Problems And Practices Of Micro-Scale Dairy Entrepreneurs In Salem District, Tamilnadu

Dr.M.Selvakumar, Dr. G. Yoganandan

ABSTRACT: In India, dairy business is plays a significant role in the form of employment, income generation, economical contribution and export opportunities. The rural people strongly believe in employment and income from dairy business. All over the world Indian dairy sector in front of dairy production but entire production to meet local demands. In this connection dairy business have more opportunities to start an entrepreneurial activity, it helps to improve the employment and constant income earning in dairying. This paper concentrates on problems and practices of micro level entrepreneurship in Salem district of Tamilnadu. The data collected from 119 respondents and interpret thorough descriptive analysis, garret ranking and factor analysis. The outcome of results shows about due to investment problems, minimum amount of income from dairy business, treated as female business and dairying any members from family for that reason serious issue for the dairy business. The dairy entrepreneur ready to invest in secured amount of investment with support from bank loans, supportive income of family from dairy business, employment and known business for encouraging dairy activity.

Keywords: -Dairy Business, Entrepreneur, Income, Employment, problems

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1. INTRODUCTION

Livestock sector plays a significant role in the Indian economy, particularly for the welfare of the rural population of India. It has become a crucial element in improving the life standard of rural people by means of providing income, employment, asset value and maintaining health status of people. Among livestock sector, dairy sector is the most important industry affecting economy of rural India. Tamilnadu is the state dominated by dairy produced mainly due to rich agricultural farmers. Dairy production has been significant over the past few years. (Selvakumar, 2014) In India, Entrepreneurship has received large prominence. The function of Micro entrepreneur could be very critical as they play a serious role in improving the socio economic profile of family. Dairy industry is one such industry in which there may be a large earning potential for rural farmers. Indian government has emphasized banks to work on financial inclusion very significantly as the rural economic system has endured to enhance due to dairy business. (Suryakumar & Venkatesh, 2017) India is the leading milk manufacturer in the global, the milk and milk products demand increasing for is higher volume, India lives in villages, rural people are very much dependent on agriculture and agriculture allied activities, farmers are engaged in dairy farming actively as there is a huge response for milk and milk products in world. Dairy sector in India has been providing plenty of job opportunities to the rural masses. Tamil Nadu government in order to provide impetus to dairy business has planned to give milch animals to 60,000 women over the next 5 years. Until now 12,000 women have been benefitted. (Vasan, 2016) To distribute and market the milk, dairy cooperative societies have been started in all villages. There is a 5% rise in milk productivity and consequently there is a 10% rise in market demand in India. The significance of dairy farming within the economic improvement of any country whether wealthy or terrible, is borne out by using the fact that it is the most important area of the financial system which gives the simple elements required for the survival of mankind and also be accountable for most of the uncooked materials, Which when transformed into finished products, serve as simple necessities of the human race. Dairy farming performs a maximum strategic role from several factors of view. However, in a speedy industrializing economy, this isn't always sufficient. Industrialization necessary brings with it urbanization and a speedy growth of the industrial labour force. (Nabi, Suryakumar, & Thirunavukarasu, 2019) This might also, then be predicted to convey with it a growing in keeping with capita of food and milk dairy farming needs to generate export surpluses that allows you to earn more profit.

OPPORTUNITIES FOR SSI UNITS IN DAIRY UNIT

At present, dairy farmers are in large part depending on unorganized channels via middlemen. In the method, they may be no longer getting right remunerative method of pricing. Better way pricing for could be assured via harmonizing the links among manufacturers, milk cooperative societies and milk processing companies. There is need to extend effective backward linkage (farmers) with milk cooperative societies (primary) and forward linkage with the processing manufacturing units. Dairy industry offers an attractive scope in tiny and Small Scale Industry (SSI) zone for production merchandise like butter, ghee, flavored milk, ice cream goodies and other milk-primarily based merchandise. To encourage this trend, milk cooperative societies may be set up with primary processing facilities at the block wise in each district of the state and central in the country. These trends could help modernize and produce these milk product manufacturing units within the organized section. The food safety and standards are to be monitored regularly. At present milk and milk processing units also have to be registered under milk and milk products in their products must meet food safety standards formulated and monitored by different government department/ministries. The tiny and small-scale units may face threat from medium and large units, manufacturing dairy products in the country. Given a proper coordination, collectively with backward and forward linkages amongst dairy farmers and with essential governmental aid, the dairy enterprise in the small-scale area can flourish easily.

