

## Export behaviour of Indian dairy products

Hemant Sharma<sup>1</sup> and S.S. Burark<sup>2</sup>

Received April 21, 2017 and Accepted July 5, 2017

**ABSTRACT :** India is 'The Oyster' of the global dairy industry. It offers opportunities galore to entrepreneurs worldwide, who wish to capitalize on one of the world's largest and fastest growing markets for milk and milk products. A bagful of 'pearls' awaits the international dairy processor in India. The Indian dairy industry is rapidly growing, trying to keep pace with the galloping progress around the world. The country is the world's largest milk producer, accounting for more than 18.5 per cent of world's total milk production. During the year 2014-15, India's Export of dairy Products was 90131.33MT to the world with a net worth of Rs. 1676.90 crore. The dairy sector in India has shown remarkable development in the past decade and India has now become one of the largest producers of milk. However, the share of India in world trade in dairy products is still very less. Therefore, an attempt has been made in this paper to study the scope of export of dairy products from India. The study is based on secondary data for the period 1991 to 2014. The Herfindahl Index (HI) was used to measure the degree of diversification based on the shares of various importing countries in India's total dairy products export. India achieved an annual output of 146.3 million tones in milk production during 2014-15. The per capita availability of milk in India has increased from 176 grams per day in 1990-91 to 322 grams per day by 2014-15. It is more than the world average of 294 grams per day during 2013. There are five countries importing Indian dairy products in large quantities, namely Bangladesh, UAE, Nepal, Philippines, and Singapore. In 2014–15, these top 5 importers accounted for about 60.54 percent of India's total dairy export. Herfindahl index exhibited an increasing trend. It has increased from 0.06 in 2010-11 to 0.11 in 2014–2015. It means that India's dairy export has experienced a moderate increase in the degree of export market diversification. The share of skimmed milk in India's dairy export was highest (78.58 %), followed by ghee (5.50%), whole milk (3.37 %), cheese and curd (2.40 %), butter (2.33 %), whey (0.06 %) and other dairy products ( 7.75 ). The total export value of dairy product has increased from 79.94 million USD in the year 2004-05 to 546.15 million USD in the year 2013-14 showing a considerable progress in exports of dairy products.

**Key Words:** Milk, dairy product, export, Herfindahl Index (HI).