

'Milk price hike will worsen Goa Dairy's already slacking sales'

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Ponda: Following Goa Dairy's announcement of a probable price hike, mulching farmers in the state have warned that the dairy would close within a short time if the board hikes milk prices.

Stating that the dairy's cattle feed producing plant is running in losses, chairman of the Goa State Cooperative Milk Producers' Union, popularly known as Goa Dairy, Rajesh Faldessai, recently announced that they would have to go in for a hike in milk prices to reimburse the losses.

Nitin Kunkolienkar, a farmer from Mardol, said that the dairy would not be able to compete with other brands presently existing in market. "If Goa Dairy hikes milk prices, its rates would go very high as compared to other brands and there will be immediate slack in already dipping sales," he told TOI.

Presently Goa Dairy has its four brands in the market - full cream milk (orange packets with 6% fat and 9% SNF), standardized 'Shakti' milk (green packets with 4.5% fat and 8.5% SNF), cow milk 'Diva' (red packets with 3.5% fat and 8.5% SNF) and toned 'Cold Gold' milk (blue packets with 3% fat and 8.5% SNF).

Existing prices of milk are Rs 27 for a 500 ml packet of Shakti, Rs 25 for a packet of cow milk, Rs 24 for a 500 ml packet of Cold Gold and Rs 62 for a litre of full cream milk.

An increase of even Rs 2 per a packet of 500 ml of milk may be a significant increase since it may lead to an increase of Rs 120 per month for a household using a liter of milk every day, Kunkolienkar said.

Durgesh Shirodkar, former chairman of the three-member committee of administrators said that hiking milk prices to reimburse the loss incurred by the cattle feed plant is totally a wrong decision.

"If the plant is running in losses, the board should either shut it down or hand it over to a private party to run. It is not justifiable to hike prices to reimburse the losses of the plant," he said.