



---

## A Study on Financial Analysis and Performance of Dairy Farmers in Selected Villages of Man Taluka (Satara District): A Present Scenario

---

**Dr. Sachin Rajendra Suryawanshi**

Assistant Professor,

Dhananjayrao Gadgil College of Commerce,

Satara- Pin Code: 415002,

Email- [sachindgcc@gmail.com](mailto:sachindgcc@gmail.com)

**Corresponding Author: Dr. Sachin Rajendra Suryawanshi**

**DOI-10.5281/zenodo.8344709**

---

### Abstract

Man taluka has been known as a drought prone area for many historical periods. Most of the people of Man taluka migrate to the suburbs to support their families and earn their living. In the current situation, many people have started to focus on sugarcane cultivation as the amount of water is increasing in Man taluka and also they have started breeding animals on a large scale due to the increasing amount of sugarcane. In Man taluka, animals have to be shifted to other places due to lack of water and fodder has to be bought to some extent. In Man taluka most of the people belonging to the Vanjari community are engaged in milk production to a large extent and also take care of animals to a large extent. Farmers in Man taluka are unhappy about the conditions at the places where the milk is sold as the price fetched for milk is very low. Farmers of Man taluka have started getting large amount of production from milk along with production from agriculture. But selling milk to some surnamed persons in Man taluka is not accepted by divine instincts, so those people do not sell milk. Milk selling and superstition are closely related in this taluka. Some people in this Man taluka refuse to keep milk animals because of the feeling that God will be angry with them or on us for selling milk. But after rearing the milk animals, they are fattened and then sold at a higher price. Milk production and self-sustenance is easily possible for individuals belonging to certain social strata of Man taluka while others have to cut sugarcane.

**Key words:** financial performance, analysis, drought prone area, water, agriculture sector, farmers, monsoon etc.

---

### Introduction:

It is very necessary to provide adequate knowledge to start dairy business in Man taluka and provide guidance workshops on scientific management for animal husbandry business. There is a need of time to guide and hold seminars on the fodder required by animals, their purchase, sale, nutrients etc. There is a need to organize seminars and give information to the farmers to make them aware that dairy farming is profitable along with farming in Man taluka. Although dairy management is a challenge in Man taluka, it is also a great opportunity to maximize income from a future perspective. Farmers who are engaged in animal husbandry business have to face many kinds of problems including farm management fodder management and teaming as well as lack of knowledge of feed nutrients so they cannot do business properly. It is important to properly inform the farmers who are engaged in animal husbandry business that dairy business is a profitable business by holding many seminars. Researchers have selected Man Taluka of Satara District for this research and five percent of the total 105 villages in Man Taluka have been selected for this research. In

this research, the researcher has selected the villages in which dairy business is done on a large scale. Certain communities of Man taluka have started doing dairy business in large scale in the last five years by rearing cattle. Along with agriculture, animal husbandry and the income derived from it has created a new opportunity for the farmers. It is a great opportunity from the point of view of the farmers to be guided by renowned experts of taluka national and international nature to guide them in the right way regarding income and expenditure from the point of view of providing the right kind of opportunity to the farmers. It is appropriate to inform the farmers of Man taluka with a view to increase their morale and attract them that animal husbandry is an income generating occupation along with agriculture. Farmers of Man taluka have been facing many problems since many years so they need encouraging information and they should take this opportunity and give them proper information about animal husbandry by conducting discussion sessions with experts. It will be an important contribution to provide information on what kind of management is required for animal husbandry as

well as what kind of resources and capabilities are required to grow the animal husbandry business as well as providing loans through the government to purchase animals and encouraging the business to grow.

#### **Review of Literature:**

Yankam and Bhanotra (2018), has studied dairy farmers and health management in Maharashtra as well as dairy business. Among them, it is said to guide the farmers in scientific management practices and animal health facilities. In this, he commented that there is a need to provide guidance on animal hygiene and milking practices. Conducting seminars to create awareness among farmers about importance of hygiene and scientific approach in dairy industry.

