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Report Highlights:

Assuming a normal monsoon season (June-September), India's fluid milk production is forecast to rise from an estimated 191 MMT in Calendar Year (CY) 2019 to 195 million metric tons (MMT) in CY 2020 (out-year). CY 2020 Non-Fat Dry Milk (NFDM) exports are projected at 15,000 metric tons (MT). Butter exports will improve slightly to 55,000 MT on expectation of moderate export demand. Since milk production is growing in tandem with domestic consumption, any uptick in future demand for milk-based products may encourage imports.

Executive Summary

Assuming a normal monsoon season, India's fluid milk production is forecast to rise from an estimated 191 MMT in CY 2019 to 195 MMT in CY 2020. Increasing disposable incomes per capita, rapid urbanization, changing lifestyles, dual income households, and other demographic shifts are driving the demand for processed or value-added dairy products. Out-year NFDM exports are projected at 15,000 MT. Butter exports will slightly improve to 55,000 MT on expectation of moderate export demand.

Despite the growth, a few challenges must be addressed to optimize growth in the Indian dairy sector. A few such challenges are low milk productivity of Indian bovine animals relative to those of developed countries; insufficient feed and fodder resources; poor access of milk producers to the cold chain; and an inefficient cold chain network.

Since milk production is just enough to meet domestic consumption (fluid and industrial use), any uptick in future demand for milk-based products may be filled through imports, which are currently restricted for the United States due to a veterinary health certificate requirement.

Commodities:
Dairy, Milk, Fluid
Dairy, Milk, Nonfat Dry
Dairy, Butter

PRODUCTION

Assuming a normal 2020 monsoon season, India's fluid milk production is forecast to rise from an estimated 191 MMT in CY 2019 to 195 MMT in the out-year. Rising population and growing income inform this milk production forecast. NFDM production levels are estimated at 660,000 MT on growing domestic demand for reconstituted milk during the lean season and expectations of moderate export demand. Similarly, combined butter and ghee (clarified butter) production will rise to 6.1 MMT against 5.8 MMT last year on strong consumption demand.

Some 80 million Rural Households are Engaged in Milk Production as a source of their livelihood, the majority of which are small, marginal farmers and landless. For farmers, startup costs are lower and cash flow is steadier in dairy farming than with seasonal planted crops. However, unlike the larger herd sizes of leading milk producing countries in the world, some 95% of milk producers in India hold just 1 to 5 milch animals per household, which makes this little more than a subsistence-level farming system [*Source: Department of Animal Husbandry and Dairy (DAHD)[1], Government of India (GOI) Annual Report 2018/19*]. Dairy farms sized from 50 to 200 cattle are increasing in some of the major dairy states such as Punjab, Gujarat, Maharashtra, and Telangana/Andhra Pradesh, although they are still few.

[1] It's separate Ministry now. DAHD comes under Ministry of Fisheries, Animal Husbandry and Dairying, GOI

Six States Contribute 60 Percent of Total Milk Production

According to the latest dairy statistics[2] available from DAHD, GOI, the top six milk-producing states are Uttar Pradesh (16.3%), Rajasthan (12.6%), Madhya Pradesh (8.5%), Andhra Pradesh (8.5%) Gujarat (7.7%) and Punjab (6.7%). Together they accounted for 60 percent of total milk production in Indian Fiscal Year (IFY) 2018/2019 (April-March). Also, the per capita availability of milk in India was estimated at 394 grams/day (national average).

Cross-bred Cattle Contribute 26 Percent of Milk Production

According to the 2019 Livestock Census, the milch cattle population of exotic breeds and cross-breeds has increased by 32 percent over the last Census (2012) and has significantly contributed to overall milk production: those breeds have higher milk yield of 7.95 kg/cow against 3.01 kg/cow for indigenous breeds. Concurrently, between the two Censuses, the relative share of cow's milk versus buffalo milk grew 3 percent to 48 percent. Of that, exotic and crossbreeds contributed 26%; the remaining 22% was produced by indigenous breeds.

