# STRATEGY OF ORGANIZATIONAL-TECHNOLOGICAL SOLUTIONS ON PRODUCTION OF LAMB FOR SALE IN FARMS CONDITIONS

Ivan Mičić<sup>1</sup>, Zoran Rajić<sup>2</sup>, Ahmet Halilagić<sup>3</sup> \*Corresponding author E-mail: divanlav@gmail.com

# ARTICLE INFO

# Original Article

Received: 16 December 2019

Accepted: 05 March 2020

doi:10.5937/ekoPolj2001125M

UDC 363.3.03:338.43.01

# Keywords:

economic results, production technology, lambs for sale, body weight

JEL: Q12, Q13, Q41

# ABSTRACT

Surveys were conducted in the Nisava and Toplica districts in Serbia during 2018. The medium-sized private sheep farm (A) in Držanovac in the Toplica District and the small private sheep farm (B) in Orljan, in the Nisava District are being investigated. The volume and technology of sheep genotype production for lamb production for sale on both farms was monitored and economic results analyzed. During the study period, it was found that on farm A there were 150 heads of Merino breed and on farm B 75 heads. Total profit on Farm A without incentives in crop production: wheat 1,215.0 EUR, maize 1329.7 EUR, barley 1314.60 EUR, triticale 1561,50 EUR and in livestock breeding for 150 heads EUR 16,920, of which 13,500 EUR in lamb production. Also total profit on Farm B in crop production: wheat EUR 2,853.0, corn EUR 1329.6 and livestock production, by 75 heads, EUR 8,460, of which EUR 6,750 in lamb production.

© 2020 EA. All rights reserved.

#### Introduction

The importance of sheep production, among other things, is to enable it to make fuller use of agricultural resources and to realize a large part of crop production. In addition, due to the encompassing production process which has a slight influence of external factors, sheep production significantly affects the overall growth rate of agricultural production. Production of the breed of lambs for the production of lambs for sale has fallen over

<sup>1</sup> Ivan D. Mičić, Ph.D., research associate and assistant professor MIT University of Skopje, Bul. Third Macedonian brigades 66a 1000 Skopje, Phone:+381 67 7059898, E-mail:divanlav@gmail.com, https://orcid.org/0000-0001-5385-6564

Zoran Rajić, Ph.D., full professor, University of Belgrade, Faculty of Agriculture, Nemanjina Street no. 6, 11080 Zemun, Republic of Serbia, Phone:+381 11 261 53 15, E-mail:zorajic@agrif.bg.ac.rs, https://orcid.org/0000-0002-1730-2246

<sup>3</sup> Ahmet Halilagić, Ph.D. student, University of Belgrade, Faculty of Agriculture, Nemanjina Street no. 6, 11080 Zemun, Republic of Serbia, Phone:+381 11 261 53 15, E-mail:ahmet. halilagic@heg.rs, https://orcid.org/0000-0002-7060-4315

one third of the total production in Serbia, while this share in Vojvodina rises to almost half of the total production. Regardless of the natural indicators in intensively oriented production of Merino sheep, it is very important to provide a thorough insight in the cost of production, which is the basis of economy of the production process of lambs for sale. Unlike a farm that produces sheep for its own purposes and eventually sells the product. Farms or family farms that are permanently oriented to commodity production must pay close attention to the cost of production, and the products obtained must meet quality standards. Research on the economic parameters of sheep production is concerned with determining the cost of producing lambs and sheep in two stages. The analysis deals with the cost of production of sheep in the first stage of the production process, and the determination of the total cost of production of individual product categories by applying divisional calculation in the second stage of calculation Mičić et al., (2018). The cost correction aims to give the results obtained wider applicability to the farms surveyed. In this way, the results obtained are of general and not only local importance, Yusup et al., (2017). Quantity, as part of a strategic effort to provide the required quantities of lambs for sale, wool, and milk, continues to be an important element of production, although its primacy has long been overcome, Saatchi et al., (2010). To increase lamb production in the industry, science has made efforts to successfully manage the sheep breeding process. Today, in many countries, including ours, estrus Synchronization methods are used to control the reproductive properties of sheep, as well as to produce more female lambs at the same stage of estrus and ovulation. This method allowed two or three lambs a year for two years, with the goal of increasing lamb and meat production. Zapletal et al., (2010) point out that the use of proper hygiene in sheep reproduction, breeding, environmental conditions, nutrition, prevention and treatment are key factors. Estrus synchronization successful programs play a key role in lambing and profitability of sheep wearers in semi-intensive production systems, (Cividini et al., 2012; Kukovic, et al., 2013). Sheep farming in Serbia is generally extensive. In Serbia the sheep population is 80%, of which the following strains are: Pirot, Svrljiska, Sjenica, while the remaining 20% are Cigaj, Wirtember sheep, and Australian merino for wool production. Productivity in the population of other breeds is higher, but due to the low participation in the total number of sheep, the effects are insignificant at the national level. The annual weight of sheepmeat in the last decade is below 20,000 tonnes. In Serbia, the consumption of sheep meat is below 3.0 kg per capita, we are among the European countries with the lowest consumption. The basic orientation of farmers in lamb and meat production in Serbia seems to be in the first (F1) generation to achieve better quality of lamb production for sale, etc. According to the latest data from the Statistical Office of the Republic, about 1.7 million sheep are raised. Most, over one million, are grown in central and eastern Serbia, but on the other hand, the largest and most organized farms are located in Vojvodina (Matsushita et al., 2010; Marina et al., 2017).

