

"Strategies for a sustainable dairy industry in India"

ORGANIZED BY PFNDAI

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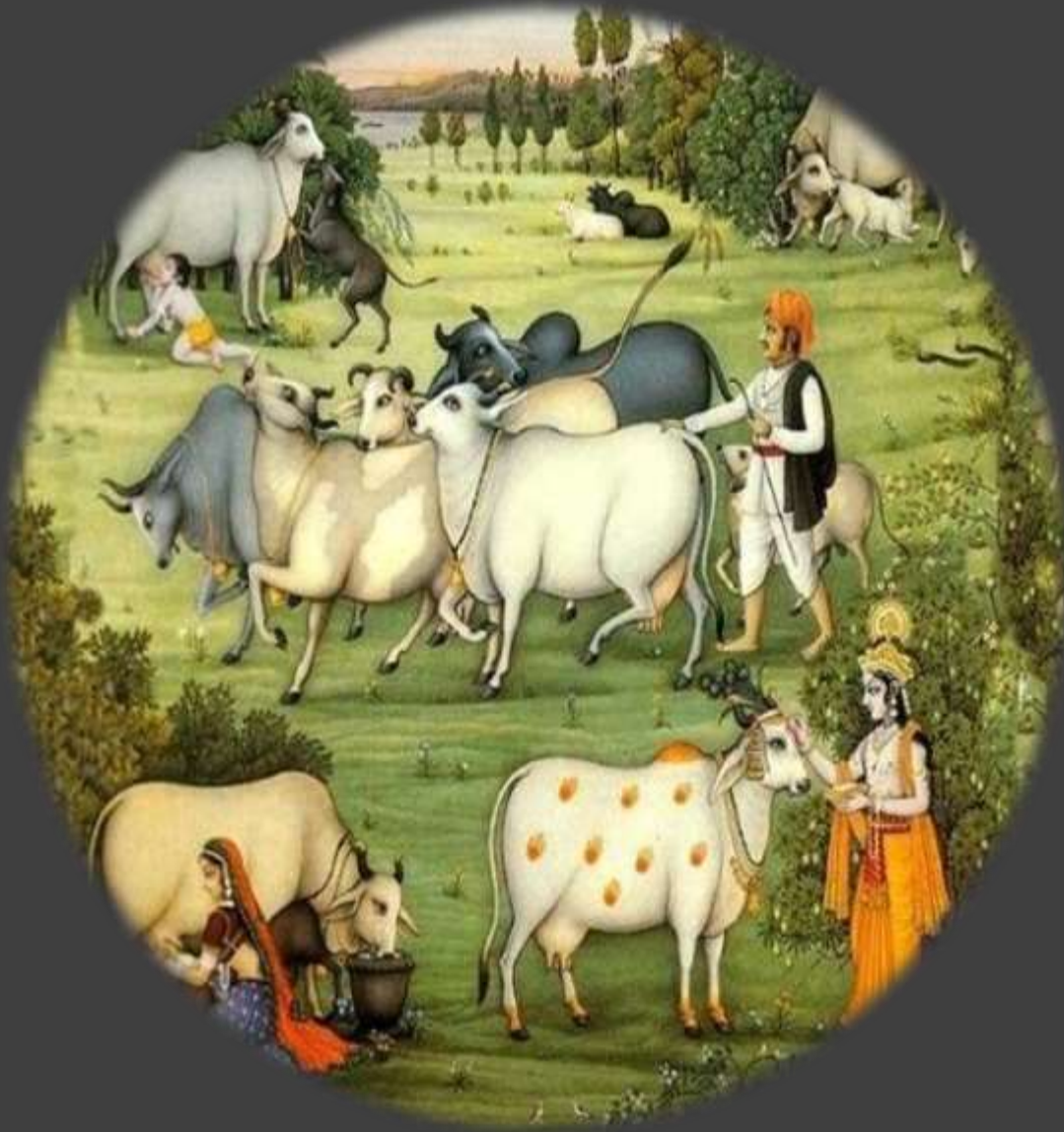
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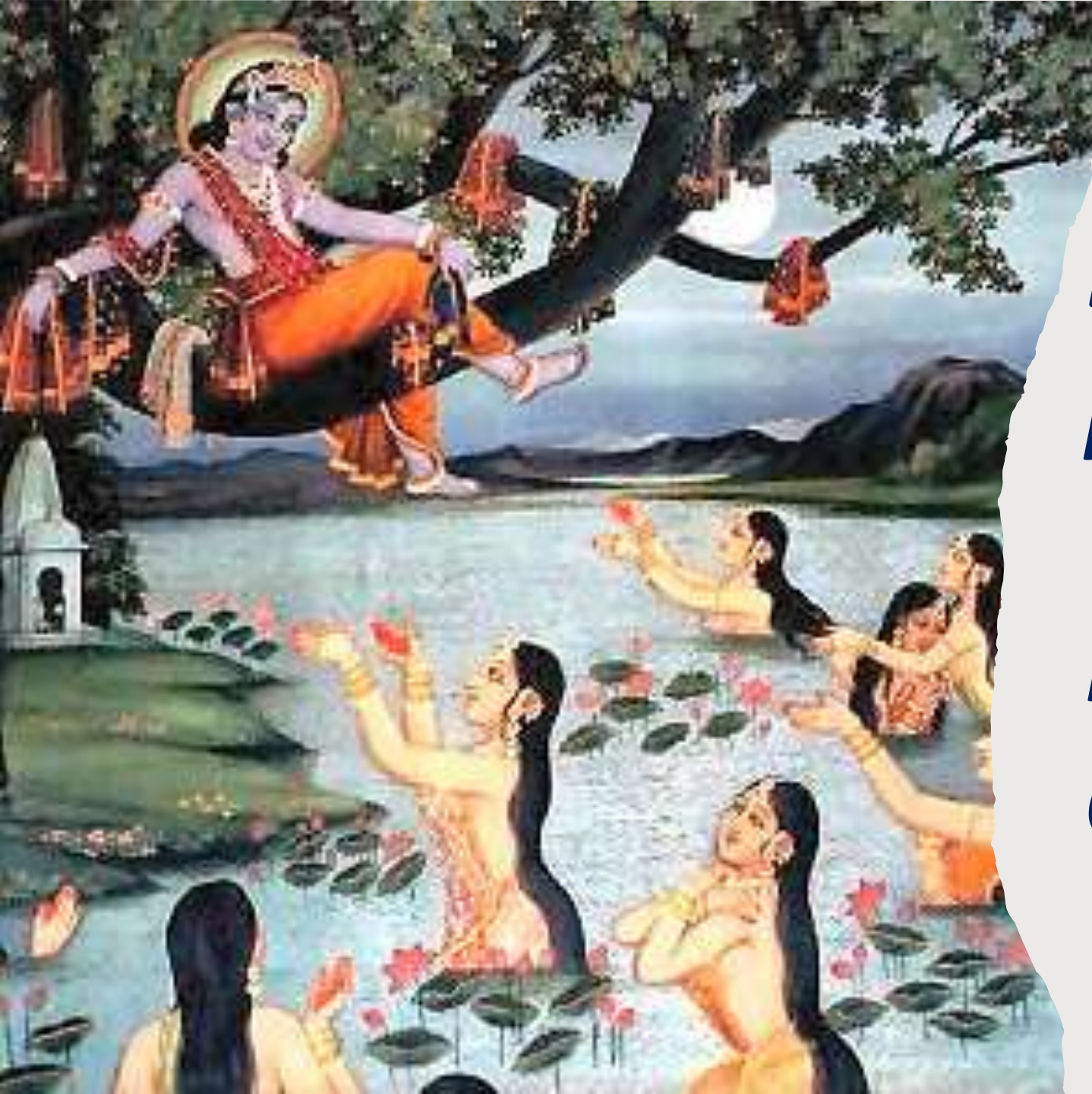
Dairying has
strategized,
Holistic and
Divine
History in
India

THE BUTTER MAKING INDUSTRY : OUR BEAUTIFUL LADIES DOES IT MORE EFFICIENTLY
SINCE AGES





*History also
says how
things can go
out of
hands.....*



*Even
punishment for
wrong doings
have been
defined.....*

*I'm a proud Grandson of my
100 % Farmer Grandpa.....*

(Thatha)