The state of West Bengal now leads the cattle population (9.85%) in India, followed by Uttar Pradesh (9.7%), Madhya Pradesh (9.7%), Bihar (7.9%), Maharashtra (7.2%) and Rajasthan (7.2%). The 6 states together constitute fifty percent of India's total cattle population (20th Livestock Census).

Buffalo Milk Constitutes 49 Percent of Indian Milk Production

Between the last two Livestock Censuses (2019 and 2012), the milch buffalo population increased only marginally (0.2%), wherein the in-milk buffalo population rose 4.3%, while the 'dry' declined 10.2 percent, the result of selective breeding… An estimated 49 percent of India's milk production originates from water buffalo (35 percent indigenous buffalos and 14 percent non-descript buffalos (ones which are not selected or bred for productivity). Uttar Pradesh has the heaviest concentration of buffalo population at 33%, followed by Rajasthan (12.4%), and Madhya Pradesh (9.5%).

Water buffaloes are preferred by some farmers since their milk holds higher fat content, which fetches higher prices at market. (Milk prices are determined by volume, fat, and solids-not-fat, or SNF content.) Also, throughout India water buffaloes may be sold for slaughter; by contrast the slaughter of cattle is banned in most Indian states, which makes the maintenance of expired cows a costly but unproductive asset. By contrast, expired goats can be sold for slaughter. Perhaps for that reason, although their share **of milk production is only 3 percent, is growing in states like Rajasthan (13.8%)** and West Bengal (10.9%).

Some Key Factors Affecting Milk Productivity

Key factors affecting the productivity of dairy cows include low genetic potential of Indian bovines, lack of nutritious and balanced feed rations, and inadequate veterinary services. Per DAHD's latest annual report (IFY 2018-19), the average milk yield in India, including indigenous cattle, crossbreeds, exotic cattle, and

[2] For Indian financial year 2018/19

water buffalo is 3.7, 7.6, 11.5 and 6.2 kilogram per day, respectively. Those figures contrast dramatically with production figures in the United Kingdom (22 kg per day) and the United States (30 kg per day). In addition, the availability of feed and fodder is another major challenge; improved availability of feed and fodder will improve productivity of bovine animals.

According to GOI's report, by 2020 India may face significant deficits of dry fodder, green fodder, and concentrates to the extent of 11, 35 and 45 percent against estimated demand of 468, 213 and 81 MMT, respectively. Currently only four percent of the cropping area is under fodder cultivation. That number may not increase substantially due to competing use of agricultural land for food and other cash crops (Source: National Action Plan on Fodder and Feed Security, DAHD, GOI). The use of compound cattle feed is just 8-10 MMT against the total feed requirement of around 80 MMT.

