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# Problems & Prospects of Dairy Milk Industry of Bidar District

\*Bheemanna Sharnappa & \*\* Dr. Anand K. Kittur

\*Research Scholar Department of Economics, Gulbarga University, Kalaburagi, Karnataka.

\*\*Associate Professor in Economics, N.V. Degree College, Kalaburagi. – 3, Karnataka

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**Abstract:** *The dairy milk industry in the India and the Karnataka state are working very prominent. Dairy milk units and dairy milk co-operative societies are playing very prominent role for supply and production of dairy milk industry. The co-operative societies are the back bone of any nation's and growth and developments. India is continuously ranked as world's largest and number one in the dairy and milk production. Even though the nation enjoyed the pride of number one status for a long time, through the milk and its products, India has not performed well in exports and the same time milk producers' life status is not improved. This study is carried out in the Bidar District, with the purpose of identifying the problems facing the Dairy Milk units and dairy milk societies, milk Industries and that impact on their day to day life. It reveals that Dairy Milk Industry is encountered lot of problems.*

**Keywords** – Dairy, Milk Industry, Problems, Prospects, Bidar District.

## INTRODUCTION

The dairy milk industry and milk co-operative societies in the bidar district is one of the formal organisation pertaining to dairy milk societies but the term co-operative is derived from the Latin word co-operari, where the word co means 'with' and operari means 'to work'. Thus, co-operation means working together. So those who want to work together with some common economic objective can form a society which is termed as "co-operative society". It is a voluntary association of persons who work together to promote their economic interest and economically development activities also make very easily by the way of good co-operation and co-ordination. It works on the principle of self-help as well as mutual help and mutual mentality. The main objective of the dairy milk societies or units is to provide support to the members. Nobody joins a co-operative society to earn profit and they are service motive of the society. The people come forward as a voluntary group, pool their individual resources, utilise the available resources 'for the improvement of the dairy milk producing to the

societies or units are providing milk producing societies and very promptly to the society them in the best possible manner, and derive some common benefit out of it.

## PROSPECTIVE BACKGROUND OF KARNATAKA DAIRY:

Karnataka is the 9th largest state in cattle and buffalo population in the country, accounting for 4.3 per cent of the total population as per the latest Livestock Census, 2012. About half of the total bovine population is indigenous cattle and the rest is almost equally shared by crossbred cattle and buffalo population. The share of crossbreds to bovine population has increased from 4 per cent in 1992 to 22 per cent in 2012, while that of buffalo has marginally increased from 24 per cent to 27 per cent. Both indigenous cattle and buffalo population registered an annual decline of 4.5 per cent and 4.3 per cent respectively between 2007 and 2012 census periods, while that of crossbred cattle increased by 5.8 per cent. Farmers in the districts of Bangalore, Kolar, Chikkaballapura, Dakshina Kannada, Chamarajanagar, Mandya, Ramanagara etc have more than 40 per cent crossbred animals in their herds, which have helped them generate substantial income through dairying. The only big picture of the Karnataka related to dairy milk profile gave a good activates in the Karnataka. Karnataka Milk Federation (KMF) is the largest Cooperative Dairy Federation in South India, owned and managed by milk producers of Karnataka State. KMF has over 2.25 million milk producers in over 12334 Dairy Cooperative Societies at village level, functioning under 13 District Cooperative Milk Unions in Karnataka State. The mission of the Federation is to usher rural prosperity through dairy development.

