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CHAPTER-VI

SUMMARY, CONCLUSIONS AND SUGGESTIONS

6.1 Summary

Chapter-II

In advanced dairy countries like the U.K., Denmark and Australia dairy cooperatives have been playing an important role in promoting the cause of dairy industry. The role of milk producers' cooperative assumes significant dimensions in the context of the present status of dairying in the world. It is seen that, compared to other regions of the world, Asia and Africa are backward in the dairy industry.

India is ^a developing country, with agriculture as its chief occupation. Agriculture in fact is the backbone of Indian economy and hence it is the source of livelihood for more than 70 per cent of the population. However, Indian agriculture is a gamble with the monsoons. Because of the precarious nature of the monsoons and lack of irrigation facilities, farmers produce only one crop in a year. This results in seasonal and disguised unemployment which is an important feature of this sector.

In India co-operative dairying is an important productive activity. The co-operative dairy is an agency which carries production and sale on behalf of producers who are unable to earn good profits. In dairy industry cooperatives have been recognised to be an effective measure to improve the milk production.



better the socio-economic life of millions of small, marginal and landless cattle owners.

There were 27,241 primary milk supply cooperative societies with a membership of 23 lakhs as on 31st November 1978. At the national level there is a National Federation of Dairy Cooperatives.

In Maharashtra Cooperative Dairy Farming occupies prominent place in co-operative sector. At present there are 12 cattle breeding farms, one intensive cattle development project. At present there are nearabout 8,000 primary dairy cooperative societies working smoothly and efficiently. This number is likely to go up by 13,000 by the end of the 7th Plan. At present, there are 6 milk-powder plants in the State. The State Government has proposed two more milk powder plants.

As per operation flood project in Maharashtra, there is one dairy unit to be established in Bombay. The State Government of Maharashtra also tries to follow Anand pattern for milk collection. It is expected that at the end of 7th plan daily milk collection will rise upto 25 lakh litres. The State is leading in milk production holding the third position after Uttar Pradesh and Rajasthan.

Satara district has been holding an important position in cooperative dairy farming. It can be noted with pride that the

Koyana Sangh is formed on co-operative basis first in Maharashtra. The late R.D. Patil was the chief promotor of this Koyana Sangh. There are 798 primary dairy cooperatives in Satara district. There are 7 co-operative Dudha Sanghs. As far as purchase of milk is concerned, it is observed that total purchasing of milk from Satara district was 1,96,50,000 litres.

Chapter III

Karad and Patan are the two talukas of Satara district comprising eleven talukas. As elsewhere in India these two talukas are also engaged in agriculture and subsidiary products like poultry, milk production etc. Source of income of the farmers of these two talukas was also flexible. With a view to providing some subsidiary occupation to the farmers, the late R.D. Patil and his colleagues Shri P.D. Patil, Abasaheb Parlekar, Bhagawantrao Shete formed co-operative dairy on 1st October 1957 and named it as "Koyana Sahakari Dudha Utpadak, Prakriya Sangh Ltd., Karad", which is first cooperative dairy in Maharashtra, whose area of operation is Karad and Patan talukas. In the initial stage this Sangh started collecting milk from the producers by giving satisfactory rate, which was sold to the local consumers of the Karad town.

This view brought a good result which benefitted milk producers as well as the consumers. Seller and buyer were economically satisfied and hence attracted to the cooperative

dairy at large scale. Thus, the roots of the Sangh began to go deeper and deeper and become strong which invariably increased members of this Sangh as well as consumers and attracted and gave stimulation to more and more milk producers to produce more and more milk.

Since from the beginning to 1985 the Sangh is in quite good position having 2,167 members, capital amounting to Rs. 21,87,050, Reserve and Other Funds amounting to Rs. 94,71,718, collection of the milk of the Sangh at the end of the year 1985 was 1,67,96,733 litres, whereas total sale of milk was 1,67,35,798 litres. Though the Sangh is based on cooperative basis, its surplus amounted to Rs. 65,518.43 at the end of the year 1985. Apart from the development Sangh plays its part in very important other activities, such as appointment of trained veterinary officer to look after the cattles in the operational area offering buffaloes and cows to landless labourers, and takes interest in granting loans to small land holders to purchase dairy animals, production of "Koyana Cattle Feed" producing scented milk, butter, Ghee. At present this Sangh has introduced "Anand Pattern" for collection of milk.

