

CONSTRAINTS FACED BY TRIBAL ENTREPRENEURS IN DAIRY FARMING ENTERPRISE

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ABSTRACT

Dairy farming is one of the important enterprises which dominate the economic activities of the tribal people in the rural areas of Odisha in India. Increasing demand for milk and milk products in recent years intensifies dairy farming as profitable enterprise for tribals. The tribal entrepreneurs have been confronting to several constraints in this sector which hinder their way for development. The present study was undertaken in Mayurbhanj district of Odisha in India, to find out the constraints faced by tribal entrepreneurs and to suggest suitable measures to overcome these constraints. The results revealed that the major constraints faced by tribal dairy entrepreneurs were high cost of concentrate (96.67%), lack of availability of veterinary literature in the village (79.67%), non-remunerative price for milk (100%), the problem of poor irrigation facilities for growing fodder crops for the livestock animals (62.50%). Various suggestions provided by the sample of tribal dairy entrepreneurs were, better milk price for the producer, availability of concentration at cheaper rate, cost of veterinary services be reduced, marketing facilities be provided at village level for the outlet of milk and milk products and provision of veterinary literature to tribal entrepreneurs.

Key words: Tribal, Entrepreneur, Dairy Farming Enterprise, Mayurbhanj, Odisha

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INTRODUCTION

Dairy farming is one of the important enterprises which dominate the economic activities of the tribal people in rural areas of Odisha. Beside agriculture sector, dairy enterprise, provides continuous employment and supplements income to the tribal poor in rural areas of Odisha in India. It not only provides additional income but also improves dietary standards of family of the poor tribals. According to National Commission on Agriculture, next to agriculture, dairy enterprise is an important subsidiary industry in the economy. This sector also offers an efficient means of cash savings and economic security to the poor tribals. Advent of “Operation Flood” has made the farmers in rural areas to realize the importance of dairy enterprise as the potential source of additional income and employment. In recent years dairy farming has been growing rapidly because of increasing demand for milk and milk products. Promotion of entrepreneurship in dairy farming has been emphasized as a popular poverty alleviation strategy in the study area. Dairy farming is now considered as most profitable enterprise by the rural poor. But the entrepreneurs have been confronting to numerous constraints in this enterprise. The constraints viz. economical, technical, marketing and general hinder the way of tribal entrepreneurs to enter to this sector and become successful.

Objectives of the study

This study was undertaken keeping in view the following specific objectives.

- To find out the various constraints faced by tribal entrepreneurs in dairy farming enterprise.
- To suggest suitable measures to overcome the constraints for improved dairy management practices.

Scope of the Study

The present study provides valuable information to Tribal Development authorities to formulate appropriate strategies in framing the policy, organizing suitable extension activities and training programmes for the young tribal entrepreneurs. It also helps the tribal entrepreneurs to formulate proper policies to overcome the difficulties in dairy enterprise for improved dairy management practices.

Profile of the area under study

The present study was conducted in Mayurbhanj district, which is the largest district of the state Odisha in India. The district is situated in the northern part of the state and lies between $21^{\circ}16'$ and $22^{\circ}34'$ North latitude and $85^{\circ}40'$ and $87^{\circ}11'$ East longitudes. The total geographical area of the district is 10,418 Sq.Kms. According to the 2001 census, the population of Mayurbhanj is 22,23,456. The total ST (Scheduled Tribe) population in the district is 12,58,459. The total number of male and female ST population are 6,31,149 and 6,27,310 respectively. The total number of rural and urban ST population is 12,30,583 and 27,876 respectively. Mayurbhanj enjoys the unique distinction of having a vast forest cover bristling with varied flora and fauna, stretches of lush green forest served with a network of perennial streams and its bracing climate contribute so much to make the district an ideal habitat for different tribal groups of people. Mayurbhanj is a tribal dominated district. Out of 62 types of tribals in Orissa, Mayurbhanj alone houses 53.

