From Herd to Enterprise: A Roadmap for Dairy Agri-Preneurship in India

Poonam V. Kakade[1]*, Kailas S. Bhonde[2] and Muktabai Dinesh Wagh[3]

[1]*Ph. D Scholar, Agricultural Process Engineering, Dr. PDKV, Akola, MH.*
[2]*Agricultural Assistant, Department of Renewable Energy Engineering, Dr. PDKV, Akola, MH.*
[3]*Ph. D Scholar, ICAR-Indian Agricultural Research institute, New Delhi.*

Corresponding Author
Poonam V. Kakade
Email: poonamkakde23@gmail.com

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ABSTRACT

India is the world's largest milk producer, contributing nearly 25% of global output with 247.87 million tonnes produced in 2024–25. However, only 32% of the marketable surplus is handled by the organized sector, leaving farmers in unorganized channels with suboptimal prices. The future of Indian dairy lies not in producing more litres but in capturing more value per litre. This article presents a roadmap for dairy agri-preneurship—a holistic approach where farmers treat dairy farming as a complete business ecosystem integrating nutrition, quality, value addition, and waste management. Five practical pathways are discussed: fodder enterprise, village-level milk quality infrastructure, value addition, circular economy through waste-to-wealth, and breeding and animal health services. Supporting government schemes such as NPDD, AHIDF, and White Revolution 2.0 are highlighted. A success story of Smt. Manju Devi demonstrates the transformative potential of dairy agri-preneurship. The article concludes that the next dairy revolution is about value, profitability, and sustainability, positioning the dairy agri-preneur as the CEO of a rural enterprise.

INTRODUCTION:

India is the world's largest milk producer, contributing nearly 25% of global output. In 2024–25, the country produced 247.87 million tonnes of milk. Yet of the approximately 150 million tonnes of marketable surplus, only 32% is handled by

the organized sector. The rest flows through unorganized channels where farmers receive suboptimal prices. The future of Indian dairy lies not in producing more litres, but in capturing more value per litre. This is where the Dairy Agri-Preneur emerges—a farmer who treats the dairy farm as a complete business ecosystem, integrating nutrition, quality, value addition, and waste management to maximize returns. This article explores five practical pathways to dairy agri-preneurship, supported by government schemes and a real success story, offering a roadmap for farmers to transform their dairy operations into profitable rural enterprises.

Five Practical Pathways to Dairy Agri-Preneurship

1. **The Fodder Enterprise:** Feed is the largest recurring cost in dairy farming. Instead of buying expensive commercial feed, farmers can cultivate high-yield green fodder like Super Napier, Berseem, or fodder maize. A study in West Bengal found that optimized fodder oats cultivation generates a net return of ₹25,681 per hectare. Establishing a silage production unit allows year-round selling, especially during lean summer months when fodder prices peak. This transforms a cost center into a profit center.

2. **Village-Level Milk Quality Infrastructure:** Milk quality is determined before it reaches the processing plant. Limited cold chain infrastructure remains a major barrier. An agri-preneur can establish a Bulk Milk Cooler unit or small testing lab. The National Programme for Dairy Development (NPDD) provides 50% central assistance (75% in hilly and NE regions). By aggregating milk from small farmers, the entrepreneur ensures rapid chilling, conducts quality tests, and negotiates better prices.

3. **Value Addition: Beyond Liquid Milk:** Small-scale, decentralized value addition is highly viable. Opportunities include artisanal paneer and cheese for local restaurants, traditional desi ghee using bilona methods, and branded flavored yogurt and lassi. A group of farmers can form a Farmer Producer Organization (FPO) to collectively invest in a processing unit, sharing costs and profits.

4. **The Circular Economy: Waste to Wealth:** Cow dung and urine are resources, not waste. The Animal Husbandry Infrastructure Development Fund (AHIDF) supports "animal waste to wealth management" units. Key opportunities include:

Biogas: Free cooking gas and nutrient-rich slurry.

Vermicompost: Organic fertilizer for sale or personal use.

Cow Urine Distillate: Key ingredient in organic pesticides.



Fig. Vermicompost and biogas production

5. **Breeding and Animal Health Services:** Many farmers lack access to timely veterinary care. An agri-preneur trained in animal husbandry can offer Artificial Insemination (AI) services, vaccination support, and nutritional advisory—building a trusted service business that improves community-wide herd productivity.

A Success Story

Smt. Manju Devi of Maharajganj, Uttar Pradesh, began with two dairy animals. Through KVK training on balanced ration formulation, she expanded to eight Gir cows. Her family's annual income more than doubled—from ₹1.44 lakh to ₹3.15 lakh—while her daily farm work hours dropped by 31%. This is dairy agri-preneurship in action.

The Role of Women

Women constitute nearly 70% of the dairy farming workforce yet own less than 10% of livestock assets. White Revolution 2.0 prioritizes women's empowerment by bringing more women dairy farmers into organized cooperatives. Women-led dairy cooperatives are emerging as powerful tools for economic transformation.

Overcoming the Challenges

High upfront costs and limited credit access are significant barriers. However, support is available:

NPDD: 50–75% central assistance for infrastructure.

AHIDF: 3% interest subvention for 8 years, 2-year moratorium, loans up to 90% of project cost, no ceiling. As of August 2025, 402 projects approved worth ₹14,413.88 crore, benefiting approximately 25 lakh farmers.

White Revolution 2.0: 75,000 new dairy cooperative societies and strengthening 46,000 existing ones.

The key is to start small, collaborate through FPOs or SHGs, and focus on quality.

CONCLUSION

The next dairy revolution is about value, profitability, and sustainability. The dairy agri-preneur of tomorrow will manage a diversified portfolio—fodder, feed, breeding, milk quality, value-added products, and bio-energy. The opportunity is not theoretical—it is operational. The question is whether you will be a participant in this shift. The dairy agri-preneur is not just a milk producer. They are the CEO of a rural enterprise and the time to build is now.

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