Ghosh et. al. (2017), has discussed various challenges faced by the dairy industry in India. According to him the most important challenge in the dairy industry is cost as the average milk production of Indian cattle is low. This has created a major problem as the cost of production of animals is high and the cost of marketing is low.

Kumar et al. (2012), has predicted that the Indian dairy industry will play the most important role in the economy in the future. It discusses the importance of dairy industry in the Indian economy and the opportunities and challenges faced by the dairy industry. It states that dairying is an important industry in terms of Indian income and employment generation to boost the Indian economy. Milk products play an important role in the nutritional diet and an important decision should be taken by the government to improve the nutritional rating and the implementation of the decision should be strictly implemented to maximize the income of the farmers from milk.

Meena and Jain (2012), has studied the cost of milk production and the number of members. A medical study has been done by the researcher in relation to the cost of milk production and the number of members in the milking organization. It studies the amount of proteins in cow and buffalo milk and compares the price of cow milk and buffalo milk to determine which milk producers earn the most profit and whose business is profitable from a future point of view. The choice between cow production and buffalo production has been studied in terms of maintenance cost side and income side. The amount of milk production and the cost of milk production in three seasons namely summer, winter and monsoon have also been studied. But it has been shown that despite the increase in milk production, milk producers get less benefit and businessmen who manufacture and sell milk products get more benefit.

Press Information Bureau Government of India (2016), more than 70 % of smallholder

farmers in India depend heavily on livestock and dairy farming for farm income. The purchase and sale of milk in India is seen to be largely through local and private traders, and cooperatives are heavily involved. In particular, the cooperative societies in Gujarat, Karnataka, Tamilnadu, and Maharashtra have a major share in milk buying and selling in India.

Dhindsa et al. (2014), has been analyzed that there is a big difference between the income from milk and the income from the farm to the farmers in some states of India like Maharashtra, Gujarat, and Tamil Nadu. There is also a wide gap between the per capita income and production cost of milk and the price it fetches. There is a widespread view that farmers should get a price for their farm produce and dairy business.

#### **Problems of the Study:**

While conducting the said research, the researcher has reviewed the drought and the current situation. In the current situation, due to water scarcity, there is no fodder available for animals and it has become difficult for farmers to grow fodder due to lack of water. The most important problem for milk production is low availability of fodder due to water problem faced by farmers in Man taluka. Low rainfall on drought prone area provides some fodder in which animals such as goats and sheep eat fodder but larger animals require additional fodder. Due to the large amount of water problems in Man taluka, it is difficult for the farmers of the taluka to support their families; so many farmers of the taluka have to farm seasonally and go to another village for six months of the year to support their families. Sugarcane cutting has become a major occupation of the people of this Man taluka since many years. Many farmers find it important to live by hard labor as the lack of water makes it difficult for milk producers to produce milk and send it to factories.

#### **Objectives of the Study:**

While conducting the said research, the main objective of this research is to study the economic and social conditions of the milk producing farmers in Man taluka and the opportunities and challenges facing the milk producing farmers in the future and some specific objectives have been given by the researcher as follows. In this, the researcher has done a detailed analysis of the amount of daily expenses and daily profit of the dairy farmers as well as the financial management and the human resources required by the actual milk farmers.

1. To study the evaluation of milk producing farmers in Man taluka.
2. To study financial management of dairy farmers.
3. To analyze in detail the costs of milk producing farmers.

4. To study the opportunities and challenges faced by dairy farmers.
5. To study the social conditions of milk producing farmers in Man taluka.

