



DAIRY EXPORTS IN INDIA: PRODUCTION AND CONSUMPTIONS

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Abstract: *In India, the dairy sector plays vital role in the development of socio-economic, and it constitutes an important segment of the rural economy. Dairy industry provides livelihood to millions of homes in villages, ensuring supply of quality milk and milk products to people in both urban and rural areas. In this paper, a modest attempt has been made to study the growth of production, per capita availability of milk, and Country wise and product destination of Indian Dairy products. Milk production is registered a CAGR of 3.99 percent and per capita availability of milk is registered a CAGR of 3.05 per cent during the period of 2011-12 to 2015-16. Punjab is the highest per capita availability of milk and it is registered a CAGR of 1.78 per cent. The major destinations are UAE, Pakistan, Bangladesh, Singapore and Nepal.*

Keywords: Dairy, Milk, Exports, Per capita

INTRODUCTION

India is the global leader in milk production with an 18 per cent share in the world's total milk production. Approximately 150 million households around the globe are engaged in milk production. Most of the developing countries, milk is produced by smallholders, milk production contributes to household livelihoods, food security and nutrition. Milk provides relatively quick returns for small-scale producers and it is an important source of cash income. In recent decades, developing countries have increased their share in global dairy production. This growth is mostly the result of an increase in numbers of producing animals rather than a rise in productivity per head. In many developing countries, dairy productivity is constrained by poor-quality feed resources, diseases, limited access to markets and services (e.g., health, credit and training) and dairy animals' low genetic potential for milk



production. Unlike developed countries, many developing countries have hot and/or humid climates that are unfavourable for dairying.¹

GLOBAL LEADING TRADERS

The massiveness of the world dairy trade is cheese, butter, whole milk powder and skimmed milk powder. Worldwide dairy export market is highly concentrated. Germany is the largest exporter of dairy products with a share of 15 per cent which is followed by France, New Zealand, Netherlands, Belgium, USA and Denmark. Germany has been the world's major dairy importer as well with a share of 10 per cent. Other large dairy products importers are Italy, United Kingdom, France, Belgium, the Netherlands, Spain and USA. India is neither a significant exporter nor an importer of dairy products. However, it reflects the country's domestic policy orientation as well. The international prices of dairy products have been witnessing a downward trend since March 2014.

COMPOSITION OF INDIAN DAIRY TRADE

The Indian dairy export basket has experienced diversification. The export of skim milk powder (SMP), butter, whole milk powder (WMP), casein and ghee have gone up considerably in value terms during the last decade. However, the dairy products imported by India include butter oil, whey products, cheese and milk powders. The major nations from where India brings dairy products are Denmark, Nepal, USA, France, the Netherlands and Italy².

RESEARCH METHODOLOGY

The study is based on secondary data. The data has been collected from Annual Report of National Dairy Development Board of India (NDDB), Agriculture Processed Foods Export Development Authority (APEDA) and Director General of Commercial Intelligence trade Statistics (DGCIS). The period of study is five years from 2011-12 to 2015-16.

Table 1 Milk Production in India

Year	Production (Million Tonnes)	Per Capita Availability (gms/day)
2011-12	127.9	290
2012-13	132.4	299
2013-14	137.7	307

¹ <http://www.fao.org/agriculture/dairy-gateway/milk-production/en/#.WO80uGI97IU>

² <http://agriexchange.apeda.gov.in/news/NewsSearch.aspx?newsid=22511>



2014-15	146.3	322
2015-16	155.5	337
Mean	139.96	311
CAGR %	3.99	3.05

Source: <http://www.nddb.coop/information/stats/milkprodindia>

Table 1 shows that milk production in India, it is increased from 127.9 million tonnes in 2011-12 to 155.5 tonnes in 2015-16. During the period milk production is simultaneously increasing trend and it is registered a CAGR of 3.99 per cent. Per capita availability of milk is increased from 290 gms /day in 2011-12 to 337 gms / day in 2015-16. During the period per capita of milk is increasing trend and it is registered CAGR of 3.05 per cent.

Table 2 Per Capita availability of Milk by States

(gms/day)

State	Andhra Pradesh	Gujarat	Haryana	Himachal Pradesh	Madhya Pradesh	Punjab	Rajasthan	Uttarakhand
2011-12	391	445	720	447	308	945	539	384
2012-13	409	476	767	460	327	961	555	403
2013-14	413	506	800	461	349	980	572	418
2014-15	436	527	839	466	386	1003	655	416
2015-16	475	545	877	505	428	1032	704	434
Mean	424.8	499.8	800.6	467.8	359.6	984.2	605	411
CAGR	3.97	4.14	4.02	2.47	6.80	1.78	5.49	2.48

Source: <http://www.nddb.coop/information/stats/percapitavail>

Table 2 reveals that State wise per capita availability of milk, Punjab is the highest per capita availability of milk, it is increased from 945 gms/day in 2011-12 to 984.2 gms /day in 2015-16, during the period per capita availability of milk is increasing trend and it is registered a CAGR of 1.78 per cent. Next Haryana it is increased from 720 gms/day in 2011-12 to 877.6 gms/day in 2015-16, during the period it is simultaneously increasing trend and it is registered a CAGR of 4.02 per cent.