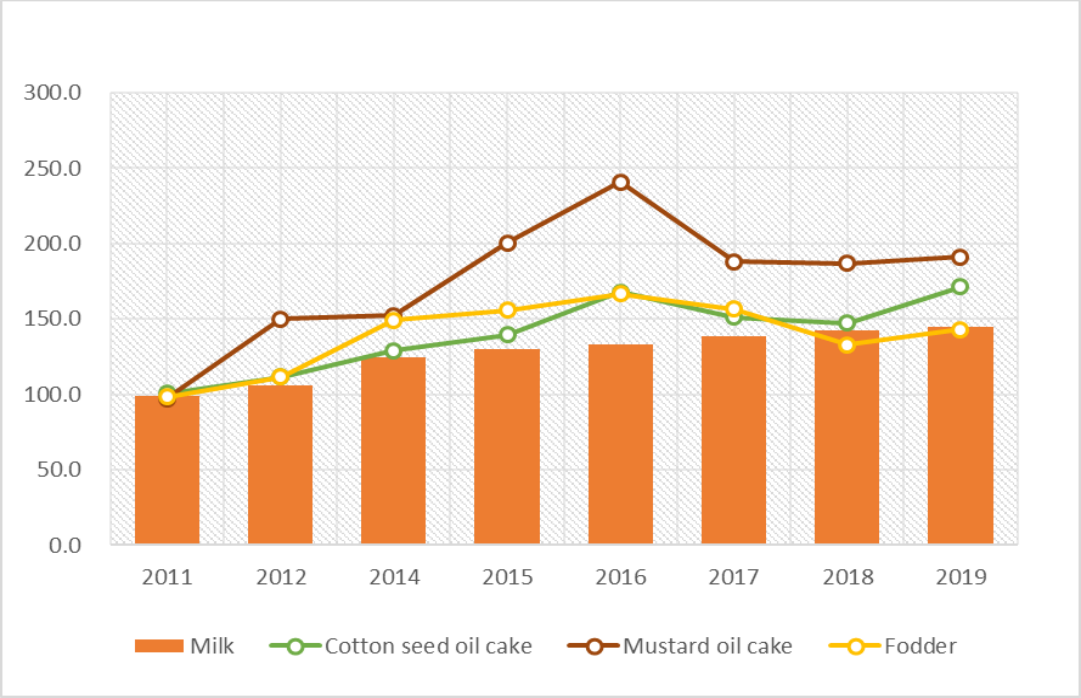
Fluid Milk Prices

Industry sources note that dairy cooperatives set farm gate fluid milk prices. These prices generally are benchmarks for private players procuring milk in the region. The dairy cooperatives consider factors such as increases in costs for feed, fodder and other inputs when revising farm gate milk prices. Though the retail price of milk has gone up, cost of production has gone up even higher. After settling lower CY 2018 (Figure 1), the input cost of fodder, mustard, and cottonseed oil cake increased at a compound annual growth rate of 10 percent, 4 percent, and 24 percent, respectively, while milk prices[3] increased by only 2.5 percent. To offset some of the loss in profits, State governments do give subsidies (e.g., as cash transfer to bank accounts) to improve producers' margins.

In the last few months, milk supply across various states did not meet demand: erratic rainfall distribution had driven feed and fodder prices higher, cow productivity declined, and farm gate milk prices rose accordingly in response to the supply shock.

[3] Indicative: The average retail price of for milk in Delhi-NCR during December 2019 reportedly ranged between INR 39 to 55 per liter ($0.55 to $0.78 per liter) for different grades (double toned to full cream milk). Generally speaking, water buffalo milk (six percent fat and nine percent SNF) sells at a premium over cow's milk, which is four percent fat and eight-and-a-half percent SNF.

Figure 1. India: Rising Feed Costs and Milk Prices (Fiscal Year-April-March)



Source: Ministry of Commerce and Industry, Government of India

Production Policies and Programs

DAHD and various State governments implement programs for breed improvement, dairy development, feed and fodder resources development, and animal disease control. DAHD supports states to implement a national control program for diseases such as Foot-and-Mouth Disease and Brucellosis. It also monitors animal diseases across the country through a web-based national disease reporting system.

Under Rashtriya Gokul Mission, the department focuses on development and conservation of indigenous breeds[4] such as *Tharparkar, Gir, Red Sindhi, Rathi, Kankrej* and *Sahiwal* to increase the genetic potential of the unregistered bovine population and milk productivity. It also supports state governments to subsidize the cost of animal insurance to the milk producers.

The National Dairy Development Board (NDDB) also has developed an Information Network for Animal Productivity and Health (INAPH), an information technology application to collect data on breeding, nutrition, and health services. The animals registered in the network are also ear tagged with a unique identification number.