#### Significance of the Study:

Man taluka is widely known as drought taluka. There is a large drought in Man taluka and due to natural rains; the farmers here are wandering around the countryside to cut sugarcane for their livelihood. Dairying should be continued by rearing crossbred cows as an adjunct to agriculture instead of relying on wave farming alone. From the point of view of the future, if water problems arise in Man taluka, farming by rearing hybrid cows is very profitable for farmers as a side business. Farmers of Man taluka are facing drought in the current situation and are rearing animals like their own family members and trying to earn their living. At present, the dairy business of the farmers in Man taluka is under threat as the scarcity of water has created a major problem for the farmers to provide fodder in their fields.

#### Scope of the Study:

Although the scope of the said research is entire Maharashtra, the researcher has selected Man Taluka of Satara district of Maharashtra for the said research. Therefore, the scope of this research is financial management of milk producing farmers in selected villages of Man taluka. Milk producing farmer's labor organizations society and other entities are involved.

#### Limitation of the Study:

Many types of factors have a major impact on the economic activity of the taluka along with milk farmers, so the researchers have studied the milk farmers in this research is a limitation of this research. There are total 11 taluka in Satara district out of which only Man taluka is selected for this study. Among the many unorganized and disadvantaged groups in Man taluka, only the economic management of milk farmers has been studied. In this, the researcher has only studied the costs incurred by the milk producers and the income received each month as well as the opportunities and challenges in the future.

#### Period of the Study:

While studying the financial management of milk producing farmers in Man taluka, the researchers have reviewed the information from 2022-23. While reviewing the economic factors, the

researcher has done a financial analysis of all the factors like the income and expenses received every month as well as fodder and other feed required for the animals.

#### Research Methodology:

While studying the financial management and performance evaluation of milk producing farmers in Man taluka, the researcher has used various types of secondary research. These include research papers, articles, journals, newspapers, magazines, audio videos, reference books, serial books, annual reports, magazines, etc. In this, the researcher has used many types of secondary research along with primary research.

#### Research Method:

The present researcher has been used simple random sampling method for this study and it is used snowball sampling method for the selection of respondents.

#### Data Analysis and Interpretation:

The most shortage-affected villages are in Man taluka, the number of which is 88, while the lowest number of villages is in Phaltan taluka, where the figure is three. Karad taluka has 63 villages and Patan taluka has 35 villages. In Satara district, Man and Khatav are known as permanent drought taluka. Some parts of Khandala, Koregaon, Phaltan taluka are drought-prone and some parts are drought-prone. In Satara district, Man and Khatav are known as permanent drought taluka. Some parts of Khandala, Koregaon, Phaltan talukas are drought-prone and some parts are drought-prone. Due to scarcity of water in drought areas, people have to rely on private wells and borewells. As in Phaltan, Khandala, Khatav and Man taluka in the east of the district, in the remote areas of Patan, Javali, as well as in some villages in the eastern part of Karad, there was a continuous shortage of water. There has been a lot of rainfall here in the past years. Due to this, ponds, ponds, wells, seepage ponds in Karad, Patan talukas were filled with water. Water scarcity has come to an end as the administration has made a budget of Rs. Hence additional burden is being placed on water schemes. It has become difficult for Gram Panchayats to reconcile electricity bills, maintenance costs and actual collected water bills. Even the Gram Panchayat has not sanctioned such illegal connections. Therefore, despite the availability of water, there is a shortage in many villages.

	Frequency	Percentage (%)
<b>Age</b>		
15 to 30 years	15	30
31 to 40	12	24
41 to 50	10	20
51 to 60	9	18

Above 60 years	4	8
<b>Total</b>	<b>50</b>	<b>100</b>
<b>Religion</b>		
Hindu	43	86
Muslim	7	14
<b>Total</b>	<b>50</b>	<b>100</b>
<b>Category</b>		
Open	19	38
SC	9	18
ST	3	6
NT-A,B,C,D	8	16
OBC	11	22
<b>Total</b>	<b>50</b>	<b>100</b>
<b>Education</b>		
Illiterate	13	26
Primary Education (2 to 7)	10	20
Secondary Education (8 to 10)	8	16
Higher Secondary Education (11, 12)	9	18
Graduate	7	14
Post Graduate	2	4
Professionals	1	2
<b>Total</b>	<b>50</b>	<b>100</b>
<b>Language</b>		
Marathi	21	42
Marathi and Hindi	16	32
Marathi, Hindi, English	13	26
<b>Total</b>	<b>50</b>	<b>100</b>
<b>Family Size</b>		
1 to 2	18	36
3 to 5	12	24
6 to 8	7	14
Above 8	4	8
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Field work, 2023

