



## A STUDY ON MARKETING OF MILK THROUGH DAIRY COOPERATIVES IN AKKARAPALAYAM PANCHAYAT

**Dr. A.  
Saravanadurai**

Assistant Professor, Department of Economics, Periyar University, Salem-11

**Mr. S. Muthuaraj\***

Ph.D Research Scholar, Department of Economics, Periyar University, Salem-11  
\*Corresponding Author

**ABSTRACT** Dairying is a centuries old tradition for millions of Indian rural households, domesticated animals have been an integral part of the farming systems from time immemorial. Milk contributes more to the national economy than any other farm commodity. In the context of poverty and malnutrition, milk has a special role to play for its many nutritional advantages as well as providing supplementary income. To examine performance of dairy cooperative farmers in Akkarapalayam Panchayat. Both primary and secondary are employed in the present study. The secondary data from the audited annual reports of the respective selected societies. The role of dairy farming in the livelihoods of the small and medium farmers in important in their production systems. The marketing of the dairy product is done through the cooperative societies in the rural areas. Therefore studies like this would throw light on the functioning of the societies and its problems faced by the dairy farmers while marketing their product. The major constraints include lack of professionalism in management, lack of good leadership, archaic cooperative law and improper government control, small size of business and hence inability to afford the services of professional manager, and internal work culture and environment not congenial to of management cooperatives could have a bright future in India in the new era if they are transformed into member owned autonomous organizations governed by the elected representatives of their members, managed professionally and liberated from unnecessary controls of vested interest persons.

### KEYWORDS :

#### INTRODUCTION

Dairying is a centuries old tradition for millions of Indian rural households, domesticated animals have been an integral part of the farming systems from time immemorial. Milk contributes more to the national economy than any other farm commodity. In the context of poverty and malnutrition, milk has a special role to play for its many nutritional advantages as well as providing supplementary income. 70 million farmers in over 500,000 remote villages more importantly, the farmers earn an average 27.3 per cent of their income from dairying, with as high as 53 per cent for landless and as low as 19 per cent for the large farmers.

#### Review of Literature

Shiyani (1994) carried studies in Saurashtra region of Gujarat on economics of dairy enterprise by different categories of farmers and compared result between members and non-members of cooperative. His result show that dairying was profitable for all classes of farmers and with cows as well as buffaloes and it provided substantial income to family labour. However the income was more from buffaloes compared to cows and landless and small holder farmers earned higher profit than medium and large farmers.

Rangasamy and Dhaka (2007) in their article "Milk procurement Cost for Cooperative and private dairy plants in Tamilnadu" in the analysis the per litre procurement cost of milk was higher in cooperative dairy plant than the private dairy plant and the same increased between fresh, transitory and lean seasons. It could be attributed to increase in the reception cost of milk and marginal increase in Transportation cost milk in the cooperative dairy plant.

#### OBJECTIVES

To examine performance of dairy cooperative farmers in Akkarapalayam Panchayat

#### Collection of Data

Both primary and secondary are employed in the present study. The secondary data from the audited annual reports of the respective selected societies.

#### Scope of the Study

The role of dairy farming in the livelihoods of the small and medium farmers in important in their production systems. The marketing of the dairy product is done through the cooperative societies in the rural areas. Therefore studies like this would throw light on the functioning of the societies and its problems faced by the dairy farmers while marketing their product. This would be useful for the decision making authorities and the farmers.