Table 3 Share of Agriculture & Livestock Sector in GDP

(At current prices in Rs. Crore)

Year	GDP (Total)	GDP (Agriculture)		GDP (Livestock Sector)	
		Rs.Crore	% Share	Rs.Crore	% Share
2011-12	8195546	986604	12	324013	4
2012-13	9252051	1080421	11.7	367318	4
2013-14	10477140	1233595	11.8	406035	3.9

Source: <http://www.nddb.coop/information/stats/GDPcontrib>



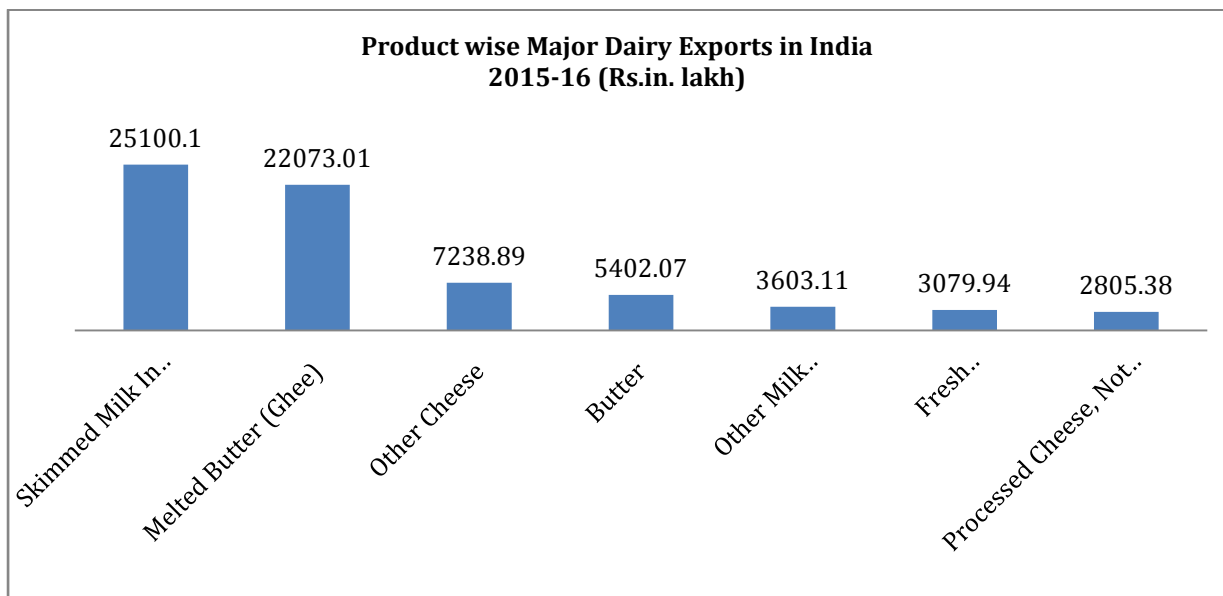
Table 3 reveals that share of agriculture & live stock in GDP, the share of agriculture is increasing trend it is increased from Rs. 986604crore in 2011-12 to Rs.1233595crore in 2013-14. The share of GDP in livestock is increasing trend Rs.324013crore in 2011-12 to Rs.406035crore in 2013-14 and it share is 3.9 per cent.

Table 4 Major Destination of India Dairy Exports

Rs. Crore					
Year	U Arab Emts	Pakistan	Bangladesh	Singapore	Nepal
2011-12	93.65	142.82	305.66	187.44	180.84
2012-13	0	66.44	201.31	175.24	121.5
2013-14	1.77	259.11	637.42	224.03	95.05
2014-15	25.97	69.3	89.74	46.42	45.61
2015-16	35.03	30.93	69.23	113.02	41.33
Mean	31.28	113.72	260.67	149.23	96.87
CAGR	-17.85	-26.36	-25.70	-9.62	-25.56

Source: Directorate General of Commercial Intelligence and Statistics (DGCI)

The table 4 shows that major destination of Indian Dairy exports, Bangladesh is the major destination of our Indian dairy products it is decreased from Rs.305.66crore in 2011-12 to Rs.260crore in 2015-16 and it is registered a CAGR of -25.70 per cent. Followed by Singapore it is decreased from Rs.187.44crore in 2011-12 to Rs.113.02crore during the period Indian dairy export is declining trend in Singapore. Next, Singapore is the ultimate destination for Indian Dairy products followed by Pakistan, Nepal and UAE. The major destinations are UAE, Pakistan, Bangladesh, Singapore and Nepal.



Source: APEDA

Figure 1 Product wise Major Dairy Exports in India



Table 5 Dairying in India

(Million)

Year	Farmer Members	Women members
1993	8.4	1.3
2003	11.5	2.6
2013	15.1	4.4
2016	15.8	5.1

Source: National Dairy Development Board (NDDB) annual report

Table 5 reveals that farmers involved in dairying in India. Farmer member involved in dairying is increasing trend it is increased from 8.4 million in 1993 to 15.8 million in 2015 and it is increasing trend during the period from 1993 to 2016. In India women members are involved in Dairying activities, it is increased from 1.2 million in 1993 to 5.1 in 2016. During the period it is increasing trend.

Table 6 Villages in Domestic Co-operative Societies

(lakh)

Year	No of Villages
1993	0.66
2003	1.04
2013	1.55
2016	1.71

Source: National Dairy Development Board (NDDB) annual report

The table 6 depicts that villages involved in domestic cooperative societies in India. During the period domestic cooperative societies are increasing trend and it is increased from 0.66lakhs of villages in 1993 to 1.71lakhs of villages in 2016 and it is gradually increasing.

CONCLUSION

The dairy sector in the India has shown remarkable development in the past decade and India has now become one of the largest producers of milk and value-added milk products in the world. Milk production is registered a CAGR of 3.99 percent and per capita availability of milk is registered a CAGR of 3.05 per cent during the period of 2011-12 to 2015-16. Punjab is the highest per capita availability of milk and it is registered a CAGR of 1.78 per cent. The major destinations are UAE, Pakistan, Bangladesh, Singapore and Nepal.



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Website

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