

# A Study on Socio-Economic Condition of Milk Producer in Vanavasi Panchayat in Salem District

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# ABSTRACT

*In this article generally engaged on* milk producer in Vanavasi Panchayat in Salem district. India is home for the largest animal population add milk milch production in the world. The milk production in the world. The milk producers from the backbone for dairy The extension of impact industry. activities, supply of cattle feed and payment of remunerative price for milk is being provided or helps the milk producers to enhance mil production. Dairying provides millions of small marginal farmers and landless labours means for their subsistence. Milch animals are neared mainly through the utilization of crop residues; thus milk production is essentially a subsidiary activity to agriculture. For the present study, the data was obtained from primary data source. The secondary data was collected for obtaining particulars related to the study area. The primary data was collected from the selected respondents who were engaged in milk producer. The milk producer was selected from Vanavasi down Panchayat milk producer was selected randomly, which accounted to 60 milk producer in total. The field investigation was carried out were related to agriculture year 2013-2014. Simple percentage and average values were used to describe the socio-economic profile of the selected sample in milk producers. The government of India and the state government of Tamil Nadu already have taken lot of constructive steps to improve the milk producers' economic status. But the cooperative community is not reached its peek, when compared to the developed countries (fallen under India in the milk production) Indian co-operative producers are earn very few and the life status also very low. So government has to take more initiatives to develop the dairy industry.

**KEY WORD:** Milk Producer, Livelihood, Income, Input, output, Livestock

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### INTRODUCTION

The unique characteristic of Indian dairy industry is that bulk of milk production in our country is handled by small milk producers who are illiterate and ignorant of economic aspects of milk production daring is a secure path and future of our neural development and became a commercial enterprise. It can contribute substantially to farmer's income. His way of looking to the daring has not been changed from subsidiary to commercial business. These problem seriously reduce the production potentials of animals, especially cross breeds as they sand more susceptible to diseases, hardships and contingencies peculiar to the Indian climate. However, there is little evidence available on how much the farmers and the nation lose as a result of animal diseases. The reproductive capability the animal, a major concern in its economic losses to farmers value in dairy farming is frequently related to paripartient events as undesirable health related to events during this period might result in tremendous economic losses to farmers. By the end of gestation in dairy make huge demands for energy, protein is such that it occurs at the most productive period of a lactating animal.

During the last three decades, our Nation's milk producers have transformed dairying from Indian stagnation to world leadership. In India, dairving is recognized as an instrument for social and economic development. Dairy sector play a significant role in familv supplementing income and generating gainful employment in the rural areas besides providing cheap nutritional food to millions of people. The growth of dairy sector during the last three decades has been impressive.

Indian dairying has made rapid strides, but animal productivity remained average dairying assumes great significance in providing employment to rural people as well as a stable source of income to augment to their earnings from main enterprise they fellow i.e., crop husbandry. Dairy enterprise plays a very important role in the rural economy of India. It proves income and employment not only to the workers sections of the society but also to the farming community of the country in general. The returned from small holdings can be maximized by combination of the proper dairv enterprise with crop production. About 80 per cent of the milk marketed still passes through the traditional channels handling raw milk and conventional processed products. The much hyped cooperative dairy development has also failed to asset the dominance of the traditional milk marketing channels. Liberalization of the dairy sector since 1991 has permitted formal, private processors to compete increasingly Consequently, processed milk market. several private milk processing firms have emerged in the Indian milk market. Further since late 1990s the important of supermarkets and retail chains has skilled in the Indian food market which includes milk also in its ambit.

The growing middle class with increasing expanding urbanization are likely to best the demand for more formally processed milk products, which the traditional markets generally do not cater for. This will fuel the growth of a modern formal and organized milk market. These emerging trends, while indicative of catering to the expanding consumer base with growing health, have generated concerns on both the supply as



well as the demand side. Internationally, one of the most controversial issues is that the rise of modern marketing chains could have negative effects on income equality. However, the economic triggered in 1991 have widend market opportunities for the livestock sector also. The global demand for livestock products is also to increase its livestock exports, especially for products like baine meat, whose domestic demand is low with improved domestic production and marketing efficiency, better access to expanding world market. India has the potential to became more competitive and may augment exports of livestock products. Nonetheless, there is still much to gain from further improvements in market conditions.

