

a starters guide

White revolution

A possible dream in Kashmir



There is a great demand for establishing dairy farming units in Jammu and Kashmir because the state is still miles away from attaining self-sufficiency in milk and milk products.

According to an estimate, presently some 1,700 dairy units are required in the Kashmir so the dependence on imports from neighbouring states is cut permanently.

Owing to its profitability and increase in demand, the sector has attracted a number of educated youth who have set out their ventures and are running them relatively successfully.

Fundamentals of setting up a dairy farm

Market Snapshot

Demand/consumption for milk :	12.85 lakh tonnes per year
Local Production:	12.34 lakh tones per year
Imports from other states :	51,000 thousand tonnes per year
Liquid milk:	6,000 tonnes
Skimmed Milk – 5,000 tonnes (mixed in the ratio of 1:9) =	45000 tonnes

Costs involved to set up a 10-cow unit

Capital Cost	
a) Land	Pre-owned/hired/leased
b) Building	4.50 lakh
c) Machinery/equipments	1 lakh
d) Livestock	6.50 lakh
Total	Rs.12.00 lakh
Operational Cost	Rs.03.70 lakh
Grand Total	Rs. 15.70 lakh

Approximate sales per year

By sale of 36000 litres of milk	Rs.9.0 lakh
By sale of gunny bags and manure	Rs. 0.3 lakh
Total Returns/Earnings	Rs.9.30 lakh

But, look before you leap into the trade

Do

Ensure the availability of land at properly raised place and away from residential area(300 m)/ water bodies(250 m)

Build sheds with mud. This will keep them warm.

Purchase cross bred cows.

Choose from Jersey and Holstein Friesian breed because only they thrive in the moderate climate of the Kashmir Valley. Jersey more preferable because of low green food requirements and high fat content in milk

Select healthy, high yielding cows with the help of veterinary/animal husbandry officer of state government, experts etc.

Purchase freshly calved cows/in late pregnancy. Age should be 3-4 years or should be in 2nd or 3rd lactation.

Get the building permission from the local body

Don't

Construct concrete sheds because low temperature will threaten the survival of animal

Hire or purchase land without proper legal documentation

Construct sheds on marshy or swampy land

Purchase cows without expert help

Get tempted to purchase pure breed with high milk yield

The trade though fraught with risks has a great potential to become a money spinner with quick returns

Opportunities

Continuous surge in domestic demand because consumption of milk and milk products is ever increasing

Milk processing are rapidly coming up in the valley and the industry also needs good quality milk

New hotels, restaurants and small eateries are being set up in great numbers

Profit margin is significant

Challenges

It is a capital intensive activity and its profitability is influenced by a number of factors including non-availability of owned land

Procurement of quality cross bred cows

Skilled labour charges are very high

Feed and Fodder costs are very high as the state battles fodder deficiency of 66 per cent and 80 per cent of feed is imported

Relevant government departments to approach for

- Department of Animal Husbandry, Kashmir for expert advice on breed selection
- Sher-e-Kashmir Agricultural University of Science and Technology (SKUAST) for technical expertise
- Revenue department (tehsildar, local body) for land registration
- State Pollution Control Board for no pollution certificate
- Power Development Department (PDD) for electricity connection
- Public Health Engineering (PHE) for water connection

Checklist:

Land (pre-owned, leased or hired)

- Area: 10 kanals
- Nature: Raised land, ideally with adequate grazing area

Building

- Shed for cows : 40 X 14 sq ft
- Calf shed : 10 X 10 sq ft
- Heifer shed : 10 X 10 sq ft
- Feed Store : 10 X 10 sq ft
- Structure: Muddy with concrete flooring
- Permissions: Revenue department (tehsildar), Electricity permission, Water Connection permission

Equipment

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|--------------------------------------|-------|
| • Dairy Utensils(bucket, milk pails) | 5 No. |
| • Milk cans (40 litres) | 5 No. |
| • Motor driven chaff cutter | 1 No. |
| • Hand pump with motor (Optional) | 1 No. |
| • Milking machine (Optional) | 1 No. |

Finances

- Check various schemes at JKEDI

Suppliers

Registered Dealers of

- Livestock
- Feed
- Medicine
- Equipments

Buyers

- Cooperatives
- Milk Processing Plants
- Households
- Hotels & Restaurants
- Milkmen