METHODOLOGY

Sample Design

In Mayurbhanj district, totally there are twenty six blocks. Among these four Rural Development (RD) Blocks viz. Kaptipada, Betnoti, Rasgovindpur and Badasahi were randomly selected. From each of the selected blocks four villages were selected by considering the prevalence of tribal dairy farmers. Thus, totally twelve villages were selected for the study. A list of dairy farmers was prepared for each of the selected village in consultation with the Agriculture Officer of the

concerned block. Ten farmers were selected randomly from each of the twelve selected villages. Thus, a total of 120 farmers formed the sample for the study.

Research Design Used in the Study

In the present investigation, Ex-post facto research design was used. This design was considered as appropriate because the phenomenon had already occurred. Ex post-facto research is the most systematic empirical enquiry in which the researcher does not have control over independent variable as their manifestation has already occurred or as they are inherent and not manipulatable.

Data Collection

For measuring the variables of the study a draft interview schedule against set objectives was first prepared. The draft interview schedule was pre-tested with farmers in the non-sample area. Necessary changes were incorporated in the format of items in the light of pre-testing. To extract the required information from the respondents the final form of structured interview schedule was used. The data collection was done by personal interview with the farmers during March, 2010 either at their homes or at farms.

Statistical tools used

Frequencies and Percentages were calculated for making simple comparison wherever required. Charts are drawn using excel sheet.

RESULTS AND DISCUSSION

Economic constraints faced by Dairy Farming entrepreneurs

By careful examination of the results presented in Table 1, it is revealed that, 116 number of respondents (96.67%) per cent tribal dairy farmers expressed , non remunerative price for milk

and high cost of concentrate as the major constraint they had been facing .The major economic constraints expressed by dairy farmers were: high cost of crossbreed cow improved buffalo (72.50%), followed by inadequate bank finance to purchase milch animal (60.00%), difficult loan procedure (45.83%), high investment (42.50%) and high cost of veterinary medicines (33.33%).

Table 1

Distribution of respondents according to the Economic constraints faced

Sl. No.	Constraint	Respondents	
		Frequency	Percentage
1	High cost of concentrate	116	96.67
2	High cost of crossbreed cow/improved buffalo	87	72.50
3	High cost of veterinary medicines	40	33.33
4	High investment	51	42.50
5	Difficult loan procedure	55	45.83
6	Inadequate finance by bank for purchasing milch animals	72	60.00

Multiple responses possible, Source: field survey

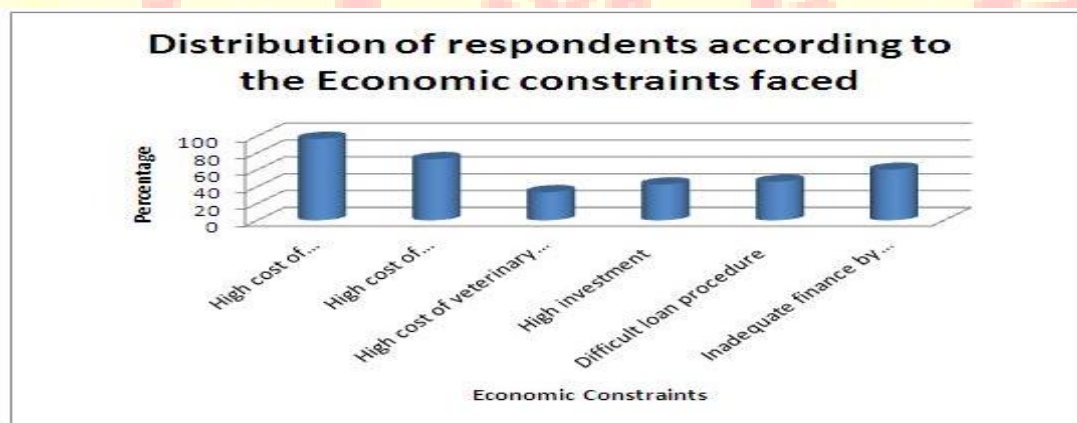


Figure 1: Distribution of respondents according to Economic constraints in dairy enterprise