Chapter IV

India is an agricultural country. Though agriculture is a way of life of Indian people and soul of rural India, it is dependent upon nature (monsoon). So, the income from agriculture

is flexible and not efficient. So, there is a need for subsidiary occupation like poultry, piggery, fishery, dairy business etc. Dairy business is one of the important subsidiary businesses which helps to increase income and standard of life, and hence needs to be paid attention to. Dairy business requires rather less capital and it is one of the most effective instruments for supplementing farmers' income and generating employment in rural sector.

There are 255 primary dairy cooperative societies under the area of operation of Koyana Sangh. Out of these 142 primary dairy cooperative societies are working in Karad taluka, whereas 113 in Patan taluka. Total milk collection from the above cooperative societies is 1,67,96,733 litres. Lowest milk collection is from 'Ninaidevi Dudha Utpadak Sahakari Sanstha Maryadit' Koriwale from Karad taluka, whereas lowest milk collection from 'Ninaidevi Sahakari Dudha Utpadak Sanstha Maryadit' from Patan taluka. On the other hand the highest milk collection is from 'Rethare Bk. Sahakari Dudha Utpadak Society Ltd.', Rethare Bk. from Karad Taluka, whereas from 'Koyana Krishak Sarva Seva Sahakari Society Ltd', Malharpeth from Patan taluka. To study the milk collection throughout the year by individual society, researcher has classified these societies in seven groups, on the basis of milk collection.

Out of the total milk collection of the Koyana Sangha,

major part is from cows' milk i.e., 65% and the remaining is from buffaloes' milk i.e., 35%.

After having studied the nature of milk collection, the researcher looked into the milk producers' economic condition. He has selected 65 milk producers as representative for each group from Karad and Patan talukas and classified them in four income groups.

Out of the selected 65 milk producers, there are 10 milk producers, whose income prior to dairy occupation was upto Rs. 5,000/- but due to dairy occupation there is remarkable increase in their income i.e., nearabout Rs. 3,500 per annum. There are 25 milk producers, whose income prior to dairy occupation was in the range of Rs. 5,000 to Rs. 12,000. But because of dairy occupation their income increased on an average by Rs. 9,800 per annum. There are 21 milk producers, whose income prior to dairy occupation was in the range of Rs. 12,000 to Rs. 24,000, but dairy occupation has increased the income on an average by Rs. 18,650. The remaining 9 milk producers' income from dairy occupation above Rs. 24,000. Though there are some members unwillling to concentrate on dairy business, there is increase in their income by Rs. 43,850. Thus dairy occupation helps to increase gross income of all the selected 65 milk producers.

Chapter-V

Cost of production of milk is part and parcel factor in respect of dairy farming. The term cost of production consists of fixed cost and variable cost. Fixed cost includes the costs which are not directly concerned, but they are to be considered while calculating the cost of milk production. Here the researcher has considered investment in dairy animals, investment on sheds and equipment as fixed cost, as well as depreciation on the value of dairy animals, sheds and equipments and interest on investment in dairy animals, sheds and equipments, milk life of dairy animals. On the other hand variable cost includes feeds and fodders cost, labour charges, veterinary charges and insurance. Variable costs alter with the changes in output. Feeds and Fodders play a vital role in the livestock production in general and milk production in particular. Cost of feeds and fodders depend upon natural seasons, i.e., rainy season, winter and summer seasons. The researcher has also considered this fact, while calculating cost of feeds and fodders. Labour input plays significant role. Labour input performs various functions, such as to bring fodder, to feed the fodder, to clean sheds, watering, clearing and milking dairy animals, selling of milk, grazing dairy animals etc. The dairy business is believed to be employment intensive and income bright. Therefore, planners and policy makers advocate dairying particularly for ameliorating the economic conditions of the weaker section of the society. Veterinary charges are necessary

as dairy animals may suffer from various types of diseases such as feet and mouth diseases. The researcher has considered the same fact because these diseases have adverse effect on milk production of dairy animals. Dairy animals are livestock, and there is the possibility of expiry and accidents of dairy animals. So, there is a need to insure dairy animals in view of loss incurred by the above facts. Lastly, the researcher has drafted cost structure of cost of production of milk and revenue from per dairy animal of each income group of milk producers.

