

Growing Towards a Globally Competitive Dairy



Clfma of India, 58th AGM & 66th National Symposium 2025

Dr. R.S. Sodhi

President, Indian Dairy Association

August 23, 2025



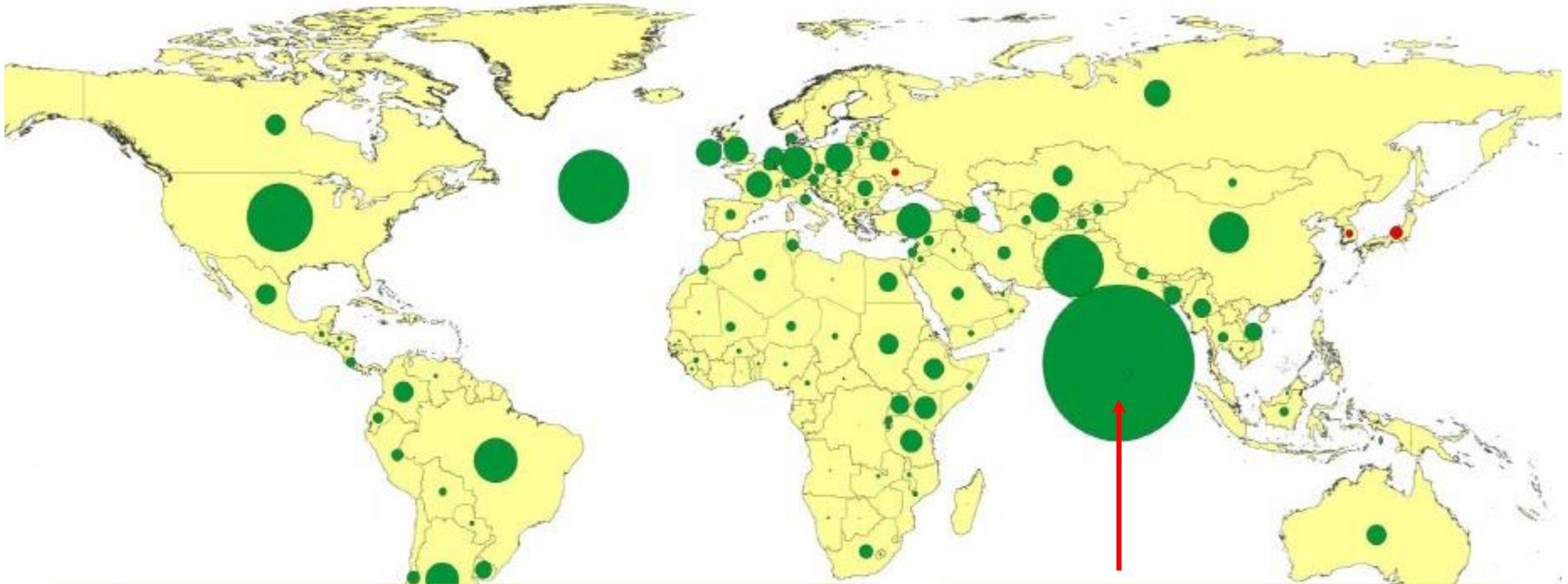
Contents

- **World Dairy Scenario**
- **India: Building World Dairy Leadership**
- **Reasons for Success**
- **Opportunities & Challenges for Dairy Sector**
- **Opportunities and Action Areas for Cattle Feed Industry**

World Dairy Scenario & India



World Milk Production (Year 2024)



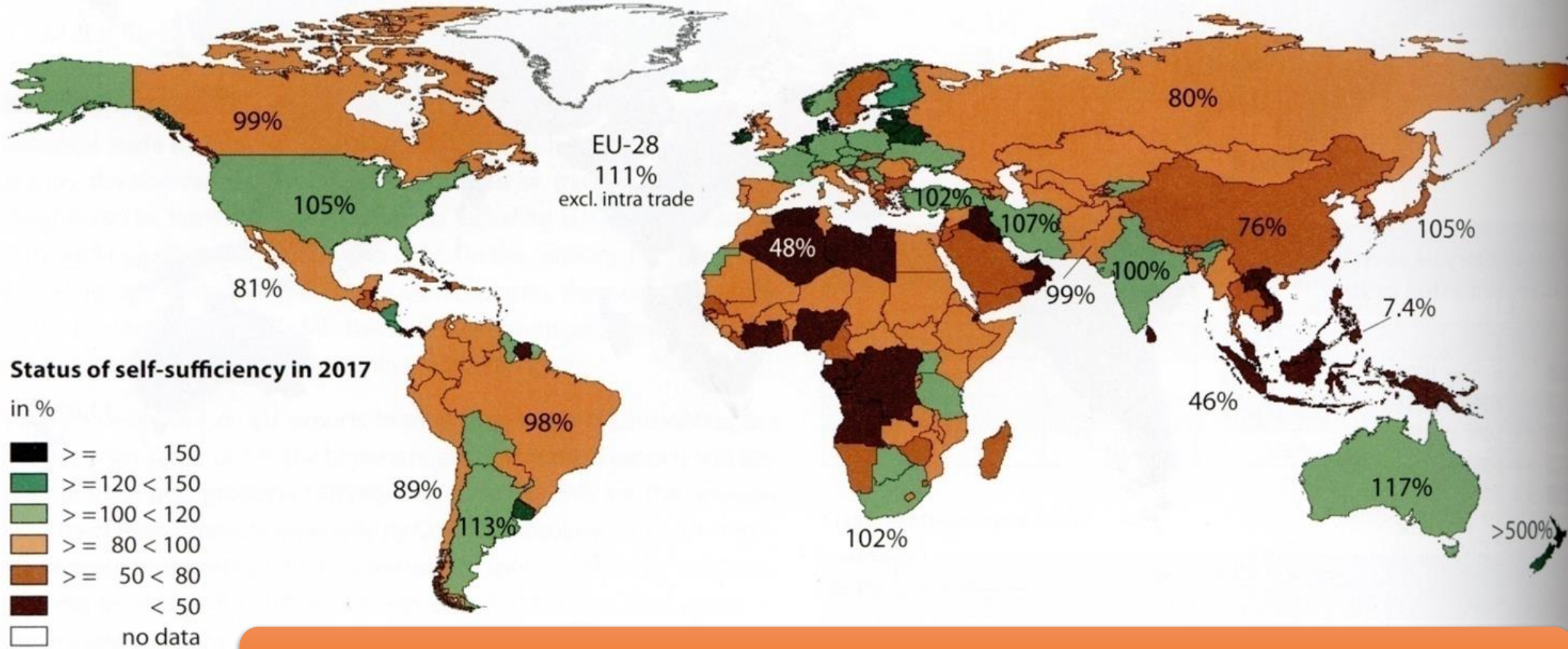
World milk production: 944 MMT
World milk production growth: 1.8% of last 20 years

INDIA No. 1 Milk Producer:
239 MMT (24% of world)