2. OBJECTIVES OF THE STUDY:

❖ To evaluate the socio economic Outline of micro scale dairy entrepreneur.

- ❖ To identify the most influencing factors in dairy business.
- ❖ To find out the problems faced by dairy entrepreneur.

3. REVIEW OF LITRATURE

Lawrence & Ganguli (2012) in the study carried out in Villupuram district of Tamil Nadu to ascertain the entrepreneurial behavior of dairy farmers. The target respondents identified from dairy farmers and 100 samples to select in different villages. The study revealed about majority of the dairy holders moderate level of entrepreneurial behavior and education is the key for positive entrepreneurial activity for dairying. Awareness camp, Intensive training, on the spot filed visit and group discussion along with farmers for increasing entrepreneurial activity. The dairy entrepreneurship increases the standard of livings to dairy farmers.(Ganguli, 2012)Muriuki Kiboi Muriithi et al… (2014) in their article concentrated on factors influencing business growth of smallholder dairy farming enterprises in Imenti South District of Meru County, Kenya. Sample sizes of 190 dairy farmers were selected in systematic proportionate random sampling technique. Joint venture between dairy farming and horticultural crop growing were also found to be beneficial to farmers. It is recommended that in-service training be given to livestock extension officers on business management in areas like record keeping, financial management, business planning and marketing. (Muriuki Kiboi Muriithi, 2014)Bharathy, R. S., & Selvakumar, M. (2014), this paper attempts to examine the various problems affecting the production of milk in Salem district. The problems that our dairy industry is facing at present are lack of gracing space low breeding cattle's and low income among the dairying masses, increase in the cost of cattle feeds and lack of labor, low price for milk, and lack of technological up gradations.The research indicated that the majority of the milk producers feel that low income and increasing day to day expenses and medical facility are the major hurdles in carrying out dairy business. (Bharathy & Selvakumar, 2014)Kamau, J. M. &Ngugi, J. K. (2014)in their article to attempt on factors affecting the growth of small and micro enterprises dairy farmers in Kenya. The primary data collected from 47 dairy

farmers in South Gatundu. The study concludes in to upgrade in dairy farming with latest technology and access the social media to share the idea to others. Dairy farmers update market information and utilize available in financial source.(Kamau, 2014)Hasan et al... (2016) the study focused on socio economic condition of buffalo dairy farmers in Bhola district of Bangladesh. The data collected from 35 buffalo dairy farmers in coastal area. The research concludes for buffalo farming in traditional way same time its highly profitable and poverty elimination. The sound breeding programs are necessary to improve genotype of these indigenous buffaloes.(T Hasan, 2016)Selvakumar & Ramaraj, (2017) this article attempts to study the income and employment opportunities in Salem district of Tamilnadu. The study reveals that, dairy sector has been providing regular and reasonable income throughout the year. Most of the milk producers involved in agriculture farming is uneducated farmers and they undertake dairy farming on part time basis .Dairy farming can be promoted further by involving young educated people with the help of specialized dairy schemes.(Selvakumar & Ramaraj, 2017)

4. RESEARCH METHODOLOGY:

This study has been conducted in Salem district of Tamil Nadu, India. This place was chosen, in view of the fact that it constitutes the main cattle holders of micro level entrepreneurs. For the purpose of the study, only the areas in which there is a huge opportunity for micro and small scale entrepreneurship exists in dairy industry were taken. During the time in which the research was conducted, cattle holders were widely available in and through various villages-making it possible to assess problems and practices for micro level entrepreneurship in dairy industry. The research conceded on non-probability sampling and target respondent identified in snowball sampling technique. The sample size 119 collected through questionnaire also used as interview schedule for the period of August to October 2019. The data analyzed and interpret with simple percentage, Garret ranking and factor analysis was used.