Thus, a deeper knowledge about the determinants of export performance of the livestock sector in India would contribute towards the future livestock development strategy. In this backdrop, this study has examined the changes in the composition of livestock exports, competitiveness of different livestock products and has analysed the factors affecting the growth of livestock export.

India is home for the largest milch animal population ad milk production in the world. The milk production in the The milk producers from the world. backbone for dairy industry. The extension of impact activities, supply of cattle feed and payment of remunerative price for milk is being provided or helps the milk producers to enhance mil production. Dairying provides millions of small marginal farmers and landless labours means for their subsistence. Milch animals are neared mainly through the utilization of crop residues; thus milk production is essentially a subsidiary activity to agriculture. The planners recognized dairying because of the potential impact it can make, as an instrument to bring about socio-economic

transformation in the rural sector. India has a population of more than 1 billion with diverse food habits, cultures, traditions and religions.

### **Review of literature**

Jayakumar and Rajees (2013) analysed An Economic Analysis of dairy sector in Thanjavur district profile of 300 respondents selected using simple random sample method in the study. The study on the milk production at Budalore block, Thanjavur there is an identical structure and systematic pattern of religion and caste system. In the study we found that the majority of the respondents 67.3 per cent belong to the Hindu religion. Adequate veterinary services, proper training failures and infrastructure development and credit facilities this has sufficiency established that the cross breeding programme through artificial insemination may make real break through in genetic а improvement of breedable milch animals for improvement of milk production and productivity.

Meena and Singh (2013) analysed "Importance of information and communication technology tools among livestock farmers : A review economic profile of the about 70 percent household are information on livestock health care followed by breeding and feeding. The dominance of production relation between livestock owners explored except a scanty coverage by newspapers with little scientific reports based on empirical data on this group especially of India. The social and economic benefits obtained from mobile phones by the livestock in information and related to animal husbandry.

Gunasegari and Periyasami (2013) analysed "The operational performance of the Pondicherry Co-operative milk producers Union Limited". The milk producer selected only 13 percent of total



milk produced processed. At present there are around 100000 village dairy cooperatives across the country. There is an increasing trend in shares of the PCMPUL. The annual, linear annual and compound annual growth rates of the member societies of the PCMPUL are 0.60, 0.50 and 0.51 respectively. To ensure a positive outcome, attention to the factors identified in the suggested framework is important for the efficient functioning of the PCMPUL.

Zewdu Wondigraw, Thombre and Bainwad (2013) "Effect of non-genetic factors on milk production off Holstein Friesion and Deoni Crossbred Cows" analysed in data representing 256 HF<sup>x</sup> beoni crossbred cows from cattle. The overall least square mean of milk yield 305 days lactation length and milk yield. This study indicates that the performance of HFX peoni crossbred cows on lactation comparably of the dairy cows. Moreover, these crossbred cows were susceptible for periodical and seasonal changes on their milk production performance in the entire study period where, it could be difficult for them to thrive and maintain their production potential.

Serma Saravana Pandian, Shilpa Shree, Boopathhi Rasa and Vetrivel (2013), "Analyzing the cost and returns of urbans milk production in Tamilnadu" analyzed in selected 30 dairy farmers simple random sampling technique. Total sample size of 90 dairy farmers were selected present study. Milk producers form the backborn for dairy industry. Dairying provides millions of small marginal farmers and landless labours Concentrate and labour cost was masor component in total cost of milk production followed by green and dry The cost of concentrate fodder. contributed maximum in the total cost. labour cost was higher for small farms which were due to the involvement of whole family labour in the milk

production. Higher use of green fodder and concentration increases the returns from daily animals.