The "Integrated Sample Survey" report for 2012-13 highlights that the bovine milk production system in Karnataka is predominantly cattle based. The number of in-milk bovine population increased by 6 lakh from 40 lakh in 1997-98 to 46 lakh in 2012-13 wherein the indigenous cattle population declined, that of crossbred increased and the buffalo's population remained constant. Specie

wise, the state had 16.6 lakh in-milk indigenous cattle, 11.4 lakh crossbred and 18 lakh buffaloes, respectively. Of the total 57 lakh tonnes (LMT) of milk produced, indigenous cattle produced 14 LMT, crossbred cattle produced 25 LMT and buffaloes accounted for 17.4 LMT. Despite the predominantly arid and semi-arid climatic conditions in the state and the high acquisition cost for crossbreds, the share of crossbred in total cattle population rapidly increased between 1997 and 2013. District-wise, in-milk crossbred population demonstrated a significant increase in urban and peri-urban districts of Tumkur, Mandya, Kolar, Hassan, Dakshina Karnataka etc as higher yielding milk species were preferred to cater to the increased demand for milk. Figures also revealed decline in in-milk buffalo population in the corresponding districts of Karnataka.

In Karnataka, the Department of Animal Husbandry & Veterinary Services (AH&VS) oversees veterinary and health care services. Four institutions supplement efforts of the department in dairy sector viz., "Karnataka Veterinary Council", "Karnataka Veterinary Animal and Fisheries Sciences University, Bidar", "Institute of Animal Health & Veterinary Biologics, Bangalore" and "Karnataka Milk Federation, Bangalore". In addition, the government has also formed "Karnataka Livestock Development Agency" in 2002 to implement a national project on cattle and buffalo breeding. The implementation of AH&VS Department has devolved the functions to the Panchayat Raj Institutions (PRIs) at district (Zilla Panchayat [ZP]), block (Taluka Panchayat [TP]), and Gram Panchayat (GP) levels. The government has set-up 3,680 veterinary hospitals, dispensaries, clinics, mobile units or veterinary centres and 3,910 Artificial Insemination (AI) centres. During 2012-13, the government agencies have performed about 23.7 lakh AIs on bovines.

Of late, both the government as well as Cooperatives in Karnataka are facing shortages of veterinary doctors in the state. It has affected vaccination programmes. In 2013, the state had experienced an out-break of Foot-and-Mouth disease. The state government has issued an order re-organising the Department of Animal Husbandry and Veterinary Sciences in a bid to streamline its services. The cooperatives are actively envisaging financing the children of the farmer members to study the five-year course in veterinary science and serve as veterinarians.

#### REVIEW OF LITERATURE:

**G.Krishnamoorthy and R.Arunmozhi (2013)**  
Co-operative societies are back bone of any

nation's and its suburb developments. India is continuously ranked as world's largest and number one in the milk production. Even though the nation enjoyed the pride of number one status for a long time, through the milk and its products India has not performed well in exports. And the same time milk producers' life status is not improved. Study is carried out in the Bidar (DT), with the purpose of identifying the problems facing the co-operative milk producers and that impact on their day to day life. It reveals that co-operative milk producers are encountered lot of problems.

**Mallikarjun Biradar (2011)** has per his opined that there will have been cater to Hyderabad market where there is huge demand. The Bidar-Gulbarga Cooperative Milk Producers Societies Union Ltd. has set up a separate packaging unit for buffalo milk here to cater to the Hyderabad market. This unit is part of the 30,000-litre packaging unit that has come up on the milk dairy premises on Janawada Road here. It is also one of the opportunities "There is a huge demand for buffalo milk in Hyderabad. The city is within 140 km from Bidar and so we want to cash in on the opportunity," union president. "We collect 12,500 litres of buffalo milk a day. We plan to sell at least 8,000 litres a day in the Hyderabad market. Having a packaging unit in Bidar would help us address a major issue, and he also says that till now they had to take all the milk collected in Bidar to Gulbarga to package it. The process took time, leading to a day's gap between collection and sale. With the packaging unit in Bidar, the delay would be avoided and we would be able to sell fresh milk, "Till now, we sold a mixture of cow and buffalo milk. But with a separate facility to package buffalo milk, we can cater to a niche market and possibly increase our revenue."