Technical constraints faced by Dairy Farming entrepreneurs

In case of technical constraints Table 2 expressed the results. Major constraints expressed by tribal dairy entrepreneurs were Lack of availability of veterinary literature in the village 95 respondents (79.67%), highly expensive consultancy service of private practitioners expressed by 82 respondents (68.33%), lack of veterinary facilities in the village 57 (47.50%), followed by, lack of technical knowledge to manage the dairy enterprise by 38 respondents (31.67%). Whereas, only 10 (08.33%) of tribal dairy entrepreneurs had expressed poor conception rate in dairy animals.

Table 2

Distribution of respondents according to the Technical constraints in dairy enterprise

Sl. No.	Constraint	Respondents	
		Frequency	Percentage
1	Lack of veterinary facilities in the village	57	47.50
2	Highly expensive consultancy service of private practitioners	82	68.33
3	Lack of availability of veterinary literature in the village	95	79.67
4	Lack of technical knowledge to manage the dairy enterprise	38	31.67
5	Poor conception rate in dairy animals	10	08.33

Multiple responses possible, Source: field survey

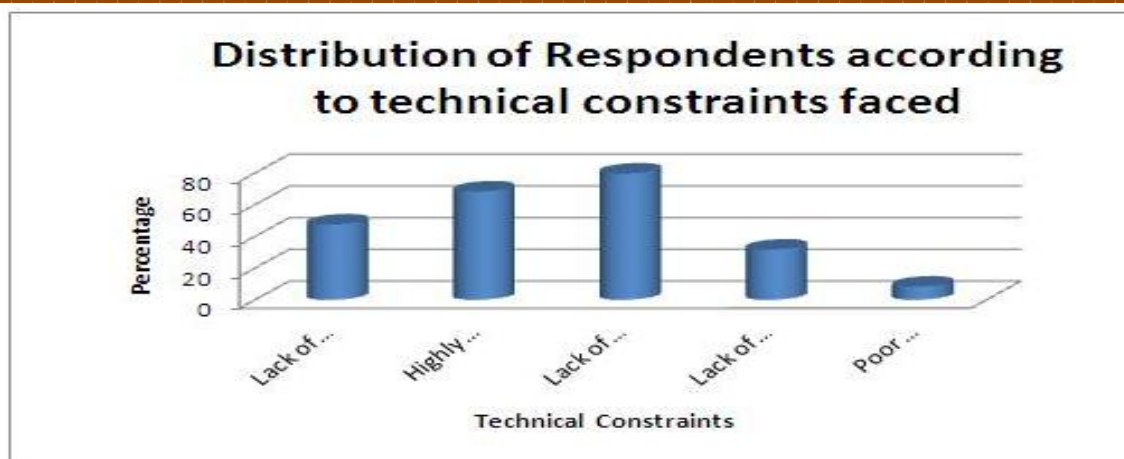


Figure 2: Distribution of respondents according to technical constraints in dairy enterprise

Marketing constraints faced by Dairy Farming entrepreneurs

Table 3 revealed the major marketing constraints faced by tribal dairy entrepreneurs. Non-remunerative price for milk revealed by cent percent entrepreneurs. Whereas poor marketing outlet of milk expressed by 78 respondents (65.00%), followed by lack of storage facility 65 (54.67%) and competition from established and large units 40 respondents (31.50%).

