sales by producers to consumers or through sales to consumers by small-scale local traders who procure their supplies directly from producers, and 2) Modern dairy marketing often attempts to integrate production and marketing activities by linking distant rural production areas with the major urban consumer centers. As a corollary to (2), above one can state that the modern dairy marketing system will entail: a) the collection of milk from distant rural production areas, b) The transportation of such milk to the dairy processing plants, which are located in urban consumer centres, and c) The processing and distribution of milk and milk products to the ultimate consumers. The modern dairy marketing systems tend to favour commercial producers, even though producers from the traditional livestock production subsector with only small and fluctuating surpluses for sale can use the modern system as long as they can organize themselves to deliver their supplies at the receiving ends for those channels. Considering the small amount involved most producers in the traditional subsector often find it more convenient and rewarding to use the traditional marketing channel as their sales outlet, unless this channel can no longer handle their produce or unless government regulations force them to use the official and large-scale dairy marketing channels. The formal dairy marketing sub-system caters primarily for commercial dairy producers (both small- and large-scale farmers) including the commercial dairy enterprises that are organized and operated through the National Dairy Development Board (NDDB) of India. The informal dairy marketing subsystem involves the marketing of milk and milk products by smallholder producers, who may include pastoralists. Milk is an important ingredient of the staple diet of the people who produce milk in the traditional system. Women primarily undertake dairy marketing in the traditional sector and the sale of milk and milk products among the rural people is becoming increasingly important with the monetarization of the traditional livestock economy. The government of India would like to see that the dairy products reach as many groups of

the population as possible, yet it would be fairly difficult to rationalize the dairy marketing policies in order to direct the flow of dairy products to achieve that objective when the distribution system is controlled by private companies.

The Challenges of Dairy Market:

The challenges of the milk and milk production are dynamic, it included with the production and milk prices when science and Technology also is playing the big challenge by incorporating with the small and marginal dairy farmers. It is including with that dairy processing, packaging, storing, handling and transporting, the major innovations including are:

1. Automation included technology in dairying included in the production.
2. Manufacturing technology incorporated and so that the product made it available in the rural to urban areas, the product developed like Chinapodo, paneer Gulabjamun, peda, and the milk aided products.
3. The package facilities also developed including products like dahi (yogurt), shrikhand fermented milk, buttermilk, and lassie.
4. The Preservation mechanism developed while the technologies are developed.
5. The procedure of production of dry mixes for Gulabjam and freezing products.
6. The Comprehensible milk testing kits and user-friendly equipment's.

The major challenges which are leading them deeply that are:

The major challenges are focused on Safeguarding stable development in the productivity, the dairying activities leftovers and concentrated with the tenets, small and marginal and other farmer communities.

1. Using the latest and advanced breeding knowledge to the local animals to accelerate milk production.
2. The quality control mechanism is very important which is hampering on milk production.
3. Safeguarding the milk production and productivity.
4. Increasing the diversity in different aspects in the dairying especially with allocating other country breeds.
5. Ensuring the growth and market sustainability, also the economic scale of the small producers.

These are the challenges still continuing some part of the country, but after the contact work of the NDDDB and AMUL dairy developmental programmes the farmers had to get up towards sort out their issues. There are some allocation issues still It is the

evolving needs of India's several million dairy farmers that will inspire those who follow.

Indian Dairy Market – A Pyramid:

Dairy means more to us than just the milk it gives our poor population the chance to get above the poverty line. That's why we are arguing for the end of all dairy subsidies. If achieve that these people will live in greater prosperity, harmony, and peace. India's dairy marketplace is multifaceted, designed like a pyramid, with the dishonourable made of the vast market for low-cost liquefied milk. The narrow tip at the top is a small but affluent market, largely for western type and fresh packaged Indian dairy products, accounting for 10 to 12 percent of total milk processed. At the moment milk consumption in India serves three main groups of users, they are: The household sector, mainly for the purpose of drinking and also for conversion into milk products such as curd, buttermilk, lassie and ghee for family use.

- The non-organized sector (traditional milkman and halwais) for meeting the urban demand for liquid milk and for the production of this, and other traditional products, and
- The organized sector that processes milk into pasteurized liquid milk and products.

The Indian Co-operative and information:

The co-operative Milk Producers societies are being formed at the village level. In these milk societies, only the who are producing milk they were enrolled as members. Milk produced by these members is collected every day both morning and evening and payments are made to them on a quality basis. After testing the milk supplied by each member individually payment is made at the approved rate. The animal owned by the producer members is provided with animal health cover at the doorsteps of the members, by the Veterinary Assistant Surgeons of the veterinary units, procurement teams, and input wings. Breeding cover through artificial inseminations is also provided at a nominal rate. Secretaries of the societies are trained in Artificial Insemination and first Aid and each society having the first Aid Box' of its own. The milk produced at the village level societies is collected by the district unions, after allowing some quantity to be retained at society level itself to meet local demands. The Dairy cooperative occupies a major share of the processed and liquid milk marketing across the country. The present the processed milk is getting marketing by 170 small milk producer cooperative which was federated into 15 state unions for milk especially milk marketing federations. This all cooperatives were functioning almost finely due to a huge contribution from the NDDB, it is created a number of programmes like financial assistance, ensuring the mortgage, loans, subsidies, and all other accessibilities. That is why today the cooperatives were comparatively nice rather distracting. Today we can find some institution which was made them self-strong

competitors by challenging all obstacles they were Amul in Gujarat, Vijaya in Andhra Pradesh, Verka in Punjab, Saras in Rajasthan, Nandini in Karnataka, Milma in Kerala and Gokul in Kolhapur, these are created strong brand along with the good market.

Conclusion:

The Indian dairy farming is essentially having a small and marginal holder, their dairy is another farm production system is also less, especially the milk production has also mergers among all masses even though it occupying mass production of milk. More than 70 million households keep some type of livestock. The base for Indian dairying is providing livelihoods for millions of agriculture labor, and small and marginal farmers for their alternative income sources, it also encourages the people who are maintaining. It also creates more economics among the Indian people, especially it also creating a small-scale business for those unemployed. These days the milk and milk added products are commercializing there are major alternatives also coming even though the capacity building of the women farmers is making a great contribution in the society.

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