The following authors have explored this issue, among others: (Kegalj et al., 2011; Mellado et al., 2016; Momoh et al., 2013; Rahimi et al., 2014; Siddalingamurthy et al., 2017; Simeonov et al. al., 2015; Tohidi et al., 2016; Catalan et al., 2018).

### Materials and methods

The survey was conducted on a family farm on farm A in Držanovac and farm B in Orljan. Both farms have a closed production cycle. The middle farm (A) has 150 heads of sheep, and the small farm (B) 75 heads of sheep a year. Farm A employed 2 people and Farm B 1 people. Production costs for both households are based on natural indicators established on the basis of a survey conducted in 2018 and all categories of variable costs in accordance with the production process. Material costs refer to the consumption of nutrients and medicines used in the production process. Depreciation expense in 2018 based on space and equipment norms, we approach investment estimates, estimate depreciation costs based on which fixed cost categories are calculated. In determining the cost of production, we start from the price of lamb products for sale. Production parameters are monitored: on farms A and B, food consumption on both farms per 1 kg increment, total growth and food costs on both farms Gbangboche et al., (2006).

The significance of results in lamb production in 2018 was independently monitored on both farms during one research year.

#### Results

Research on the economic parameters of the production process for lambs for sale was carried out at Medium Sheep Farm A and Small Sheep Farm B. These farms have a closed production cycle which includes the production of lambs, sheep wool and milk. On farm A over 200 lambs a year and farm B about 100 lambs. Fama A produces the most important nutrients for the feeding of cereals. at 10 h and Fama B produces the most important nutrients for the feeding of the cereals, at 5 h. Farm A has two members and Farm B has one member. Based on the recording of production processes on farms A and B, the cost of materials was calculated, which included the consumption of food, medicines, other materials and water. Variable costs account for the bulk of material costs (Archimede et al., 2008; Zaharia et al., 2013).

## **Discussions**

Farm A was monitored for the economics of producing the most important nutrients for the feeding of the cereal group. The economics of wheat, maize, triticale and barley production are still being monitored. The farmer has significant areas and favorable conditions for the said production. Corn covered 2 ha, triticale 3 ha, wheat 2 ha and barley 3 ha. Annual production of 50 tonnes of cereals on farm A farmland in 2018. The aforementioned middle sheep farm as well as crop production was investigated in order to provide nutrients for the feeding of herds on farm A. The natural and financial indicators of cereal production in 2018 are given in the following tables, as follows: calculation of production, maize (Table 1); triticale (Table 2); wheat (Table 3) and barley (Table 4).