*He lived for over 90 years,
maintained cattle and worked
in farming fields just until few
days he reached heavenly
abode.....*

*Business is well with the
farmers in our nation.....*

*Myself, Being a Yadav,
Krishna's follower too , I'm too
in a right industry....*

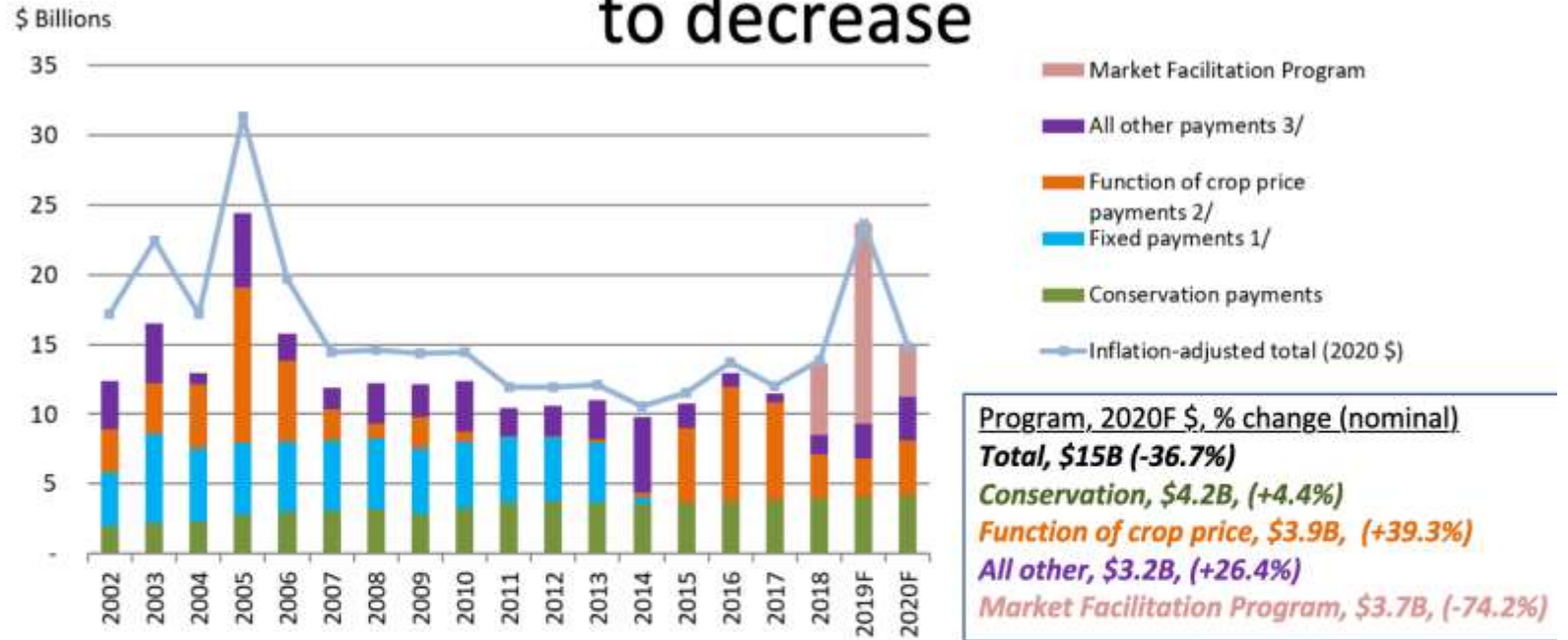


INDIAN
DAIRY
INDUSTRIES



Advanced Countries are going behind in Dairy Business

Total direct payments to farmers expected to decrease



F= Forecast.

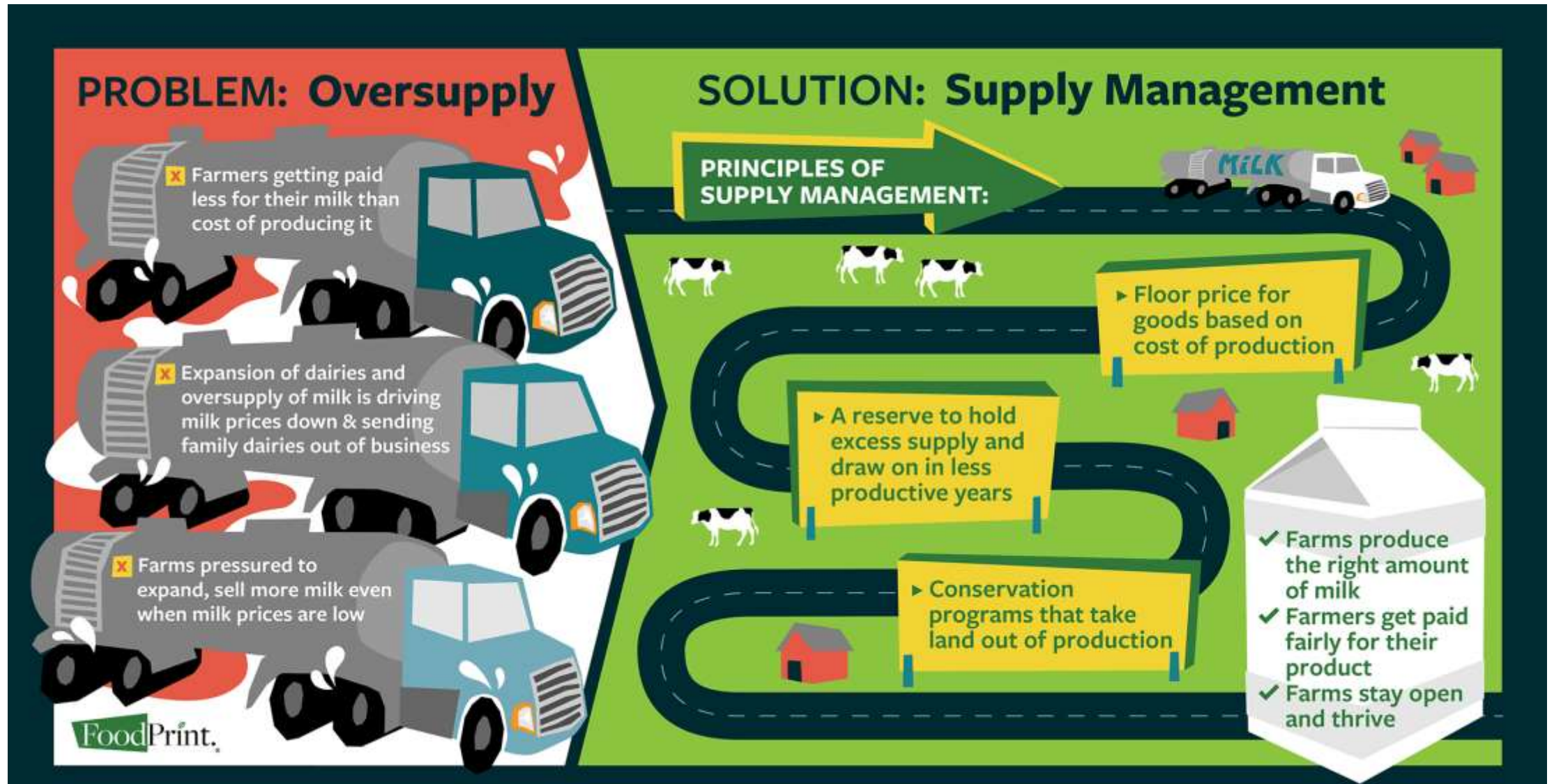
1/ Direct payments are through 2013 and cotton transition payments in 2014 whereby payment rates are fixed by legislation.

2/ Includes counter-cyclical payments, average crop revenue election (ACRE) payments, loan deficiency payments, marketing loan gains, certificate exchange gains, Price Loss Coverage(PLC), and Agriculture Risk Coverage (ARC) in which commodity payment rates vary with market prices.

