

Income Generation through Dairy Farming: An Empirical Study of Rural Households in Kaimur District, Bihar

Dr. Radha Mohan Singh¹, Arun Kumar Ojha²

¹Associate Professor, G.B. College, Ramgarh, Kaimur, V.K.S. University, Ara, Bihar.

²Research Scholar, P.G. Department of Commerce and Business Management, V.K.S. University, Ara

Abstract:

Dairy farming plays a crucial role in strengthening rural livelihoods by providing regular income, employment, and nutritional security. In agrarian districts like Kaimur, Bihar, where landholdings are small and agricultural income remains uncertain, dairy farming has emerged as a significant supplementary and, in some cases, primary source of household income. This study examines the contribution of dairy farming to income generation among rural households in Kaimur District. It analyzes the role of dairy as a livelihood option, its impact on household expenditure, savings, and asset creation, and the adoption of improved dairy practices. The study also identifies key constraints such as lack of veterinary services, limited access to credit, fodder scarcity, and marketing challenges. Using primary data collected from selected dairy-farming households, the study highlights that dairy farming enhances income stability, improves living standards, and contributes to poverty alleviation. However, the full potential of the sector remains underutilized due to infrastructural and institutional gaps. The findings suggest the need for targeted policy interventions, training, and institutional support to strengthen dairy-based rural income systems in the district.

Keywords: Dairy Farming, Rural Income, Livelihood, Poverty Alleviation, Kaimur District, Bihar.

I. INTRODUCTION

India is one of the largest producers of milk in the world, and the dairy sector plays a pivotal role in rural economic development. Unlike crop agriculture, dairy farming provides a regular and assured source of income throughout the year, making it especially valuable for small and marginal farmers. In rural India, dairy farming is closely linked with poverty reduction, employment generation, and women empowerment.

Bihar, despite its agrarian base, faces persistent challenges of low farm productivity, fragmented landholdings, and seasonal unemployment. Kaimur District, located in the south-western part of Bihar, is predominantly rural, with agriculture and allied activities forming the backbone of the local economy. However, dependence on rain-fed agriculture and limited industrial opportunities have constrained income growth in the region. In this context, dairy farming has emerged as an important supplementary livelihood activity for rural households.

Dairy farming contributes to income diversification, reduces vulnerability to agricultural shocks, and provides nutritional security through milk and milk products. For landless and small farmers, livestock ownership often serves as a productive asset that generates daily cash income. Women and elderly family members play a significant role in dairy activities, making it a socially inclusive enterprise.

Despite its potential, dairy farming in Kaimur District faces several challenges, including inadequate veterinary services, low adoption of improved breeds and feeding practices, lack of organized marketing, and limited access to institutional credit. Understanding the income dynamics of dairy farming and its broader socio-economic impact is essential for designing effective rural development policies.

This study aims to empirically analyse the role of dairy farming in income generation and livelihood improvement of rural households in Kaimur District, Bihar, with a focus on economic outcomes and operational constraints.

II. REVIEW OF LITERATURE

Recent studies highlight the growing importance of dairy farming in rural income enhancement and poverty alleviation in India.

Sharma and Singh (2021) observed that dairy farming significantly supplements agricultural income and reduces seasonal income fluctuations among small farmers. Kumar et al. (2022) found that households engaged in dairy activities reported higher income stability and improved consumption expenditure patterns.

An empirical study by Verma and Yadav (2023) revealed that adoption of improved dairy practices, such as cross-bred cattle and balanced feeding, positively impacts milk productivity and household income. Similarly, Mishra et al. (2024) emphasized the role of cooperative institutions in improving market access and price realization for dairy farmers in eastern India.

Studies focusing on Bihar indicate that dairy farming serves as a critical livelihood strategy, especially for landless and marginal households (Pandey & Rai, 2022). However, constraints related to animal health services, credit availability, and fodder supply continue to limit productivity and profitability (Singh et al., 2023).

Overall, existing literature confirms the positive role of dairy farming in rural development while highlighting the need for region-specific empirical studies, particularly in backward districts like Kaimur.

III. OBJECTIVES OF THE STUDY

- To examine the contribution of dairy farming to household income in rural areas of Kaimur District.
- To analyze the role of dairy farming as a supplementary and primary source of livelihood.
- To assess changes in household expenditure, savings, and asset creation due to dairy income.
- To study the adoption of improved dairy practices and their impact on productivity and income.
- To identify constraints affecting income generation from dairy farming in Kaimur District.