5. RESULTS AND DISCUSSION:

Interpretation: The above table 5.1 shows about personal profile of the respondents, it indications about gender wise most of the respondent in female for the reason that female doing the business with support of male. Mostly in 41 to 60 years of age respondents, since traditionally doing this activity. The maximum respondent's educational qualification reached at school level and family size of the respondents in 5 and more then 5.

Table 5.1 Demographic profile

Respondent		Frequency	Percent
Gender	Male	16	13.45
	Female	103	86.55
	Total	119	100.00
Age	21-40	14	11.76
	41-60	71	59.66
	61 Above	34	28.57
	Total	119	100.00
Educational Qualification	Illiterate	4	3.36
	Primary	42	35.29
	Higher Sec.	32	26.89
	Degree	41	34.45
	Total	119	100.00
Family Size	Below 4	36	30.25
	5	28	23.53
	6	41	34.45
	Above 6	14	11.76
	Total	119	100.00

Source: Primary data

Table: 5.2 PROFILE FOR DAIRY BUSINESS

Respondent		Frequency	Percent
Milch animals	3	53	44.54
	4	42	35.29
	5	16	13.45
	Above 5	8	6.72
	Total	119	100.00
Value of investment	Less than Rs.100000	47	39.50
	Rs.100001-200000	39	32.77
	Rs. 200001-	24	20.17

	300000		
	Above Rs.300000	9	7.56
	Total	119	100.00
Income earned through dairying	Less than Rs. 10000	21	17.65
	Rs. 10,001 to 20,000	55	46.22
	Rs. 20,001 to 30,000	29	24.37
	Rs. Above 30,001	14	11.76
	Total	119	100.00
Members involved in dairying activity	One member in the family	18	15.13
	Any member of family	69	57.98
	Laborers employed	32	26.89
	Total	119	100.00
How many	Less than 5 Years	62	52.10

years you are engaged	5 To 10 Years	39	32.77
	10 To 15 Years	12	10.08
	Above 15	6	5.04
	Total	119	100.00

Source: Primary data

Interpretation: The above table 5.2 shows about profile of dairy business, its conclude 44.5% of the respondents maintaining 3 cattle in in the dairy business. 39.50 of the respondents invested in dairy business in less than one lakh rupees. 46.22% of the respondents to earn income from dairy business in Rs.10,001 to Rs.20,000. 57.98 % of the respondents involved in dairy activity any member from family with time convenient and doing supportive work. 52.10 of the respondents actively engaged in dairy business less than five years.

Table: 5.3.a, the reason for doing dairy business

S.No	Reason	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5
1	To provide Employment	41	29	22	19	8
2	To provide income	31	36	21	22	9
3	Known business	23	27	35	21	13
4	Due to rise in demand for milk	9	16	18	20	56
5	Due to availability of agricultural land	15	11	23	37	33

Source: Primary data

Table: 5.3.b, Garret value calculation

100(Rij-0.5)/Nj	CV	GV
100(1-0.5)/5	10	75
100(2-0.5)/5	30	60
100(3-0.5)/5	50	50
100(4-0.5)/5	70	39
100(5-0.5)/5	90	24

Table 5.3.c, Garret ranking in reason for doing dairy business

S.No	Reason	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Total	Mean	Rank
1	To provide Employment	3075	1740	1100	741	192	6848	57.55	1
2	To provide income	2325	2160	1050	858	216	6609	55.54	2
3	Known business	1725	1620	1750	819	312	6226	52.32	3
4	Due to rise in demand for milk	675	960	900	780	1344	4659	39.15	4
5	Due to availability of agricultural land	1125	660	1150	1443	792	5170	43.45	5

Source: Primary data

Interpretation: From the above table no.5.3.a shows about the record of respondents to given a rank in reason for doing dairy business. The table no.5.3.b shows about the garret value formula and find out the garret value. Finally the table 4.3.c concludes with garret ranking technique to find mean value of 57.55to provide employment opportunities in dairy business in first rank followed by the

mean score of 55.54 to provide regular income also treated as supportive income of family rank two and third rank for known business for dairy activity the mean score 52.34.