MMT: Million Metric Tonne

Source: FAO

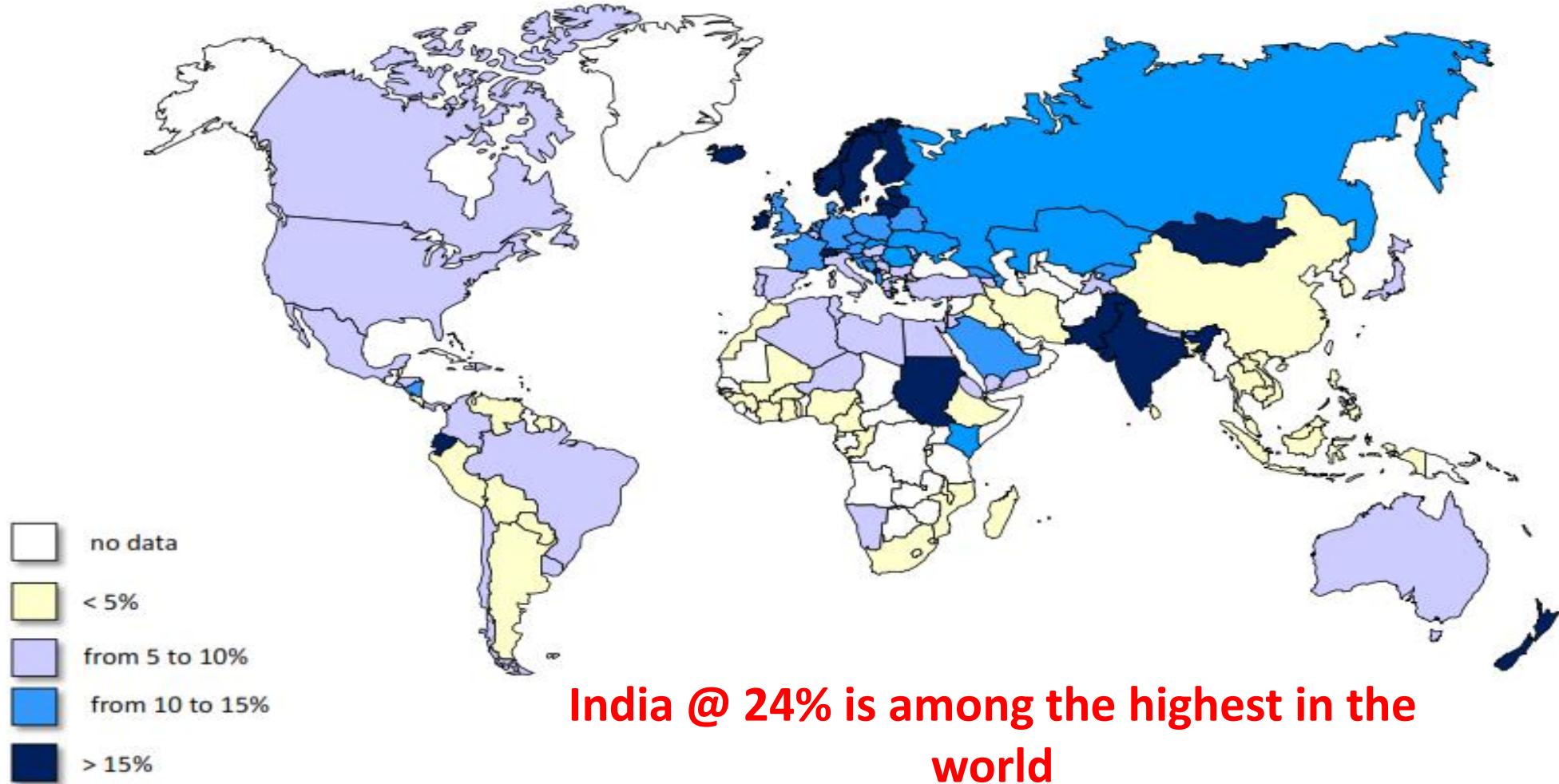
Status of Self Sufficiency for Milk



India is 100% self sufficient in Milk consumption.

- Huge potential for export in neighboring milk deficit nations

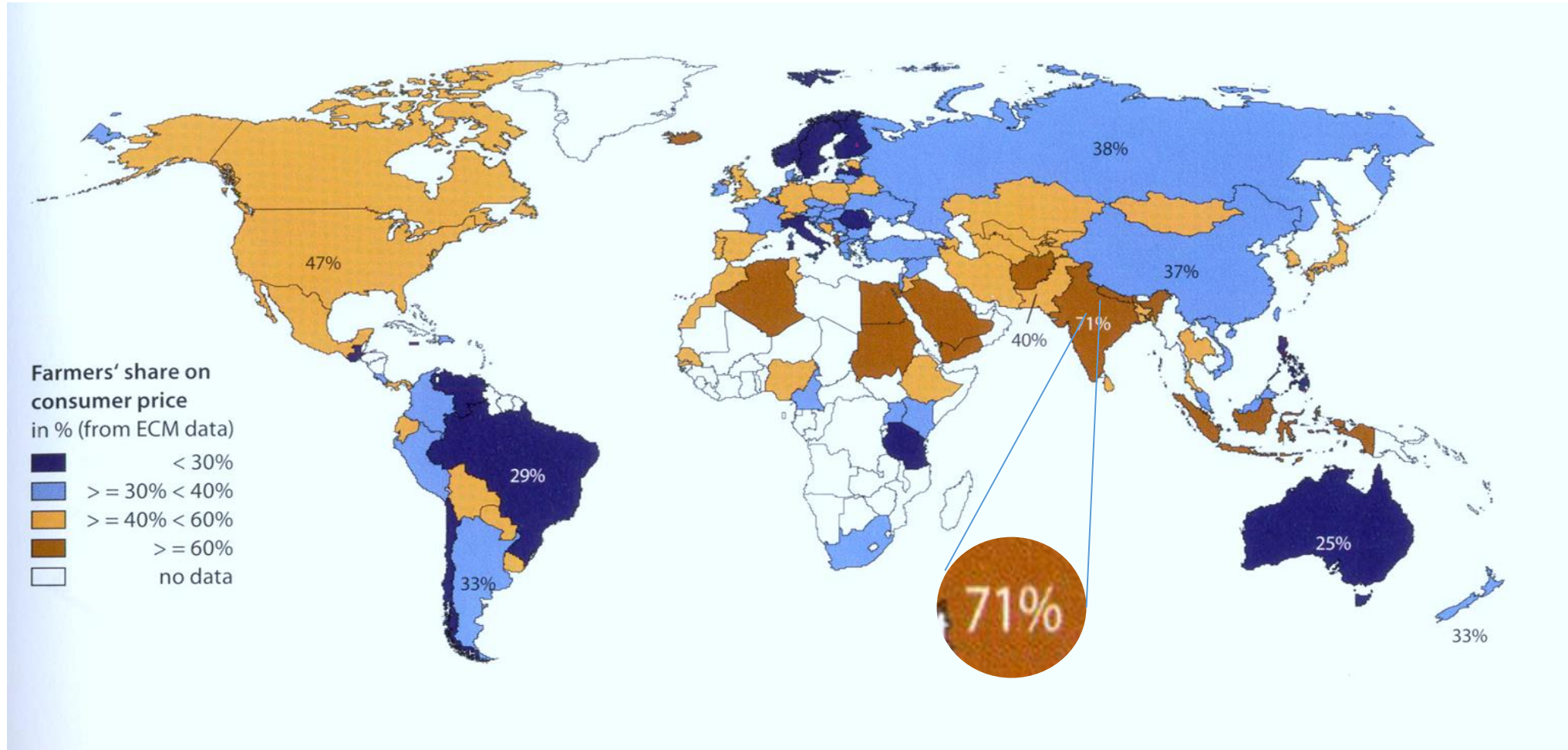
% Share of Dairy Sector in Total Agricultural Production