3/ All other payments include supplemental and ad hoc disaster relief, tobacco transition, dairy programs and miscellaneous programs.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics (using data from FSA, NRCS, and CCC)

Data as of February 5, 2020





Feeding
4 Billion

Inside China's

The Mighty China





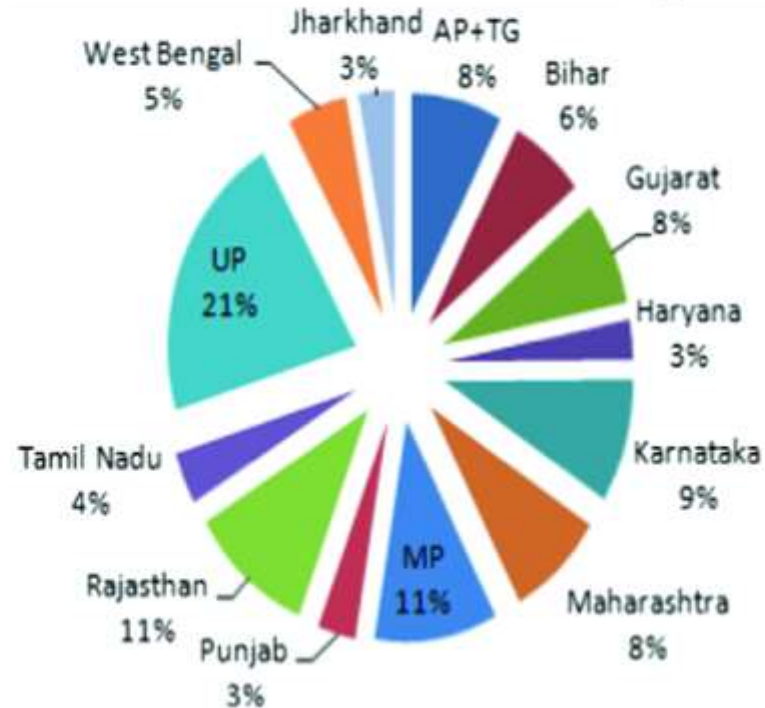
Modern Farming's Bengbu Farm. It is a huge modern ranch and the largest raw milk producer in China. Nearly **600 acres**, the farm has **8 lactating cow barns** to hold **2,880 milking cows each**. Other barns and sheds hold calves and pregnant cows, putting the farm's maximum bovine **population at 38,000**. The freshly harvested alfalfa will be delivered here and processed into feed for the cows produces **0.65 Million LPD**

MEGA FARM.....

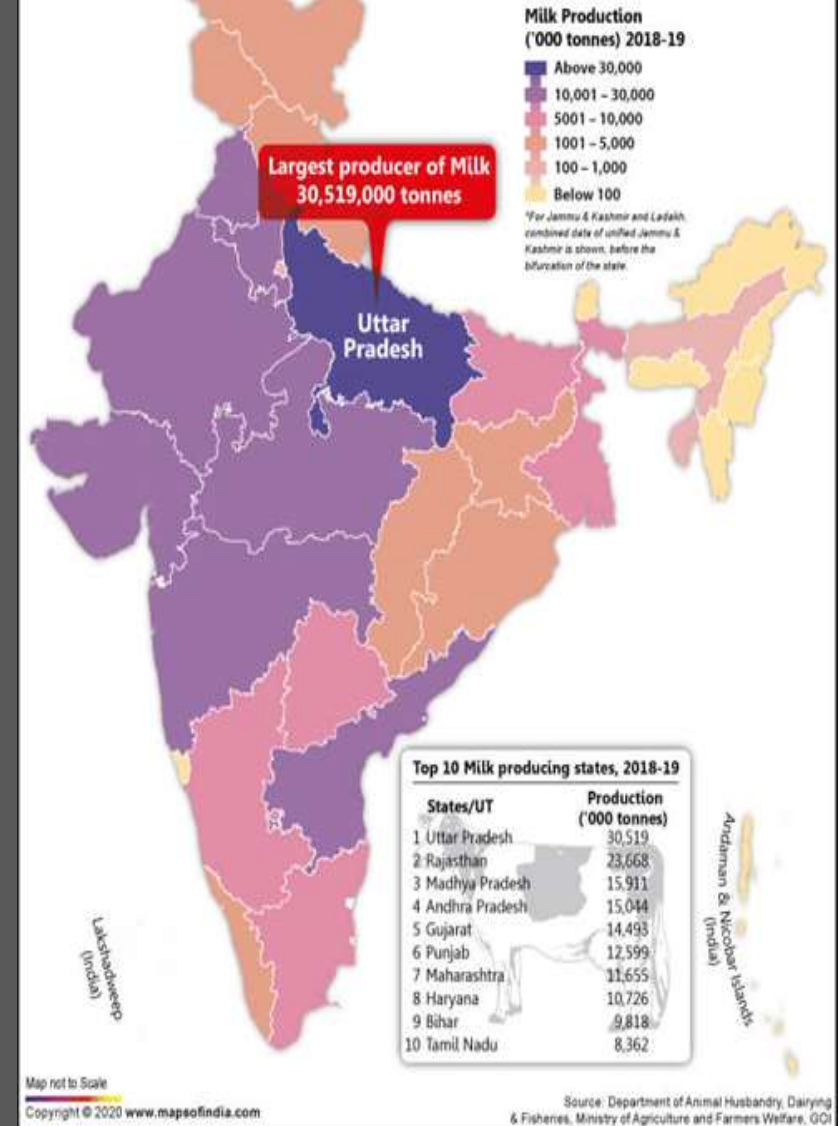


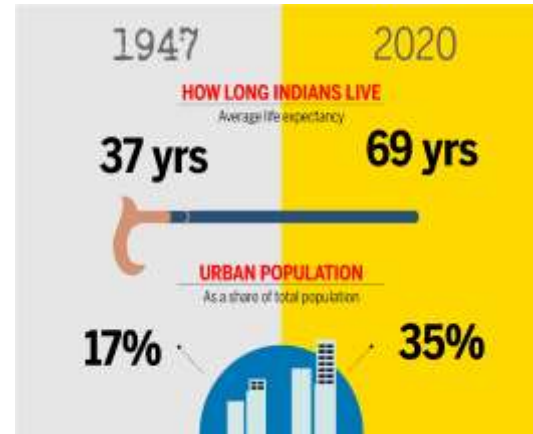
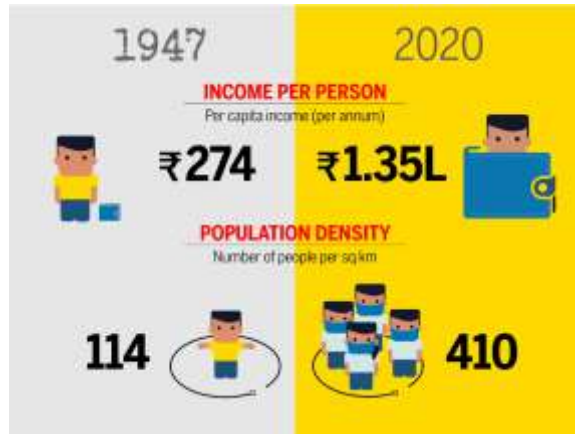
Indian Context...