Table 1: Calculation of realized economic indicators of maize production per 2 ha for farm A

Row. Num ber	Production year: 2018	Number of	Quantity	JM	The price	JM	Amount of EUR / ha / 2
I	Income	repetitions			_		
1.	Corn	2	6,5	t/ha	130,0	EUR /t	1690,0 EUR
2.	Corn	2	9	t/ha	17,98	EUR /t	323,7 EUR
A)	Total revenue (1 to 2)						2.013,7 EUR
3.	Costs						
4.	Seeds	1	20	kg	1,50	EUR	30,0 EUR
5.	Fertilizer						
6.	Manure	25%	40	t	1,0	EUR /kg	40,0 EUR
7.	KAN (29% N)		400	kg	0,30	EUR /kg	120,0 EUR
8.	Pesticides						
9.	Guardian		6	L	4,0	EUR /kg	18,0 EUR
10.	Thesis		6	L	2,5	EUR /L	15,0 EUR
11.	Irrigation						
12.	Energent	2	15	L	1,40	EUR /L	42,0 EUR
13.	Diesel fuel		60	L	1,40	EUR /L	84,0 EUR
14.	Maintenance of mechanization		2	ha	15,0	EUR /ha	30,0 EUR
15.	Paid services. mechanization						
16.	Plowing		2	ha		EUR /ha	0 EUR
17.	Land preparation		2	ha		EUR /ha	0 EUR
18.	Sowing		2	ha	30.50	EUR /ha	61,0 EUR
19.	Harvest		2	ha	65,00	EUR /ha	130,0 EUR
20.	Paid labor		5	work day	15,0	EUR	75,0 EUR
21.	Other variable costs						
22.	Storage cost			kg		EUR /kg	0 EUR
23.	Transport to the customer		13	t	3,0	EUR /t	39,0 EUR
B)	Total Cost (3 to 23)						684,0 EUR
II	PROFIT / LOSS						
24.	Total No Incentives (A - B)						<b>1329,7</b> EUR
25.	Per ha without incentives (24:17)						<b>664,8</b> EUR
26.	Price of cereals kg (24: 1)						<b>0,1</b> EUR
27.	Economical production (A:	B)					2,94
28.	Production profitability (24	: B) x100					194,40 %

Results achieved: The average maize yield on farm A was  $6.5\,t$  / ha, ranging from  $6.0\,t$  / ha to  $7.0\,t$  / ha. Total profit per 2 ha is EUR 1,329.70, production efficiency is 2.94 and production profitability is 19.40%.

Table 2: Calculation of realized economic indicators of triticale production per 3 ha for farm A

Row. Num ber	Production year: 2018	Num- ber of repeti-	Qua ntity	JM	The price	JM	Amount of EUR/ha/3
I	Income	tions					
1.	Triticale		5,0	t /ha	150,0	EUR / t	2.250,0 EUR
2.	Straw	3	5	t/ha	19,5	EUR /t	292,5 EUR
A)	Total revenue (1 to 2)						2.542,5EUR
3	Costs						
4.	Seeds	1	750	kg	0,20	EUR	150,00 EUR
5.	Fertilizer						
6.	Manure	25%	60,0	kg	1,0	EUR/kg	60,00 EUR
7.	Urea		600	kg	0,30	EUR /kg	180,00 EUR
8.	Foliar savings		6	kg	3,0	EUR/kg	18,00 EUR
9.	Pesticides				ĺ		
10.	Meteor		30	G	0,15	EUR /L	4,50 EUR
11.	Irrigation						
12.	Energent	3	15	L	1,40	EUR /L	63,00 EUR
13.	Diesel fuel		90	L	1,40	EUR /L	126,00 EUR.
14.	Maintenance of mechanization		3	ha	19,00	EUR /ha	57,00 EUR
15.	Paid services. mechanization						
16.	Plowing		3	ha		EUR /ha	0 EUR
17.	Land preparation		3	ha		EUR /ha	0 EUR
18.	Sowing		3	ha	30,5	EUR /ha	91,50 EUR
19.	Harvest		3	ha	52,00	EUR/ha	156,00 EUR
20.	Paid seasonal labor		20	work day	1,50	EUR	30,00 EUR
21.	Other variable costs						
22.	Storage cost			kg		EUR/kg	0 EUR
23.	Transport to the customer		15,0	t	3,0	EUR/kg	45 EUR
B)	Total Cost (3 to 23)						981,0 EUR
II	PROFIT / LOSS						
24.	Total No Incentives (A - B)						<b>1561,50</b> EUR
25.	Per ha without incentives (24:17)						<b>520,50</b> EUR
26.	Price of cereals kg (24: 1)						<b>0,10</b> EUR
27.	Economical production (A: B)					2,59	
28.	Production profitability (24: B) x	100					159,17 %

Source: Mičić, 2018

Achieved results: The average yield of triticale on the tested farm A was 5.0 t / ha, and ranged from 4.5 t / ha to 5.5 t / ha. Total profit per 3 ha is EUR 1,561.50, production efficiency is 2.59 and production profitability is 159.17%.