[4] The bovine genetic resource of India is represented by 41 registered indigenous breeds of cattle and 13 registered buffalo breeds. Indigenous bovine are considered to be robust and resilient and are particularly suited to the climate and environment of their respective breeding tracts. The milk of indigenous animals is high in fat and SNF content. (Source: DAHD)

The GOI is pushing to strengthen infrastructure for the production of quality milk, as well as for procurement, processing, and marketing of milk and milk products through the following Dairy Development Schemes:

- ✓ National Program for Dairy Development (NPDD), which now has two components 1) National program for bovine breeding 2) and National program for dairy development. Focus is on strengthening of milk production, procurement, processing and marketing by the State implementing agency.

- ✓ National Dairy Plan (NDP Phase-I[5]) is a multi-state initiative to increase productivity of milch animals through breed improvement and animal nutrition. It also aims to provide rural milk producers with greater access to the organized milk-processing sector. The NDP Phase-2 is likely this year (2020) with primary focus on developing milk processing infrastructure and establishment of milk quality testing equipment at critical points of procurement areas (media report citing NDDB).

- ✓ Dairy Entrepreneurship Development Scheme (DEDS) implemented through National Bank for Agriculture and Rural Development (NABARD) for self-employment and infrastructure development of the dairy sector.

- ✓ Scheme to support to Dairy Cooperatives and Farmer Producer Organizations engaged in dairy activity. It is implemented by NDDB with objective to provide soft loan to state dairy cooperatives (working capital) and provide stable market access to dairy farmers while ensuring timely payment and remunerative price for procuring milk.

- ✓ Dairy Processing and Infrastructure Development Fund (DIDF) introduced in Dec 2017. Objective is to modernize milk processing facilities for manufacturing high value-added milk products.

The issue of ensuring availability of safe, wholesome, and high-quality food, including milk and milk products, comes under purview of Food Safety & Standards Act 2006, which is implemented by Food Safety & Standards Authority of India through the Food Safety Commissioners in the respective states. This Department regularly reviews the milk supply situation in the country with NDDB and State Milk Federations. Concerns and actions about adulteration of milk are taken in consultation with the Food Safety and Standards Authority of India (FSSAI).

CONSUMPTION

The CY 2020 fluid milk consumption is projected at 81 MMT, up 2.5 percent in comparison to the previous year on rising population and growing income. For the largely vegetarian population, in addition to pulses, dairy and dairy products are the primary source of proteins for nearly all consumer groups in India. Driven by population and income increases, CY 2020 NFDM and butter consumption is forecast to increase to 640,000 MT and 6 MMT, respectively. The consumption of other value-added dairy products is also

[5] An externally aided project expected to end sometime in November 2019

growing. The demand for *ghee* (clarified butter) and butter, for example, is still robust (*ghee* is one of the most consumed value-added dairy products).

The demand for fermented dairy products such as yoghurt, yoghurt drinks, processed cheese, cheese (e.g., mozzarella, spread, flavored and spiced), and ice-cream is also growing substantially, particularly among the urban middle and high income consumer segments (see Distribution and Processing Section below). Since milk production is just enough to meet current domestic consumption, any uptick in future demand for milk-based products likely must be filled through imports.

Demand Drivers

Increasing disposable incomes, rapid urbanization, changing lifestyles, dual income households, and other demographic shifts are driving the demand for processed or value-added dairy products. Additionally, the expanding organized retail sector is helping drive sales of processed dairy products (15-20 percent annual growth). Also, in addition to being rich with other nutrients, milk is the primary source of animal protein for the largely vegetarian population of the country.

Milk Distribution and Processing

Presently, the total **installed capacity of milk processing** in India is 66.3 million liters per day at Indian dairy cooperatives, (operating at 65 percent capacity), 73.3 million liters/day at private sector companies, and 2.5 million liters/day at producer companies, (Indian Dairy Vision-2022). Unlike the unorganized ad hoc milk sector, these companies have wide procurement and distribution networks, which include milk collection centers and chilling centers at the village level.

