

Sustainable intensification of dairy production in India



Signing Ceremony PIB NAFTC Dairy Cluster  
Summary SMP Dairy India 16-12-2015  
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Seed Money Project Dairy India 2015:



- analyse bottlenecks in dairy industry (feed, health, genetics)
- identify improvements
- role of NAFTC Dairy Cluster in improvements and commercial options

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Implementation:



- during trade mission June 2015: first contacts, farm visits
- during visit to India late November/early December 2015

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India → three different production systems:

- small scale (< 5 dairy cows)
- medium scale (5-50)
- large (>50 dairy cows)

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Due to growing demand/NDP:

- more investments in production:
  - intensification within existing production systems
  - transition to upscaling and more specialised dairy farming

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Implementation of SMP:

- through MoU TataTrust
- Schreiber Dynamix Dairies, Baramati
- Nestlé, Punjab and Haryana

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- Tata Trust:
  - NGO, philanthropy, focus on small scale farmers Uttarakhand
  - Fodder development, genetic improvement, health, marketing
  - Knowledge, training

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Schreiber Dynamix Dairies, Baramati.

- "cow-belt", small to medium sized farms
- housing, feeding, health, breeding inputs
- knowledge, training (fieldstaff, farmers).

[http://schreiberdynamixdairy.com/milk\\_story.htm](http://schreiberdynamixdairy.com/milk_story.htm)

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Nestlé

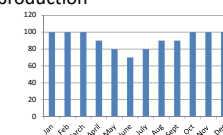

- Since 50 years in Punjab (Moga), recent expansion Haryana (near Delhi).
- 65.000 suppliers
  - 64.000 "small" (<50 kg daily)
  - 900 "large" (>50 kg daily)
  - 50 "commercial" (own cooling on-farm)

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Main issues:


- Dairy plants strong preference for cow's milk
- Breeding:
  - Strong preference HF
  - Seasonal influences in production

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- Feeding
  - small-medium scale dairy feeding: mainly crop residue based
  - shortage of land for adequate green fodder growing
  - many large-scale investments rely on contracted fodder growing



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**Feed availability and demand dairy sector India (Million tons)**

Feeds	2010-2011			2020		
	Availability	Required	Deficit (%)	Availability	Required	Deficit (%)
Dry Fodder	382	422	10	417	468	11
Green Fodder	133	199	33	138	213	35
Concentrates	36	35	35	44	81	45
<b>Total</b>	<b>551</b>	<b>676</b>	<b>19</b>	<b>604</b>	<b>762</b>	<b>21</b>

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- Health.
  - Change from buffaloes to cows
  - Upscaling to more intensive husbandry system, larger units, higher production, more disease pressure

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Main issues:

- Breeding: matching breed choices with climate, regular farm income and consistent supply throughout dairy chain
- Feeding: improve usage of non-traditional raw materials and improve efficiency of present feeding system
- Improve health situation during transition in production systems





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Follow up steps:



- Joint dairy event with Nestlé
- Develop framework for training with Nestlé, incl. 'modelfarm' option
- Schreiber Dynamix Dairies: follow up training proposals, link with Agricultural Development Trust of Baramati.
- Which other links with PIB?

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**Commercial options.**



- Reach farmers/investors through dairy plants
- Nestlé: "model farm" → showcase for Dutch dairy industry?
- Joint dairy event Nestlé in March in Punjab
- Do not underestimate investment capacity of cooperatives as intermediaries
- Other intermediaries: PDFA
- Sales to individual companies: limited scope.

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Dutch representation: at a disadvantage.

- Limited financial support government
- Distinctive features of Dutch dairy industry: quality, efficient production, strong value chain etc.
- How to make Dutch Dairy Industry competitive enough in India?
- Showcase with Nestlé?

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- Showcase as base for a distinctive business model .
- Total investments?
- What guarantees to give?
- What level of involvement in management of showcase?

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Thank you!