State wise distribution Female Bovine Population

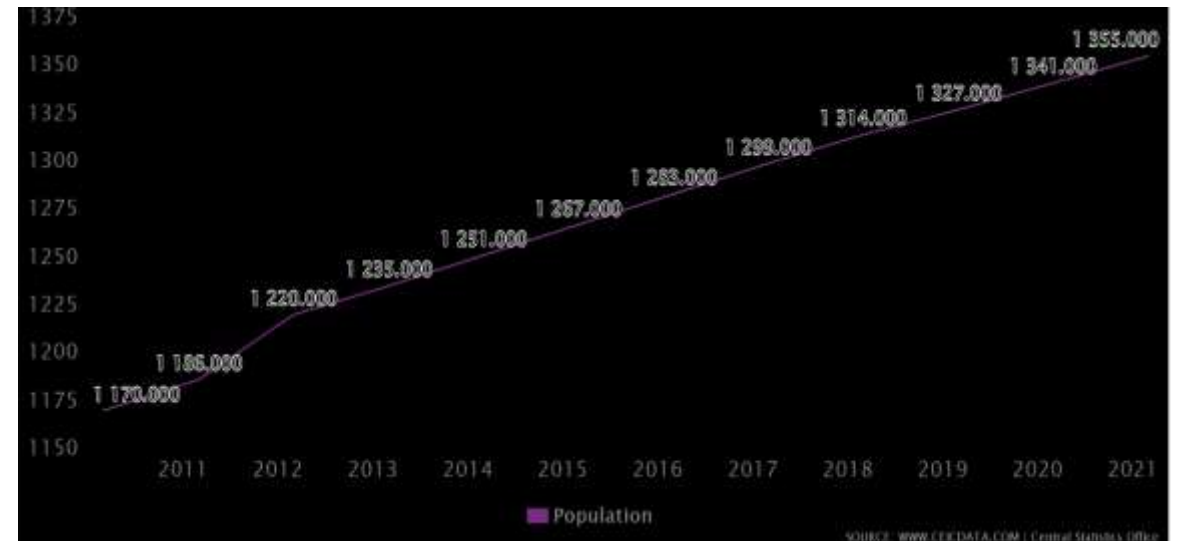
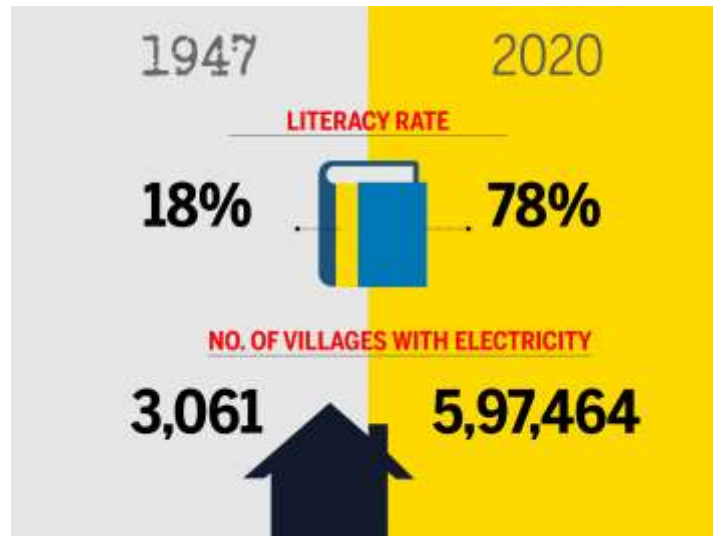


Which State in India is the largest producer of Milk?



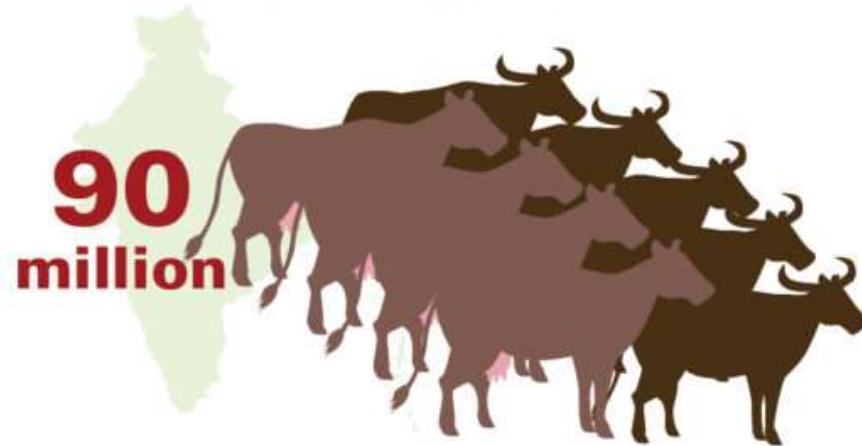


Milk production and per capita availability



SOURCE: WWW.CEX.DATA.COM | Central Statistics Office

MEETING INDIA'S MILK DEMAND



India has 10 times as many dairy-producing bovines as the U.S., but produces only 50 percent more milk. FAOSTAT (2014).

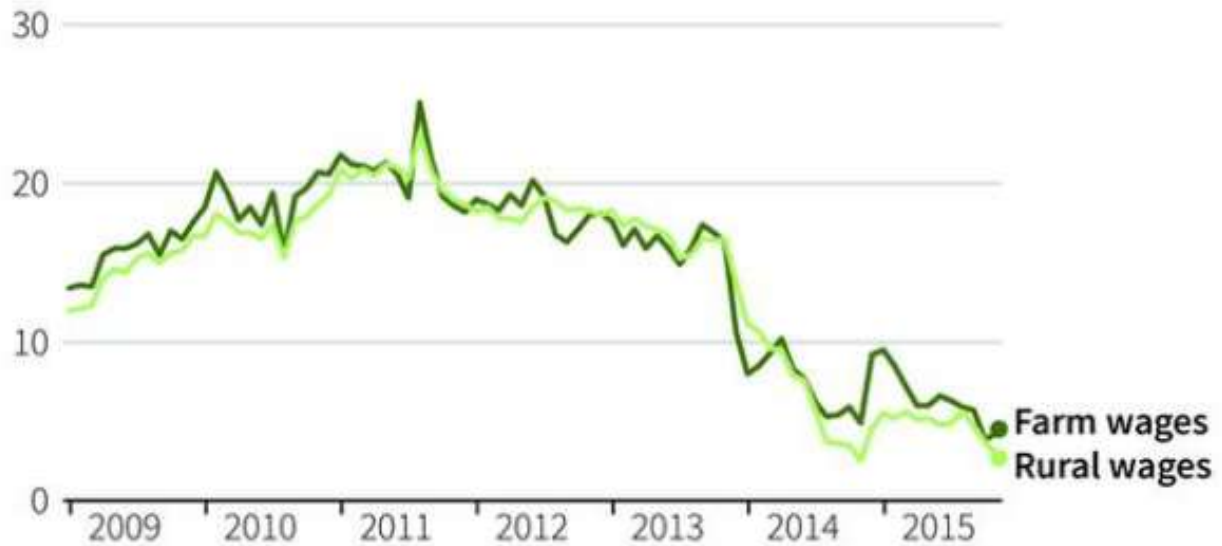
@2018 Global Agricultural Productivity Report

Doubling the
Farmers
Income.....
A tough task
ahead

India's rural wages

The Indian government has announced plans to double farmers' income by 2022.