**Shankar Bennur (2016)** says increase in cattle feed price has offset the benefit Have farmers and milk producers gained from the recent hike of Nandini milk price? Their answer is a resounding 'no', as there has been a sudden rise in the expenditure on cattle feeds, the prices of which increased immediately after the hike in milk prices. The milk price was hiked by Rs. 4 a litre and the State government maintained that a portion of enhanced sum will be passed on to the producers. Accordingly, the Karnataka Milk Federation (KMF) increased the procurement price to Rs. 22 from Rs. 20 a litre, giving an incentive of Rs. 2 a litre. With an incentive of Rs. 4 from the government, a milk producer gets Rs. 26 a litre. However, the producers claim they haven't benefited much from the hike as their spending on cattle feed supplied by the KMF has concurrently gone up.

**A.S. Premnath (2011)** according to him the federation is gearing up to add more infrastructure to reach its ambitious target, and also introducing farmers welfare schemes that could help the State increase its milk output. "We are growing at 10 per cent rate." With a history of producing quality milk coupled with a salubrious climate that has helped the dairy sector, Karnataka could attract investments in the dairy sector. Though KMF commands a dominating position in milk procurement, the private sector can play a role too. At present, just over 10 lakh litres of milk are being procured by a host of private dairies that are operating in the border areas such as Kolar, Belgaum and Bijapur. Increasing production of milk is also expected to bring financial benefits to the more than 20 lakh dairy farmers, including about six lakh women, involved in dairying. These are the farmers reaping benefits of the schemes and programmes of the KMF. An additional investment could bring in more dairy farmers to the fore. The agribusiness meet is being held at a time when several educated youth are turning towards dairy farming. Also says about Welcome trend "In the recent times, we have seen several educated and foreign returned youth investing in dairy farming in the State. They have invested in mechanised a farming technique, which is a welcome trend".

**Anurag Tewari, (2015)** says "We will start the project in the best-performing villages so that it will act as an incentive. A transparent system that ensures prompt payment will only increase milk production and procurement. We are confident that automation will help us put in place such a system." Procurement by the 200 societies in the district is around 50,000 litres per day as of now. "We plan to double it in a year by increasing procurement of each cooperative society and by increasing the number of societies. We are starting 60 new village societies and rejuvenating another 100 defunct societies," he added. A 10-member task force comprising officials of the Veterinary Department and the KMF will monitor the project.

**Rishikesh Bahadur Desai (2015)** State government will help the Karnataka Milk Federation (KMF) to launch a pilot project to ensure spot payment to farmers who supply milk to village-level cooperative societies. This will be in tune with the targets set by the milk-shed programme which aims to gradually increase procurement of milk. Among the objectives of the project is to eliminate middlemen who buy milk from farmers and sell it to the union in some villages. The district administration has decided to fund a project by the Bidar-Gulbarga-Yadgir Milk Union to digitise milk procurement in 30 selected villages at the cost of around Rs. 35 lakh.

**Vishwanath Patil Koutha (2007)** said the demand for a separate union for Bidar was three decades old. "We have been repeatedly appealing to the KMF to fulfil our demand, but in vain," he said. "Having one union for the two districts has neither helped Gulbarga nor Bidar. While the union has concentrated only on milk procurement in Bidar, it has focused on marketing it in Gulbarga. As a result, marketing in Bidar and production in Gulbarga have been neglected. If two separate unions were created, production and marketing would be strengthened in both the districts.

#### **NEED FOR THE STUDY:**

After reviewed the relevant studies available in the prominent news paper statements are reviewed all including regional and state including literature mentioned above, the researcher is came to know that in-depth studies made relating to diary milk industries. But in the particular area of the Karnataka state of bidar district has not been undertaken by any researchers in the recent past periods. As against this a tremendous developments have been taken place with regard diary milk industry production prospects and products problems pertaining to the prospect of the bidar district. Hence, the researcher came to know the particular aspect of the dairy milk industry is the base for gap and this gap is made an attempt to dairy milk units status in bidar district is to be motivated to the researcher to undertaken to study and analysis of the particular district of bidar. The researcher involved to make fulfilments of the objectives framed by the dairy unit members and dairy society members taken the involment and to bridged gap of the study. Dairy farming is an important source of subsidiary income to small farmers and agricultural labourers. They play a very important role in milk production of the population of the country. In India three-fourth of the population lives in rural areas and about 38% of them are poor. Dairy forming is a very important in rural area for reducing poverty and unemployment.