Table 3

Distribution of respondents according to marketing constraints in dairy enterprise

Sl. No.	Constraint	Respondents	
		Frequency	Percentage
1	Non-remunerative price for milk	120	100.00
2	Poor marketing outlet of milk	78	65.00
3	Difficulty to store milk in summer season	65	54.67
4	Competition from established and large units	40	33.33

Multiple responses possible, Source: field survey

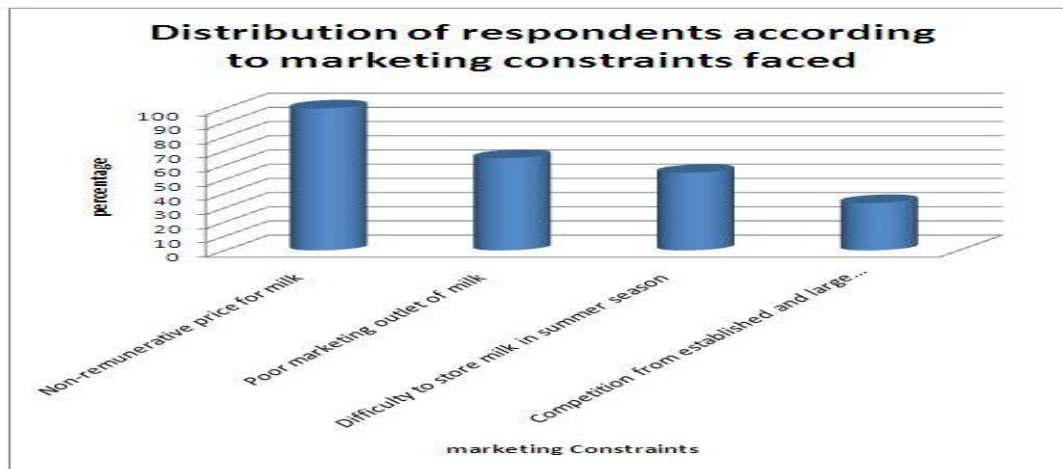


Figure 3: Distribution of respondents according to marketing constraints in dairy enterprise

General constraints faced by Dairy Farming entrepreneurs

The major general constraints expressed by tribal dairy entrepreneurs were shown in Table 4. It is revealed that 75 respondents (62.50%) expressed the problem of poor irrigation facilities for growing fodder crops for their livestock animals, distant location of A.I. centers expressed by 62 respondents (51.67%), 57 respondents (47.50%) expressed the susceptibility of animals to disease, lack of knowledge about silage preparation 48 (40.00%) and non-availability of improved fodder seeds 43 (35.83%) of respondents.

Table 4

Distribution of respondents according to General constraints in dairy enterprise

Sl. No.	Constraint	Respondents	
		Frequency	Percentage
1	Distant location of A.I. centers	62	51.67

2	Poor irrigation facilities for growing fodder crops	75	62.50
3	Lack of knowledge about silage preparation	48	40.00
4	Non-availability of improved fodder seeds	43	35.83
5	Susceptibility of animals to diseases	57	47.50

Multiple responses possible, Source: field survey

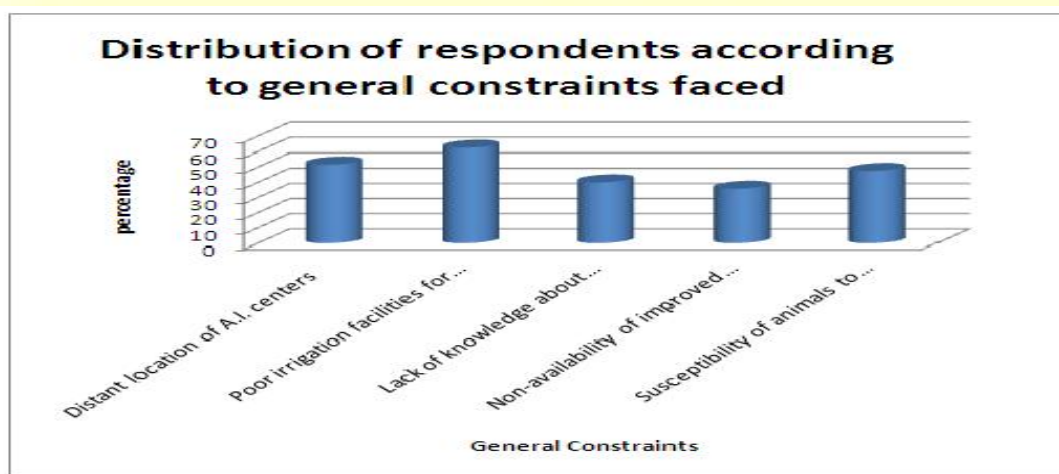


Figure 4: Distribution of respondents according to general constraints in dairy enterprise