GROWTH IN WAGES - PERCENT CHANGE, YEAR-ON-YEAR

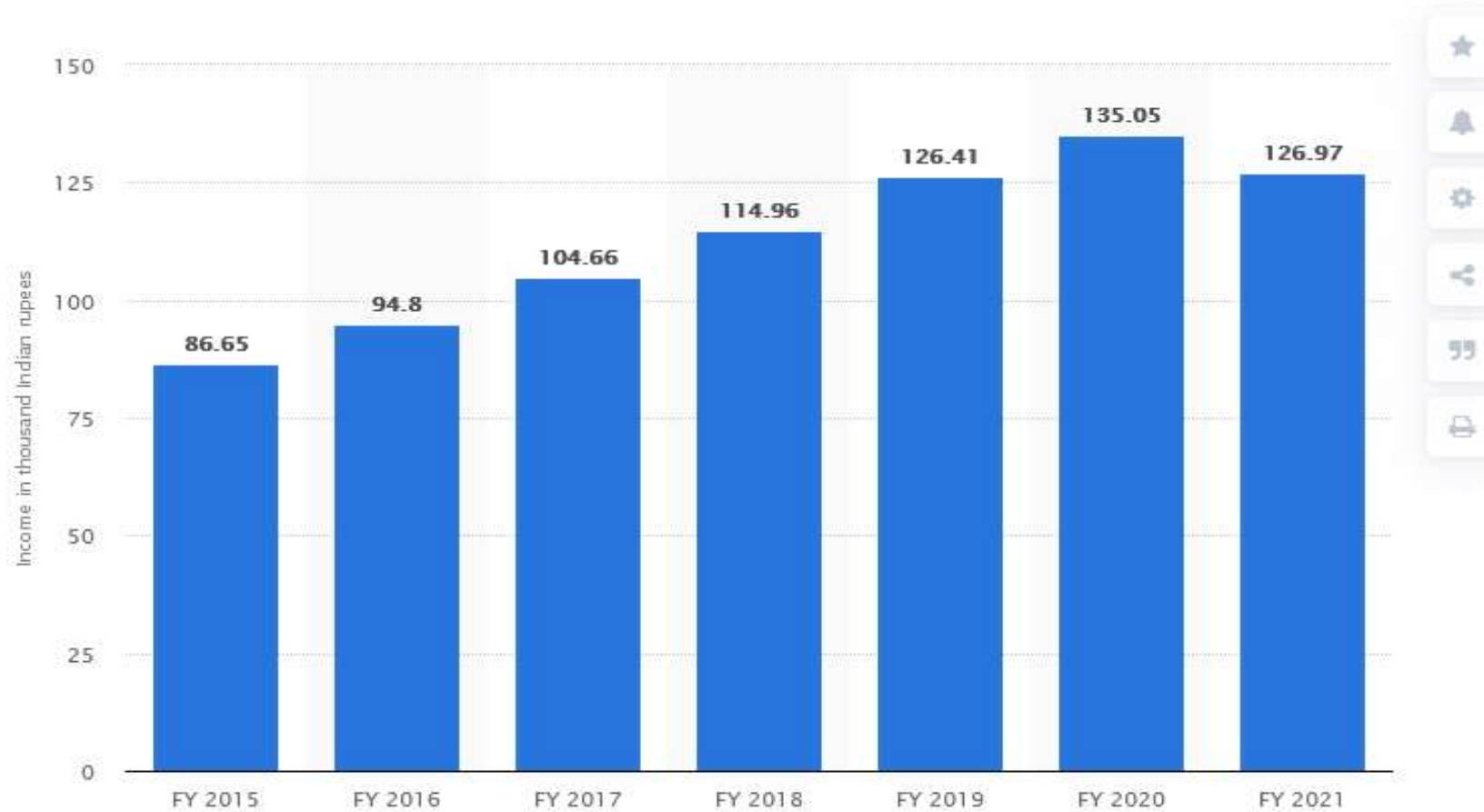


Sources: Morgan Stanley

J. Wang, 05/04/2016

REUTERS

Per capita national income across India in financial year 2015 and 2017, with estimates until 2021 (in 1,000 Indian rupees)



© Statista 2021

[Additional Information](#)

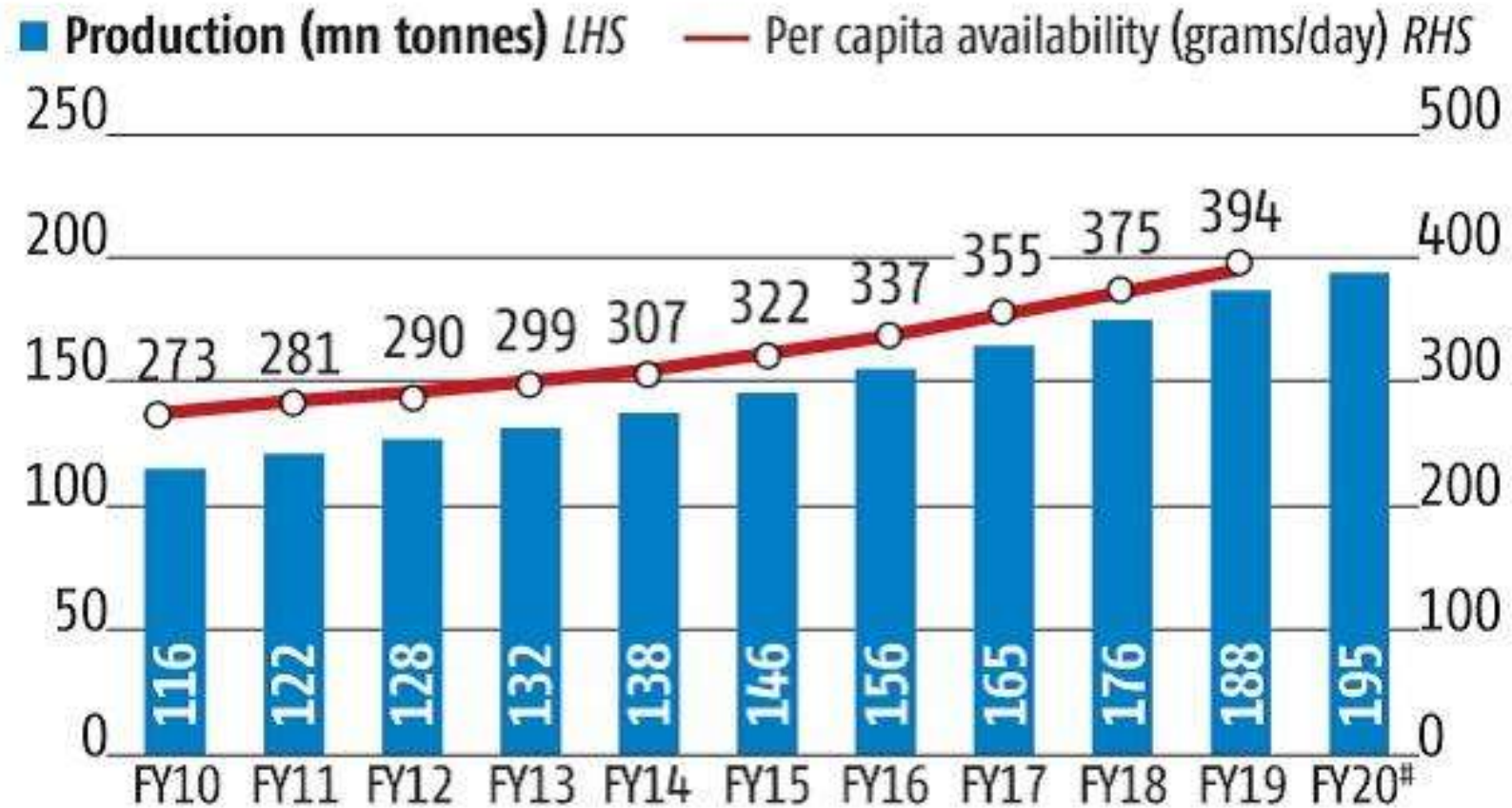
[Show source](#)

Looks a Joke.....
But.....
The Fact is.....
Dairy Cattles
Delivered
For Humane.....



COVID IMPACT

India's milk production and per capita availability



Estimates

Source: CARE Ratings

India..... Needs for Wealthy Business





To make the
Unhealthy
The Healthy



To Convert The Poor
to Wealthy and self
sufficient Farmers



We have Best Breed in the world.....

The Strategy

What one should Understand.....

The 10 Commandments

1. Milk Producer
2. Pricing of Milk
3. Availability of Land and Labour
4. Availability of Feed
5. Availability of veterinary services
6. Availability of Government policies
7. Availability of advanced technologies
8. Wealth from Waste
9. Affinity towards the business
10. Marketing to get Best Price for the Produce and build Consumer –Marketer-Producer relationship to go back to 1

—

The Real Milk Producer.....



MILK PRICING

- Cow Milk
- Buffalo Milk
- Mixed Milk
- A2 Milk
- Litres
- Kilograms
- Fat %
- Fat and SNF %
- Two axis formula
- Total Solids %
- Antibiotics Negative milk
- Adulterants absent milk
- Udhaar / advance taken milk
- Not the last, but most important here is competitors price matters.....

HOW DOES A MARGINAL DAIRY FARMER APPORTIONATES....

- Has a Cattle or Two or max Three
- Spends 40 to 50 % of income in feed
- Spends 5 to 10 % on Medicine
- Spends 5 to 10 % Misc...
- Spends 5 to 10 % for Labour
- Still earns 35 to 45 % of Milk produces
- Feeds his kids and educates too.....