India @ 24% is among the highest in the world

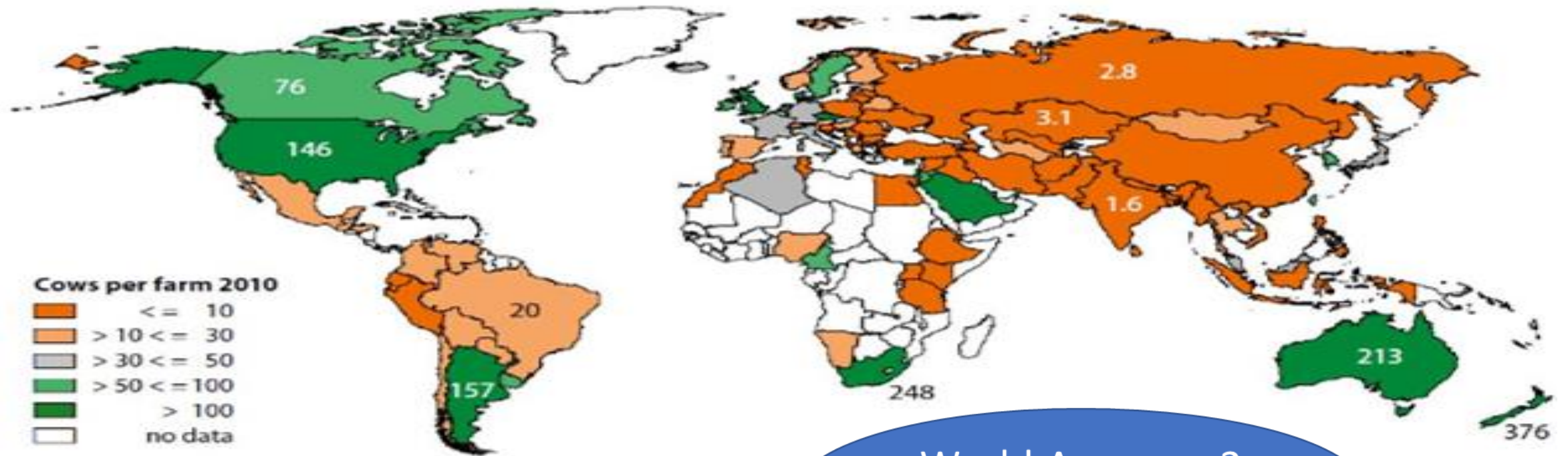
Competitiveness of Indian dairy products

Farmer's share in consumer price



Indian Farmer has the highest share of consumer price

World Average Farm Size

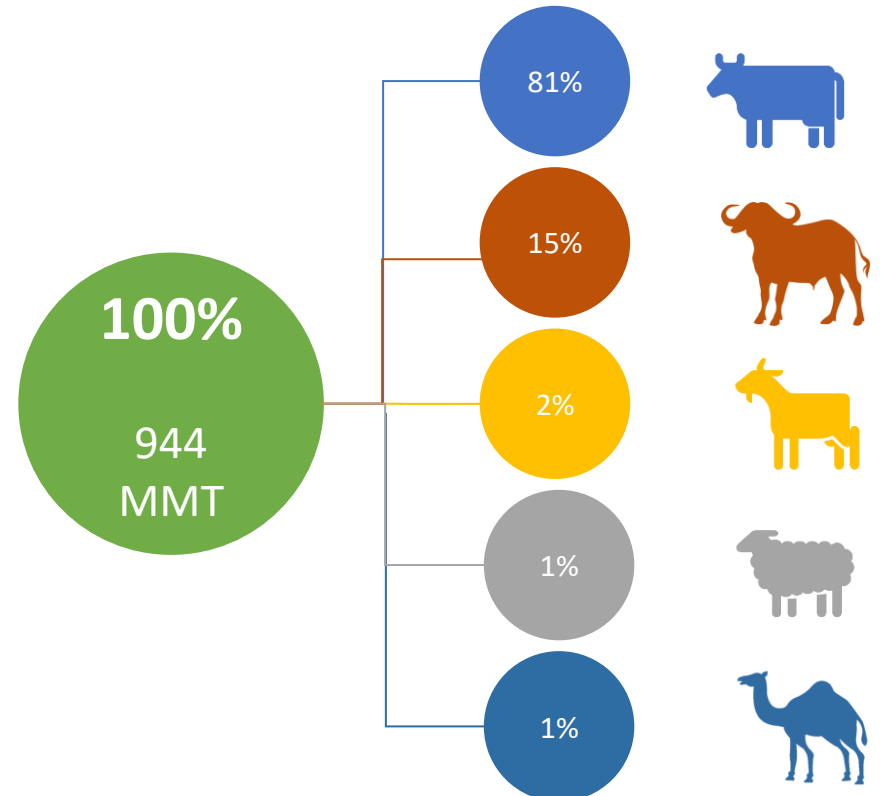
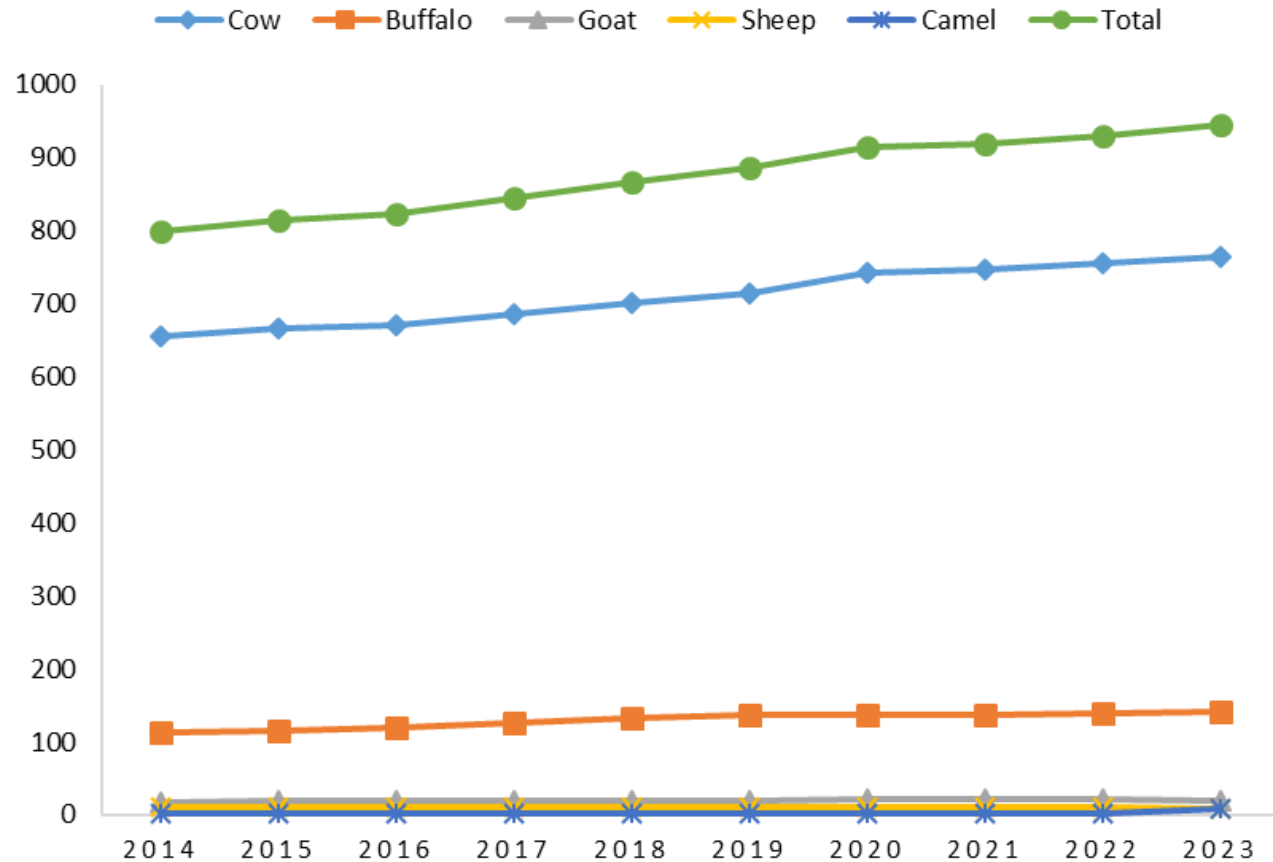