Suggestions offered by Dairy Farmers to remove constraints for improvement of the Dairy Enterprise

The results presented in Table 5 revealed that, cent per cent of tribal dairy entrepreneurs suggested better milk price for the producer and 116 respondents (96.67%) suggested that concentration should be made available at cheaper rate. However, 100 respondents (83.33%) expressed cost of veterinary services should be reduced. Marketing facilities should be provided at village level for the outlet of milk and milk products suggested by 85 respondents (70.83%). The other major suggestions offered by dairy farmers such as, provide veterinary literature in village by 75 (62.50%) respondents, loan amount to purchase dairy animals to be increased by 74 (61.67%) respondents, loan sanction procedure should be easy by 66 (55.00%) respondents, regular and planned supply of vaccines by 50 (41.67%) respondents, provide proper A.I. facility at village level by 53 (44.17%) respondents, provide technical knowledge to manage

the dairy enterprise (37.50%), small scale industries are to be encouraged at village level (29.67%) and subsidies should be given on certain inputs like veterinary medicines, fodder seeds (23.33%).

Table 5

Distribution of respondents according to their suggestions to improve the dairy enterprise

Sl. No.	Suggestions	Respondents	
		Frequency	Percentage
1	Marketing facilities be provided at village level for the outlet of milk and milk products	85	70.83
2	Providing technical knowledge to manage the dairy Enterprise	45	37.50
3	There should be regular and planned supply of vaccines	50	41.67
4	Subsidies should be given on certain inputs like veterinary medicines, fodder seeds, etc.	28	23.33
5	Enhanced milk price for the producers	120	100.00
6	Loan sanction procedure should be easy	66	55.00
7	The loan amount for the purchase dairy animals be increased	74	61.67
8	Concentrates should be made available at cheaper rate	116	96.67
9	Providing proper A.I. facility at village level	53	44.17
10	Cost of veterinary services be reduced	100	83.33
11	Providing veterinary literature in village	75	62.50
12	Small scale dairy industries be encouraged at village level	35	29.67

Multiple responses possible, Source: field survey

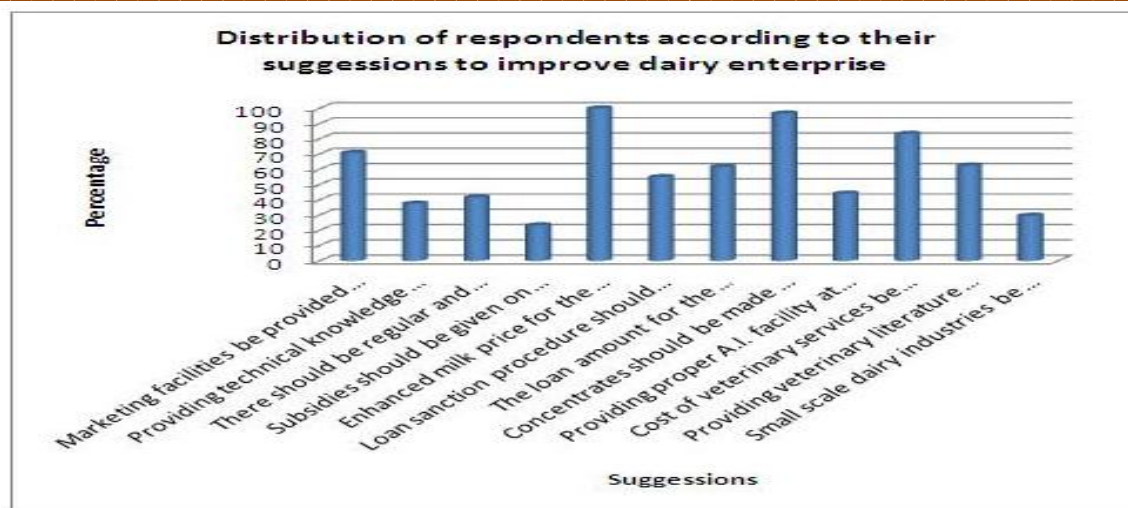


Figure 5: Distribution of respondents according to their suggestions to improve dairy enterprise