(From my own self's study in a village)



The Game in Farm

Profit-loss (Income) statement

1. A sample Income statement is given below. Following assumptions have been made:
2. Assumptions
3. 6-7 in-milk cows which give 150 liters of milk everyday
4. Revenue of Rs. 3,000 to 5,000 by sale of cow dung manure every month
5. Sale of cow or calves – one or two times every year
6. Labor cost is limited to Rs.10,000 per month
7. Depreciation – We have considered animals worth 5 lakh, cattle shed worth 1 lakh, machinery and milking machine worth 1 lakh. Totaling to Rs. 7 lakh, which would be used for a period of 10 years. Resulting into yearly depreciation expenditure of Rs. 70,000. Thus, we have considered Rs. 6000 per month as depreciation expense.
8. Rent of the space – Even though the space is self-owned. We have considered Rs. 8000 per month as the rental cost of the land. The rent may be considered zero as well. Depreciation of the land is not considered as generally, the land prices don't fall.
9. Animal fodder and feed, mineral mixture is considered approximately 70% of all expenses. When the fodder is grown on your own farm, the expense can be calculated by considering its revenue if you would have sold the fodder to someone else. It would be even better if you could actually record the expenditure incurred on cultivation of fodder and use that as fodder cost.
10. Maintenance cost, medical cost, electricity & water cost is considered Rs. 500 rupees per month

2020 Profit Loss Statement Dairy Farming Business

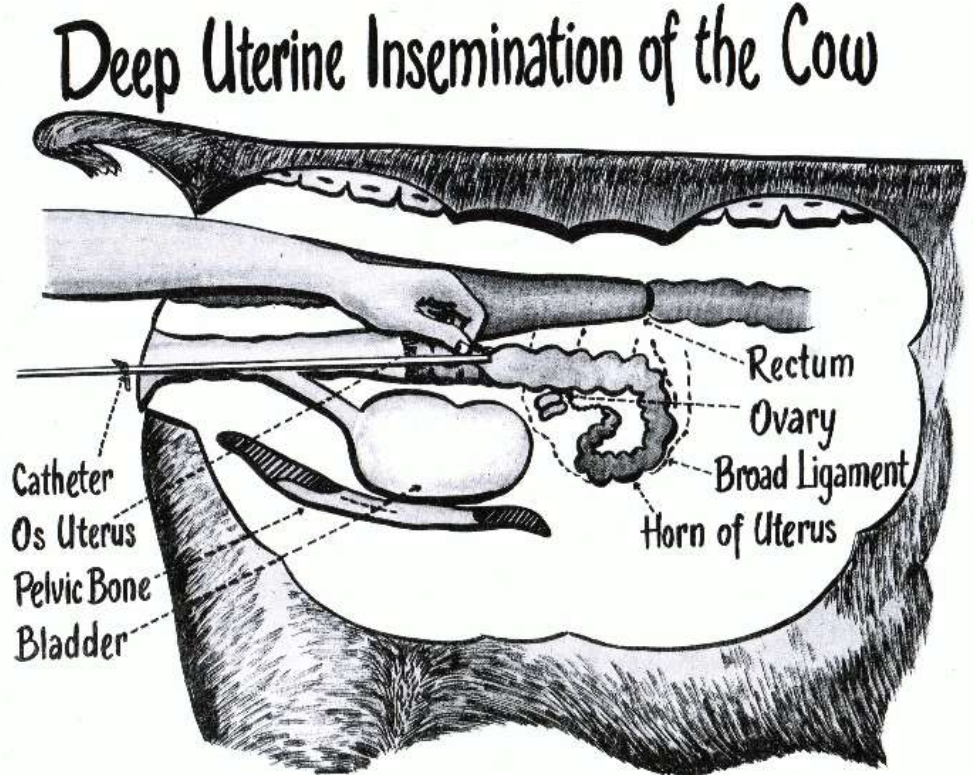
Net Profit

Rs. 1,95,775



Income	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Annual
Sale of Milk	Rs. 1,16,250	Rs. 1,05,000	Rs. 1,16,250	Rs. 1,12,500	Rs. 1,16,250	Rs. 1,12,500	Rs. 1,16,250	Rs. 1,16,250					Rs. 9,11,250
Sale of Heifers	0	0	10,000	10,000	0	0	0	2,000					22,000
Sale of Cows	0	0	0	0	70,000	0	0	0					70,000
Sale of Manure	5,000	6,000	5,000	3,000	4,000	5,000	5,000	3,000					36,000
Other income	0	0	0	0	0	0	0	0					0
Total Sales	1,21,250	1,11,000	1,31,250	1,25,500	1,90,250	1,17,500	1,21,250	1,21,250					10,39,250
Cost of Goods Sold	0	0	0	0	0	0	0	0					0
Gross Profit	Rs. 1,21,250	Rs. 1,11,000	Rs. 1,31,250	Rs. 1,25,500	Rs. 1,90,250	Rs. 1,17,500	Rs. 1,21,250	Rs. 1,21,250					Rs. 10,39,250
Expense	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Annual
Salaries and Wages	Rs. 10,000	Rs. 10,000	Rs. 10,000	Rs. 10,000	Rs. 10,000	Rs. 10,000	Rs. 10,000	Rs. 10,000					Rs. 80,000
Depreciation	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000					48,000
Rent	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000					64,000
Cattle Feed	46,500	42,000	46,500	45,000	46,500	45,000	46,500	46,500					3,64,500
Fodder	23,250	21,000	23,250	22,500	23,250	22,500	23,250	23,250					1,82,250
Mineral Mixture	11,625	10,500	11,625	11,250	11,625	11,250	11,625	11,625					91,125
Supplements	500	500	500	500	500	500	500	500					4,000
Medicine, AI etc	500	500	500	500	500	500	500	500					4,000
Electricity, Water	500	500	500	500	500	500	500	500					4,000
Other Expense	200	200	200	200	200	200	200	200					1,600
Total Expense	Rs. 1,07,075	Rs. 99,200	Rs. 1,07,075	Rs. 1,04,450	Rs. 1,07,075	Rs. 1,04,450	Rs. 1,07,075	Rs. 1,07,075					Rs. 8,43,475
Net Profit	Rs. 14,175	Rs. 11,800	Rs. 24,175	Rs. 21,050	Rs. 83,175	Rs. 13,050	Rs. 14,175	Rs. 14,175					Rs. 1,95,775

