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CHAPTER NO.1  
INTRODUCTION.

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## I) INTRODUCTION.

Milk is a natural food for the nutrition of man in every country. The developed countries rely upon this food for the health and longevity of life. As regards the developing and underdeveloped countries, this food is of vital importance for the good health of man which helps the progress of the country in particular and it generates additional income and employment in general.

So, 'Dairy occupies an important place in the world economy. Agriculturally advanced countries like USA, Australia, Japan, UK, Sweden, Austria, Denmark, etc. have the predominant part in milk production and significantly contributed towards the national income by dairy farming'.<sup>1</sup>

India is a developing country and agriculture is her soul and backbone. But agriculture depends upon the whims of nature so the agriculturists in general have to rely upon some supplementary business and the dairy farming is the first one.

The study and survey of dairy farming and dairy business of a particular area is the best example for the development of dairy farming and dairy business in the country, so it has been decided to study the situation and extract some conclusions out of the study of the limited area, namely Nipani.

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<sup>1</sup> Shri.D.G.Girdhari and Shri.R.D.Biradar, "Dairy Plant Profit Judging Technique", Financial Analysis (Ratios) : A Case Study of Government Milk Scheme, Udgri, (Maharashtra), Dairy Guide, New Delhi, February 1982, Vol.4, No.2, p.23.

Nipani town is situated on the verge of two States, Karnataka and Maharashtra. Nipani being the no-man's land, both the Governments neglect the progress in general and the industrial development in particular so the people in Nipani town turn towards those businesses and services where the circumstances compel them to do.

Some people in this area who lead their rolling stone life select the dairy business as their source of income and some agriculturists do the dairy business, supplementary to the agriculture.

So, the researcher has selected this problem for the study and decided to come out with suggestions for the development of the milk business in this area.

There are in all four factors involved in the milk marketing in Nipani town, viz. the milk producers, the milk vendors, the private dairies and the co-operative dairies.

The researcher has decided to study the place of above four factors in the milk marketing in Nipani town. It is the important point in the study to analyse the income derived from the milk business, the employment created out of it, the pattern of investment, the economic impact of the milk business on these four factors in particular and the people in this area in general and the daily share of these four factors in the milk marketing.

As regards the milk producers in particular, the researcher has kept in mind throughout the study, how far the dairy business is supplementary to agriculture and why the agriculturists have selected the dairy business as the business supplementary to agriculture. After

the statistical study, the researcher wants to know how far the milk business is economically profitable and to pin-point the various problems faced by them.

The researcher is curious about the hindrances and problems of the factors involved in the milk marketing in this area and interested to give some suggestions to eradicate these problems.

## II) OBJECTIVES OF THE STUDY.

The study has been undertaken with the intention of the following objectives:-

1. To study the situation of milk marketing in Nipani town;
2. To study the cost structure of milk of the milk producers;
3. To study the economic impact of milk marketing on the factors involved in the milk marketing in Nipani town;
4. To identify the share in the milk marketing of the factors involved;
5. To identify the problems faced by the factors involved in the milk marketing in Nipani town and to give some suggestions to eradicate these problems;
6. To know the future prospects of the co-operative dairies in Nipani town.

## III) HYPOTHESES.

1. Dairy business provides main and supplementary occupation to the farmers in Nipani town;
2. Only a few milk producers in Nipani are reaping the benefits of the co-operative dairies in Nipani town;

3. The dairy business is not economically profitable for the milk producers possessing 1 to 2 milch animals;
4. The private dairies have the dominant place in the milk marketing of Nipani town;
5. There is a wider scope for the development of the co-operative dairies in Nipani.

#### IV) DATA AND METHODOLOGY.

While studying the problem of 'A Study of Milk Marketing in Nipani Town', there is a need of collecting primary as well as secondary data. As there are no written documents and records with the three factors, namely the milk porducers, the milk vendors and the private dairies, the reseacher has to rely upon the primary data. As regards the fourth factor, namely the co-operative dairies, it became possible to derive the conclusions with the help of the records maintained by these co-operative dairies.