Shilpa Shree, Serma Pandian, Boopathi Rasa and Vetrivel (2013), "Efficiency of Resource use in urban milk production in the state of Tamilnadu. India" selected 90 dairy farmers in random sampling collected from select farmers by survey method. Milk production of Tamil Nadu revealed that variables lie fodder the green concentrates and labour were statistically significant and had a positive sing while the dry fodder variables was negative and insignificant. The variables like concentrate, labour and veterinarv changes were underutilized and variables like green fodder and dry fodder were over utilized. Since feed and fodder resources encompass around 70 per cent of the cost of milk production care should be taken to use these resources optimally.

Rajendran S and Tholkappian C (2014) Farm system refers to a particular arrangement of farming enterprise e.g. cropping, livestock – keeping, processing farm products that are managed in response to the physical, biological and social economics environment and in according with the farmers' goals, preferences and resources Individual farms with enterprises arrangement in a similar way are said to practice that particular farming system. Farming is used here in a wide sense to include not only crops and livestock but also other natural resources available to the farm household, including resources held in common with others. Hence the given below concepts flow of goods and services of farm system.

Ayyappa Naik Nenavath (2014) analysed in "Marketing Effectiveness of Customer Satisfaction on Dairy Industry (with Reference to Sangam Dairy Vadlamudi of Guntur (D.T), A.P., India) sources of data in primary and secondary



data used. It can be observed from the table that a big majority of respondents 66 Oct of 80 accounting for 82.5 percent from Ponnuru town and 63 out of 80 accounting for 78.75 percent from Guntur town have preferred Sangam dairy milk as compared to others. The analysis bring out a fact there is mixed opinion among the respondents as to the type of quality required. By taking the facts into account the Sangam dairy has to produce the distribute the milk products as per the requirement of respondents such as thickness as well as freshness and even the element of fat content also.

# Profile of the Study Area

Tamil Nadu is one of the most important states in the country and is the 11th largest in terms of area. The state is the seventh most populous state in the country and its main language Tamil has origins that date back to 500 BC. Chennai is the capital of Tamil Nadu and lies on the eastern coast line of India. Tamil Nadu is famous for its wonderful temples and monuments that have been built 1000s of vears ago and has places that have been marked as heritage sites by the United Nations. In a 180 degree paradigm shift, this a rich historical state with importance is also one of the fastest developing centre for technology and trade.

The Salem district is one of the biggest districts of TamilNadu. This district is surrounded by Dharmapuri district at its north, Erode and Namakkal districts in the south, Villupuram district in the east and west Ghats in the west. The district headquarters is centrally situated in the district. This district is intersected by numerous hills such as Shervaroy Hills and Kalrayan hills. The hills adorn the district with natural beauty and forest wealth.

# Agriculture

Agriculture is the main source of livelihood of the people in this district. The food crops are sown in more than 72 per cent of the cultivated land.The major food crops are paddy, cholam, cumbu, ragi, redgram, greengram, blackgram and horsegram Turmeric, sugarcane, mango, bannana, tapiaco, groundnut & gingelly, and the famous mango fruits are the cash crops. Agricultural Research Center is functioning in the district. Ground water is the major source of irrigation in the district.

# Animal Husbandry and Dairying

Sheep Research The Station located at Mecheri in Mettur, developed and introduced the popular Mecheri breed. The breed is popular among the farmers and is reared mainly for meat purpose. The livestock population of the district includes cattle and buffaloes, sheep, goats, horses, pigs, mules, camels, and donkeys. Intensive Cattle Development project is functioning to improve the quality of cattle. Salem Dairy has an impressive milk production and district stands first milk the in production. A variety of milk production has been introduced by the Diary recently and is effectively marketed. There are 1092 registered milk co-operative societies functioning at present 1010 milk co-operative societies procuring 780.64 lakh litres per day during flush season and 577.36 lakh litres per day during lean season. Salem is one of the major fishing centers in Tamil Nadu. One of the important fishing centers in the district is Mettur Dam and PWD tanks. The annual production of fisheries is put at 428 tons.



# Objectives

- 1. To Study the Socio Economic status of Milk Producer in the Sample Area.
- 2. To Analysis the Income Generation of the Milk Producer in the Selected Area.
- 3. To expose the standard of Living of the milk producer in sample Area.

