



RESEARCH
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An economic analysis of growth trend and strategies for organized dairy plant in Karnataka

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Abstract : Dairying is an important activity in Indian economy contributing about 27 per cent of the agriculture gross domestic product (GDP) and around 4.35 per cent of the national GDP (Government of India, 2007-08). Karnataka stands eleventh in milk production in the country and it occupies second position with respect to milk production under co-operative sector in the country. The milk production was around 50 lakh litres per day during the year 2013-2014. Karnataka milk federation operates in 27 districts with 11,500 dairy co-operative societies covering 19,500 villages involving 1.6 million farmers. Among the 27 districts, Kolar and Chikkaballapur districts operating under Kolar milk union was purposively selected for the study. The compound growth rate for the period 1993-94 to 2012-13, in respect of total number of DCSs functioning, total number of members of DCSs, quantity of milk procured per day and quantity of liquid milk, curd and UHT milk sold per day, recorded 4.03, 3.11, 4.07, 10.89, 19.56, and 27.20 per cent, respectively and were highly significant. The main procurement strategies followed by Kolar milk union were changes in milk procurement price, ensuring availability of feed and fodder, systematic disease control and creation of disease free zones and artificial insemination camps. And the main marketing strategies followed by KOMUL were expansion of retail networks, creating brand awareness, quality improvement, training of channel members, promote the new products, introduction of new packs, streamlining the indenting system and collaboration with local NGOs.

Key words : Kolar milk union (KOMUL), Compound growth rate, Procurement, Marketing strategies

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