### The Socio Economic Condition of Dairy Farmers

(A Case Study of Teenghare Chilling Center, Ilam District)

A Thesis Submitted To the Faculty of Humanities and Social Sciences of Tribhuvan University in Partial Fulfillment of the Requirements For The Master Degree of Arts In Rural Development

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#### **Recommendation Letter**

It is great pleasure that I recommend the approval of the project work report entitled "The Socio-economic Condition Of Dairy Farmers: A Case Study of Teenghare Chilling Center, Ilam District" completed by Mr. Damodar Regmi under my supervision for the partial fulfillment of the requirements for Master of Arts in Rural Development. Therefore, this Thesis is recommended for its evaluation.

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## **Approval Sheet**

This is to certify that the project work report submitted by Mr. Damodar Regmi entitled " **The Socio-economic Condition Of Dairy Farms:** A Case Study of Teenghare Chilling Center, Ilam District" has been approved by this department in the prescribed format of the Faculty of the Humanities and Social Sciences. This Thesis is forwarded for the evaluation.

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Damodar Regmi

### **Abstract**

This thesis has been prepared for the fulfillment of partial requirement of M. A. in Rural Development. The present study attempts to explain the socio-economic condition of dairy farmers in some VDC of Ilam district. The surrounding area of 17 milk cooperatives which are collected milk from the dairy farmers and bring to Teenghare Chilling Center is chosen for the study purpose. Out of the total dairy farming household of the study area, only 10.37 percent are selected for the detailed study. Sample size is taken form every dairy cooperative by using the method of Simple Random Sampling.

Dairy farming is developing as a second occupation of rural Nepalese people. It has been playing a vital role to uplift rural socio-economic condition. The study has found the changing situation due to gradual development of education, some positive impact has exposed toward education in the study area. Looking the result of the study, it can be concluded that the living standard of the people of the area is uplift to some extent by milk selling. The income from the milk production and its selling occupies about one third income of the farmers. Such income has helped the rural farmers to fulfill their different needs. Most of the farmers use the dairy income in cattle feeding, but the income form the milk is also supporting the domestic expenses of the farmers. Some farmers use their income to pay school fees for their children study. Others have invested such as income in fixed assets such as land and house, health etc.

There are some problems in dairy farming such as lack of institutional credit services, low price of milk, high price of fodder, milk holiday, insufficient veterinary services and high price of improved breed of dairy animals. But these problems have not hindering dairy farming negatively though it needs some improvements. Dairy farming and agriculture are interrelated to each other. The production of crops, improved grass and other feeding materials are high in this area. There is further possibility of market expansion. Likewise, suitable climate and road access are other push factors which help to further expansion of dairy farming in this area. Thus, the overall scenario of socio-economic condition of dairy farmers is not so good, but, it is going very positively.

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#### **ABBREVIATIONS**

ADB/N Agriculture Development Bank / Nepal

**AGDP** Agricultural Gross Domestic Product

**CBS** Central Bureau of Statistics

**CEDA** Center for Economic Development and Administration

DAN Dairy Association of Nepal

**DDC** Dairy Development Corporation

**DFAMS** Department of Food and Agriculture marketing System

DOA Department of Agriculture

**FAO** Food and Agriculture Organization

**GDP** Gross Domestic Product

HHs Households

Kg. Kilogram

Ltr. Liter

NARC National Agriculture Research Council

NDDB National Dairy Development Board

**NPC** National Planning Commission

NRs. Nepalese Rupees

**SAARC** South Asian Association for Regional Cooperation

Sq. Km. Square kilometer

TCC Teenghare Chilling Center

TU Tribhuvan University

**UNDP United Nation Development Program** 

**USAID** United States Agency for International Development

**VDC** Village Development Committee

WFP World Food Program