# Scope of the Study

Milk producer plays vital in the livelihoods of farmers, especially farmers in drought prone areas. In comparison with larger ruminants, the small ruminant can with stand higher degree of drought and can manage with the available feeds. These small ruminants are a source of employment and income to farmers during the off season. There studies like this would through light on the farmers who are engaged in agriculture coupled with cow milk production. These studies would help the researcher, policy makers and government in taking appropriate step for their well being.

# Collection of Data

For the present study, the data was obtained from primary data source. The secondary data was collected for obtaining particulars related to the study area. The primary data was collected from the selected respondents who were engaged in milk producer. The milk producer was selected from Vanavasi down Panchayat milk producer was selected randomly, which accounted to 60 milk producer in total. The field investigation was carried out were related to agriculture year 2013-2014.

# **Tool of Analysis**

Simple percentage and average values were used to describe the socio-

economic profile of the selected sample in milk producers.

#### Limitations

The study is confined to a particular region and hence the conclusion be draw with due care, when an attempts made to generalize the results. The respondents milk producer farmers from whom the data collected through survey method did not maintain any records and hence they had to recall from their memory and furnish the information for the queries put forth by the researcher. Hence, the data collected were subject to recall bias. Howere, in order to make the result reliable for drawing conclusion relevant for the universe of the study. Care has taken to minimize the recall bias through cross checks, if the accuracy and reliability of data given by the respondent were doubted.

### **Result and Discussion**

Vanavasi Panchayat is situated in Mettur Taluk in Salem district. The total area under this panchayat was recorded as 1672.96 hectares, out of which 70.43 hectares was irrigated, 1308.07 hectares.

Table 1 Classification Area under				
S.No	Particulars Hectare and			
		Percentage		
1	Irrigated	70.43		
	Area	(4.21)		
2	Rainfed Area	1038.07		
		(78.19)		
3	Barren land	30.32		
		(1.82)		
4	Others	264.14		
		(15.78)		
	Total	1672.96		
		(100)		

#### Source: Primary Data

Rain fed area and nearly 30.32 hectare was barren land. The area under other

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category like forest and small hills accounted for 264.14 hectares. The Vanavaci Panchayat was surrounded by Anna Nagar Pachayat, Periyar Vanavaci, MGR Colony in North and Salem district in south. The total population was around 6699 people. The community – wise population indicates that majority of people belong to Most Backward Community ie., 4598, followed by Backward Community 1713 Scheduled Caste was 388 respectively.

#### Table 2: Gender – Wise Classification of the Selected Respondents

Sex	No. of	Percentage		
	Respondent			
Table.3: Age Composition of the				
Respondent				

Age	No. of	Percen
	Respondents	tage
20 - 30	18	30.0
30 - 40	30	50.0
40 - Above	12	20.0
Total	60	100

Source: Primary Data

#### Table 4: Community- Wise Classification of the select Respondents

Communit	No. of	Percentag
у	Respondents	е
MBC	36	60.0
BC	14	23.0
SC	10	17.0
Total	60	100

#### Source: Primary Data

In the Vanavasi Panchayat people belonging to Most Backward Community,

	S	
Male	42	70
Female	18	30
Total	60	100

#### Source: Primary Data

The gender – wise classification of selected respondents was examined in the Table 2 The table reveals that out of 60 selected respondents nearly 42 of them was male, which accounted to 70 per cent to the total and 18 farmers was female 30 per cent. Compared to more number of male was involved in milk production in this study area.

Table 3 examined the age composition of the selected respondents for this study. Among the select 60 farmers who was engaged in milk producer 50 per cent (30 farmers) were in the age group of 30 years to 40 years. 18 farmers (30 per cent) were in the age group 20 years to 30 years, followed by 12 farmers above 40 vears.