#### **OBJECTIVES OF THE STUDY:**

The following are the main objectives.

- ❖ To study the Dairy milk units and societies policies are impact on the dairy milk production.
- ❖ To study the demographic profile involved in the diary milk unit and dairy milk societies, production.
- ❖ To identify the problems & prospects for the dairy milk units and societies, producers of Bidar District.

**METHODOLOGY USED FOR THE STUDY:**

The research study is an analysis of **Problems and Prospects of Dairy Milk Industry of Bidar District**. This study is based on primary data collected through a structured questionnaire from a sample of dairy milk producers of Bidar district in the month of January 2017 like a field work period. The sample of the respondents is

collected through simple random techniques used in this study. For this study researcher approached 350 dairy milk producers' i.e. dairy milk units and dairy societies and finally we had retrieved only 248 from the respondents. The researcher used statistical tools for analysis of the data simple statistical tools like simple percentage, Average simple co-efficient of regression used for inferences of the results.

**Table -1  
Bidar district dairy milk units and societies demographic profile**

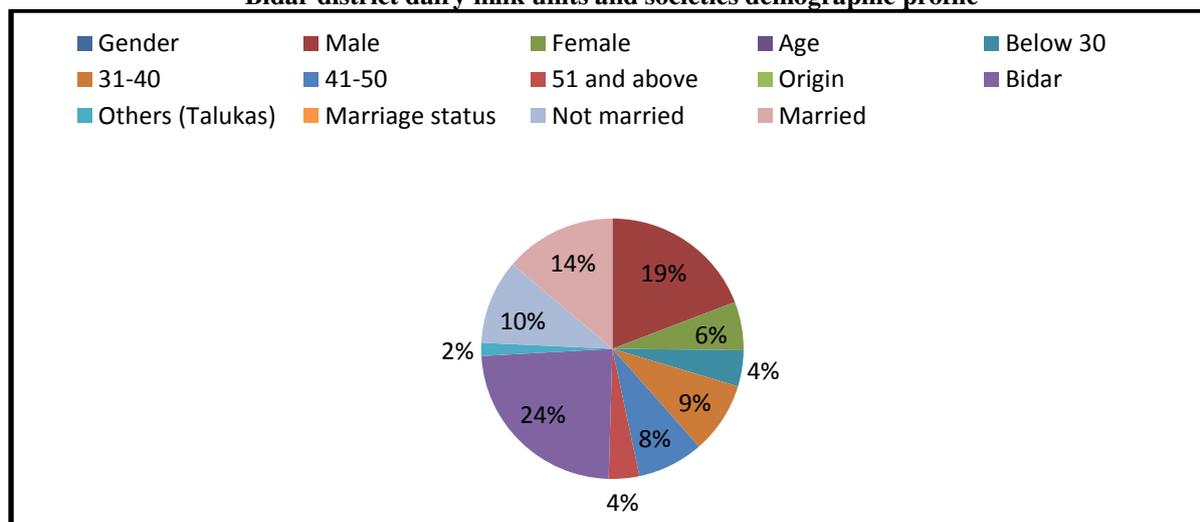
	DIARY MILK UNIT PRODUCERS	
	Frequency	Percentage
Gender		
Male	188	75.80%
Female	59	24.20%
Age		
Below 30	44	17.60%
31-40	87	35.00%
41-50	80	32.00%
51 and above	37	15.40%
Origin		
Bidar	232	93.20%
Others (Talukas)	16	6.80%
Marriage status		
Not married	103	41.50%
Married	135	58.50%