FACTOR ANALYSIS

Table: 5.4.a

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.578
Bartlett's Test of Sphericity	Approx. Chi-Square	619.704
	df	66
	Sig.	.000

Source: Primary data

Table: 5.4.b *Communalities*

S.No.	Factors	Initial	Extraction
1	Income is not sufficient	1.000	.668
2	Maintaining is more expensive	1.000	.728
3	Investment is not security	1.000	.711
4	Due to agricultural failure	1.000	.626
5	Increase Raw material cost	1.000	.812
6	Increase laborer cost	1.000	.697
7	More flexible to work on these	1.000	.726
8	Increasing disease & Medical problems	1.000	.649
9	Marketing problems	1.000	.766
10	Low support from government	1.000	.648
11	Milk procurement cost is low	1.000	.546
12	Problems for increasing investment	1.000	.688

Source: Primary data

Interpretation: Bartlett's test is used to test the null-hypothesis that is to find out that the variables that are not correlated. Since the approximate chi-square value on problems faced by micro level dairy entrepreneurs is 619.704 which is highly significant at 1% level and the test leads to the rejection of the null-hypothesis. The value of KMO statistics (0.578) is greater than 0.5%. Thus, the factor analysis is considered as an appropriate technique for analyzing the correlation matrix.

Table: 5.4.c *Factors loading on percentage of Variance by Principal Component Analysis*

Factor	Variables	Component				Extraction Sums of Squared Loadings		
		1	2	3	4	Total	% of Variance	Cumulative %
1. Expenses	Maintaining is more expensive	.764				2.667	22.224	22.224
	Increase Raw material cost	.686						
	Increase laborer cost	.516						
	Low support from government	.723						
2. Income	Income is not sufficient		.611			2.509	20.906	43.131
	Due to agricultural failure		.668					
	Milk procurement cost is low		.692					
3. Operational	More flexible to work on these			.713		1.741	14.506	57.637
	Increasing disease & Medical problems			.425				
	Marketing problems			.507				
	Problems for increasing investment			.609				
4. Investment	Investment is not security				.752	1.348	11.232	68.868

Source: Primary data

Interpretation: It is observed from that the labeled initial Eigen values use the Eigen values. The Eigen value for a factor indicates total variance attributed to the factor. Factor one, preference for a variance of 2.667 which is 22.224% of the total variance; likewise the second factor and third factors have variances of 2.509 and 1.741 respectively which is cumulatively 43.131 and 57.637% of total variance

and similarly the fourth factor variance of 1.348 cumulative values is 68.868. From the factor analysis it is founded that four factors namely, expenses problems, income problems, operational problems and investment problems constitute the reasons behind problems during the dairy business in Salem district.

CONCLUSION

Milk and milk products contain all the essential nutrients capable of fulfilling the needs of all age group of people since milk forms an indispensable part of their dietary structure. (Selvakumar, 2018). The global opportunities for the Indian dairy industry will not be in conventional areas like milk powder, butter, Ghee, milk sweets etc. Dairy products are an integral part of the world's dairy diet. Considering that commercial, technical, social, legal, economic and food safety factors affect food products across the globe, it is likely that they will influence the business of dairy products too. The scope for growth in the dairy sector will depend upon the dairy industry's ability to service the market according to the need of its consumers. This will be based on key factors like convenience, quality, health and nutrition, entertainment and product

presentation. The wide scope of milk and milk product markets to generate employment and income from dairy business. (Selvakumar, 2015)Finally it concludes micro level dairy farmers treated in dairy business in supportive income, part time and minimum amount of investment. The educated people come forward to start a business with macro level. Micro level business holder need for cattle selection knowledge, cattle feeding traits, distribution level of fodder supply to cattle and common knowledge to identify periodical test (Bharathy & Vijayakumar, 2019), also to aware about market demand and financial facility for further extension of business.

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