

Karnataka governor to review hike in milk prices

Karnataka Governor Rameshwar Thakur late Friday said the state government would review the decision of the state-owned Karnataka Milk Federation (KMF) to increase the prices of milk by Rs.2 with immediate effect.

'One of my advisors (P.P. Prabhu), who is in-charge of the department concerned, will look into the issue and ascertain how KMF took such a decision without informing or consulting the government,' Thakur told IANS after a three-hour long meeting of his executive committee at the secretariat here.

The unilateral decision of KMF to increase the price of its Nandini branded milk by Rs.2 per litre for all the four categories since Thursday drew flak from the public and strong protests by consumers across the state.

Admitting that the government had no prior knowledge of the sudden decision to increase the milk price by around 15 percent during the wet season, Thakur said Prabhu would call the federation officials for a meeting and find out if any relief could be given to the common man, who is the worst affected by such a steep hike.

'We will examine the issue and see how we can help consumers and yet protect the interests of producers at the same time,' Thakur noted.

At a short notice, KMF increased the price of basic (double-toned) milk to Rs.14 per litre from Rs.12, toned milk to Rs.16 (Rs.14), homogenised cow's milk to Rs.18 (Rs.16) and full cream milk to Rs.22 from Rs.20 per litre. The federation did not spare even curd, increasing its price to Rs.20 per litre from Rs.18.

Incidentally, former power and public works department (PWS) minister H.D. Revanna is the chairman of the statutory KMF board. Revanna is the eldest son of Janata Dal-Secular supremo H.D. Deve Gowda and elder brother of former state chief minister H.D. Kumaraswamy.

Justifying the decision, KMF managing director I.R. Ramalinge Gowda told reporters Wednesday the price hike was inevitable to sustain the dairy industry and ensure a fair price to milk producers.

'Even as the demand for milk is rising in cities such as Bangalore, the production cost too has gone up at every step leading to pressure on margins and causing a slump in total output.

'As against projected procurement of 3.4 million litres a day during the current peak months (November-January), the collection by our milk cooperatives has declined to 3.1 million litres a day,' Gowda asserted.

The latest hike comes a year after the price was revised last December by one rupee.

Meanwhile, Congress and Bharatiya Janata Party (BJP) blamed Revanna and his father (Gowda) for the unilateral price hike and accused them of appeasing farmers in the run-up to the mid-term poll in the state early next year.

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