The milk collected at these centers is processed in dairy plants, which involves pasteurization, standardization, branding, packaging, and preparation of value-added products. Of total Indian milk production, an estimated 48 percent is either consumed at the producer level or sold to small outlets in the rural area; the remaining 52 percent is what is processed and made available for sale to consumers in urban areas (Source: DAHD, GOI).

a) Marketable Surplus:

Of this 52 percent, currently about 40 percent milk sales are handled by the organized sector (cooperatives and the private sector); the remaining 60 percent is handled by the unorganized sector. By 2022, the GOI's National Action Plan for Dairy Development seeks to double organized milk handling from 20 percent to 41 percent of total milk production, which should give milk farmers greater access to the organized milk-processing sector and ultimately greater incomes.

According to industry estimates, an estimated 70 percent of processed milk is sold as fluid milk and the remainder is used in manufacture of value-added milk and milk products. Of many such products, the market for packaged milk is one of the faster growing segments. It is marketed as pasteurized milk (either as a mix of cow and buffalo milk or in pure form, more details below) in various percentages of fat

content[6]. Concerns about milk safety and quality[7] drive strong demand for packaged, ultra-high temperature (UHT) milk, which is sold in aseptic packaging and comes with a longer shelf life.

b) Milk Collection and Food Safety:

Most of the private and cooperative dairies do not have separate collection systems for cow and water buffalo milk, so their packaged milk product is mostly a mix of the two; only a few processors market pure cow milk. The collection of milk from predominantly small-sized dairy farms in India is a huge challenge and still requires investment in infrastructure and procurement systems. Food safety remains a major challenge since a large part of India's total milk production is handled and marketed by small vendors who have limited exposure to efficient handling of milk and lack the capital or incentives to comply with regulations which increase their cost of production.

c) GOI Schemes:

To address the food safety issues and improve the quality of milk in the supply chain, the GOI is already implementing a program on improving milk quality and ensuring food safety at the farm and village level. One such scheme is titled, "Strengthening Infrastructure for Quality and Clean Milk Production". Additionally, the creation of a separate Dairy Processing and Infrastructure Development Fund (DPIDF) following the 2017 Union Budget announcement was to create a milk-processing infrastructure during the period April 2017 through April 2020. GOI's Ministry of Food Processing Industries also provides subsidies to the private sector and dairy cooperatives to build cold chain infrastructure.

TRADE

Exports

India consumes almost all its domestic dairy production, but some value-added dairy products such as NFDM, cheese, and lactose products, as well as casein, butter, and ice cream are exported when prices are competitive and overseas demand is strong. Rising domestic milk production in 2020 and anticipated firm international demand for NFDM will drive exports from 10,000 MT in 2019 to 15,000 MT in the out-year.

The January-October 2019 trade data indicate that India exported SMPs worth $16.9 million on shipments of 8,370 MT, which is 56% below the corresponding period in 2018 on lower than expected purchases from regular buyers such as Bangladesh (the largest buyer), Afghanistan, Malaysia, Pakistan, and UAE. Post has revised the export estimate down to 10,000 MT.

[6] Available variants in the market include: *full cream milk* (6 percent fat and 9.0 percent solid not fat (snf)), *standardized milk* (4.5 percent fat and 8.5 percent snf), *toned milk* (3 percent fat and 8.5 percent snf), *double toned milk* (1.5 percent fat and 9 percent snf) and *skim milk* (not more than 0.5 percent fat and 8.7 percent snf).

[7] In November 2019, the FSSAI has issued a 12-point action plan to ensure the safety and quality of milk and milk products in the country. The action plan mainly focuses on testing and continued surveillance, preventive and corrective action for implementation and monitoring, and consumer engagement.

Total butter exports in 2020 are expected to rise from 50,000 MT in 2019 to 55,000 MT, due to modest demand from traditional and new buyers. Trade data from Jan-Oct 2019 indicate total sales at 39,700 MT, at estimated value of $168 million. Principal buyers include Egypt, UAE, Saudi Arabia, Australia and the United States of America.