Table 3: Calculation of realized economic indicators of wheat production per 2 ha for farm A

Row. Num ber	Production year: 2018	Num- ber of repeti	Quan- tity	JM	The price	JM	Amount of EUR/ha/2
I	Income	tions					1.000
1.	Wheat	2	5,0	t/ha	170,0	EUR / t	1700,0 EUR
2.	Straw	2	5.0	t/ha	16,9	EUR /t	169,0 EUR
A)	Total revenue (1 to 2)						1.869,0 EUR
3	Costs						
4.	Seeds	1	500	kg	0,20	EUR	100,00 EUR
5.	Fertilizer		1				
6.	Manure	25%	40	t	1,0	EUR / kg	40,00 EUR
7.	Urea		400	kg	0,30	EUR / kg	120,00 EUR
8.	Foliar savings		4	kg	3,0	EUR / kg	12,00 EUR
9.	Pesticides						
10.	Meteor		20	g	0,15	EUR/L	3,0 EUR
11.	Irrigation						
12.	Energent	2	15	L	1,40	EUR/L	42,00 EUR
13.	Diesel fuel		60	L	1,40	EUR /L	84,00 EUR
14.	Maintenance of mechanization		2	ha	19,0	EUR / ha	38,00 EUR
15.	Paid services. mechanization						
16.	Plowing		2	ha		EUR/g	0 EUR
17.	Land preparation		2	ha		EUR / ha	0 EUR
18.	Sowing		2	ha	30,0	EUR / ha	60,0 EUR
19.	Harvest		2	ha	55,0	EUR / ha	110,00 EUR

Row. Num ber	Production year: 2018 Income	Num- ber of repeti tions	Quan- tity	JM	The price	JM	Amount of EUR/ha/2
20.	Paid season. work- force	tions	10	work day	1,50	EUR	15,0 EUR
21.	Other variable costs						
22.	Storage cost		kg		EUR / kg	0 EUR	
23.	Transport to the customer		10	t	0,3	EUR / kg	30,0 EUR
<b>B</b> )	Total Cost (3 to 23)						654,0 EUR
II	PROFIT / LOSS						
24.	Total No Incentives (A	- B)					<b>1.215,0</b> EUR
25.	Per ha out of reach (24					<b>607,50</b> EUR	
26.	Price of cereals kg (24)					<b>0,12</b> EUR	
27.	Economical production					2,86	
28.	Production profitability x 100	(24: B)					185,78 %

Results achieved: The average wheat yield on farm A tested was  $5.0\,t$  / ha, ranging from  $4.5\,t$  / ha to  $5.5\,t$  / ha. Total profit per 2 ha is EUR 1,215.0, production efficiency is 2.86 and production profitability is 185.78%.

**Table 4:** Calculation of economic indicators of barley production per 3 ha for farm A

Row. Num ber	Production year: 2018	repeti ntity		JM	The price	JM	Amount of EUR/ha/3
I	Income	tions					
1.	Barley	3	4,0	t/ha	170,0	EUR / t	2.040,0 EUR
2.	Straw	3	5	t/ha	17,04	EUR /t	255,6 EUR
A)	Total revenue (1 to 2)						2.295,6 EUR
3	Costs						
4.	Seeds	1	750	kg	0,20	EUR	150,00 EUR
5.	Fertilizer						
6.	Manure	25%	60,0	t	1,0	EUR /kg	60,00 EUR
7.	Urea		600	kg	0,3	EUR /kg	180,00 EUR
8.	Foliar savings		6	kg	3,0	EUR /kg	18,0 EUR
9.	Pesticides						

