envisaged at appraisal. The organised marketing structure that new DPCs and DCSs provided gave farmers a stable and assured marketing channel, thereby eliminating malpractice such as holdouts and economic losses due to unfair trade practices by private vendors, while also reducing the wastage of milk during handling and transportation.

The benefits captured under this component are categorised into two groups: (a) benefits due to BMC, and (b) benefits due to milk procurement. The benefits due to BMC consist of saving in income due to reduced milk souring/curdling; reduced spillage and pilferage in cans during transportation as a percentage of milk procured; payment received from unions for milk chilling; saving in investment and repair of cans; and savings in milk transportation cost. At project end, annual incremental financial benefits accrued by the milk producers due to BMCs were USD 19 million. The costs associated with this component include milk transportation from the milk pooling points to BMC; power and fuel consumption; repairs and maintenance; manpower (manager, supervisor, tester, workers,

watchman); and miscellaneous (general, printing and stationery, chemicals). On milk procurement, prior to DPC and DCS formation, many of dairy households sold milk to informal middlemen "dudhiyas" (53 per cent). The average milk price received by these households was ₹24 per litre which has increased under the project to ₹29 per litre as a result of the new, transparent, and merit-based system for pricing milk and its efficient/timely transportation to the BMC facility. This has resulted in incremental financial benefits to these households from price increases due to institutional milk procurement at USD 32 million at the end of the programme.

Key interventions

- **16.86 lakh** additional milk producers have been enrolled in **52,509 villages**
- **45%** of additional milk producers enrolled are women and **67%** of the additional milk producers enrolled are small holders
- **4,171** Bulk Milk Coolers and **29,577** AMCUs/ DPMCUs have been installed