IMPACT OF DAIRY FARMING ON SOCIO-ECONOMIC CONDITION OF PEOPLE:

A Case Study of Ugratara, VDC Kavre, Nepal

> in Rural Development

By DIPA RAUT

Central Department of Rural Development

Tribhuvan University,

TU. Reg no: 6-1-274-48-2001

Exam Role No: 282315

August, 2016

DECLARATION

I hereby declare that the thesis entitled IMPACT OF DAIRY

FARMING ON SOCIO-ECONOMIC CONDITION OF PEOPLE:

A Case Study of Ugratara, VDC Kavre, 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.

Dipa Raut

TU Regd. No.: 6-1-274-48-2001

Date:

2016/07/19 A.D.

2073/03/05 B.S.

I

RECOMMENDATION LETTER

The thesis entitled Impact of Dairy Farming on Socio-Economic

Condition of People: A Case Study of Ugratara, VDC, Kavre Nepal

has been prepared by **Dipa Raut**as the partial fulfillment for the

requirements of Master Degree of Arts in Rural Development under my

guidance and supervision. Therefore, I recommend this for the approval

and acceptance.

Ramesh Neupane

Supervisor

Central Department of Rural Development

Tribhuwan University, Kirtipur, Kathmandu.

Date:

2016/07/24 A.D.

2073/03/10 B.S.

Π

APPROVAL LETTER

We certify that the thesis entitled Impact of Dairy Farming on Socio-Economic Condition of People: A Case Study of Ugratara, VDC, Kavre Nepal has been submitted by Dipa Raut in partial fulfillment of the requirements for the degree of masters of Arts in Rural Development has been found satisfactory in scope and quality and hereby accepted by the undersigned members of the committee.

Evaluation Committee.

	Prof. Dr. Prem Sharma (Head of the Department)
2.	Ramesh Neupane (Supervisor)
3	(External Examiner)
1	Date: 2016/07/03 A.D.

2073/04/19 B.S.

ACKNOWLEDGEMENTS

The thesis report entitled Impact of Dairy Farming on Socio-Economic Condition of People: A Case Study of Ugratara, VDC, Kavre Nepal as been prepared for the fulfilment of the requirements in degree of Master in Rural Development under the thesis supervisor Ramesh Neupane. I would like to express my heartily gratitude to him for his valuable guidance, supervision and help, cordial cooperation and constructive comment and supervision in completing this work. He spent countless hours to read this report and also offered valuable suggestions and corrections.

Similarly, I would like to thanks Prof. Dr. Prem Sharma, Head of the Department, Central Department of Development and TU for providing valuable source, support, suggestion and good conduct of the thesis research.

Likewise, I heartily respect all my family members who morally supported, encouraged and provided all kind of support during my study period. My study would never have been completed without their support.

Finally, I am grateful to all my class friends, respondents from Ugratara VDC of Kavre district and others, who heartily cooperate me by providing essential information, data and other necessary supports for this research. Without their kind help, this study would not have completed.

Dipa Raut

ABSTRACT

This study entitled "Impact of Dairy Farming on Socio-Economic Conditionof People (A Case Study of Ugratara VDC of Kavre district" was an attempt to examine the impact of dairy farming on socio economic condition of people. The specific objectives of study were to analyze the status of dairy farming and marketing strategy of dairy products, to compare the impact of dairy farming in employment, Income, occupation, food sufficiency, education and health, and to explore the problems and prospects of dairy farming in the study area.

This research paper is carried out under descriptive as well as analytical research design. Primary as well as secondary data have been used in this study. Primary data have been collected through household survey questionnaire, key informant interview, observation and focus group discussion. In the same way, secondary information has been used through unpublished documents, articles, websites propounded by different scholars in different time and venue. Out of 150 respondents, the researcher has selected 50 respondents by using random sampling method.

The condition of dairy farming was found to be good condition although there were many constraints to its betterment. Milk is inevitable for the people. In the study area, high demand of milk in rural area also found. Due to the high demand of milk in the market, most of the respondents were found to be intended to invest in dairy farming. But sloppy land and lack of feeding stuffs in dry season make the farmer into terrible situation. Farmers have considered milk farming as their main source of income in this area though they have positive impact on their socioeconomic status. The dairy farming intensity has been increased adopting professional as well as traditional system; the traditional production practice of milk is also being changed. Most of the respondents of this area were producing milk for selling proportion. Of them, they have produced 20-25 liters per day and selling in milk collection center and individual home supply too.

Dairy farming is positively impacting on their family. This study focuses on impact of dairy farming in employment, income, occupation, food sufficiency, education and health, to explore the problem and prospects of dairy farming in the study area of people living in the study area which seems positive aspect on them. The household survey has been conducted in order to collect qualitative and quantitative facts about impact of dairy farming in employment, income, occupation, food sufficiency, education and health condition and the role of dairy farming in upliftment. This study as well as during the group discussion time, respondents Dairy farming has positively impacting on them. They have started to go to hospital to their health checkups, they started to send their children to private boarding schools for education, and they started to kill hunger by purchasing from market. The important thing they talked about was that they have started to think about themselves and their children's future.

Problems and prospects are found in the market. Respondents have traced out political instability and force to donate amount to political parties. Road blocked, strike, revolution were the problems they talked about.