6.2 Conclusions

- 1) The role of milk producers' cooperatives assumes significant dimensions in the context of the present status of dairying in the world.
- 2) India is an agricultural country; farmers do not get adequate returns from agriculture occupation to feed their families owing to the precarious nature of the monsoon. Lack of adequate ⁱirrigation facilities is there. In such a situation dairy business may become subsidiary occupation to farmers to supplement their major income.
- 3) Though dairy farming in India is still unorganised, with the cooperation of W.P.P. the Department of Agriculture formulated and launched operation flood project in 1970-71 for stimulation of milk marketing and dairy development in India.

- 4) Nearabout 50 per cent of the world's buffaloes and 17 per cent of the world's cattle are to be found in India. Still livestock sector accounts for only 14 per cent of agriculture Sector's share of gross national products.
- 5) The Dairy Development Programme of the Maharashtra State has been progressing at a fast pace having 8,000 dairy cooperative societies and procured milk amounting to 54 crore litres. The State is leading in milk production holding the third position having 25 per cent of the total milk production of the nation.
- 6) "Koyana Sahakari Dudha Utpadak Prakriya Sangh Ltd." plays an important role in cooperative dairy occupation in Karad and Patan talukas operating 255 primary Dudha Cooperative Societies by collecting 1,67,96,733 litres of milk.
- 7) The KSDUPS undertakes different types of activities such as appointment of trained veterinary officer, production of "Koyana Cattle Feed", producing scented milk, butter, Sadhan Pashu Sudhar Prakalp and so on.
- 8) The performance of the KSDUPS in respect of milk collection, capital, provision of various facilities by and large is fairly satisfactory.
- 9) Out of the total milk collection from Karad and Patan talukas, major portion is from cows' milk i.e., 65%

because of (a) The average milking capacity of a crossbreed cow is definitely more than deshi cow whose number is larger in this area, (b) Availability of green grass throughout the year, (c) The services of inseminations are available easily, (d) Veterinary doctors' visits are scheduled which is beneficial and guaranteed for the betterment and health of cows.

10) Out of the total selected 65 milk producers, there is the majority of economically backward farmers and small farmers whose income range is in between Rs. 5,000 and Rs. 24,000, because of the fact that (a) they have need for supplementary occupation, (b) ability to invest fixed capital towards the purchase of dairy animals, (c) assurance was given by the Koyana Sangh (d) they can lease their land for the purpose, (e) human power was domestic one, (f) green grass is assured throughout the year.

11) Whereas landless labourers and big farmers whose income is below Rs. 5,000 and above Rs. 24,000 respectively, are small in number.

(A) Though landless labourers or people below poverty line are willing to concentrate in this dairy occupation, this percentage is quite disappointing. The reasons are (a) inability to invest fixed capital towards the purchase of animals, (b) non-availability of the required cattle-feed, and (c) banks do not give loans unless there is a surety.

(B) Similarly, it is concluded that economically top class has not turned to this occupation. Only 15 per cent have accepted this secondary occupation. The reasons are (a) they hold rather good land, (b) cannot provide labour force, (c) rely upon the servants who do not care for.

12) It is concluded that the income of all members has increased as a result of dairy occupation. But this income is creditably increased in second and third groups. In Karad taluka this increased income is 110 per cent and 100 per cent respectively, whereas in Patan taluka it is 78 and 76 per cent respectively. So, it is obvious that the members of these two groups are carrying out this occupation with utmost care and whole-heartedly.

The members of lowest income group also have increased their income by 100 per cent and 95 per cent respectively in Karad and Patan talukas. But due to lack of capital they cannot concentrate on dairy occupation.

13) All selected milk producers had 409 dairy animals. The buffaloes formed a sizeable proportion of total dairy animals. While Deshi cows constituted very small portion of total dairy animals and whereas crossbreed cows constituted very large portion of total dairy animals.

14) It is observed that 1st income group of milk producers had

one dairy animal, especially buffalo, whereas II income group milk producer had two or three dairy animals, especially buffaloes. But third income group of milk producers had in equal proportion of buffaloes and crossbreeds, and fourth income group of milk producers had more crossbreed cows and less buffaloes.