CONCLUSION

- The major economic constraints faced by tribal dairy farmers were, high cost of concentrates, high cost of crossbred cow /buffalo, inadequate bank finance to purchase milch animal, difficult loan procedure and high investment. Hence, it is concluded that if the cost of concentrate which is essential for dairy animals increases, it naturally affects the income level of tribal dairy farmers. The price of crossbred cow/improved buffalo is higher than local cow /buffalo due to difference in milk yield. Based on interaction with respondents, it was observed that the loan amount lent by the bank was less than actual price of milch animal, so they had to add some amount of money of their own to purchase the milch animals and also required many documents to borrow the loan.
- However, lack of veterinary facilities in the village, lack of availability of veterinary literature in the village and highly expensive consultancy service of private practitioners were the major technical constraints faced by dairy farmers. The probable reasons of these constraints might be due to the fact that veterinary hospitals are established in big village. Hence, it is quite inconvenient for dairy farmers of near by village to give timely treatment to their animals.

- The journals and magazines on dairy aspects are essential to get appropriate information. But due to lack of availability of veterinary literature in the village, dairy farmers could not get technical information. This might be due to lack of interest and awareness among the village people.
- Highly expensive consultancy service of private practitioners was observed. This might be due to limited veterinary health centers and trained persons in the area.
- Thus, non-remunerative price for milk, poor marketing outlet of milk and lack of storage facilities were the major marketing constraints faced by dairy farmers. The possible reasons for non-remunerative price for milk might be due to the high competition from major dairy units and also consumer's preference to quality of milk.
- Poor marketing outlet of milk and lack of storage facilities were observed in the area. This might be due to lack of either government support or the support from cooperative sector.
- However, susceptibility of animals to diseases, poor irrigation facilities for growing fodder crops and distant locations of A.I. centers was a major constraint for majority of the respondents. The crossbred cows/ improved buffalo are more susceptible to disease due to unfavorable climate to their health.
- A.I. centers established in big village, hence dairy farmers faced difficulty to inseminate their animal at proper time. This might be due to limited number of A.I. centers opened by government.
- It is evident from Table 22 that cent per cent dairy farmers offered the suggestions such as better milk price for the producers and concentrate should be made available at cheaper rate. The dairy farmers were not satisfied on milk price; this might be due to high expenses such as, higher rate of concentrates, expensive veterinary services, incidence of diseases etc.
- Other major suggestions offered by dairy farmers were cost of veterinary services to be reduced (81.00%), followed by marketing facilities to be provided at village level for outlet of milk and milk products (66.00%), providing veterinary literature in the village (59.00%), the loan amount for purchase of dairy animals to be increased (58.00%), loan sanction procedure be made easy and simplified (47.00%), there should be regular and

planned supply of vaccines (46.00%) and provide proper A.I. facilities at village level (41.00%).

Recommendations

- Inadequate finance by the banks was one of the major constraints faced by dairy farmers. Hence, financial agencies should increase the quantum of loan amount to enable the farmers to purchase quality and high yielding milch animals.
- Price of milk should be fixed based on the cost of milk production, so as to provide remunerative price for milk and encourage the intensive dairy activities in the rural area.
- Health care of dairy animals from its birth is an important aspect of dairy development. There must be sound veterinary services within a reasonable distance to provide necessary treatment. The mobile ambulatory clinic to be started by veterinary department of state government.
- Literacy rate of tribal population in this area must be improved.

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