World Average: 3

India Average: 1.6

World Estimates of Milk Production

Category/ MMT	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Cow	655	666	671	685	701	715	742	746	756	765
Buffalo	114	116	120	126	132	137	138	138	140	142
Goat	18	19	19	20	20	20	21	21	21	19
Sheep	10	10	10	10	10	11	10	10	10	9
Camel	3	3	3	3	3	3	3	3	3	9
Total	800	814	823	844	866	886	914	918	930	944

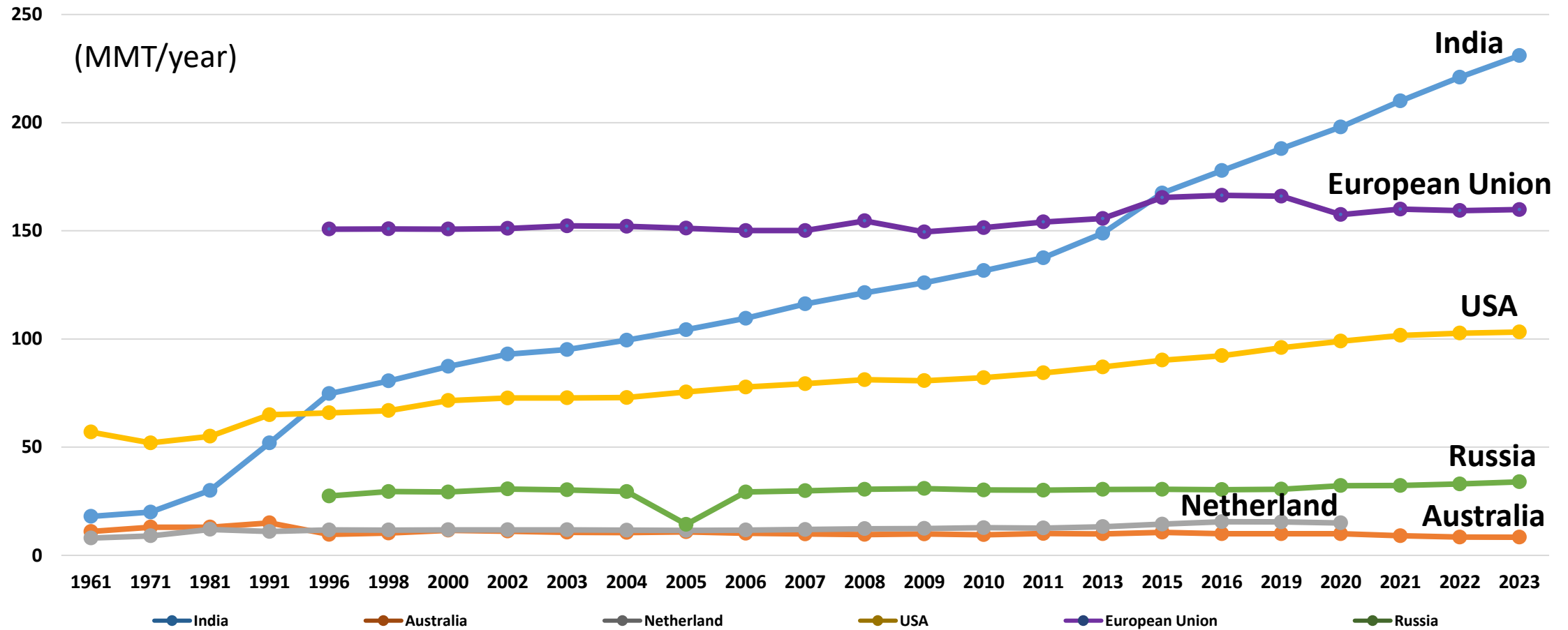


Source: FAOSTAT

India: Building World Dairy Leadership

Comparative Milk Production Growth

CAGR of last 15 years: **India: 4.9%** | USA: 2.3% | EU : 1.3% | AUS: 0.5% | Netherland: 2.7% | **World: 1.7%**