Row. Num ber	Production year: 2018	Num- ber of repeti	Qua ntity	JM	The price	JM	Amount of EUR/ha/3
I	Income	tions					
10.	Meteor		30	g	0,15	EUR /L	4,50 EUR
11.	Irrigation						
12.	Energent	3	15	L	1,40	EUR /L	63,0 EUR
13.	Diesel fuel		90	L	1,40	EUR /L	126,00 EUR
14.	Maintenance of mechanization		3	ha	19,0	EUR /ha	57,0 EUR
15.	Paid services. mechanization						
16.	Plowing			ha		EUR /ha	0 EUR
17.	Land preparation		3	ha		EUR /ha	0 EUR
18.	Sowing		3	ha	30,50	EUR /ha	91,50 EUR
19.	Harvest		3	ha	55,00	EUR /ha	165,0 EUR
20.	Paid season. workforce		20	work day	1,50	EUR	30,0 EUR
21.	Other variable costs						
22.	Storage cost			kg		EUR /kg	0 EUR
23.	Transport to the customer		12	t	3,0	EUR /kg	36,0 EUR
B)	Total Cost (3 to 23)						981,0 EUR
II	PROFIT / LOSS						
24.	Total No Incentives (A - B)						<b>1314,60</b> EUR
25.	Per ha without incentives (24:17)	)					<b>438,20</b> EUR
Row. Num ber	Production year: 2018		Num- ber of repeti tions	Qua ntity	JM	The price	JM
26.	Price of cereals kg (24: 1)						<b>0,11</b> EUR
27.	Economical production (A: B)					2,34	
28.	Production profitability (24: B) x	100					134,00 %

Results achieved: The average yield of barley on farm A was 4.0 t / ha, ranging from 3.5 t / ha to 4.5 t / ha. Total profit on 3 ha is EUR 1,314.60, production efficiency is 2.34 and profitability of production is 134.0%

The economics of feed production for the herd feed were also monitored on the sheep farm B from the cereals group: maize and wheat. The farm has the conditions and areas for crop production. Corn covers 2 ha and wheat 3 ha. Farm B's annual cereal production is 35.5 t in 2018.

The natural and financial indicators are presented in the table below: the calculation of realized economic production, maize (Table 5) and wheat (Table 6).

Table 5: Calculation of realized economic indicators of maize production per 2 ha for farm B

Row. Num ber	Production year: 2018	Num- ber of repeti	Qua ntity	JM	The price	JM	Amount of EUR/ha/2
I	Income	tions	litty		price		LOIGHA/2
1.	Corn	2	6,5	t/ha	130,0	EUR /t	1690,0 EUR
2.	Corn	2	9	t/ha	17,98	EUR /t	323,6 EUR
A)	Total revenue (1 to 2)				<u> </u>		2.013,6 EUR
3.	Costs			1.			
4.	Seeds	1	20	kg	1,50	EUR	30,0 EUR
5.	Fertilizer				ļ		
6.	Manure	25%	40	t	1,0	EUR /kg	40,0 EUR
7.	KAN (29% N)		400	kg	0,30	EUR /kg	120,0 EUR
8.	Pesticides						
9.	Guardian		6	L	4,0	EUR /kg	18,0 EUR
10.	Thesis		6	L	2,5	EUR /L	15,0 EUR
11.	Irrigation						
12.	Energent	2	15	L	1,40	EUR /L	42,0 EUR
13.	Diesel fuel		60	L	1,40	EUR /L	84,0 EUR
14.	Maintenance of mechanization		2	ha	15,0	EUR /ha	30,0 EUR
15.	Paid usl. mechanization						
Row. Num ber	Production year: 2018	Num- ber of repeti tions	Qua ntity	JM	The price	JM	Amount of EUR/ha/3
16.	Plowing		2	ha		EUR /ha	0 EUR
17.	Land preparation		2	ha		EUR /ha	0 EUR
18.	Sowing		2	ha	30.50	EUR /ha	61,0 EUR
19.	Harvest		2	ha	65,0	EUR /ha	130,0 EUR
20.	Paid labor		5	work day	15,0	EUR	75,0 EUR
21.	Other variable costs			kg	<u> </u>	EUR /kg	
22.	Storage cost			-			
23.	Transport to the customer		13	t	3,0	EUR /t	39,0 EUR
B)	Total Cost (3 to 23)					684,0 EUR	
II	PROFIT / LOSS				<u> </u>		
24.	Total No Incentives (A - B)					<b>1329,6</b> EUR	
25.	Per ha without incentives (24:17)						<b>664,8</b> EUR
26.	Price of cereals kg (24: 1)						<b>0,1</b> EUR
27.	Economical production (A: B)	)					2,94
28.	Production profitability (24: B	s) x100		1			194,40 %

Results achieved: The average maize yield on farm B tested was  $6.5\,t$  / ha, ranging from  $6.0\,t$  / ha to  $7.0\,t$  / ha.

