



Contribution of Livestock Sector to Indian Economy

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ABSTRACT

Livestock plays an important role in Indian economy. About 20.5 million people depend upon livestock for their livelihood. Livestock contributed 16% to the income of small farm households as against an average of 14% for all rural households. Livestock provides livelihood to two-third of rural community. It also provides employment to about 8.8 % of the population in India. India has vast livestock resources. Livestock sector contributes 4.11% GDP and 25.6% of total Agriculture GDP. Together with its allied activities like livestock which provide milk and milk products, meat and meat products, it constitutes a major supplier of food and food articles, raw materials, and finished and finished products

KEYWORDS

India is

- First in the total buffalo population in the world.
- Second in the population of cattle and goats
- Third in the population of sheep (72 millions)
- Fifth in the population of ducks and chicken
- Tenth in camel population in the world.

Source : GOI, 2014

The livestock provides food and non-food items to the people.

1. Food: The livestock provides food items such as Milk, Meat and Eggs for human consumption. India is number one milk producer in the world. It is producing about 137.7 m. tones of milk in a year. Similarly it is producing about 74.75 billions of eggs, 8.89 million tonnes of meat in a year. The value of milk group and meat group at current prices was Rs 4,06,035 crores in 2013-14.

2. Fibre and skins: The livestock also contributes to the production of wool, hair, hides, and pelts. Leather is the most important product which has a very high export potential. India is producing about 47.9 million Kg of wool per annum.

3. Draft: Bullocks are the back bone of Indian agriculture. Despite lot of advancements in the use of mechanical power in Indian agricultural operations, the Indian farmer especially in rural areas still depend upon bullocks for various agricultural operations. The bullocks are saving a lot on fuel which is a necessary input for using mechanical power like tractors, combine harvesters etc. Pack animals like camels, horses, donkeys, ponies, mules etc are being extensively used to transport goods in different parts of the country in addition to bullocks. In situations like hilly terrains mules and ponies serve as the only alternative to transport goods. Similarly, the army has to depend upon these animals to transport various items in high areas of high altitude.

4. Dung and other animal waste materials: Dung and other animal wastes serve as very good farm yard manure and the value of it is worth several crores of rupees. In addition it is also used as fuel (bio gas, dung cakes), and for construction as poor man's cement (dung).

5. Storage: Livestock are considered as "moving banks" because of their potentiality to dispose off during emergencies. They serve as capital and in cases of landless agricultural labourers many time it is the only capital resource they possess. Livestock serve as an asset and in case of emergencies they serve as guarantee for availing loans from the local sources such as money lenders in the villages.

6. Weed control: Livestock are also used as Biological control of brush, plants and weeds.

7. Cultural: Livestock offer security to the owners and also add to their self esteem especially when they own prized animals such as pedigreed bulls, dogs and high yielding cows/ buffaloes etc.

8. Sports / recreation: People also use the animals like cocks, rams, bulls etc for competition and sports. Despite ban on these animal competitions the cock fights, ram fights and bull fights (jalli kattu) are quite common during festive seasons.

9. Companion animals: Dogs are known for their faithfulness and are being used as companions since time immemorial. When the nuclear families are increasing in number and the old parents are forced to lead solitary life the dogs, cats are providing the needed company to the latter thus making them lead a comfortable life.

The livestock plays an important role in the economy of farmers. The farmers in India maintain mixed farming system i.e. a combination of crop and livestock where the output of one enterprise becomes the input of another enterprise thereby realize the resource efficiency. The livestock serve the farmers in different ways.

1. Income: Livestock is a source of subsidiary income for many families in India especially the resource poor who maintain few heads of animals. Cows and buffaloes if in milk will provide regular income to the livestock farmers through sale of milk. Animals like sheep and goat serve as sources of income during emergencies to meet exigencies like marriages, treatment of sick persons, children education, repair of houses etc. The animals also serve as moving banks and assets which provide economic security to the owners.