Milk production of India, Australia and Netherlands was almost similar in 1971

Source: FAO

Milk Production in India

Production (Million Tonnes) **India's Milk Production**

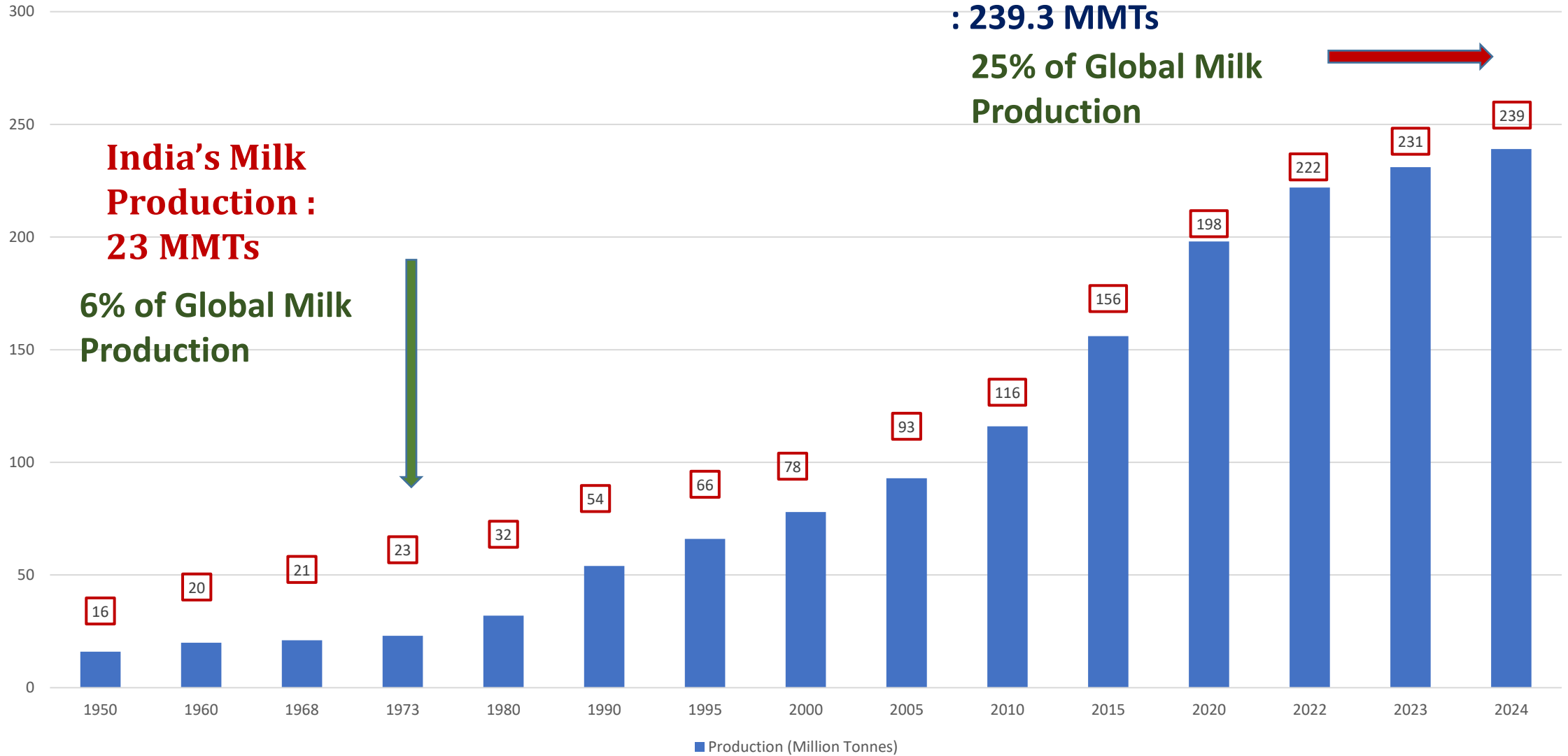
: 239.3 MMTs

**25% of Global Milk
Production**

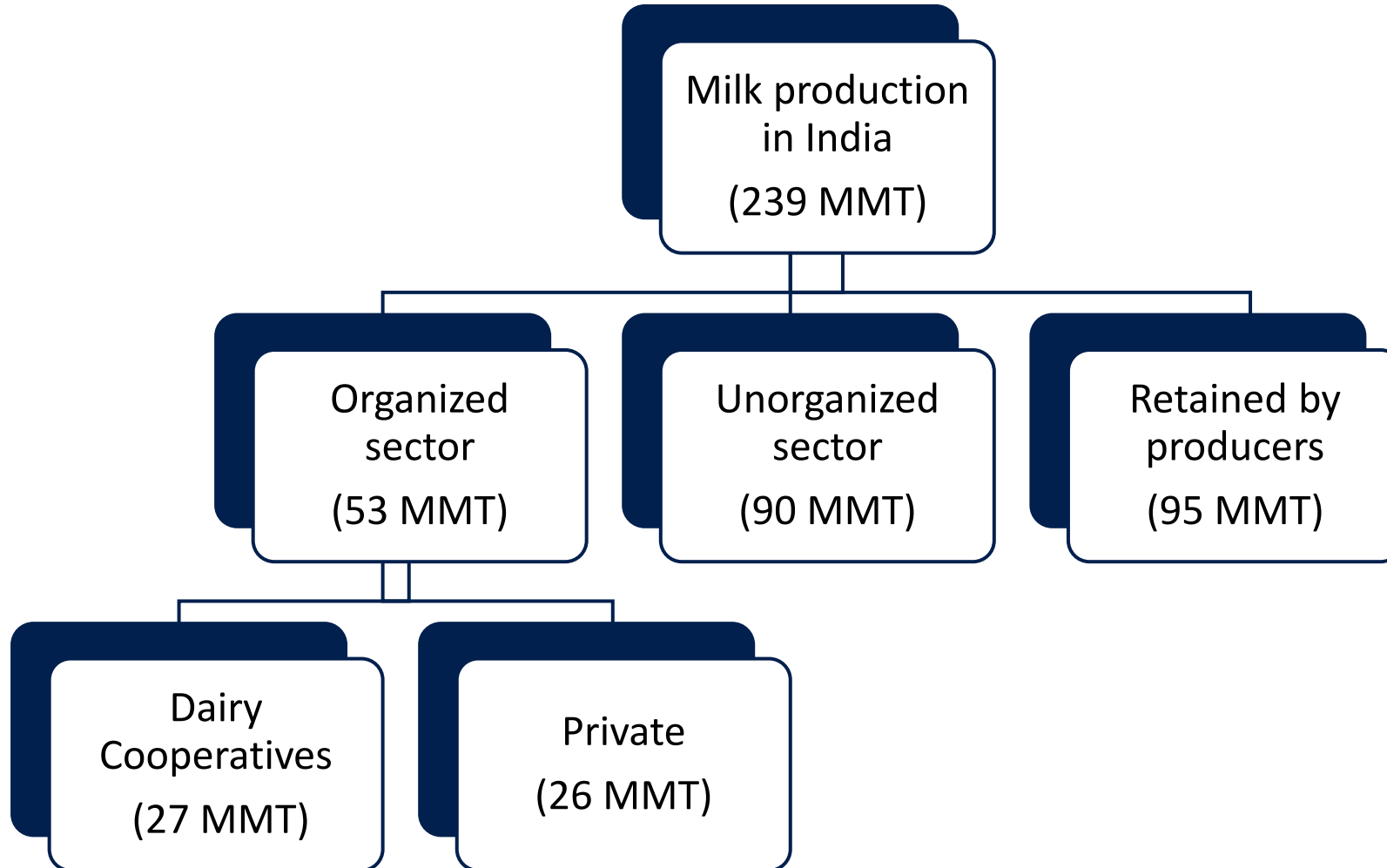


**India's Milk
Production :
23 MMTs**

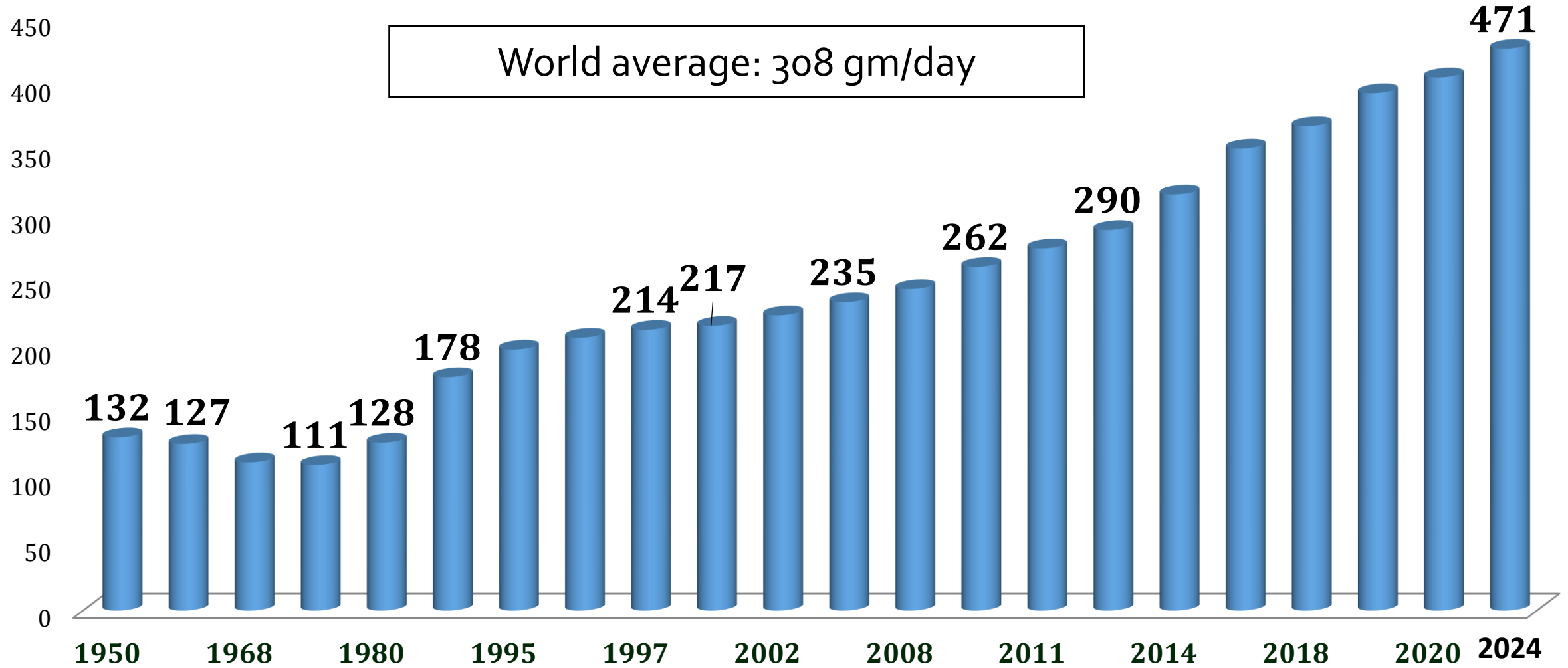
**6% of Global Milk
Production**



Milk Production in India



Per Capita Availability India (gms. per day) has grown at 3% CAGR

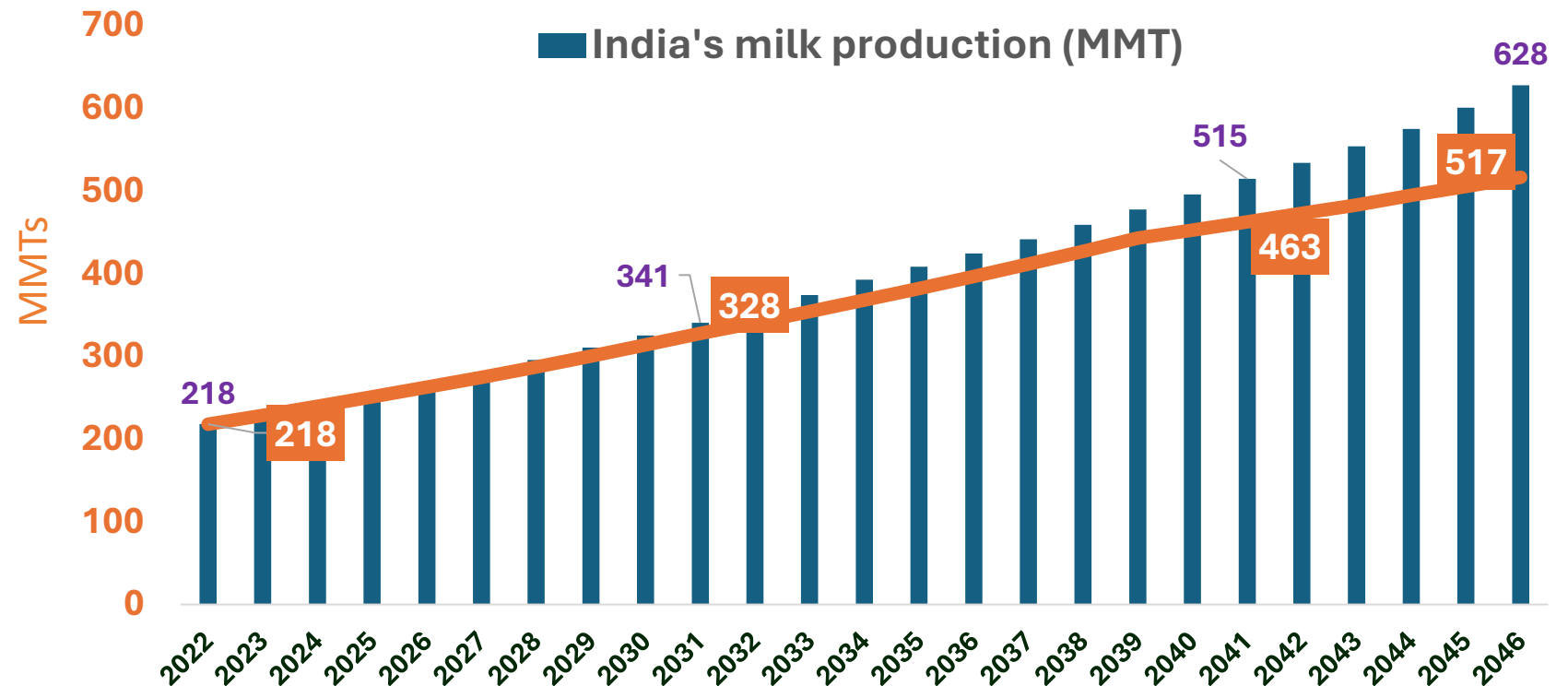


Growth of Indian Dairy Industry

Year	1972	1997	2023	2030	2048
Milk Production in MMT	24	71	231	330	628
% of World Milk Production	6	14	24	30	45