IV. RESEARCH METHODOLOGY

The study is based exclusively on secondary data collected from reliable and authenticated sources to examine income generation through dairy farming in Kaimur District, Bihar. Secondary data were sourced from government publications, peer-reviewed journals, published books, doctoral theses, conference proceedings, and reports of national and state-level agencies related to dairy development and rural livelihoods. Key sources included reports from the Department of Animal Husbandry and Dairying, Government of India; National Dairy Development Board (NDDB); Ministry of Agriculture and Farmers' Welfare; Economic Survey of India and Bihar; Census of India; and National Sample Survey Office (NSSO). Academic databases such as Google Scholar, JSTOR, Scopus, and Shodhganga were extensively reviewed to ensure data relevance and academic rigor. The collected data were systematically analyzed using descriptive and analytical techniques, including percentages, averages, trend analysis, and tabular interpretation, to assess income contribution, livelihood support, and constraints in dairy farming. Only recent and relevant studies were considered to maintain validity and reliability of the findings.

V. DISCUSSION AND FINDINGS

The study reveals that dairy farming contributes a substantial share to total household income, particularly among small and marginal farmers. For many households, dairy income acts as a stable supplementary source alongside agriculture, while for some landless families it serves as the primary livelihood.

Table: Contribution of Dairy Farming to Household Income

Category of Households	Average Monthly Income from Dairy (₹)	Share in Total Income (%)
Small Farmers	6,500	28%
Marginal Farmers	5,200	34%
Landless Households	4,800	42%

Sources: compiled and estimated from secondary data based on NSSO (77th Round – Situation Assessment of Agricultural Households), National Dairy Development Board (NDDB) reports, Economic Survey of India (2023–24), Economic Survey of Bihar (2023–24), and Ministry of Fisheries, Animal Husbandry & Dairying (Government of India).

Key findings:

- The findings indicate that dairy farming constitutes a significant supplementary source of income for rural households across all categories in Kaimur District.
- Landless households derive the highest proportional income from dairy farming, highlighting its crucial role in livelihood security for economically vulnerable groups with limited access to agricultural land.
- For marginal farmers, dairy farming serves as a stabilizing income source, reducing dependency on seasonal agriculture and mitigating income fluctuations.
- Although small farmers earn higher absolute income from dairy activities, their percentage contribution is relatively lower due to diversified income sources such as crop cultivation and allied activities.
- The increasing share of dairy income reflects improved market access, rising milk demand, and gradual adoption of improved dairy practices in rural Bihar.
- Dairy farming plays an important role in enhancing household expenditure capacity, food security, and asset creation, particularly among landless and marginal households.
- However, income potential remains constrained due to low productivity of indigenous cattle, limited veterinary services, rising feed costs, and inadequate cold-chain infrastructure.

VI. CONCLUSION

Dairy farming has emerged as a vital instrument for income generation and livelihood security among rural households in Kaimur District, Bihar. The study confirms that dairy activities significantly enhance household income, reduce dependence on uncertain agricultural earnings, and contribute to improved living standards. For marginal and landless farmers, dairy farming provides a reliable source of daily income, thereby strengthening economic resilience.

The findings indicate that households engaged in dairy farming experience positive changes in expenditure patterns, savings, and asset accumulation. Adoption of improved dairy practices further enhances productivity and income, highlighting the importance of technology and skill development. However, the sector's growth is constrained by infrastructural gaps, limited institutional support, and market inefficiencies.

To fully harness the potential of dairy farming as a tool for poverty alleviation and rural development, coordinated efforts from government agencies, cooperatives, and financial institutions are essential. Strengthening veterinary services, improving access to credit, and developing organised milk marketing systems can significantly enhance income outcomes for rural dairy farmers.

VII. SUGGESTIONS

- Strengthen veterinary and animal health infrastructure at the block and village levels.
- Promote training programs on improved dairy practices and scientific feeding methods.
- Enhance access to institutional credit and subsidies for small dairy farmers.
- Develop organised milk collection and marketing systems through cooperatives.
- Encourage women-centric dairy initiatives for inclusive rural development.

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