**Table 1 Milk through Dairy Cooperatives of Dairy Farmers in Akkarapalayam Panchayat**

Sl.No	Particulars	No.of.Respondents	No. of. Farmers	Percent
1.	Age	20-30	4	6.00
		30-40	16	27.00
		<b>40-50</b>	<b>24</b>	<b>40.00</b>
		50-60	15	25.00
		60-70	1	2.00
		Total	60	100
2.	Education	<b>Illiterate</b>	<b>31</b>	<b>52.00</b>
		Primary	20	33.00
		Secondary	9	15.00
		Total	60	100
3	Land details	<b>Own land</b>	<b>48</b>	<b>80.00</b>
		Leased land	10	17.00
		Leased out land	2	3.00
		Total	60	100
4	Size of landholding	0-2	1	2.00
		<b>2-4</b>	<b>32</b>	<b>53.00</b>
		4-6	22	37.00
		6-8	5	8.00
		Total	60	100
5	Annual family income	10000-20000	10	17.00
		<b>20000-30000</b>	<b>43</b>	<b>72.00</b>
		30000-40000	4	7.00
		40000-50000	3	4.00
Total	60	100		
6	Experience	0-5	1	2.00
		5-10	9	15.00
		10-15	19	31.00
		<b>15-20</b>	<b>21</b>	<b>35.00</b>
		20-25	10	17.00
		Total	60	100
7	Types of milch animals	High breed	16	27.00
		<b>Local breed</b>	<b>32</b>	<b>53.00</b>
		Cross breed	12	20.00
		Total	60	100
8	Types of animals	<b>Cow</b>	<b>34</b>	<b>57.00</b>
		Buffaloes	26	43.00
		Total	60	100

9	Money value cows	<b>10000-20000</b>	<b>11</b>	<b>32.00</b>
		20000-30000	8	23.00
		30000-40000	5	15.00
		40000-50000	6	18.00
		50000-60000	4	12.00
	Total		34	100
10	Money value buffaloes	<b>10000-20000</b>	<b>9</b>	<b>35.00</b>
		20000-30000	4	15.00
		30000-40000	5	19.00
		40000-50000	6	23.00
		50000-60000	2	8.00
	Total		26	100
11	Cow Milk Production	0-5	2	6.00
		<b>5-10</b>	<b>15</b>	<b>44.00</b>
		10-15	10	29.00
		15-20	4	12.00
		20-25	3	9.00
	Total		34	100
12	Buffaloes Milk Production	0-5	5	19.00
		<b>5-10</b>	<b>10</b>	<b>39.00</b>
		10-15	5	19.00
		15-20	4	15.00
		20-25	2	8.00
	Total		26	100
13	Income Earned cow milk	Less than 50	3	9.00
		50-100	10	29.00
		<b>100-200</b>	<b>16</b>	<b>47.00</b>
		More than 200	5	15.00
		Total	34	100
14	Income Earned buffaloe milk	Less than 50	1	4.00
		50-100	6	23.00
		100-200	9	35.00
		<b>More than 200</b>	<b>10</b>	<b>38.00</b>
		Total	26	100
15	Milk household consumption	0-10	19	32.00
		<b>10-20</b>	<b>28</b>	<b>47.00</b>
		20-30	11	18.00
		30-40	2	3.00
		Total	60	100
16	Dung Sale	<b>1000-2000</b>	<b>32</b>	<b>53</b>
		2000-3000	7	12
		3000-4000	16	27
		4000-5000	5	8
		Total	60	100
17	Channels of marketing milk	<b>Cooperative society</b>	<b>40</b>	<b>67.00</b>
		Private society	10	17.00
		Milkman	6	10.00
		Direct sale	4	6.00
18	Loan purchase	<b>Cooperative bank</b>	<b>21</b>	<b>35.00</b>
		Commercial bank	14	23.00
		Private money lenders	9	15.00
		Private bank	16	27.00
		Total	60	100

Source: Primary data

The dairy development department was established in Tamil Nadu during 1958. The commercial activities of the Dairy Development Department were handed over to the Tamil Nadu Dairy Development Corporation in July 1972, which came under the control in of Tamil Nadu Cooperative milk producers' federation in February 1981. The dairy development programmes are being implemented through a network of cooperatives designed on Anand model of Gujarat state. The institutional frame has a three tier structure with the primary milk producers' cooperative societies at the base (village) level, Union of producers cooperative societies at the middle (District) level and federation district cooperative milk producers union at the state level.