Total profit per 2 ha is EUR 1,329.70, production efficiency is 2.94 and production profitability is 19.40%.

**Table 6:** Calculation of realized economic indicators of wheat production per 3 ha for farm B

Row. Num ber	Production year 2018	Num- ber of repeti	Qua ntity	JM	The price	JM	Amount of EUR/ha/2
I	Income	tions					
1.	Simonida wheat of 3 ha	3	7,5	t/ha	170,0	€/ t	3.825,0
2.	3 ha straw	3	4	t/ha	8,75	€/ t	105,0
3	RS incentives for crop production		3	ha	50,00	€/ ha	150,0
A)	Total income (1 to 2) for 3 ha	ĺ					4.080,0
4	Costs						
5.	Seed for 3 ha	1	750	kg	0,20	kg	150,0
6.	Fertilizer						
7.	Manure for 3 ha		15	t	4,00	t	60,0
8.	KAN (29% N) 50% + Urea 50%		1500	kg	0,30	kg	450,0
9.	Foliar savings		6	kg	3,00	kg	18,0
Row. Num ber	Production year: 2018	luction year: 2018    Num-ber of   Quare price   The price   Quare price   Pri		1	JM	Amount of EUR/ha/3	
10	Pesticides						
11	Meteor		30	g	0,20	€/L	6,0
12	Irrigation						
13	Energy for 3 ha	3	15	L	1,20	€/L	54,0
14	Diesel fuel		90	L	1,20	€/L	108,0
15	Maintenance of mechanization		3	ha	19,00	€/ha	57,0
16	Paid services			ha			
17	Plowing		3	ha		€/ha	0
18	Land preparation		3	ha		€/ha	0
19	Sowing		3/		30,00	<del></del>	90,0
20	Harvest		3	ha	55,00	€/ha	165,0
21	Paid seasonal labor		46	work day	1,50	€/h	69,0
22	Other variable costs						
23	Storage cost			€/t		€/t	0
24	Transport to the customer			t		€/t	0
B)	Total Cost (3 to 24)						1.227,0
II	PROFIT / LOSS						
25	Total with Incentive (A - B)	·					2.853,0
26	Per ha from incentives (25:17)						951,0

27	Cost per kg of grain grain (B: 1)			0,0545
28	Economical production (A: B)			3,33
29	Income Profitability (25: A) x 100			69,92 %

Results achieved: The average wheat yield on Farm B was 7.5 t / ha, ranging from 7.0 t / ha to 8.0 t / ha.

The realized profit on 3 ha is  $2853,00 \in$ , production economy is 3,33 and profitability of revenue is 69,92%.

Birth weight of lambs in the month of birth showed that most lambs were born in March, with the smallest and highest birth weights, while the smallest lambs were born in April (Table 7).

**Table 7.** Lamb birth weight, standard deviation, standard average error and deviations in four different months

Month of birth	Mean	N	Std. Deviation	Std. Error of Mean	Minimum	Maxi mum	Variance
January	4.88	58	.892	.118	3.12	6.58	.798
March	4.47	238	.978	.065	2.12	6.88	.955
Month of birth	Mean	N	Std. Deviation	Std. Error of Mean	Minimum	Maxi mum	Variance
April	4.68	25	.785	.165	3.62	6.12	.615
October	4.32	68	.942	.115	2.52	6.73	.885
Total	4.48	388	.963	.049	2.12	6.82	.927

Source: Mičić, 2018

The mean lambs average weight was the highest in January and the lowest average birth weight in October.

The differences for the average birth weight were 0.44 kg, 0.21 kg and 0.58 kg from January to March, January to April and January to October the month of birth of the lambs

Analysis of variance showed that birth month had a significant effect on lamb birth weight (P < .005).

Based on the presented result for 2018, we can conclude that the production of lambs, on farms A and B is economically justified, the financial indicators are given in tabular form, production of lambs and others. on medium ovary farm A and small ovarian farm B in Serbia (Table 8), Mičić et al., (2017).