Per Capita Consumption Gram Per Person Per Day	110	214	466	550	852

By 2047, India will have export surplus of around 111 MMTs

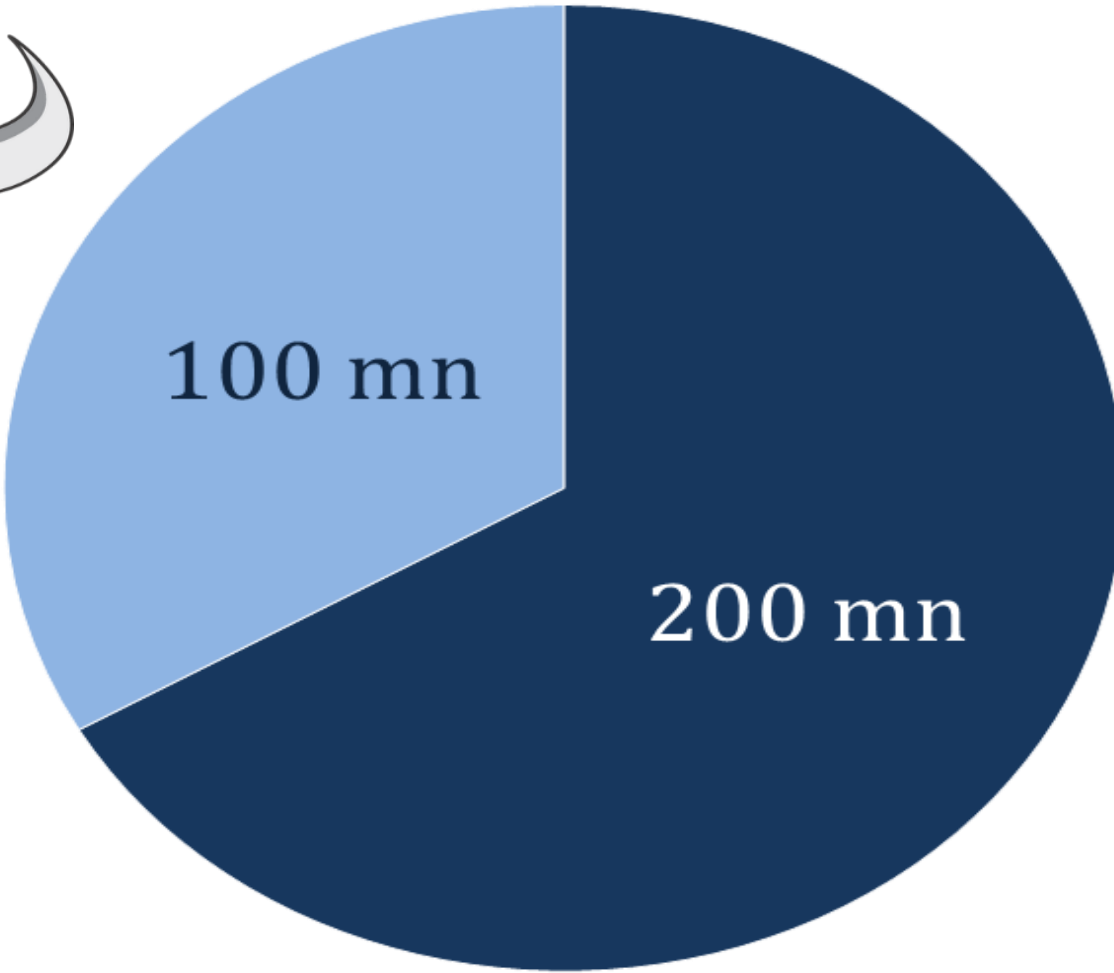
In next 25 years, Milk Production of India will reach 628 MMTs, while demand for Milk and Dairy products will increase to 517 MTs



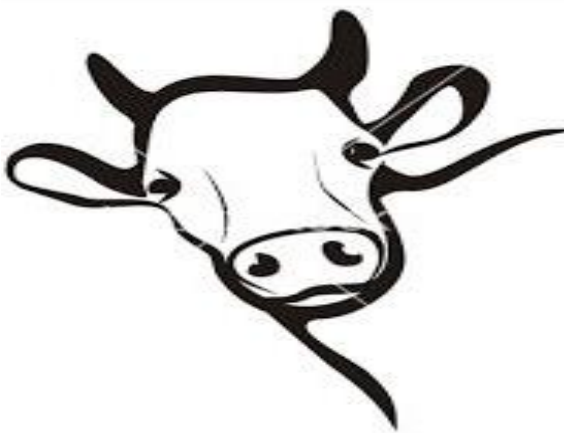
Largest Bovine Population in the world : 300 Million



47%
of total milk
production



53%
of total milk
production



Average yield per animal Ltr/perday 2023

Breed	Yield in Ltr/day	Increase per annum
Crossbred /Exotic	8.55	3,75
Indigenous/Non-descript	3.44	2.69
Buffalo	6.06	3.69

80 million Rural Households in India depend on dairying for livelihood.