In table number 1, 42 % people are in the age group of 31 to 40 while 92 % people belong to Hindu community and 42% people belong to open category. 36 % people are illiterate and 54% can only speak and write Marathi language. 56% of the

families have 1 to 4 people and only 2% of the families have more than 8 people. Although the number of dairy farmers in each sector is more or less, many farmers have closed their dairy business due to lack of knowledge about the business.

Amount (Rs.)	Frequency	Percentage
Up to 200	20	40
Up to 400	12	24
Up to 600	10	20
Up to 800	5	10
Above 1000	3	6
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Field work, 2023

Table number 2, shows the classification of dairy farmers in selected villages of Man taluka according to their daily loan requirement. In this, 40% of the dairy farmers require a loan of 100 rupees every day, while the number of farmers who require up to

100 rupees is only 6%. Farmers require daily working capital for their daily animal feed and hospital expenses, so banks should lend to them in small amounts.

Amount (Rs.)	Frequency	Percentage
Up to 2000	15	30
Up to 4000	12	24
Up to 6000	11	22
Up to 8000	7	14
Above 10,000	5	10
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Field work, 2023

In table number 3, the milk producing farmers of Mann taluka are classified according to the loans taken from various banks. Milk producers have taken loans from banks ranging from Rs. 2,000 to Rs. 10,000. In this, 30 % of the milk producers have taken loans up to 2,000 rupees, which means that maximum farmers require moderate loans. 10% of

farmers require a loan of Rs.10, 000 as working capital and 22 % require a loan of Rs.6, 000 per month. There is a huge gap between the amount of loans taken by the milk producers themselves from banks or loans given by the milk producers to the milk producers and their financial progress

Monthly Income (Rs.)	Frequency	Percentage	Monthly Expenditure (Rs.)	Frequency	Percentage
2,000 to 5,000	17	34	1,500 to 4,000	15	30
5,001 to 8,000	13	26	4,500 to 7,000	12	24
8,001 to 1,1000	7	14	7,001 to 10,000	9	18
1,1001 to 14,000	6	12	9,000 to 11,000	7	14
14,001 to 17,000	4	8	12,000 to 15,000	5	10
Above 17,000	3	6	Up to 15000	2	4
<b>Total</b>	<b>50</b>	<b>100</b>	<b>Total</b>	<b>50</b>	<b>100</b>

Source: Field work, 2023

Table number 4, shows the comparative classification of monthly income and expenses incurred by milk farmers. In this 34% milk farmers earn from their secondary business between Rs. 2,000 to Rs. 5,000 every month but 30 % milk farmers spend between Rs. 1,500 to Rs 4,000 every month. 6% farmers get Rs. 17,000 every month. In the current situation, the dairy industry in Man taluka is facing many challenges and has started to create a new opportunity. In some villages of Man taluka, animals are bred on a large scale to start dairy business. But due to the lack of knowledge, training and information required by farmers to breed animals, milk production is low. In order to start the dairy business on a large scale, it is very important to inform the farmers about fodder management, herd management, rearing and the total cost incurred as well as the new products produced. Man taluka is a drought prone taluka and many farmers in the taluka are unable to purchase animals in large quantities due to lack of capital. Therefore, the government should provide financial support to purchase animals by giving some amount

**Dr. Sachin Rajendra Suryawanshi**

while 4% farmers spend Rs. 15,000 every month to produce milk. Especially since there is a gap of Rs. 2,000 to Rs.3, 000 between expenditure and income, this shows that there is a huge need for guidance and training to get the maximum benefit.