15) About 70 per cent dairy animals of the sample milk producers had age between 4 years and 8 years, while the remaining 30 per cent dairy animals had age about 8 years.

16) Nearabout 40 per cent dairy animals had the value in the range of 6,001 to 8,000 which consists especially crossbreed cows, while 50 per cent had the value of Rs. 501 to 4,000, which consists of especially buffaloes.

17) There were nearabout 41 per cent dairy animals from homebreed whereas 59 per cent from market purchased.

18) It is concluded that nearabout 70 per cent milk producers have tiles and hay roofing types of sheds whereas only 30 per cent have cement and iron sheet sheds for dairy animals.

19) Nearabout 40 per cent milk producers had invested in roofing in the range of 5,001 to 6,500, and only 20 per cent had invested above Rs. 6,500 in roofing.

20) About 85 per cent milk producers had equipment costing Rs. 500 and the remaining 15 per cent had equipment above

Rs. 500.

- 21) The use of dry fodder varied according to the season.
Some 100 per cent milk producers used dry fodders in summer whereas 100 per cent milk producers used green grass in rainy season and the use of other feeds and fodders varied according to the seasons.
- 22) The weight of fodders used by more than 83 per cent of the milk producers ranged between 21 and 40 Kg. per cattle per day.
- 23) Annual average fodders expenditure per cattle per day in the case of all milk producers remained more or less the same.
- 24) There were two sources of labour, i.e., domestic and hired. The proportion remains in between these two sources i.e., 78.5% and 21.5%. Nearabout 70 per cent milk producers' annual labour expenditure was upto Rs. 2,000/-.
- 25) Dairy business on an average per milk producer in a year generates employment to the extent of 319.4 man-days. Therefore, dairying is employment intensive.
- 26) About 86 per cent of milk producers incurred per year expenditure on medicine upto Rs. 150/-.
- 27) There were only 20 per cent milk producers insured

their dairy animals.

28) The variable cost is comparatively larger in case of all categories of milk producers, while the fixed cost is relatively smaller in the case of all categories.

29) It is observed that first income group milk producers' net revenue from per dairy animal is Rs. 836, whereas second I.G. gets Rs. 1,515. Third and fourth I.G. milk producers' revenue for dairy animal is Rs. 1,820 and Rs. 638 respectively.

6.3 Suggestions

1) KSDUPS Ltd., Karad's future policy should be geared up towards the motto of "one village one primary dairy cooperative society". Because today there are nearabout 150 villages which do not have their own primary dairy cooperative society.

2) KSDUPS Ltd., provides "Koyana Pashu Ahar" for dairy animals. But in fact it seems that all the milk producers are not taking the advantage of this provision. So, the Sangh may provide this provision through its primary cooperative dairy societies, by which each and every milk producer can enjoy this facility.

3) The milk producing capacity of crossbreed cows is high. But due to the shortage of funds the economically backward

farmers are not in a position to keep crossbred cows. Hence the Sangh should extend the financial help through banks by giving the guarantee of repayment of bank loans on behalf of economically backward farmers.

4) In our research study it is found that only 20 per cent milk producers have insured their dairy animals. This is because a majority of milk producers are not aware of "Insurance scheme". Hence it is the duty of the Sangh to intensify the insured animal scheme at the root levels.

5) Dairy enterprises may be encouraged through various new schemes which will reduce the cost of production of milk and increase the quantity of milk production.

6) In order to make dairy enterprise more profitable in both Karad and Patan talukas, the price policy should be such as will not only provide incentive to milk producers but also protect the interest of the consumers.

7) In our research study we found that the landless labour is much more interested in dairy business. But because of limited means to keep dairy animals and high cost of keeping them, they are unable to reap the advantages. Hence the Sangh should introduce the scheme which will give staunch support to the landless labour in keeping the dairy animals.

8) To enhance the quality and quantity of milk products, the

Sangh should establish its own animal feed plants so that the farmers will get animal feeds at reasonable prices.

9) Efficiency of primary dairy cooperative societies at the village level may be improved.

10) Anand Pattern fat system should be strictly adhered to in practice so that milk producer will obtain fair price for their production of milk which will act as an incentive for increasing the milk output.