



AN EMPIRICAL STUDY ON THE PERFORMANCE OF DAIRY ENTERPRISE FOR SUSTAINABLE DEVELOPMENT OF FARMING COMMUNITY

B. Laxmi¹, Sangappa² & K.S. Kadian³

¹National Institute of Agricultural Extension Management (NDRI, Karnal) Hyderabad

²ICAR- Indian Institute of Millet Research, Hyderabad

³National Dairy Research Institute, Karnal

*Corresponding email: balaganurmth548@gmail.com

ABSTRACT

To assess the agripreneurs performance in dairy enterprise, a research study was conducted covering four selected districts of Karnataka. The performance level was divided based on financial and non financial indicators. Financial indicators related to profit, status of loan, retailing of the products in the market. Agripreneurs are fully satisfied with the performance of dairy enterprise. Non financial indicators include Satisfaction with regard to the selection of the dairy enterprise, Services provided to the clients for dairy development etc. Majority of the agripreneurs were actively participating in their dairy enterprise and shows high performance level. Education, annual income and occupation had significant and positive correlation with the performance of the agripreneurs at 0.05 level of probability.

KEY WORDS: Agripreneurs, Financial and Non- Financial, Performance level.

INTRODUCTION

With the transformation of Indian agriculture from subsistence to industrial mode and its globalization, the challenges facing agricultural extension in the country are unprecedented. The relative proportion of agricultural graduates finding employment in the public sector in India is also shrinking gradually. More jobs should, therefore, be created in the private sector (George and Bhaskaran, 2004), besides increasing avenues for self employment. This, however, necessitates fine-tuning the entrepreneurial skills of the agricultural graduates. In India, there is need for revitalization of extension system in the country to address these issues, providing value added extension services to the farmer through additional qualified man power and adequate infrastructure (Shekara *et al.*, 2011, Parimaladevi *et al.* 2006) reported that trained agricultural graduates had positive and favorable attitude towards self employment and to starting of agribusiness/ agriventure in rural areas. MANAGE also observed that around 15,000 agri graduates pass out every year from agricultural universities in India and only around 2500 agrigraduates are able to find jobs in private and public sectors. Thus every year around 11500 agrigraduates are available for supporting the agriculture. In this background, Government of India constituted a steering committee on agriculture and allied sectors under the chairmanship of Prof. M.S. Swaminathan. In the meanwhile the scheme is being implemented with the help of SFAC, NABARD in consultation with Ministry of Agriculture and Selected banks formulated a scheme for this purpose while National Institute of Agricultural Extension Management (MANAGE) identified 107 training institutes throughout the country for imparting training to agri-graduates. The

scheme was later approved by the parliamentary consultative committee of Ministry of Agriculture on August 22, 2001. The scheme of 'Agri-clinics and Agri – business Centers' was launched on 9th April, 2002 to strengthen the transfer of technology and extension services and also provide self – employment opportunities to technically trained agriculture graduates. The main objective of the Scheme, to supplement the efforts of Government extension system, make available supplementary sources of input supply and services to needy farmers and to provide gainful employment to agriculture graduates in new emerging areas in agricultural sector.

The advent of "Operation Flood" has made the farmers in rural areas to realize the importance of dairy units as the potential source of additional income and employment. But the facts remain in the uneven distribution of gains from livestock enterprise across the country. Hence, entrepreneurship development plays important role in dairy enterprise to make dairying as most profitable sector. Karnataka is one of the leading states in milk production, producing 32, 00,000 kg/ day. The co-operative society's model has been very successful in the state. Karnataka is having second largest dairy cooperative society in India. The Karnataka Milk Federation (KMF) is the apex body of the milk co-operative societies. There are 13 district level co-operative unions with 11,036 primary milk co-operative societies.

Agri-clinics and agri-business centre scheme is running successfully in Karnataka, under which 2889 candidates have taken training and 1158 agripreneurs started enterprise in agriculture and allied activities.