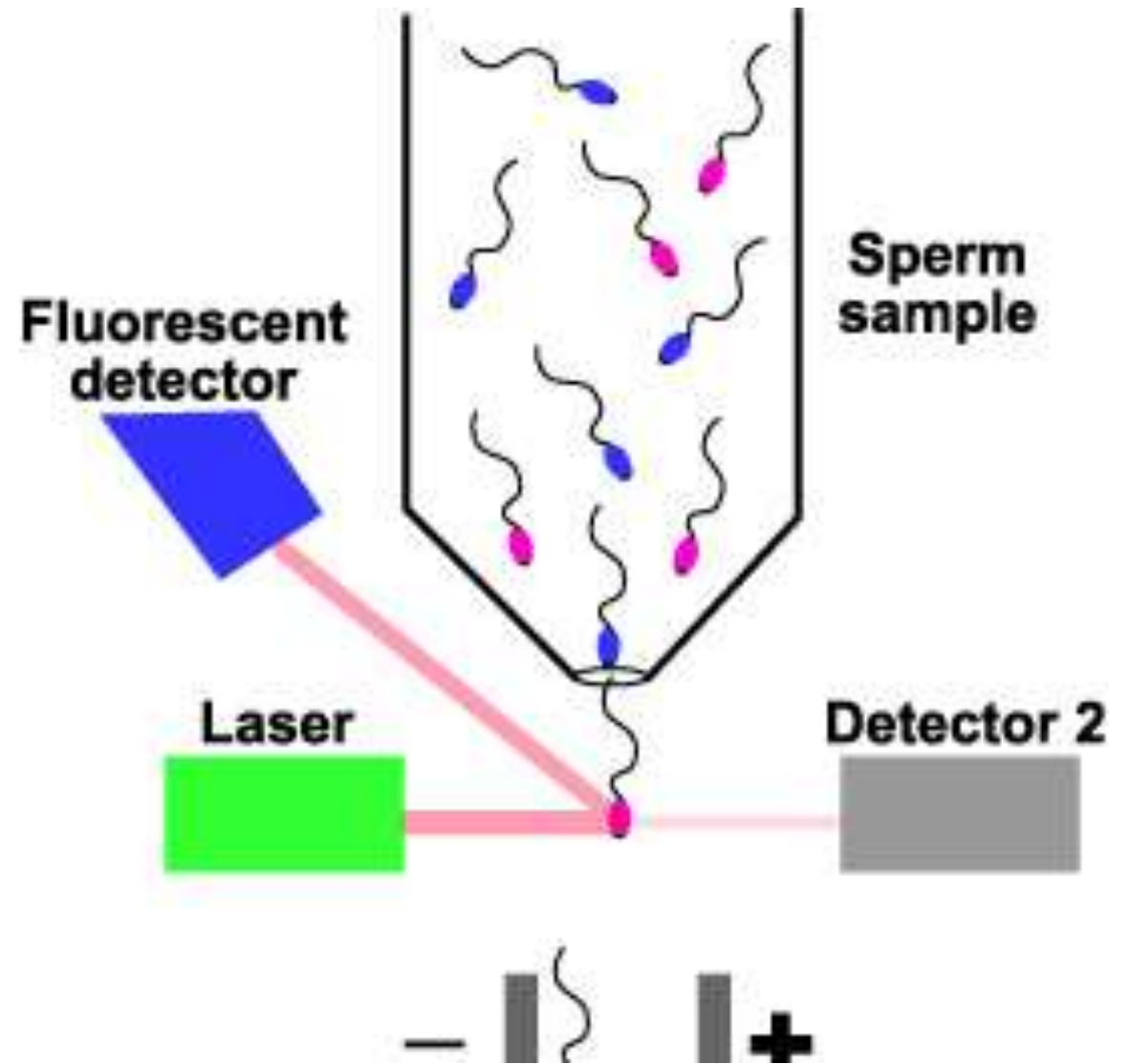
Animal conceiving...Most important



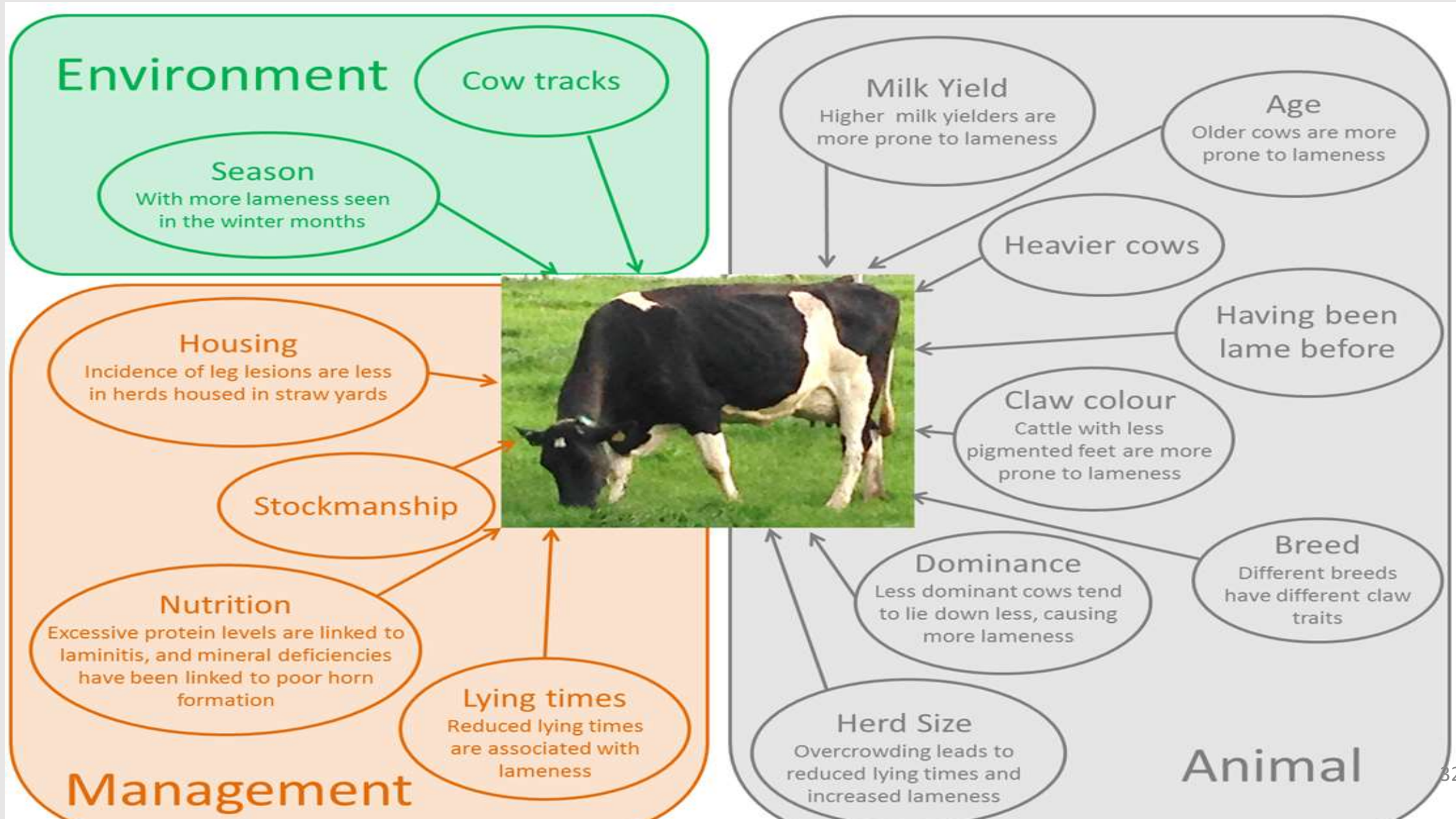
The sperm sorting technique
....L. Johnson (ARS-USDA,
Beltsville, MD) in 1989.

- **Sperm Sexing Procedure**

- Sperm are dyed with DNA dye. X bearing cells bind more dye than Y bearing cells.
- Only one sperm is released in a drop.
- A laser beam excites the dye and the sperm gives off light proportional to its DNA content
- The drop is charged depending on the light intensity.(X sperm give off more light than Y sperm)
- The drops pass through a pair of electrodes and the charged drops sorted into different tubes.
- Inseminate Mare- deep uterine deposit



ANIMAL HEALTH



Cattle Feed and Feed Additives



DAIRY FEED

Ration Formulation Technique – For Dairy Animals

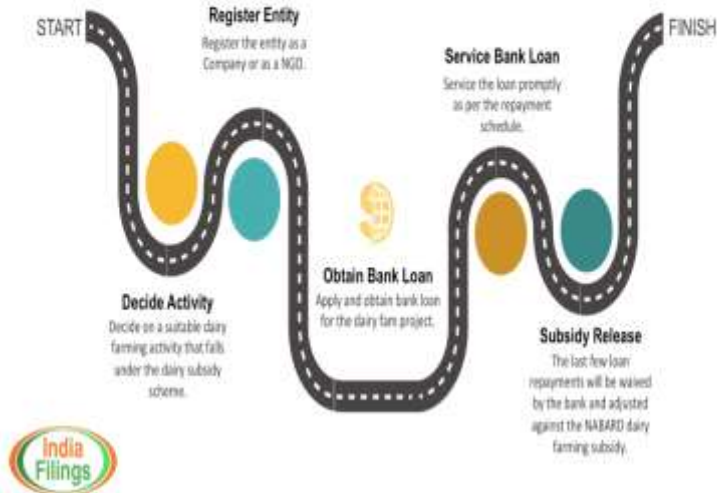
Animal Weight – 400KG
Production – 12 liters/day

Cows eats @ 2.5% of body weight
This cow needs 10Kg dry matter/day

Diet Chart – Thumb Rule

Animal	Weight(Kg)	Milk Prod.(Kg)	Concentrate(Kg)	Dry fodder(Kg)	Green fodder(Kg)
Cow	400	12			
Total DM requirement as % of body weight	2.5%		34%	44%	22%
Total Feed (Dry Matter)	10		4	4.88	8.8

Process for Obtaining NABARD Dairy Farming Subsidy



New scheme has been launched for interest subvention @ 2% per annum to dairy cooperatives for 2020-21 aimed at unlocking Rs 5000 crores additional liquidity, benefitting 2 crore farmers: Union Minister [@nsitharaman](#)

[#AatmaNirbharDesh](#) [#AatmanirbharBharat](#)

Animal Husbandry : Additional Steps during COVID

- During Lockdown, Demand of Milk reduced by 20-25%.
- 560 Lakh litre per day(LLPD) procured by cooperatives against daily sale of 360 LLPD.
- Total 111 Crore Litres extra procured ensuring payment of Rs 4100 Cr.
- A new scheme to provide **interest subvention @2% per annum** to dairy cooperatives for 20-21.
- Additional 2% p.a interest subvention on prompt payment/interest servicing.
- This scheme will **unlock 5000 Cr additional liquidity, benefitting 2 Cr farmers.**



GOVERNMENT SCHEMES

....

