



## An economic analysis of milk production with different types of milch animals

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**ABSTRACT :** The cost of production may be broadly classified as variable costs and fixed costs. The variable costs comprised of green fodder feeds, labour, veterinary expenses, interest on working capital while the fixed costs consists of interest on fixed assets, depreciation on dairy equipments and cattle shed. The total cost came to 9557 per animals per annum of which the variable costs accounted for 76.24 per cent and fixed costs accounted for the rest of Rs. 23.76 per cent of the total cost. The sources of income included sale of milk and dung (FYM) whose sale values was worked out Rs. 11,005/-, Rs.24, 795/- and Rs. 15,192/-, respectively for local cow, crossbred cow and buffalo. Crossbred cows have yielded highest milk / lactation of 2672 litres. The sale of milk came to Rs. 24,047/- at an average price of Rs.9.0 litre. The crossbred cows are genetically potential enough to yield higher quantity of milk. Hence, it was obvious to expect higher returns. The local cows are genetically poor yielders and could provide only 1142 litres per / lactation which was less than half of the crossbred cow. The gross returns of local cow worked out to Rs.11,005/- only.

**KEY WORDS :** Variable cost, Fixed cost, Cross bred, Lactation

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### INTRODUCTION

India stands first in livestock population and is the largest producer of milk in the world. Milk accounts for over 17 per cent of agriculture production the country which has witnessed substantial growth in the dairy sector. Establishment of AMUL in Gujarat was a milk store in dairy industry. Nearly 70 million farm families are engaged in dairy activity. Government of India established NDDDB in 1964 to replicate Khaira District Co-Operative Milk Producers Union pattern of Co-Operative dairying throughout the country on a comprehensive basis and was referred to as operation flood. This programme was designed to help rural dairy farmers to organize into village dairy co-operatives. Karnataka State is forerunner in milk production with third position in the country with regard to

milk production. The state has 13 unions. Due to operation flood programme in Karnataka, the economy of farmers is improving due to higher income and employment generation. In the light of the above, the study was initiated to study in detail about economic aspects of dairying. Karnataka state is the forerunner in milk production ranking third largest milk producer in the country.

### MATERIALS AND METHODS

The study was undertaken in Shimoga district of Karnataka state. It was based on the primary data obtained from 90 milk producers selected randomly from nine villages spread over 3 Talukas of the district at the rate of 10 dairy farmers in each village. Three stage sampling procedure was adopted to select the ultimate milk producers. At the first stage, three Talukas namely, Shimoga, Bhadravathi and Hosanagar having highest population of milk producers were selected. Further, a list consisting of villages in each Taluk with high concentration of dairying was obtained from the village level extension workers. On the same analogy, 3 villages were selected from each taluk which comes to nine. For selection of milk producers, a list of milk producers with at least one local cow, crossbreed and a buffalo was taken from the local extension workers of respective villages. Then, out

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