#### **Financial Needs of Dairy Farmers:**

of subsidy and it is very necessary to help them financially through banks, credit institutions and many social workers in the society. Many dairy businesses in Man taluk purchase animals by taking loans from moneylenders and pay the income from milk to the moneylenders in the form of repayment to the moneylenders, while the farmers incur huge losses, so banks and credit institutions should meet their financial needs by providing loans at low interest rates. Categorized information should be given to the farmers about their monthly expenditure on animals and their income. It is important for dairy farmers to go to places where the business is very well established, get information and training and try to create a model business to start a new business.

**Suggestions:**

1. Cow milk of milk producing farmers should get at least Rs 40 per litre.
2. Legal action should be taken against the milk organizations who are looting the farmers by checking the milk through machines.
3. Government banks should provide loans at low rate for milk business.
4. The government should provide loans for milk processing and dairy products business and provide employment opportunities to the youth in rural areas and get a discount on the loans taken.
5. Every cow or buffalo of the farmers should get insurance cover through the government and appropriate action should be taken by the government against adulterated milk.
6. It is very necessary to make efforts at all levels from the point of view of providing good quality government as well as veterinary services.

**Conclusion:**

Milk business is the backbone of rural economy. Most of the dairy farmers are small, marginal farmers. In fact, milk business is done as a side business to agriculture. But now it has become the main occupation of many farmers. The agitation is going on in the state due to fall in milk prices. Just like two years ago, farmers' organizations, leaders of various parties have become aggressive for the price hike. Since the milk issue has become political, everyone has jumped into it to take advantage of it. 70 % of the families in rural areas of the country depend on dairy for their livelihood. More than eight crore families in rural areas are connected with this business. According to experts, the growth rate of world milk production is 2% and the growth rate of Indian milk production is 6%, so the Indian dairy industry has developed rapidly. In the present scenario, 23 % of the global milk production is from India alone. Indian milk production has such a huge opportunity that 50 % of the world's milk production can come from India by 2047. Considering the

growing population of the world and the need for milk in their diet, this industry is very important from the point of view of providing many opportunities and employment in the Indian sector. If we consider the economic aspect, the turnover of Indian milk production is about 10 lakhs per annum and it can be seen that 5 % of the Indian economy is taken by the milk business alone. The share of agricultural income in the total economy of the country is 19 % and 30 % of agricultural income is dependent on milk. In an era of declining farm income and declining employment opportunities, dairying and animal husbandry has emerged as an important sub-sector of agriculture in India. Further, the complementarity of industry cooperatives and private organizations has helped bring efficiency to the entire value chain.

**References:**

1. Jadhav et. al. (2020), Economic Analysis of Milk Production in Satara District of Maharashtra, pp. 2487-2492.
2. Changule et. al. (2011), Economic analysis of milk production in different sizes of dairy units in Pune district of Maharashtra, pp. 34-36.
3. Dhillon et. al. (2015), Economic analysis of milk production in Rewari district of Haryana, pp. 496-501.
4. Tegegne et. al. (2014), Productive Performance of Crossbred Dairy Cows and constraints faced by dairy farmers in Mekelle, pp. 62-66.
5. Tripathi (2011), Profitability of Cross Breeding among the Dairy Farmers, pp. 32-38.
6. Raju et. al. (2005), Cost of milk production in institute village linkage program adopted villages in Bangalore district of Karnataka, pp. 365-367.
7. Regeena et. al. (2006), An economic analysis of livestock production in homestead farms of Kerala, pp. 26-28.
8. Thokar (1995), Towards livestock economy in Vidarbha Region, pp. 325-326.
9. Athare et. al. (2019), Economics of milk production in Pune district of Maharashtra: A comparative analysis, pp. 652-658.