[Promoting Dairy Industry: FM Announces Rs 15,000 Crore For Animal Husbandry; Rs 13,343 Crore For Disease Control](#) ,by [Swarajya Staff](#) - May 15, 2020 05:43 PM.....

Finance Minister Nirmala Sitharaman on Friday (15 May 2020) began her third tranche of announcements pertaining to the Rs 20 lakh crore economic package under *Atmanirbhar Bharat* vision.



SELECT THE PROCURER.....





Advanced
Technology..... in farms

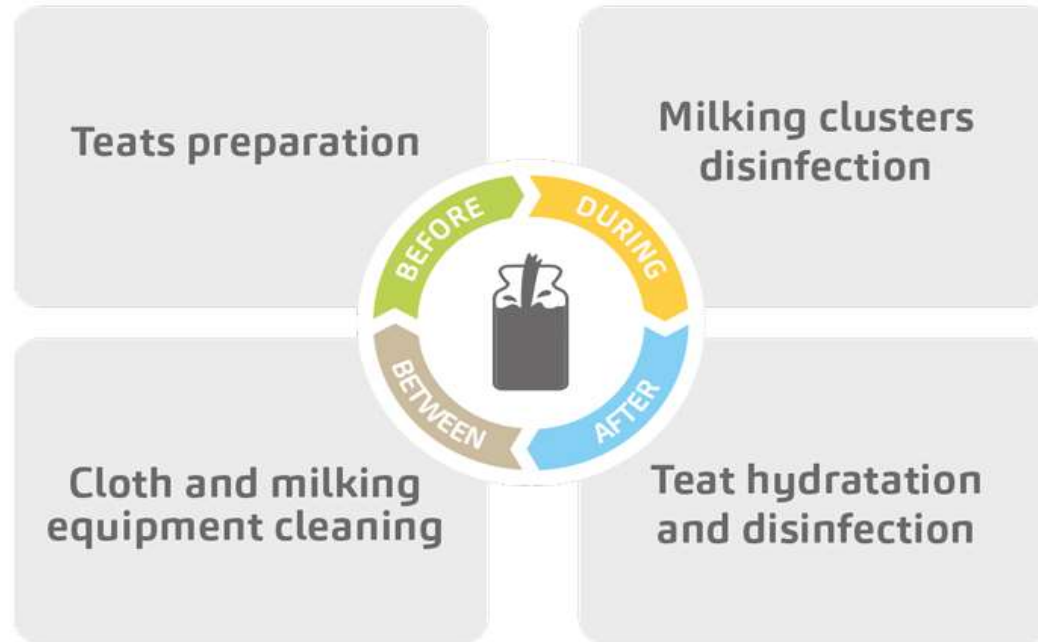


Transforming
Dairy Industry



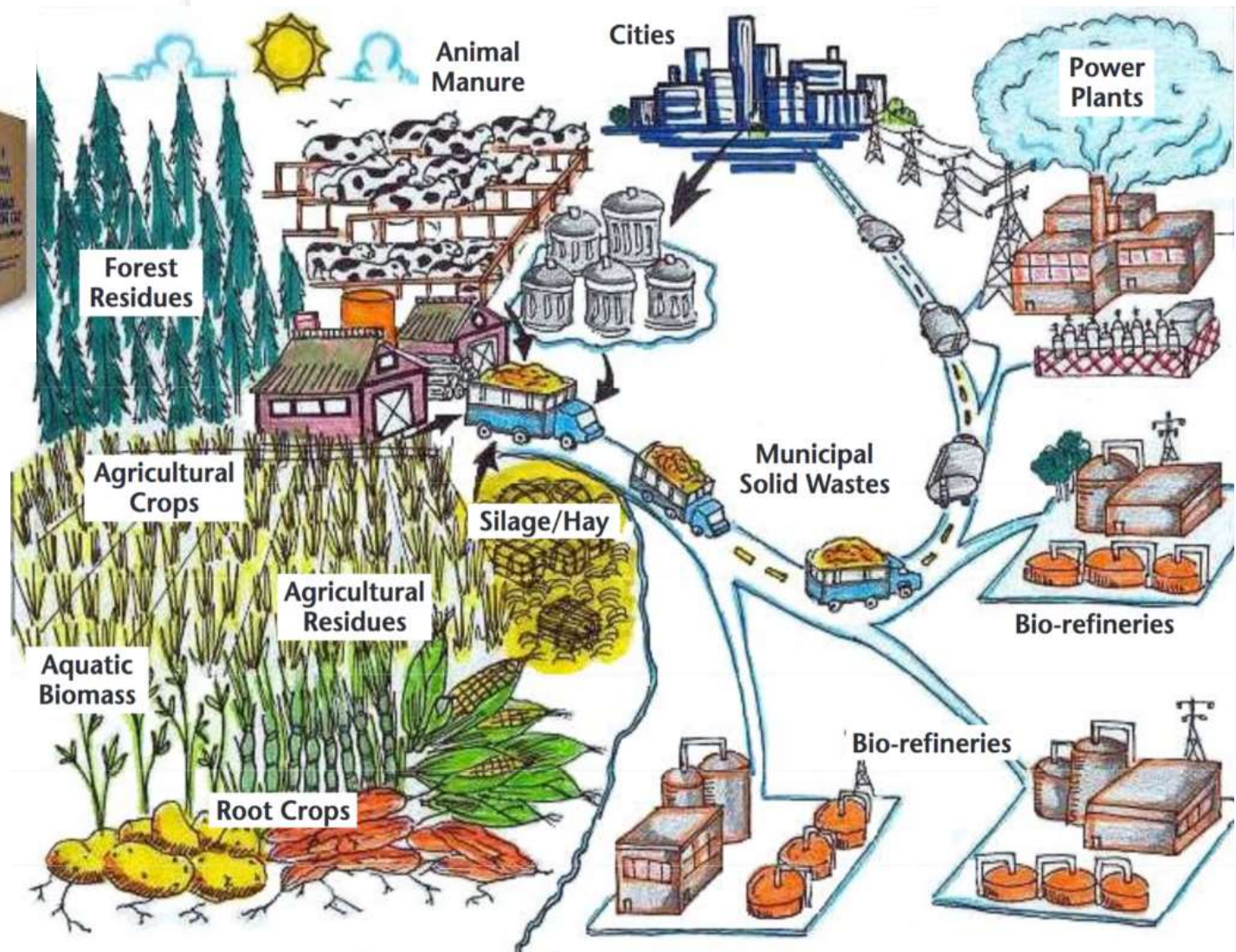
FOOD SAFETY STARTS IN THE MILKING PARLOUR

Milk Safety
and Cooling
technology....





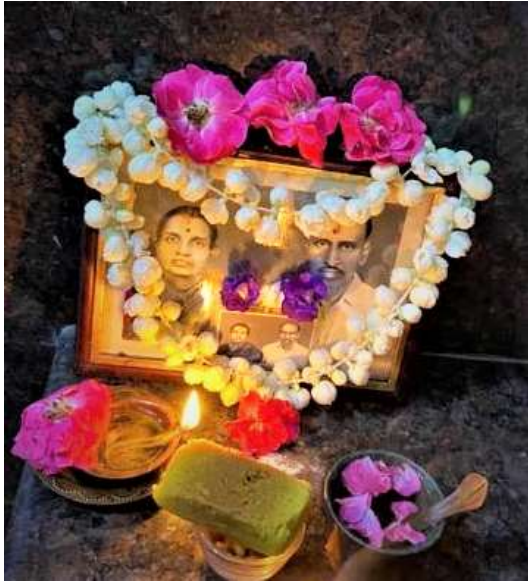
Wealth from Waste.....



MARKETING
*One's Own
Love towards
work yields
results.....*

I'm just a beginner...





Thank you so much.....to one and All

*Special thanks To my Management, PFNDAI,
Family, Friends, Colleagues and
Pray God to save all from this Pandemic...C19*