METHODOLOGY

The study was conducted in purposively selected state *i.e.* Karnataka. Out of 30 districts of Karnataka, 4 districts (Bengaluru urban, Belagavi, Vijayapur and Dharwad) were selected under purposive random sampling method on the basis of highest number of agripreneurs in dairy enterprise. Data was collected from 200 respondents, which includes 20 successful agripreneurs, 20 unsuccessful agripreneurs and from each successful agripreneur 8 clients were selected. The data was collected with the help of a developed semi-structured interview schedule. The performance level was calculated using performance index. The respondents were categorized into fully satisfied, partially satisfied and not satisfied on the basis of frequency and per cent. In order to find out relationship between selected independent and dependent variable, Pearson product moment correlation analysis was carried out. The overall performance of the respondents was categorized into low, medium and high category on the basis of mean and standard deviation (S.D.) calculated for the scores obtained by them.

RESULTS & DISCUSSION

Performance (Financial) of successful agripreneurs under Agri-clinics and agri-business centre scheme

A perusal of the Table 1 indicated that 70.00 per cent of the agripreneurs fully satisfied with the status of loan after the success of dairy enterprise where as equal no. (15.00%) of respondents were partially and not satisfied. It could be attributed that banks offered free accessibility to loan. Equal (40.00%) of agripreneurs were fully and partially satisfied with availability of collateral security for taking loan from the bank and remaining 20.00 per cent of respondents were not satisfied by the bank procedure. Reasons might be easy and hassle free collateral security procedures from bank. Observations from Table 1 shows

that 45.00 percent & 40.00 percent of successful agripreneurs were fully and partially satisfied, respectively with the investment in infrastructure development and remaining were not satisfied.

A perusal of the table 1 indicated that 55.00 percent of the agripreneurs fully satisfied with the Investment in purchasing inputs in establishing the dairy enterprise whereas 45.00% were partially satisfied. Majority (80.00%) of successful agripreneurs were fully satisfied with the profit received from dairy and hardly 20.00 percent were partially satisfied the reason might be because of the government intervention, which provides extra 2 rupees on per litre of milk as incentives and recurrent income from the dairy enterprise. Credit acquisition in dairy enterprise were important task and 70.00 per cent of agripreneurs were partially satisfied with this task, probably there were many difficulties to deal with credit acquisition.

About 45.00 per cent and 40.00% of successful agripreneurs were partially and fully satisfied, respectively with credit sources for dairy. Remaining agripreneurs were not satisfied might be strict rules from banks to credit.

As many as 70.00% of agripreneurs were partially satisfied with the price expected from dairy enterprise and remaining 30.00% agripreneurs were fully satisfied. Probable reasons were different enterprises and their aspirations contributed for expectations.

Dairy enterprise need different inputs and 55.00% agripreneurs were fully satisfied with low requirement of cost to run the business; remaining 45.00% of agripreneurs were partially satisfied.

About 70.00 per cent of the agripreneurs were fully satisfied with retailing of products in the market and remaining 30.00% of the respondents were partially satisfied. It could be seen that market structures were good enough in the area.

TABLE 1: Performance (Financial) of successful agripreneurs under Agri-clinics and agribusiness centre scheme (n=20)

SI No.	Statements	FS	PS	NS
1	Status of loan after the success of the enterprise	14 (70.00)	3 (15.00)	3 (15.00)
2	Availability of collateral security while taking the loan from bank	8 (40.00)	8 (40.00)	4 (20.00)
3	Investment in infrastructure development	9 (45.00)	8 (40.00)	3 (15.00)
4	Investment in purchasing inputs in establishing the dairy enterprise	11 (55.00)	9 (45.00)	0 (0.00)
5	Profit from the dairy enterprise	16 (80.00)	4 (20.00)	0 (0.00)
6	Access to credit facility from different sources	8 (40.00)	9 (45.00)	3 (15.00)
7	Experience of difficulties in dealing with credit acquisition	5 (25.00)	14 (70.00)	1 (5.00)
8	Better price expectations for the products of dairy enterprise	6 (30.00)	14 (70.00)	0 (0.00)
9	Increasing cost requirements to maintain the dairy enterprise	11 (55.00)	9 (45.00)	0 (0.00)
10	Experience in retailing of the products in the market	14 (70.00)	6 (30.00)	0 (0.00)

FS- Fully satisfied, PS- Partially Satisfied, NS- Not Satisfied

Performance (Non-Financial) of successful agripreneurs under Agri-clinics and agri-business centre scheme