The milk producers cooperative societies are formed and functioning at village level. In these societies only the milk producers are enrolled as members. The animals owned by producers members are provided with animal health cover at the doorsteps of the members by the Veterinary Assistant Surgeons of the veterinary units, procurement teams and input wings. Breed improvement through artificial insemination is also carried out at a nominal rate. The milk produced at

the village societies is collected by the District Unions after allowing some quantity to be retained at society level itself to meet the local demands.

The study conducted in Akkarapalayam panchayat examined production and marketing of cow and buffaloe milk. For which three villages namely Lakshamanur, Thundukadu and Chithaneri was selected 60 respondents were interviewed randomly. This panchayats primary occupation was agriculture with 992.72 hectares of land. Among the selected respondent involved in dairy farming indicated that they were in the age group of 40-50 and 52 per cent of the farmers were illiterate. All the 60 farmers were involved in agricultural activity with different size of land holding pattern.

### Findings

All the selected farmers for the study revealed that dairy farming was the secondary occupation. 98 per cent of the farmers had more than 5 year of experience in dairy farming. Different variety of milch animals was owned by the select respondents high breed, local breed and cross breed out of 60 farmers 34 of the were involved in cow rearing and the rest in buffaloe rearing. Among the 34 farmers involved in cow rearing maximum of them produced 5 to 10 litres. In case of Buffaloe milk production also the per day production was observed to be 5 to 10 litres.

The income earned through sale of cow milk was observed to be maximum in the income category of Rs 100- Rs 500 income earned to sale of buffaloe milk was Rs 500-Rs 1000 per day. Milk was taken for household consumption which revealed that 47.00 percentage, of the farmers household consumption of milk was between 10-40. The income earned to sale of cow and buffaloe milk indicate that 32 respondents fetched an annual income of Rs 1000 –Rs 2000.

The farmers grazed their animals in private land, common grazing land, roadside and hills. Other than dry and green fodder the dairy farmers at spend on purchase of feeds likes rice bran, oil cake, tapioca, and it was observed that all the dairy farmers have purchased more of rice bran, oil cake, tapioca, and it was observed that all the dairy farmers have purchased more of rice bran and the cost incurred for purchase of rice bran was high. The farmers provided thatched shed, tiled shed, cement shed, and some of the farmers kept their cattle in open area. With reference to observe nearly 32 farmers had spend Rs 4000 to Rs 8000 towards housing of animals. The veterinary expenses was observed to be Rs 1000 to Rs 2000 for 52 per cent of the farmers. Among the 60 respondents 67 per cent marketed their milk to cooperative society. All the dairy farmers have availed loan for purchased of cow and buffaloe.

### CONCLUSION

Co-operatives have inherent advantages in taking the problems of poverty alleviation, food security and employment generation. Co-operatives societies in India played an important role in development of agriculture, banking, credit, agro processing, storage, marketing, dairy and housing sectors. Co-operatives role in poverty alleviation, food security and employment generation is well established. It is observed that cooperatives may deliver goods and services in areas where both private and public sectors have failed. Despite their overwhelming importance in India's rural economy, most of the cooperatives are, however, not financially viable due to variety of reasons and suffer from many other internal and external constraints. The major constraints include lack of professionalism in management, lack of good leadership, archaic cooperative law and improper government control, small size of business and hence inability to afford the services of professional manager, and internal work culture and environment not congenial to of management cooperatives could have a bright future in India in the new era if they are transformed into member owned autonomous organizations governed by the elected representatives of their members, managed professionally and liberated from unnecessary controls of vested interest persons. For dairy farmers in dairy cooperatives, we need more attention like scientific management, value addition for the dairy products customer services, manging the financial sustainability maintaining the welfare of the farmers etc., by these means we can assure the performance of milk cooperatives in rural India and bring the inclusive growth in Indian economy.

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