**Table 8:** Economics of production of lambs for sale on medium A and small B sheep farms in Serbia for 2018.

Elements	THE FARM A	THE FARM B
A) Number of sheep on the farm	150	75
PRODUCTION SCOPE		
1. Total volume	6.750	3.375
2. After a sheep	45	45
REVENUE		
3. Lambs for sale	13.500	6.750
4. Milk incentives	0	0
5. Incentives to die. rejuvenated	3.000	1.500
6. Sheep wool	2.250	1125
7. Lambs for overhauling herds (scraps)	2.250	1.125
6. Wrap milk	9.000	4.500
9. Manure	3.000	1.500
10. Sheep hatched	6.000	3.000
B) Total revenue	38.970	19.485
COSTS		
11. Food	12.000	6.000
12. Veterinary services and medicines	750	375
13. Died	1.500	750
14. Human work	4.500	2.250
15. Energy and fuel	1.500	750
16. Depreciation of facilities and equipment	1.000	500
17. Other	800	400
C) Total cost	22.050	11.025
Elements	THE FARM A	THE FARM B
INCOME / LOSS		
D) On the farm	16.920	8.460
18. Down the throat D:A	112,80	112,79
19. Economy of production B:C	1,77	1,76
20. Production Profitability D:Bx100	43,42%	43,41%

Based on the result shown, we can conclude that the production of lambs for sale on both farms is economically justified in 2018. (Ripoll et al., 2018).

#### **Conclusions**

Based on the analysis of the situation in our economy, and especially in the livestock breeding industry, specifically lambs for sale, it is necessary to draw some conclusions when it comes to access to this type of production. This primarily refers to the food industry in Serbia.

This research came to the following conclusions: a more complex analytical review of the conditions and results of development of the aforementioned industry of Serbia in the last two decades, required a preliminary conceptual (re) definition and systematic classification of the activities covered, as well as methodological problems of their informative monitoring.

Two branches of industrial production (food and livestock) based on the processing of primary agricultural products are linked in the supply chain, ie primary production under farm conditions to farms A and B (wheat, maize, barley, triticale and other fodder), farms A and B are engaged in the production and production of lambs, and around 700,000 farms bring about 40% of gross domestic product in Serbia.

The data presented show that the income from the products, plus the incentives, covered the costs of production and gave the rest of the income on the sheep farm A and B.

The total profit realized in the livestock production on farm A for 150 sheep amounts to EUR 22,340.8.

Economy of production 1,77 and profitability of production 43,42%.

Also on Farm B, the total profit in the livestock production for 75 sheep is EUR 12,624.6.

Economy of production 1.76 and profitability of production 43.41%.

An analysis of variance showed that the month of birth had a significant effect on lamb mass, from the point of view of the influence of the season, the highest body mass was in spring and winter and the lowest in autumn, but despite differences in weight, the season did not show a significant effect on lamb weight ( P > .005).

The highest body weight are have single, then twins and triplets.

#### **Conflict of interests**

The authors declare no conflict of interest.

#### References

- 1. Archimede, H., Pellonde, P., Despois, P., Etienne, T., Alexandre, G. (2008). Growth performances and carcass traits of Ovin Martinik lambs fed various ratios of tropical forage to concentrate under intensive conditions. *Small Rumin Res.* 75, 162-70.
- 2. Catalan A., Hernandez A., Fraga L.M., Mireles E.J. (2018). Nongenetic effects on birth weight of MEVEZUG creole sheep in Guerrero, México. Cuban Journal of Agricultural Science, 52, 2,1-9.
- 3. Gbangboche A.B., Youssao A.K., Senou M., Adamou-Ndlaye M., Ahissou A., Farnir F., Michaux C., Abiola F.A., Leroy P.L (2006). Examination of non-genetic factors affecting the growth performance of djallonke sheep in soudanian zone at the Okpara breeding farm of Benin. Trop Anim Health Prod., 38(1):55-6.

