

## **NATIONAL DAIRY DEVELOPMENT BOARD (NDDB)**

### **An Institution of National Importance**

Due to very wide dispersal of producing and consuming units of milk, the unorganized sector continues to dominate the milk marketing in India. However, the market structure for milk is constantly changing. The organized sector now handles above 20% of the milk output in the country. The cooperative sector accounts for nearly 50% of this. There are over 1.10 lakh milk producers cooperatives federated into district milk unions and State Dairy Federations, which have organic links with the Mother Dairy at the national level. It is heartening to note that the milk producers in the Anand Model of milk production get net of intermediation, about 60% of the final price. In other basic foods, the returns are as low as 30% of the final price. NDDB supports the development of dairy cooperatives by providing them financial assistance and technical expertise. Over the years, brands in milk products created by cooperatives have become synonymous with quality and value. Brands like Amul (GCMMF), Vijaya (AP), Verka (Punjab), Saras (Rajasthan), Nandini (Karnataka), Milma (Kerala) and Gokul (Kolhapur) are among those that have earned customer confidence. The Dairy Cooperative Network i) includes 170 milk unions ii) operates in over 338 districts iii) covers nearly 1,08,574 village level societies iv) is owned by nearly 12 million farmer members.

### **Milk Production**

- India's milk production increased from 21.2 million MT in 1968 to 88.1 million MT in 2003-04.
- Per capita availability of milk presently is 231 grams per day, up from 112 grams per day in 1968-69.
- India's 3.8 percent annual growth of milk production surpasses the 2 per cent growth in population; the net increase in availability is around 2 per cent per year.

### **Marketing**

- In 2003-04, average daily cooperative milk marketing stood at 148.75 lakh litres; annual growth has averaged about 4.2 per cent compounded over the last five years.
- Dairy Cooperatives now market milk in about 200 cities including metros and some 550 smaller towns..
- During the last decade, the daily milk supply per 1,000 urban consumers has increased from 17.5 to 52.0 litres.

### **Innovation**

- Bulk vending - saving money.
- Milk travels as far as 2,200 kilometers to deficit areas, carried by innovative rail and road milk tankers.
- Ninety-five percent of dairy equipment is produced in India, saving valuable foreign exchange.

### **Macro Impact**

- The annual value of India's milk production amounts to about Rs. 880 billion.
- Dairy cooperatives generate employment opportunities for some 12 million farm families.

In sum, NDDB is a unique example of an organisational innovation with a focus on human resource and co-operative development in India. By placing technology and professional management in the hands of the village societies it has helped to raise the standard of living of millions of poor people. These processes prove that true development is the development of the people and this could be achieved through putting the instruments of development in the hands of the people.