2. Employment: A large number of people in India being less literate and unskilled depend upon agriculture for their livelihoods. But agriculture being seasonal in nature could provide employment for a maximum of 180 days in a year. The land less and less land people depend upon livestock for utilizing their labour during lean agricultural season.

3. Food: The livestock products such as milk, meat and eggs are an important source of animal protein to the members of the livestock owners.

4. Social security: The animals offer social security to the owners in terms of their status in the society. The families especially the landless which own animals are better placed than those who do not. Gifting of animals during marriages is a very common phenomenon in different parts of the country. Rearing of animals is a part of the Indian culture. Animals are used for various socio religious functions. Cows for house warming ceremonies; rams, bucks and chicken for sacrifice during festive seasons; Bulls and

Cows are worshipped during various religious functions. Many owners develop attachment to their animals.

5. Draft: The bullocks are the back bone of Indian agriculture. The farmers especially the marginal and small depend upon bullocks for ploughing, carting and transport of both inputs and outputs.

6. Dung: In rural areas dung is used for several purposes which include fuel (dung cakes), fertilizer (farm yard manure), and plastering material (poor man's cement).

The value output contribution from Indian Livestock sector to the GDP of the country was about 40.6% of total contribution from Agriculture and allied sector. As of 2004, the total value of output was estimated at about USD35 million. Livestock plays an important role in the socio-economic life of India. It is a rich source of high quality foods such as milk, meat and eggs and a source for income and employment to millions of rural farmers, particularly women. With a large human population and about 250 million economically strong potential consumers, the domestic demand for these food products are increasing rapidly, the demand often exceeding the supply. As per the last livestock census (1991), India had 203.1 million cattle, 83.1 million buffaloes, 50.7 million sheep, 115.3 million goats, 12.1 million pigs, 3.6 million other livestock and 400 million domesticated poultry birds. Given its potential as an alternative subsistence mechanism to crop farming, this sector has been addressed with priority not only for rural development but also because of the potential that lies in its contribution towards the economic development through its contribution to the food processing sector.

2012-13	9252051	1080421	11.7	367318	4.0
2013-14	10477140	1233595	11.8	406035	3.9

Source : National Accounts Statistics-2015;Central Statistical Organisation;GoI

Export earnings from livestock products rose from Rs.1500.93 crores in 2001-02 to 2253.33 crores during 2004-05. Meat and poultry products accounted for 83 percent of total export earning. Export of milk and milk products also improved and accounted for 17 percent of the export of livestock products. Although, the possibility of export of livestock products is immense but it is not realized fully because India is unable to adjust effectively to the open trade regime under the WTO particularly in respect of requirements under Sanitary and Phytosanitary (SPS) regime.

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Livestock population (2012 Livestock census)

Sl. No	Species	Number (in millions)	Ranking in the world population
01	Cattle	190.9	Second
02	Buffaloes	108.7	First
	Total (including Mithun and Yak)	300	First
03	Sheep	65.0	Third
04	Goats	135.2	Second
05	Pigs	10.3	-
06	Others	1.7	-
	Total livestock	512.3	
	Total poultry	729.2	Seventh
07	Duck	-	Fifth
08	Chicken	-	
09	Camel	-	Tenth

Production of livestock in India 2013-14

Sl. No.	Product	Quantity	Ranking in the world production
01	MILK in million tonnes	137.7	FIRST
02	EGGS in billions (nos)	74.75	THIRD
03	MEAT million tonnes	8.89	NA
04	WOOL in million kgs.	47.9	NA
05	FISH in lakh tonnes	95.79	SECOND

Source: Annual Report 2014-15, Department of Animal Husbandry, Dairying and Fisheries, Ministry of Agriculture and Farmers Welfare, Govt. of India.

SHARE OF AGRICULTURE & LIVESTOCK SECTOR IN GDP Share of Agriculture & Livestock Sector in GDP

Share of Agriculture and Livestock Sector in GDP - (At current prices in Rs. Crore)					
Year	GDP (Total)	GDP (Agriculture)		GDP (Livestock Sector)	
		Rs.Crore	% Share	Rs.Crore	% Share
2011-12	8195546	986604	12.0	324013	4.0