Imports

India's major dairy product imports include milk powder, fats and oils, casein, butter, whey, cheese, and lactose. Post forecasts negligible imports of NFDM and butter in 2020 due to growing domestic production. Historically, India has only imported milk powder and butter in limited quantities when it was apparent that domestic production was insufficient or to help control inflation. Trade data for Jan-Oct 2019 shows the combined import of NFDM and butter will be close to 1000 MT with value just over $4 million. In 2018, both NFDM and butter imports for 2018 fell for the third-consecutive year to a little less than 1000 MT, valued at $3.4 million.

India's veterinary health certificate requirements currently restrict dairy imports from the United States of America. India continues to insist on religious and cultural grounds that dairy products be derived from animals which have never received any feed produced from internal organs, blood meal, and tissues of ruminant origin.

Trade Policy

- Currently, several trade restrictions limit market access for U.S. food products. Imports of most livestock and livestock-derived food products (including milk and milk products) were effectively banned due to established Indian import requirements (India Exporter Guide: IN2019-0105).

- On November 28, 2019, FSSAI published a notification on 'revised' standards of milk and milk products in the Official Gazette of India. The implementation date is July 1, 2020 (More info at → IN2019-0102). FSSAI promulgated the draft standards of milk and dairy products notified earlier to the World Trade Organization (WTO) in December 2015 for comments. The regulation came into effect on October 13, 2017 (GAIN IN7129)[8]. The Food Safety and Standards Regulation is applicable equally to both domestic and imported foods. Some labelling and compliance issues that came up between now and then were reported (GAIN IN-9009).

- The import of milk and dairy products into India requires a **sanitary import permit**[9] from DAHD and a veterinary health certificate from the exporting country's veterinary authority. India's import certification requirements for milk and dairy products are available on the DAHD website (http://dahd.nic.in/trade). India applies in-quota tariff rate (TRQ) of 15 percent for imports of NFDM

[8] Milk, flavored milk, evaporated or concentrated milk, sweetened condensed milk, *khoya*, cream and *malai*, milk fats including anhydrous milk fat, anhydrous butter oil, butter oil and *ghee*, butter, milk powder and cream powder, dairy whitener, whey powder, fermented milk products, ice-cream, *kulfi*, chocolate ice cream, soft ice cream, milk ice or milk lolly, dried ice cream mix, frozen dessert or confections, *chhana* and *paneer*, cheese and cheese products, edible casein products, lactose, and infant foods (GAIN IN7129)

[9] http://dadf.gov.in/sites/default/filess/SIP-Validity0001.pdf

and imports above the TRQ are levied tariffs of 60 percent. More information on tariff structure is available on Table 1.

- The revised procedures for import/export of bovine germplasm (revised April 2016) are reportedly less restrictive and are available on the following link → revised guidelines. However, import of bovine germplasm requires multiple approvals at the state and federal level, which restricts trade significantly. The veterinary health certificate for import of various livestock products is available on Animal Quarantine and Veterinary Services, DAHD, GOI. The following links lead to information regarding the various sanitary import requirements (bovine semen, bovine embryo from USA and bovine semen from USA).

- According to the notification from the Director General of Foreign Trade (DGFT), GOI, China's milk and milk products (including chocolates and chocolate products, candies, confectionary, and food preparations made with fluid milk or dairy solids as an ingredient) may not be imported until all laboratories at the port of entry have been upgraded to test for melamine (DGFT Notice 1/2015-2020).

- On February 1, 2020, Finance Minister Nirmala Sitharaman presented the Government of India's (GOI) annual budget for Indian Fiscal Year (IFY) 2020/21. The GOI, with immediate effect, increased tariffs on several food and agricultural products, including dairy products. Basic import duty on butter, ghee and butter oil (HS Code 0405) has been raised from 30 percent to 40 percent. This year, the GOI's Tax Research Unit issued this hyperlinked 'notice' to India's Customs Commissioners of various tariff changes as part of the Finance Bill 2020.