A systematic questionnaire has been prepared for the collection of the primary data from the above three factors. After the questionnaire, every factor has been interviewed and deep discussions are held and with all these things, data have been collected and conclusions have been drawn. With the base of a sequential questionnaire, the interviews and the discussions are held with every member of all these three factors. As regards the co-operative daeiries, the researcher has taken the help of both the/primary and secondary data wherever necessary. The researcher has discussed some of the points with the authorities in the co-operative dairies and this primary data is of 25% approximately beneficial in this Dissertation.

The secondary data of the co-operative dairies can be classified in the following ways, i.e. annual reports, ledgers and records. The researcher has also prepared a questionnaire for the co-operative dairies. Taking into mind the exact way of investigation, the researcher made the primary discussion with some of the authorities of the co-operative dairies and then prepared a questionnaire for them. With the help of this secondary data, the discussions in the Dissertation have been made and the conclusions have been drawn.

While supplying a questionnaire to the milk producers, it was badly essential to fix the exact number of the milk producers. To decide the number of the milk producers, the Record of Thirteenth All India Census of Livestock and Farm Equipment in Nipani Municipal Bureau in 1983 was taken help of and with this, the researcher went from ward to ward of the town and fixed the number of the milk producers in Nipani town in 1986 (i.e.279).

As regards the milk vendors, it was hypothesized the number of the milk vendors coming from outside is more and so the researcher has made two-way efforts in fixing the number of the milk vendors first, after making the list of the local milk vendors, the interviews have been taken for this purpose. The researcher wandered in all the 7 wards of the town and made a list of the local milk vendors, (i.e.8).

As regards the milk vendors coming from outside, the researcher after standing at the key points of the roads approaching to Nipani town, the number of milk vendors coming from outside has been fixed and interviews are taken accordingly. The number of milk vendors coming from outside is 60.

All the private and co-operative dairies working in Nipani town have been registered in the Town Municipal Council of Nipani. As per the record of Municipal Licence Register under P.F.A. 1986, so the researcher could fix the exact number of the private and co-operative dairies in Nipani town, i.e. private dairies 15 and co-operative dairies 3. After approaching these dairies and giving the questionnaire, the data have been collected and the study of it has been made.

While collecting the data from all the milk producers, the milk vendors and the owners of the private dairies, the researcher has faced some difficulties which were overcome intelligently. The persons involved in all these factors of milk business in Nipani town are either illiterate or poorly literate so they were ignorant or beyond understanding of the questions asked in the questionnaire, so at the time of interviews, the points in the questionnaire have been discussed, clarified and simplified wherever essential and this work is practically time-consuming. The researcher has prepared the questionnaires in the language of the interviewees (Marathi) for the simplification of the work (see Appendices 'A', 'B', 'C' and 'D')

#### **CENSUS METHOD.**

In this investigation, the census survey has been utilised regarding all the four factors involved in the milk marketing and utmost care has been taken not to slip out any member of these factors from the interviews and discussions.

#### **OBSERVATION METHOD.**

At the time of collecting the data, the researcher has observed some facts and points which have not been included in the ques-

tionnaire and the observations of these facts and points have been made use of in the Dissertation at the time of interpretation.

The researcher has realised that there is a great need and importance of the different types of figures and so he has taken help of the different types of Tables and Graphs for interpretation and for deriving the conclusions and for this purpose, the researcher has taken use of such Tables and Graphs for the simplification of the conclusions.

#### V) SCOPE AND LIMITATIONS.

The Dissertation has been worked out in the specific year 1986. It has its limitation of time in order to complete the project well within time. The town Nipani which is selected for the project in order to study it conveniently is in Chikodi Taluka of Belgaum district of Karnataka State.

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