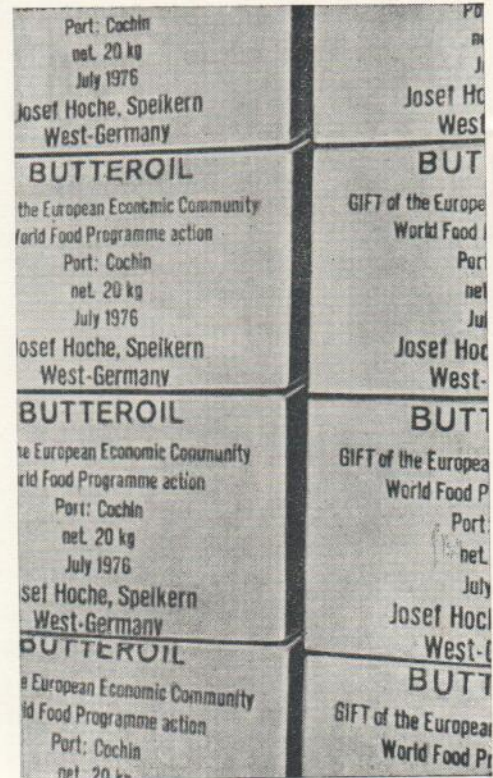


The Gift



126000 tonnes of skimmed milk powder + 42,000 tonnes of butter oil = 1.38 billion litres of milk

1969. In Europe, half a world away from the NDDB's office, huge surpluses of butter and milk powder were piling up from over-production. The only way the European Economic Community could dispose of these butter and milk powder mountains was by presenting them to countries like India.

A billion litre idea hit NDDB. If it recombined this butter and milk powder into liquid milk and sold it in India's major cities at a reasonable price, it would earn enough money to finance its dairy development programme!

NDDB submitted this creative proposal to the Government of India who approved it and passed it on to the World Food Programme (WFP). The WFP, an agency of the FAO of the United Nations, accepted the proposal and gifted 126,000 tonnes of skimmed milk powder and 42,000 tonnes of butter oil to be converted into 1.38 billion litres of milk and sold in the cities.

This would generate Rs. 100 crores which could be used to modernise dairying in India.

But first, a suitable body had to be created which would receive, store and sell the commodities to the cities to generate funds needed for financing dairy development programmes in 10 States, on a 30% grant and 70% loan basis—and also monitor the entire programme. The Government of India then constituted the Indian Dairy Corporation (IDC). Equipped now with capital, competence, conviction and commitment, NDDB and IDC put their dairy development ideas to work. The programme was titled 'Operation Flood.'