- The above notice omits preferential duty rate for imports of products under the tariff rate quota for 'milk and cream'. The following entry was omitted *vide* notification No. 1/2020-Customs dated February 12, 2020. Omitted entry→ Vide S. No of Notification No. 50/2017 Customs dated June 30, 2017, a concessional Basic Customs Duty (BCD) of 15% was prescribed on milk and cream (in powder or granules or other solid forms) falling under sub-heading 040210 or tariff item 0402 2100, up to an aggregate of 10,000 MT of total imports of such good in a financial year.

Kindly Note: Please see Table 1 below for more information on tariff structure on various dairy items, as compiled from CBIC, Dept of Revenue, GOI.

Table 1. India: Tariff Structure for Various Dairy Products, 2020

HS Code	Item Description	Basic	IGST	Total Duty With 10 % SWS on	Import Policy
0401	Milk and cream, not concentrated nor containing added sugar or other sweetening matter				
0401 1000, 0401 2000, 0401 4000,0401 5000	In sequence: Of a fat content, by weight, not exceeding 1%, 1 to 6 %, 6 to 10 % and exceeding 10 percent	30	0/5*	33/39.65	Free San P
0402	Milk and cream, concentrated or containing added sugar or other sweetening matter				
0402 10	In powder, granules, or other solid forms, of a fat content, by weight not exceeding 1.5%				
0402 1010	Skimmed milk	60	5	68	Free San P
0402 1020	Milk food for babies	60	5	68	Free San P
0402 1090	Other: In powder, granules...exceeding 1.5%	60	5	68	Free San P
0402 2100	Not containing added sugar or sweetening	60	5	68	Free San P
0402 29	Other				
0402 2910	Whole milk	30	5	39.65	Free San P
0402 2920	Milk for babies	30	5	39.65	Free San P
0402 91	Other				
0402 9110	Condensed milk	30	5	39.65	Free San P
0403	Buttermilk, curdled milk and cream, yogurt, kephir & other fermented or acidified milk & cream, whether or not concentrated or containing added sugar or other sweetening matter or flavored or containing added fruits, nuts or coco				
0403 1000	Yogurt	30	5	39.65	Free San P
0403 9010	Butter milk	30	0	33	Free San P
0403 9090	Other	30	5	39.65	Free San P
0404	Whey, whether or not concentrateed or containing added suagr or other sweetening matter, products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsehwere specified or included				
0404 10	Whey, whether or not concentrateed or containing added sugar or other sweetening matter				
0404 1010	Whey, concentrated, evaporated or condensed, liquid or semi-solid	30	5	39.65	Free San P
0404 1020/90	Whey, Dry, Blocks and powdered	40	5	51.2	Free San P
0405	Butter an dother fats and oils derived from milk, dairy spreads				
0405 1000	Butter	40	12	56.8	Free San P
0405 2000	Dairy spreads	40	12	61.28	Free San P
0405 90	Other				
0405 9010	Butter oil	40	12	56.8	Free San P
0405 9020	Ghee	40	12	56.8	Free San P
0406	Cheese and curd				
0406 1000, 0406 2000, 0406 3000, 0406 4000	In sequence: Fresh (unripened and uncured) cheese, including whey cheese and curd, grated or powdered, processed, not grated or powdered and blue-veined cheese produced by Penicilliumroquqforti	30	12	48.96	Free San P
0406 9000	Other Cheese	40	12	56.8	
1702 11	Lactose and lactose syrup, containing by weight 99 percent or more lactose, expressed as anhydrous lactose, calculated on the dry matter	25	18	50.45	Free
1901	Malk extract, fod preperations of flour, groats, male, starch or malk extract not containing cocoa.....food preperatios of heading 0401 to 0404....				
1901 10	Preperations suitale for infants or youg children, put up for retail sale				
1901 10 10	Malted milk (powder)	50	18	77.00	Free
1901 2000	Mixes and doughs for preperation of bread, pastry and other bakers wares	30	5	39.65	Free
2105 0000	Ice cream and other edible ice, whether or not containing cocoa	30	18	56.94	Free
3501	Casein, Caseinates and other casein derivatives; casein glues	20	18	43.96	Free
3502	Albumins (including concentrates of two or more whey proteins, containing by weight > 80% whey proteinson dry matter), albuminates and other albumin derivatives				
3502 2000	Milk albumin, including concentrates of two or more whey protiens	20	18	43.96	Free
The expression 'milk' means full cream milk or partially or completely skimed milk					
*: 0 percent IGST for fresh and pasteurised milk, including seperated milk, milk and cream, not concentrated nor containing added suagr or other sweetening, excluding Ultra High Temperature (UHT) milk in 0401 and UHT milk attracts 5 % IGST					
	10 percent SWS exempted on goods in tariff line 0402 2100 and 0402 10: WTO binding. Also, a 10% SWS exempted on tariff line 0405 1000, 0405 90, 0405 2000 with fat content by weight at least 75% but less than 80%				
	Cream, yogurt, kephir & other fermented or acidified milk & cream, whether or not concentrated or containing added sugar or other sweetening matter or flavored or containing added fruits, nuts or coco				