- 4. Kegalj Andrijana, Krvavica Marina, Vrdoljak Marija, Ljubičić Iva, Dragaš Marijana, Marulić M. (2011). Current state and trends in production of sheep meat in EU and Croatia, Knin, Croatia.
- 5. Kukovic, S., Németh, T., Lengyel, A., Toldi, G., Jávor, A. (2013). The Effects Of Genotype And Fattening Technology On Meat Producton Characteristics. *Lucrări Ştiinţifice-Seria Zootehnie*, 59, 11-15.
- 6. Marina I. Selionova, Galina T. Bobryshova (2017). Sheep breeding economic, pluses and minuses Proceedings of the *11th International Symposium Modern Trends in Livestock Production*, October 11-13, 2012, 79-89.
- Matsushita, M., Cruz-Martin, Jr A., Marques-Gomes, S.T., de Asis-Fonseca de Macedo, F., Visentainer, J.V., Evalazio de Souza, N. (2010). Influence of slaughter weight on the proximate composition and fatty acid profile of feedlotfattened lamb meat. *Acta Scientiarum Technology*, 32(3) 315-318.
- 8. Mellado J., Marin V., Reyes-Carrillo J.L., Mellado M., Gaytan L., De Santiago M. (2016). Effects of non-genetic factors on pre-weaning growth traits in Dorper sheep Managed Intensively In Central Mexico. Ecosistemas y Recursos Agropecuarios, 3(8):229-235.
- 9. Mičić, I., Rajić, Z., Živković, J., Orović, D., Mičić, M., Mičić, I., I., Mičić, I., M. (2017). Optimal flock structure of pig farm providing minimum costs, *Ekonomika poljoprivrede*, Vol. 64, No. 3.
- 10. Michich I., Cvijanovich D., Peshich V. (2018). Economics of Production of Lamb in Serbia, Russian State Agrarian University-MAA named after K.A. Timiryazev Proceedings of the International Scientific and Practical Conference, p. 126-130. [in Russian: Mičić I., Cvijanović D., Pešić V. (2018). Экономика производства ягнятины в сербии, Россйский государственный аграрный университет-МСХА имени К.А. Тимирязева Сборник трудов Международной научнопрактической конференции, р. 126-130].
- 11. Momoh O.M., Rotimi E.A., Dim N.I. (2013). Breed effect and non-genetic factors affecting growth performance of sheep in a semi-arid region of Nigeria. Journal of Applied Biosciences, 67:5302 5307.
- 12. Saatchi, M., Miraei-Astiani, S.R., Zare Shahneh, A. (2010). Comparison of Growth and feed-lot traits in Kordi crossbred and purebred lambs (crossbreeding between some Iranian fat-tailed breed) Department of Animal Science Faculty of Agriculture University of Tehran.
- 13. Rahimi S.M., Rafat S.A., Jafari S. (2014). Effects of environmental factors on growth traits in Makuie sheep. Biotechnology in Animal Husbandry 30 (2), 185192.
- 14. Ripoll G., Joy Margalida, Panea B. (2018). Consumer Perception of the Quality of Lamb and Lamb Confit, Journal Foods. no. 7.

- 15. Siddalingamurthy. H. K., Manju, G.U., Roopa Devi. Y.S., Manjunatha. S. S., Sreesujatha. R. M. (2017). Non-genetic factors affecting birth and weaning weight in Mandya sheep. Int. J. Adv. Res., 5(4), 345348.
- 16. Simeonov M.S., Harmon D., Nedelkov K.V. (2015). Non-genetic factors affecting birth weight in the lambs of Blackheads Pleven breed. J. Anim. Sci. Adv., 5(3): 1208-1217.
- 17. Tohidi R., Javanmard A., Shamsabadi V. (2016). Analysis of the nongenetic factors affecting the growth traits of Balouchi sheep. J. Bio. Env. Sci., 8, 6, 67-73.
- 18. Zapletal, D., Kuchtik, J., Dobes, I. (2010). The effect of genotype on the chemical and fatty acid composition of the Quadriceps femoris muscle in extensively fattened lambs. *Archiev Tierzucht*, 5, 589-599.
- 19. Zaharia, R., Pascal, C., Zaharia, N., Albu, A., Radu-Rusu, R.M. (2013). The Influence Of The Growth System On Dressing Percentage And The Meat Quality Obtained From Turcana Lambs Bred In Montain Area In North-East Of Romania. *Lucrări Științifice-Seria Zootehnie*, 59,193-198.
- 20. Yusup A. Yuldashbaev, Maria I. Dongak, Ksenia A. Kulikova, Elena V. Pakhomova, Zhaziraim M. Abenova, Salbak O. Chylbakool, Milan P. Petrovic (2017). The modern state of sheep breeding in russia, Proceedings of the 11th International Symposium Modern Trends in Livestock Production October 11-13, 201, p. 71-78.