More than 70% of them are small & marginal farmers and landless families



Analysis of Growth in Various Agricultural Sectors and their Contribution to Sectoral Development from 1970-71 to 2020-21

Item	Compound Growth Rate %	Increase: times	Share in total increase in agri & allied output
1. All crops	2.46	3.38	52.59
Cereals	2.10	2.83	13.23
Paddy	2.08	2.80	6.66
Wheat	3.03	4.46	5.54
Maize	2.81	4.00	1.32
Pulses	1.68	2.30	2.36
Oilseeds	2.42	3.30	4.58
Condiment & spices	4.20	7.83	3.61
Fruits total	3.53	5.66	10.64
Vegetable total	3.43	5.41	6.08
2. Livestock	4.37	8.50	37.11
Milk	4.71	9.98	25.26
Poultry	6.42	22.45	6.30
3. Fishery	5.02	11.57	7.81
4. Forestry	0.55	1.31	2.49
5. Total Agriculture and allied	2.70	3.80	100.0
6. Human Population	1.84	2.50	--
7. Female bovine population	1.50	2.0	--

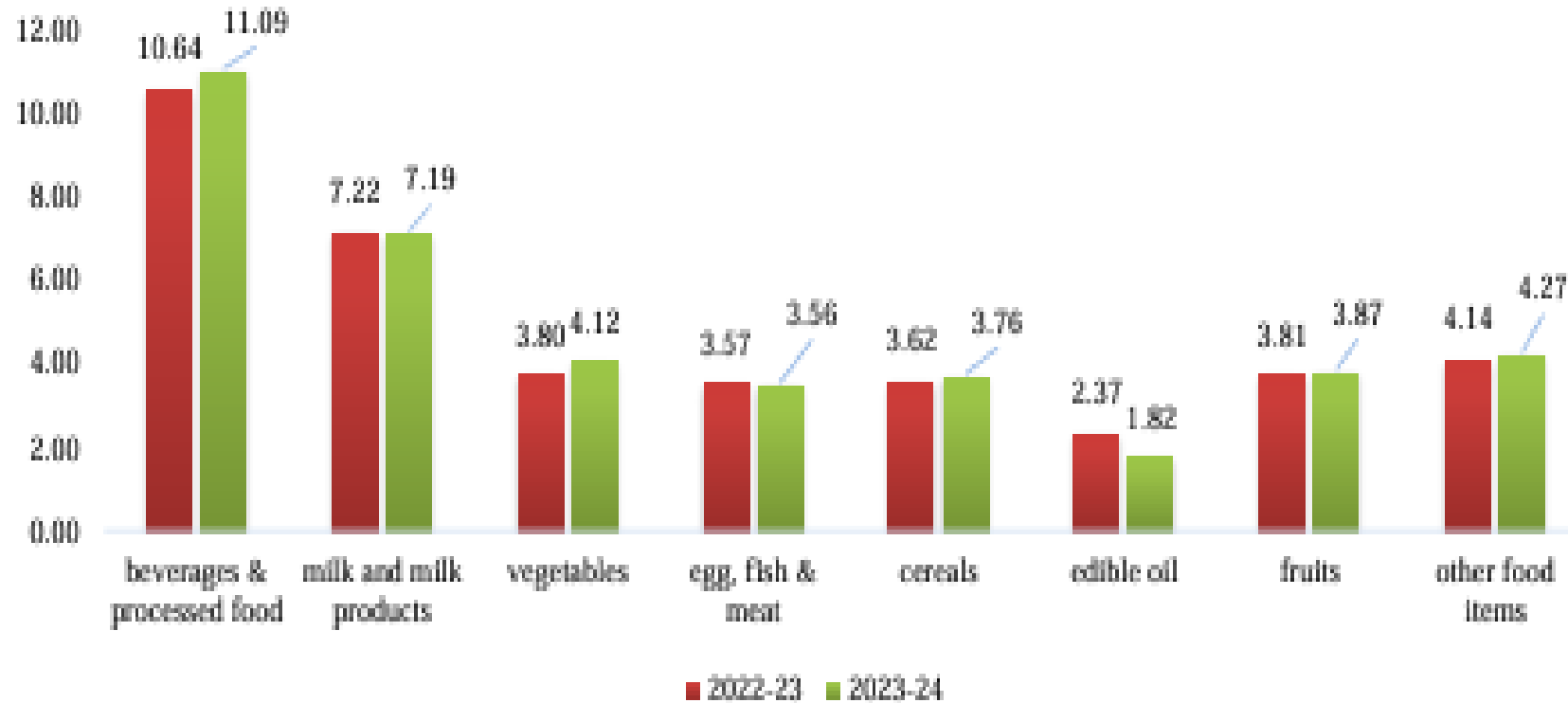
Changes in Composition of Agriculture

Agri Commodity Group	Share in Value of Crop and Livestock Output (%)		
	1970-71	1995-96	2020-21
Cereals	37.1	25.3	16.7
Pulses	4.7	4.2	3.9
Oilseeds	8.2	8.2	5.2
Fruits & Vegetables	12.4	14.6	19.4
Other crops, by products	22.6	22.0	17.9
Milk Group	10.2	17.4	24.3
Meat	1.6	3.8	8.1
Egg	0.5	0.9	1.2
Other livestock products	2.8	3.5	3.3

Average MPCE at current prices

Survey	Period	at current Prices	
		Rural	Urban
HCES: 2023-24	Aug 2023- Jul 2024	4,122	6,996
HCES: 2022-23	Aug 2022- Jul 2023	3,773	6,459
68 th round (2011-12)	Jul 2011-Jun 2012	1,430	2,630

Share of Food items in Avg. MPCE - Urban



Composition of Food Consumption Expenditure (%)

RURAL					URBAN				
	1999-00	2004-05	2011-12	2022-23		1999-00	2004-05	2011-12	2022-23
Cereals	37.42	32.86	20.32	10.59	Cereals	25.78	23.77	15.63	9.29
Pulses	6.63	5.84	5.48	4.33	Pulses	6.14	5.28	4.79	3.55
Milk	14.73	15.38	15.2	17.96	Milk	18.06	18.61	16.45	18.43
Vegetables	10.39	11.07	12.51	11.6	Vegetables	10.67	10.47	10.86	9.7
Fruits	2.9	3.39	5.35	8	Fruits	5.04	5.28	8.02	9.73
Egg, fish, meat	5.59	6.04	9.05	10.59	Egg, fish, meat	6.51	6.37	8.56	9.11
Edible oil	6.3	8.36	7.07	7.74	Edible oil	6.53	8.12	6.24	6.05
Spices	4.61	4.16	6.62	6.43	Spices	4.31	3.63	5.68	5.44
Sugar & salt	4.38	4.67	3.46	2.01	Sugar & salt	3.75	3.88	2.7	1.53
Beverages, etc*	7.05	8.25	14.93	20.74	Beverages, etc*	13.21	14.59	21.07	27.16