Source: www.cbic.gov.in

PRODUCTION, SUPPLY AND DEMAND DATA STATISTICS

Table 2. India: Commodity, Dairy, Milk, Fluid, PSD, 1000 MT

Dairy, Milk, Fluid	2018		2019		2020	
Market Begin Year	Apr 2018		Apr 2019		Apr 2020	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Cows In Milk	58500	52482	60600	54600	62400	56450
Cows Milk Production	87800	89800	91300	92000	95200	94000
Other Milk Production	98000	97900	102900	99000	107000	101000
Total Production	185800	187700	194200	191000	202200	195000
Other Imports	0	0	0	0	0	0
Total Imports	0	0	0	0	0	0
Total Supply	185800	187700	194200	191000	202200	195000
Other Exports	9	9	10	10	0	10
Total Exports	9	9	10	10	0	10
Fluid Use Dom. Consum.	76180	77000	77680	79000	80800	81000
Factory Use Consum.	109611	110691	116510	111990	121400	113990
Feed Use Dom. Consum.	0	0	0	0	0	0
Total Dom. Consumption	185791	187691	194190	190990	202200	194990
Total Distribution	185800	187700	194200	191000	202200	195000

Table 3. India: Commodity, Dairy, Milk, Nonfat Dry, PSD, 1000 MT

Dairy, Milk, Nonfat Dry	2018		2019		2020	
Market Begin Year	Jan 2018		Jan 2019		Jan 2020	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks	30	30	15	15	30	35
Production	600	600	635	630	670	660
Other Imports	0	0	0	0	0	1
Total Imports	0	0	0	0	0	1
Total Supply	630	630	650	645	700	696
Other Exports	43	43	10	10	15	15
Total Exports	43	43	10	10	15	15
Human Dom. Consumption	572	572	610	600	640	640
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	572	572	610	600	640	640
Total Use	615	615	620	610	655	655
Ending Stocks	15	15	30	35	45	41
Total Distribution	630	630	650	645	700	696

Table 4. India: Commodity, Dairy, Butter, PSD

Dairy, Butter	2018	2019	2020
Market Begin Year	Apr 2018	Apr 2019	Apr 2020

India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks	9	9	0	0	0	0
Production	5600	5600	5850	5850	6100	6100
Other Imports	1	1	0	0	0	0
Total Imports	1	1	0	0	0	0
Total Supply	5610	5610	5850	5850	6100	6100
Other Exports	33	33	50	50	45	55
Total Exports	33	33	50	50	45	55
Domestic Consumption	5577	5577	5800	5800	6055	6038
Total Use	5610	5610	5850	5850	6100	6093
Ending Stocks	0	0	0	0	0	7
Total Distribution	5610	5610	5850	5850	6100	6100

Attachments:

No Attachments