Backward Community and Schedule Caste was regarded as residence of this Panchayat and it was presented in Table 4 Among the 60 respondents selected for this study the maximum number of respondents was belong to the most backward community, which accounted 60 per cent ie., 36 respondents followed by 14 of them from backward community (23 per cent) and nearly 17 per cent of them hailed from schedule caste community

Table 5: Regression analyses for profit and cost models (cow)				
Variable	Profit Model (Milk Production)		Cost Model (Milk Production)	
	Co – efficient	p- value	Co – efficient	p- value

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Intercept	5,584	0.802	-9,681	0.620
Cows, number of head	1.916	0.156	-1.605	0.196
Milk production,	19.892	0.004	34.579	<.0001
lt/cow/day				
Milk price, Rs/cwt	182.345	0.023		
Cull rate, percent	-6.830	0.267	12.070	0.038
Feed percent of total	30.128	0.054	-29.165	0.040
cost				
Livestock labour	-8.480	0.209	12.541	0.043
percent				
Years in average	103.181	0.615	108.668	0.553
R-square2	0.477	3	0.64	ł90

**1** *p-values* associated with hypothesis test that coefficient is significantly different from zero. A value of 0.05 would imply we are 95% confident that value is significantly different from zero (0.01 implies 99% confidence, and so on).

**2** *R*-square represents the proportion of variability in the dependent variable (Profit and Cost) that is explained by variation in the independent variables.

Milk price in relation to profit, with all other variables held constant, was also a key factor with higher prices being associated with higher profit. Feed as a percentage of total costs was also important and indicated that those operations having a higher percent of their total costs as feed are more profitable. In other words, operations that manage their non-feed costs efficiently are more profitable. The coefficient on the number of cows in the herd variable indicates that larger operations are more profitable, but this variable was only marginally significant. Percentage of farm labor devoted to livestock and culling rate were not significantly related to profit.



Graph Regression analyses for profit and cost models (cow)

When costs per cow were evaluated with farm characteristics variables, pounds of milk produced per cow per day again was the most economically significant factor in this above table. Culling rate, which was not



statistically related to profitability, was positive and significantly affected total cost. In other words, higher culling rates did not affect profit, but greater culling rates were associated with higher total costs per cow. Similarly, percentage of labor allocated to livestock was positively associated with costs per cow even though this variable was not significant in explaining profitability differences. This positive relationship may indicate that farms that are more diversified (i.e., lower percentage of labor devoted to livestock) have lower costs per cow than farms that are more specialized.

Feed cost as a percentage of total costs was significant and negatively related to total costs per cow. This suggests that this measure likely is capturing the impact of having low nonfeed costs more so than it is of having high feed costs (i.e., producers are doing a good job of managing non-feed costs). As with the profit model, the number of cows in the herd is only marginally significant, but it does indicate that larger operations tend to have lower costs per cow.

Also from the above discussion, it can be inferred that the factors and their milk producer cost analysis of sample. This as observed during the survey that socio-economic factors analysis.

#### Table 6: Problems and prospects of the co-operative milk Producers

Co- efficient	Standard	Error
	ueviation	
Awareness	-0.092	0.170
Infrastructure	-0.539**	0.173
Middlemen	0.225	0.245
Cattle	0.117	0.254
Marketing	-0.027	0.174

Note: \*\*, \*, and + is significant at the 1%, 5%, and 10% level, respectively.

The government of India and the state government of Tamil Nadu already have taken lot of constructive steps to improve the milk producers' economic status. But the cooperative community is not reached its peek, when compared to the developed countries (fallen under India in the milk production) Indian cooperative producers are earn very few and the life status also very low. So government has to take more initiatives to develop the dairy industry.

# Conclusion

Dairy industry is poised to play a major role in our nation's economy in the years to come. The value of milk is set to achieve a new boom. The industry's major contribution in providing newer avenues for employment, both direct and indirect, and its role in improving the nutritional standards of our people also add to the importance that needs to be attached to this sector during the 21st century. For the milk producers unawareness about the technology know how and marketing practises are high level in the Vanavasi region. Cooperative. societies should come forward and or ganize more numbers of awareness programmes then only milk producers can utilize the schemes offered by the government. In this connection The milk producer was selected from Vanavasi down Panchavat milk producer was selected randomly, which accounted to 60 milk producer in total. The field investigation was carried out were related to agriculture year 2013-2014. Similarly costs per cow were evaluated with farm characteristics variables, pounds of milk produced per cow per day again was the most economically significant factor in this above table. Culling rate, which was not statistically related to profitability, was



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