Consumption Trends Dairy V/s Bread, Pulses & Sugar

MILK > PULSES+BREAD+SUGAR

Item Groups	MPCE (Rs)		% Share in Total	
	Rural	Urban	Rural	Urban
Cereals & Substitute	185	235	4.91	3.64
Pulses & Their Products	76	90	2.01	1.39
Sugar & Salt	35	39	0.93	0.6
Roti+Dal+Chini	296	364	7.85	5.63
Milk & Milk Products	314	466	8.33	7.22

Monthly Per Capita Consumption- Veg States

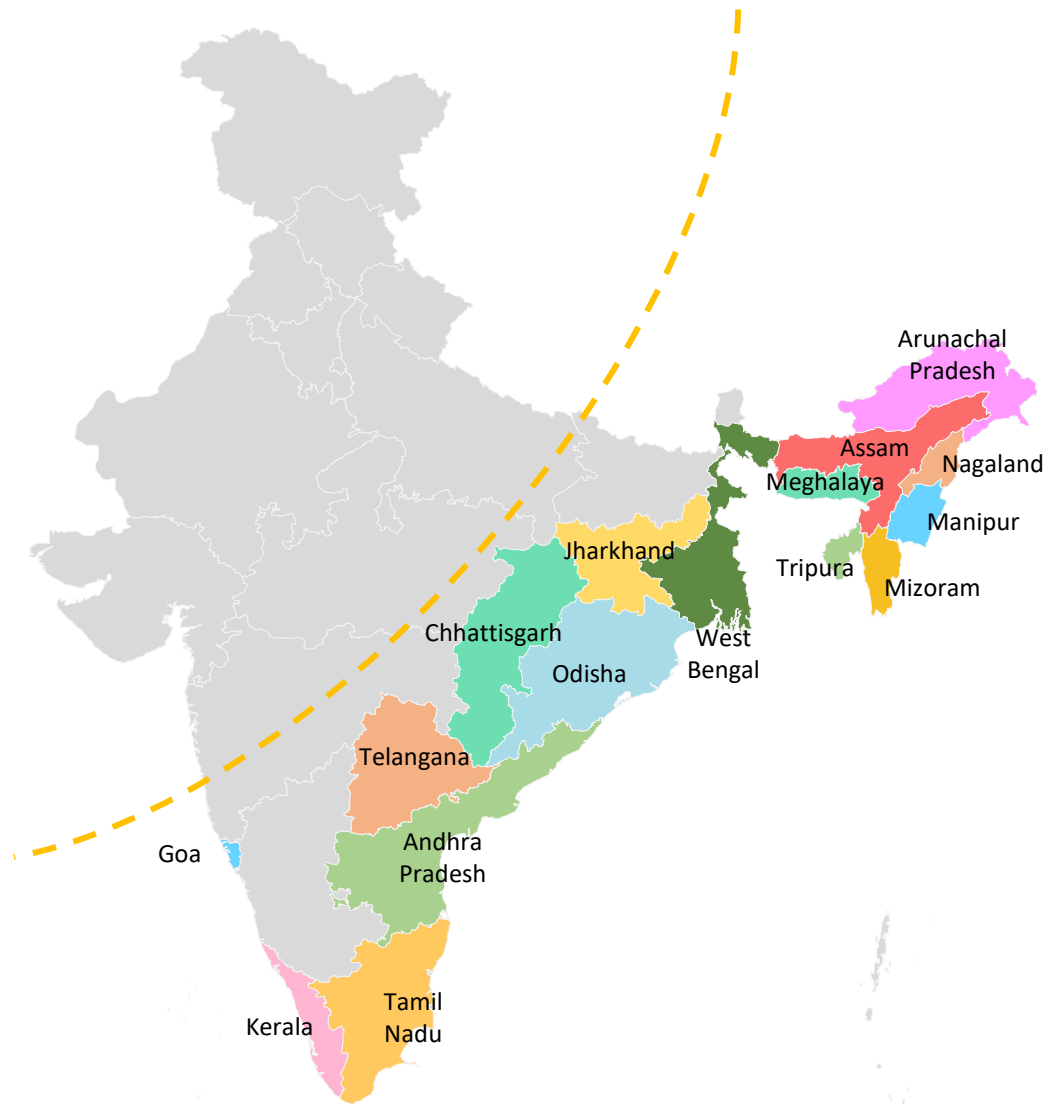
Vegetarian States				
States	Rural		Urban	
	Milk*	Meat**	Milk*	Meat**
Haryana	933	47	1040	85
Delhi	813	103	836	134
Punjab	782	67	836	75
Rajasthan	660	49	776	54
Sikkim	659	555	901	608
Himachal Pradesh	629	135	686	121
Gujarat	476	47	669	77
Jammu & Kashmir	482	219	651	214
Uttarakhand	427	131	570	143
Uttar Pradesh	337	99	516	113
Bihar	309	202	420	228
Madhya Pradesh	302	71	446	83
Karnataka	234	222	332	292
Maharashtra	226	147	393	198



*Includes milk products; **Includes eggs & fish

Source: MOSPI, GoI

Monthly Per Capita Consumption- Non Veg States



Non-Vegetarian States				
States	Rural		Urban	
	Milk*	Meat**	Milk*	Meat**
Goa	419	679	449	655
Tripura	232	656	359	731
Nagaland	162	652	258	868
Mizoram	147	611	204	720
Kerala	224	545	245	503
Manipur	140	520	167	430
Arunachal Pradesh	199	519	339	706
Meghalaya	118	443	207	632
Assam	149	372	300	487
Tamil Nadu	249	325	345	358
West Bengal	122	312	225	442
Telangana	266	321	394	344
Andhra Pradesh	305	317	390	310
Odisha	96	186	224	234
Jharkhand	147	185	330	198
Chhattisgarh	84	102	234	107

*Includes milk products; **Includes eggs & fish

Source: MOSPI, GoI

Reasons for Success

- ❑ Vision -1970 Self-sufficiency or *Atma Nirbharta*
- ❑ Farmer's Owned Supply Chain
- ❑ Selfless Dedicated Leadership
- ❑ Livelihood Partial or Major for 80 million families
- ❑ Very Detailed Planning, Meticulous Execution and Monitoring OF
- ❑ Engaging best of the professionals
- ❑ Long-term Investment in Infrastructure rather than Subsidies
- ❑ Emphasis on Marketing and Branding
- ❑ Technology integration and innovation and digitalization

Opportunity for Global Competitiveness

- Demand rising in Asia & Africa (milk-deficit regions)
- India's potential export surplus ~100 MMT by 2047 (USD 40–50 Bn)
- Paneer & value-added products market growing @ 15% CAGR (₹30,000+ Cr by 2030)

Strengths of Indian Dairy

- Lowest cost of production globally
- Highest farmer share in consumer price (70–85%)
- Strong cooperative & private dairy ecosystem
- Rich diversity: cow, buffalo, indigenous breeds

Challenges to Dairy Industry

- Growth in Milk Production
- Animal productivity and Breeding
- Animal health and prevention
- Animal feeding
- Policy level
- Adulteration
- Analogue products
- Free Trade Agreement (FTA)
- Price Volatility
- Next Gen: Not ready to work in dairying
- Shortage of professionals
- A1 versus A2
- Cow versus Buffalo Milk
- Leadership

Opportunities and Action Areas for Cattle Feed Industry

- Growth in Market
- Category Building
- Awareness of Feed conversion Ration
- Volatility in raw material prices
- Regulatory compliances

THANK YOU



Dr. R.S. Sodhi
President, Indian Dairy Association
sodhiamul@gmail.com
+919824011058