**Source: field survey**

Table-1 exhibit in Bidar more number of male (75.80%) dairy milk producer's i.e. dairy milk units and dairy societies involved in the milk production. Interestingly 24.20% of the females also engaged as the milk producers. The researcher look at the age group from 31 to 40 and 41 to 50 years are the higher group with small margin. All the respondents of the milk producers are belongs to the Bidar district i.e. all the talukas in the district very particular manner. It gives them advantages in the milk production. They knew well geographical features such as climate, rainfall season and other things. In Bidar most of the milk producers are

married and milk is the key for their livelihoods and to their family dependents. In the region of the Hyderabad Karnataka Bidar is one of the most of numbers farmers were engaged in the milk production too. Here people are doing business with both the government and private cooperative societies. After the entry of the private industries in the milk business milk producers are earned more amount of income compared to what they get from the government. In this region people were involved in milk production for more than 60 years but they are not trying another than dairy milk units and dairy societies.

**Chart-1**  
**Bidar district dairy milk units and societies demographic profile**



**Table-2**  
**Problems and Prospects of the Co-operative dairy Milk Units and Societies**

Factors	Co-efficient	Std.err.
Awareness	-0.092	0.170
Infrastructure	-0.539**	0.173
Cattle	0.117	0.254
Middleman	0.225	0.245
Marketing	-0.027	0.174

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

## RESULTS AND DISCUSSION

### 1. AWARENESS

The government of India and the state government of Karnataka were already have taken lot of constructive steps to improve the milk producers' economic status. But the cooperative community is not reached its peak, when compared to the developed countries (fallen under India in the milk production) Indian dairy milk units and the societies are producers are earn very few and the life status also very low. So government has to take more initiatives to develop the dairy industry. In the Bidar areas people's literacy level is very low and they are not fully aware about the government's offerings and subsidies for them.

### 2. INFRASTRUCTURE

Since dairy milk units and societies are the perishable, which needs to be processed, chilled, and saved in a particular manner. But we are lacking behind in the processing units. Because of that lot of milk is become useless to the human beings. If we have good infrastructure we can do more exports in the dairy industry. Here in Bidar areas milk processing units are not in the international standard.

### 3. MIDDLEMEN

Even though middle men create a business opportunity for the dairy milk unit and societies producers, they consume huge amount for that. It will affect the profit earned by the producers and systems followed the industry. Hence it needs to be transparent and open administration. Middle men used the unawareness of the dairy milk unit and society's members are the illiterate milk producers.

### 4. CATTLE

The Cattles are taken care is very vital point in the dairy milk units and societies to make the production very properly and systematically. For that the government has to create awareness among the farmers. And the same time veterinary hospitals are tunned in a good position. Further more food resources for the cattle are also been very much important to be largest milk producers in the world. In Bidar areas veterinary emergency services are not offered properly and the same time it is highly expensive.

### 5. MARKETING

The dairy milk units and societies in the milk industry is in the need for identifying new products and new marketing channels to survive and to earn good amount of profit. Furthermore the industry has to create some international business channels for the development of international

marketing pertaining to dairy milk business. once the this business is cross the domestic boarder the profits will earn and our diary industry will also been growing international phase.

## CONCLUSION

Dairy industry is poised to play a vital 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 magnitude contribution in providing different avenues for employment, both direct and indirect, and its role in improving the nutritional and status of the standards of our people and also add to the importance that needs to be attached in this sector during the present phenomenon of the 21st century. For the milk producers unawareness about the technology knows how and marketing practises are high level in the Bidar and the particular region. The dairy milk union and units and Cooperative societies should come forward and organize more numbers of awareness programmes then only the milk producers are utilizing the schemes offered by the government of India as well as government of Karnataka.

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