Results presented in the Table 2 expressed that 55.00 % and 45.00% of successful agripreneurs were fully and partially satisfied with selection of dairy enterprise as their entrepreneurship, respectively. There were no agripreneurs in dissatisfied condition with regard to dairy enterprise; reason might be dairy considered as the profitable venture. About 70.00% agripreneurs were fully satisfied with the goals they were set forth and working accordingly, probable reasons were agripreneurs were possessing good

managerial abilities to run the dairy venture. As many as 65.00% of respondents were partially satisfied with the services provided for dairy enterprises like veterinary services, fodder availability *etc.* The reasons might there were still requirement of these services on par.

Dairy is a profitable venture which improves the socio-economic status of the entrepreneurs hence about 70.00 per cent of the agripreneurs were fully satisfied and only 20.00 % were partially satisfied. Required knowledge to run the dairy enterprises were fully satisfied about 55.00 percent of agripreneurs and remaining 45.00 % of were partially satisfied. The probable reasons were better

extension work in the study area with respect to dairy. Information utilization with respect to run the dairy enterprises were used by different sources and about 55.00 per cent of successful agripreneurs was fully satisfied whereas 45.00 % were partially satisfied. Availability of required information sources might be the reasons for satisfaction. The findings were in line with the past findings of Singh (2010), Ram Chand (2008), Saha (2007) and Das (2008). Services provided to the farmers for dairy development were used by different sources and about 55.00 % of successful agripreneurs were fully satisfied whereas 45.00 % were partially satisfied. There is further scope to provide services in different sources. Equal (50.00%) of agripreneurs were fully and partially satisfied with the frequency of farmers dealt for providing services. Dairy enterprise was the key venture in the area this might

be reason for satisfaction. A perusal of the Table 2 indicated that 75.00 % of the agripreneurs fully satisfied with the experience in running of dairy enterprise whereas (25.00 %) of respondents were partially satisfied. It could be attributed that they possessed enough experiences to handle the situations. Majority (90.00 %) of successful agripreneurs were fully satisfied with the confidence developed from the dairy enterprise. The probable reasons were better social participation, extension contact as well as zeal to run the business. Majority (90.00 %) of successful agripreneurs were fully satisfied with the involvement in decision making at home as well as outside regarding dairy enterprises. The probable reasons were self confidence, social participation, and psychological status improved their decision making ability.

TABLE 2: Performance (Non-Financial) of successful agripreneurs under Agri-clinics and agribusiness centre scheme (n=20)

SI No.	Statements	FS	PS	NS
1	Satisfaction with regard to the selection of the dairy enterprise	11 (55.00)	9 (45.00)	0 (0.00)
2	The dairy enterprise is working well in accordance with entrepreneur set goals.	15 (75.00)	5 (25.00)	0 (0.00)
3	On time availability of fodder, veterinary services helps in smooth functioning of the dairy enterprise	7 (35.00)	13 (65.00)	0 (0.00)
4	Improvement in socio economic status of the agripreneur	14 (70.00)	4 (20.00)	2 (10.00)
5	Acquisition of Knowledge in running the dairy enterprise	11 (55.00)	9 (45.00)	0 (0.00)
6	Utilization of information from different sources	11 (55.00)	9 (45.00)	0 (0.00)
7	Services provided to the farmers for dairy development	11 (55.00)	9 (45.00)	0 (0.00)
8	Number of farmers dealt with in providing service	10 (50.00)	10 (50.00)	0 (0.00)
9	Dairy enterprise effect on the quality of family life	13 (65.00)	7 (35.00)	0 (0.00)
10	Experience in dealing with farmers about dairy development	15 (75.00)	5 (25.00)	00 (0.00)
11	Developed self confidence	18 (90.00)	2 (10.00)	0 (0.00)
12	Involved in decision making at home and outside	18 (90.00)	2 (10.00)	0 (0.00)

FS- Fully satisfied, PS- Partially Satisfied, NS- Not Satisfied

The relationship between performance of successful agripreneurs with their personal, socio-economic and psychological characteristics

The observation of data in Table 3 revealed that out of twelve independent variables studied, innovativeness, achievement motivation, self confidence, risk orientation, market orientation and training undergone had significant and positive correlation with the performance of the agripreneurs at 0.01 level of probability. Education, annual income and occupation had significant and positive correlation with the performance of the agripreneurs at

0.05 level of probability. Remaining independent variables like age, information seeking behavior and wage labour employed were having non significant relation with performance of the agripreneurs. The possible reasons for significant relationship between performance level and education might be attributed to the fact that education helps an individual in acquisition of knowledge, broadening the vision and motivating towards higher accomplishment. Literate farmers will be able to locate, understand, interpret, evaluate, and use information in an appropriate way.

