

**PROBLEMS AND PROSPECTS OF COMMERCIAL DAIRY
FARMING IN NEPAL:**

A Case Study of Pithuwa-3 VDC, Chitwan District, Nepal

**A Thesis Submitted to
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RECOMMENDATION LETTER

The thesis entitled **PROBLEMS AND PROSPECTS OF COMMERCIAL DAIRY FARMING IN NEPAL: A CASE STUDY OF PITHUWA VDC-3, CHITWAN DISTRICT, NEPAL** has been prepared by **Sangita Thapa Magar** under my guidance and supervision. I hereby forward this thesis to the evaluation committee for final evaluation and approval.

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Supervisor

Date: 2017-02-16

(2073-11-05)

APPROVAL LETTER

The thesis entitled **PROBLEMS AND PROSPECTS OF COMMERCIAL DAIRY FARMING IN NEPAL: A CASE STUDY OF PITHUWA VDC-3, CHITWAN DISTRICT, NEPAL** submitted by **Sangita Thapa Magar** in partial fulfillment of the requirements for the Master's Degree (M.A.) in Rural Development has been approved by the evaluation committee.

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DECLARATION

I hereby declare that the thesis entitle **PROBLEMS AND PROSPECTS OF COMMERCIAL DAIRY FARMING IN NEPAL: A CASE STUDY OF PITHUWA VDC-3, CHITWAN DISTRICT, NEPAL** submitted to the Central Department of Rural Development, Tribhuvan University, is entirely my original work prepared under the guidance and supervision of my supervisor. I have made due acknowledgements to all ideas and information borrowed from different sources in the course of preparing this thesis. The results of this thesis have not been presented or submitted anywhere else for the award of any degree or for any other purposes. I assure that no part of the content of this thesis has been published in any form before.

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Abstract

The study entitled "Problems and Prospects of Commercial Dairy Farming in Nepal: A Case Study of Pithuwa-3 VDC, Chitwan District, Nepal" was conducted with the general objective of the study was to analyze the problems and prospects of commercial dairy farming in Pithuwa-3 village of Chitwan district whereas specific objectives were to analyzing the present status of infrastructure of dairy farming in study area, to analyze the impact of the dairy farming in study area and to examine the problems and prospects of commercial dairy farming in the study area.

This study has been carried out mostly on the basis of descriptive research design. Descriptive method of research design is used in order to describe the findings during the study. Qualitative and quantitative data have been collected for the study using both primary and secondary sources. The study included both field studies and literature reviews. Fifty households (30%) taken out of the one hundred sixty six households engaged in non commercial dairy farming another fourteen households (50%) taken out of the twenty eight households engaged commercial dairy farming in the village are chosen randomly in this study. Six dairy's staff has been selected for purpose of the study, all together seventy respondent were selected. To collect data, household survey, key informant interview, observation, method have been used and different computer program, simple statistics tools like table, figure, graphs, have been used for data analysis and descriptive methods has been used for qualitative data.

After the research different findings were obtain, after research it was found that most of the dairy farmer were keeping 66.27% improved breed cow. It was also found that six milk collection centers were available and one of them was chilling center also in study area. That chilling center also provides the service of animal breeding. It also found 51.56% respondent had 4-6 family members. Among of the respondents 35.94% respondents were having non commercial dairy farming. It was also found that 40.63% were age of 30-45. It was also found that 43.75% respondents have registered dairy farming and 56.25% respondents have unregistered dairy farming. It was also found that 64.06% respondents were untrained. It was also found that 70.31% respondents were managing feeding materials from combine of dairy and self. It was also found that 39.06% households were produce milk below 10 in per day. It also found that 64.81% respondents were selling milk in collection center. It also found that 26.53% respondent have got Rs.46 to above per litter. It also found that 36.58% respondents has

withdrawn the loan below Rs 1, 00,000. Most of them (36.59%) have taken loan with the interest rate between 10-15 percent.

After the research different impact of commercial dairy farming has found. It was found that 43.88% male and 56.12% female were change into literate. It was also found that 92% respondent were change their complete feeding style and way of feeding accurate medicine amount. It also found that 100% respondent was involved in cooperative and female saving group. It also found that 42.86% respondent was changing their income Rs. below thirty thousand. It also found that 100% respondent were added assets like cycle, mobile, grazing land, jewelry, water pump and grass cutter. It also found that 78.57% household were employed 3 to above their family member and 42.86% household were employed the 1 labor. It also found that 78.57% household had change their food sufficiency period into of 12-above.it also found that 85.71% households respondent change fertilizer use practice by using compost manures which is prepared from animal dung. It also found that 57.14% household was decreased pesticide using ratio. It also found that 71.43% respondent was changed their farming structure and agriculture production in organic farming and by decreasing the ratio. It also found that there all respondent were change their source of feeding by managed from cropland + Market/ dairy.

A major challenge to develop this area as commercialization in this sector is low price of milk, high cost of milk production, lack of insurance facilities, high price of animal feed, verities of milk production, different diseases problem in livestock animals, insufficient veterinary services, insufficiency of technical knowledge, problem of milk holiday that has hindered to production of milk. Study area has huge also the potentiality to be one of the finest places for commercial dairy farming as the very district has a good environment which is key factor for dairy production. Different attractions like, Availability of milk collection center, accessibility of Markets, Reducing the demand of chemical fertilizer, increasing demand of dairy products, good facility of water supply, increasing employment opportunity, increasing agriculture farmer and changing as source of income has added more value for commercial dairy farming.

I believe that this thesis will contribute in some level for the promotion of the study area as commercial dairy farming area, and helps to determine this area as a place having highly prospect of it. This study might be useful for the exposure of Pithuwa VDC area and hope that this thesis will contribute to increase also the number of farmers towards commercial dairy farming and agriculture farming system in study area.

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ABBREVIATIONS/ACRONYMS

| | | |
|------|---|---|
| ADB | = | Asian Development Bank |
| ADSL | = | Asymmetric Digital Subscriber Line |
| ASD | = | Agriculture statistics Division |
| C. | = | Centigrade |
| CBS | = | Central Bureau of Statistics |
| CDMA | = | Code Division Multiple Access |
| CDR | = | Central Development Region |
| D.C. | = | Degree Centigrade |
| DDC | = | Dairy Development Cooperation |
| DFID | = | Development for International Development |
| DLS | = | Department of Livestock Services |
| FAO | = | Food and Agriculture Organization |
| FM | = | Frequency Module |
| GDP | = | Gross Domestic Production |
| GSM | = | Abbreviation Global System for Mobile |
| HHS | = | House Holds |
| HMGN | = | His Majesty the Government of Nepal |
| Ltd | = | Limited |
| MASF | = | Market Access for Smallholder Farmers |
| MSS | = | Milk Supply Schemes |
| MPAs | = | Milk Producer Association |
| NARC | = | National Agricultural Research Council |

| | | |
|------|---|--|
| NCDB | = | National Co-operative Development Board |
| NDDB | = | National Dairy Development Board |
| NGO | = | Non-Governmental Organization |
| NPC | = | National Planning Commission |
| NRB | = | Nepal Rastra Bank |
| (P) | = | Privet |
| PAC | = | Practical Action Consulting |
| PDDP | = | Participatory District Development Program |
| TDN | = | Total Digestible Nutrient |
| VDC | = | Village Development Committee |
| WTO | = | World Trade Organization |