In conclusion dairy farming profession found to be prosperous job s it has enabled rural people's access in social as well as economical betterment which has obviously lead them towards educational, societal and political achievement. In the study area dairy farming has positive impact on teir life as the farmers have changed their lifestyle. Finally it is financially viable; it has trace positive impact in socio-economic aspect of the dairy farmers.

Finally, it is recommended that government should manage feeding stuff to the farmers, politically strike and blocked should be stopped, banks should provide loan on minimuminterest; physical infrastructure should be made by the government. Special consideration should be made by its stakeholders in time for the betterment of dairy farming.

CONTENTS

	Page No.
Declaration	I
Recommendation Letter	II
Approval Sheet	III
Abstract	IV
Abstract Table of Contents	V VII
List of Tables	X
Abbreviations	XI
CHAPTER-I : INTRODUCTION	1-7
1.1 Background of the Study	1
1.2 Statement of the Problem	3
1.3 Objective of the Study	5
1.4 Scope of the Study	5
1.5 Limitations of the Study	5
1.6 Organization of the Study	6
CHAPTER - II : LITERATURE REVIEW	8-15
2.1 Conceptual Review	8
2.2 Empirical Review	13
CHAPTER - III: METHODOLOGY	16-20
3.1 Conceptual Framework	16
3.2 Research Design	16
3.3 Rational for the Selection of the Study Area	17
3.4 Nature and Source of Data	18
3.5 Universe, Sample and Sampling Procedure	18
3.6 Data Collection Techniques and Tools	18
3.6.1 Household Survey	19
3.6.2 Key Informant Interviews	19
3.6.3 Observation	19
3.6.4 Focus Group Discussion	20

3.7 Data Processing Technique	20
3.8 Presentation and Analysis	20
CHAPTER – IV: DATA ANALYSIS AND PRESENTATION	21-41
4.1Socio Economic Status of the Respondents	
4.1.1 Religious	21
4.1.2 Sex	22
4.1.3 Age	23
4.1.4 Family Size	23
4.1.5 Marital Status	24
4.2 Status of Dairy Farming and Marketing Strategy	25
4.2.1 Staus of Cattle	25
4.2.2 Milk Producing Cattle	27
4.2.3 Sources of Fodder Collection	28
4.2.4 Fodder Needed Per day	29
4.2.5 Investment in Dairy Farming	29
4.2.6 Investment	29
4.2.7 Source of Investment	29
4.2.8 Milk Production Per day	31
4.2.9 Utilization of Production	31
4.2.10 Supply of Production	31
4.3 Socio-Economic Impact of Dairy Farming	32
4.3.1 Change in Occupational Status	32
4.3.2 Change in Food Sufficiency	33
4.3.3 Change in Educational Status	34
4.3.4 Change in health Status	35
4.3.5 Change in Treatment	36
4.4 Problem and Prospects	37
4.4.1 Problem of Commercial Dairy Farming	37

4.4.2 Prospects of Commercial Dairy Farming	38		
4.4.3 Problem of Commercial Dairy Farming in the Study Area	a 39		
CHAPTER- V: SUMMARY, CONCLUSION AND			
RECOMMENDATIONS	42-45		
5.1 Summary	42		
5.2 Conclusion	43		
5.3 Recommendations	44		
5.3.1 Recommendation for Further Research	45		
REFERENCES	46		
ANNEXES			
ANNEX I : HOUSEHOLD SURVEY QUESTIONNAIRE			
ANNEX II: GUIDELINES FOR FOCUS GROUP DISCUSSION			
ANNEX III: OBSERVATION CHECKLIST			

LIST OF TABLES

Pag	e No.
Table 4.1: Distribution of Respondents by Religion	21
Table 4.2: Distribution of Respondents by Sex	22
Table 4.3: Distribution of Respondents by Age	23
Table 4.4 : Distribution of Respondents by Family Size	24
Table 4.5: Distribution of Respondents by Marital Status	25
Table 4.6: Distribution of Number of Cattle	25
Table 4.7: Number of Milk Producing Cattle	26
Table 4.8: Sources of Fodder Collection for Cattle	27
Table 4.9: Fodder Needed Per Day	27
Table 4.10: Investment in Dairy Farming	28
Table 4.11: Invested	29
Table 4.12: Source of Investment	29
Table 4.13: Milk Production Per Day	30
Table 4.14: Utilization of Production	31
Table 4.15 : Supply of Production	31
Table 4.16: Family Occupation Before and After Involving Dairy	
Farming	32
Table 4.17: Food Sufficiency Before and After Involving Dairy Fari	ming
	33
Table 4.18: Educational Enrollment Before and After Dairy Farming	g 34
Table 19: Place of Education Institution	35
Table 4.20: Place of Health Treatment Before and After Dairy Farm	ing36
Table 4.21: Problem of Commercial Dairy farming	37

ABBREVIATIONS

% : Percentage

ADB : Asian Development Bank

B S : BikramSambat

CBS : Central Bureau Of Statistics

DDC : Diary Development Corporation

FGD : Focal Group Discussion

GDP : Gross Domestic Products

HDI : Human Development Index

HPI : Human Poverty Index

INGO : International Non-Governmental Organization

INSEC : Informal Education Service Center

KII : Key Informant Information

NGO : Non-Governmental Organization

UN : United Nation

UNDP : United Nation Development Program

VDC : Village Development Committee

VDC : Village DevelopmentCommittee

WTO : World Trade Organization