TABLE 3: Correlation between performance level and profile characteristics of the successful agripreneurs (n=20)

SI No.	Variables	Correlation co-efficient
1	Age	0.014
2	Education	0.246*
3	Innovativeness	0.257**
4	Achievement motivation	0.282**
5	Self confidence	0.324**
6	Risk orientation	0.253**
7	Information seeking behaviour	0.008
8	Market orientation	0.351**
9	Wage labour employed	0.062
10	Income	0.352*
11	Training undergone	0.42**
12	Occupation	0.21*

* - Significant at 5 % level, ** - Significant at 1 % level, NS- Non Significant

Overall performance of agripreneurs in establishing and maintaining the dairy enterprise under Agri-clinics and Agri- business centre scheme

It is very interesting to observe from Table 4 that, majority (60.00%) of agripreneurs in maintaining the dairy enterprise under agri- clinics & agri- business centre found

to be high performance , 30.00 % of agripreneurs were in medium performance and remaining agripreneurs were running low performed dairy business centre. It is narrated that agripreneurs were economically sound, medium risk takers, possess enormous skill to run a business successfully, these might be some of the reasons.

TABLE 4: Overall performance of successful agripreneurs in establishing and maintaining the dairy enterprise (n=20)

Performance	Frequency	Percent
Low (<74.76)	2	10.00
Medium(74.76-78.81)	6	30.00
High (>78.81)	12	60.00

CONCLUSION

The entrepreneurship is vital for graduates as he/she, like an entrepreneur ventures out into risky endeavour of cultivating and marketing the produce. The present study has highlighted the satisfaction of the agripreneurs in maintaining the dairy enterprise. It throws light on the issues for which the agripreneur is not satisfied fully and overall performance of the agripreneurs who established dairy enterprise. It may be easily concluded that an effective linkage of financial and non-financial indicators, well equipped with knowhow will definitely improve the dairy husbandry scenario, thereby helping the cause of dairy development in the country, in general, and the state of Karnataka, in particular.

REFERENCES

Das, S. (2008) A multivariate analysis of dairy farming practices among rehabilitated and nomadic van Gujjars in Hardwar, Uttaranchal. Ph.D. Thesis, National Dairy Research Institute (Deemed University), Karnal (India).

George, A. and Bhaskaran, S. (2004) Agriclincs: An innovative extension approach Abstract: 73, National seminar on Alternative Extension Approaches in Technology Transfer. 21-22 FEBRUARY 2004, Mitraniketan Krishi Vigyan Kendra, Vellanad, Trivandrum.

Parimaladevi, S., Sakeer, H.A. and Bhaskaran, A. (2006) Determinants of the effectiveness of ‘agriclinics and agribusiness centres scheme’ in Kerala. *Journal of Tropical Agriculture*, **44** (1-2): 91-93.

Ram Chand (2008) Measurement of aspiration of dairy farmers of ICDP, Karnal with projective and non-projective techniques. M.Sc. Thesis, Kurukshetra University, Kurukshetra (Haryana).

Sah, A.K. (2007) Entrepreneurship among milk Producers in northern region of India. Ph.D. Thesis (Unpublished), National Dairy Research Institute (Deemed University), Karnal (India).

Shekara, P.C., Malik, H. A., and Jan, N. (2011) “Gender Empowerment through Agri-clinics and Agri-business Centers.” *Research Journal of Agricultural Sciences*, **2**(1): 170-173.

Singh, R. (2010) A study of constraints in the functioning of milk producers cooperative societies in Western UP. Unpublished Ph.D. Thesis, National Dairy Research Institute (Deemed University), Karnal (India).