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CHAPTER-IV

: CONCLUSIONS & RECOMMENDATIONS OF THE STUDY :

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## C H A P T E R - IV

### CONCLUSIONS AND MAJOR SUGGESTIONS OF THE STUDY

A) In Maharashtra, the growth of co-operative dairy industry has essentially resulted in growth of village level primary milk co-operative societies and their growth has encouraged the farmers to increase their milk production. Increase in milk production has resulted in more cow-milk production in rural Maharashtra. Through the co-operative dairy structure and through the Government Milk Schemes this increase in milk production is utilised to satisfy the growing urban demand for whole-milk and milk by-products.

The Sangli District in Maharashtra has also witnessed a growth in milk production. The Co-operative Milk Societies in this District have not developed along the three-tier 'Amard Pattern'. At the village level we find the existence of one or more village level primary co-operative milk society. In the District at the Taluka level we find the existence of Taluka level milk co-operative Unions. These Taluka Federations perform the primary function of collecting the milk from the village level co-operative milk societies and transporting the milk to the Government Milk Scheme, Miraj. In the absence of the District Co-operative Milk Federation, the working of the Government Milk Scheme, Miraj assumes significance from the point of the whole co-operative dairy industry in the District.

From the study it is reflected that the Government Milk Scheme, Miraj procured the milk from the Co-operative Taluka Milk Federations and for the marketing of which it undertook

sale of whole-milk to Bombay region on a large scale in the initial years. This supply was made to the Government Milk Scheme, at Aarey Milk Colony. In the later years however, the Government Milk Scheme has increased the production of milk by-products as a diversified marketing strategy. The marketing of these milk by-products however, is mainly to other agencies and dairies like MAFCO and other Government Milk Schemes. The Government Milk Scheme, Miraj, has not entered into marketing of milk by-products on its own brand name.

In the absence of a District Co-operative Milk Federation in Sangli District we find that the necessary backward linkage effects which are expected of a District Co-operative Milk Federation are absent in the District. Establishment of Taluka level Co-operative Milk Federations and difference of opinion among the co-operative leaders in the co-operative dairy industry is the main reason as to why the District Co-operative Milk Federation has not come into existence. The Vasant Dada District Milk Producers' Co-operative Federation which procures milk mainly from the Tasgaon Taluka staked its claim to be the District Co-operative Milk Federation but the other Taluka Co-operative Milk Federations working in the District refused to join this Federation. Hence at the District level the District Co-operative Milk Federation is not functioning in the sense that it has not established its dairy plant where processing of milk and production of milk by-product could be undertaken.



Through the discussions that the researcher had with the co-operative leaders of the Taluka Co-operative Milk Federations it seems imperative that the present structure will continue and in such a situation if backward linkage effects are expected, then the Taluka level Co-operative Milk Federations in future will have to shoulder this responsibility. Presently, some efforts in this direction are being undertaken by a few Taluka Co-operative Milk Federations. For example, the Chairman of the Krishna Khore Dudh Utpadak, Puravatha Sahakari Sangh, Miraj when interviewed by the researcher, stated that his Taluka Co-operative Milk Federation was implementing certain schemes for the benefit of milk producer farmers at the village level. Provision of cattle-fodder, Veterinary services, provision of cattle-feed were the schemes implemented by the Taluka Co-operative Milk Federation for the benefit of the farmers in Miraj Taluka. However, the researcher found that, schemes for backward linkage effects were not by and large implemented by other Taluka level Co-operative Milk Federations.

B) CONCLUSIONS REGARDING PROCUREMENT, SALE OF WHOLE-MILK AND MILK BY-PRODUCTS PRODUCTION BY GOVERNMENT MILK SCHEME, MIRAJ:

I) Procurement of Milk:

The total milk procured by the Government Milk Scheme, Miraj in the year 1981-82 was 14.29 lakh litres which increased

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to 21.03 lakh litres in the year 1985-86 and in the year 1990-91 it was 18.11 lakh litres. The percentage increase in procurement of milk in the year 1990-91 was 26.7 % over the year 1981-82.

The procurement of milk, Sangh-wise, shows that, Krishna Khore Sahakari Dudh Utpadak Purvatha Sangh Ltd., Miraj is highest in milk procurement. This Sangh procured 4.70 lakh litres of milk in the year 1981-82 which increased to 5.39 lakh litres in the year 1985-86 and in the year 1990-91 it procured 3.04 lakh litres of milk. The percentage share of Krishna Khore Dudh Sangh, Miraj in total procurement of milk by Government Milk Scheme, Miraj in the year 1981-82 was 32.9 % which declined to 16.8 % in the year 1990-91.

Rajaram Bapu Patil Sahakari Dudh Utpadak Sangh Ltd., Walwa is second larger milk Sangh in procurement of milk. It procured 3.19 lakh litres of milk in the year 1981-82 which declined to 2.18 lakh litres in the year 1990-91. The percentage share of this Sangh in total procurement of milk was 22.3 % in the year 1981-82, which declined to 12.0 % in the year 1990-91.

Shetkari Sahakari Dudh Utpadak Sangh Ltd., Kavathe Mahankal procured 1.0 lakh litres of milk in the year 1981-82 which increased to 4.75 lakh litres in the year 1990-91. The percentage share of this Sangh in total procurement of milk

in the year 1981-82 was 7.0 % which increased to 26.3 % in the year 1990-91.

Vasant Dada Zilla Sahakari Dudh Utpadaka Sangh, Tasgaon, procured 1.37 lakh litres of milk in the year 1981-82 which increased to 1.60 lakh litres in the year 1990-91. The percentage share of this Sangh in total procurement was 9.6 % in the year 1981-82 which declined to 8.8 % in the year 1990-91.

Vasant Dada Sangh, Jat procured 0.54 lakh litres of milk in the year 1981-82 which increased to 1.05 lakh litres of milk in the year 1990-91. The percentage share in the total procurement of milk of this Sangh was 3.8 % in the year 1981-82 which increased to 5.8 % in the year 1990-91.

Khanapur Sangh procured 0.11 lakh litres of milk in the year 1981-82 which increased to 1.22 lakh litres of milk in 1990-91. The percentage share in total procurement of milk was 0.8 % in the year 1981-82 which increased to 6.7 % in 1990-91.

Vasant Dada Sangh, Shirala procured 1.01 lakh litres of milk in the year 1981-82 which declined to 0.64 lakh litres in the year 1990-91. The percentage share in total procurement of milk of this Sangh was 7.1 % in the year 1981-82 which declined to 3.5 % in 1990-91.

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Vasant Dada Dudh Sangh, Atpadi procured 0.13 lakh litres of milk in the year 1981-82 and 0.26 lakh litres in the year 1990-91. The percentage share in total procurement of milk was 0.9 % in the year 1981-82 and in 1990-91 it was 1.4 %.

Other milk schemes procured 2.24 lakh litres of milk in the year 1981-82 which increased to 3.37 lakh litres in the year 1990-91. The percentage share of other schemes in the total procurement of milk was 15.7 % in the year 1981-82 which increased to 18.7 % in 1990-91.

C) CONCLUSIONS REGARDING SALE OF WHOLE MILK AND MILK BY-PRODUCT PRODUCTION:

C.1) Sale of Whole Milk:

The sale of whole-milk by the Government Milk Scheme, Miraj to Bombay and other regions was 11.00 lakh litres out of the total procured milk 14.29 lakh litres in the year 1981-82. This declined to 1.91 lakh litres in the year 1990-91 out of the total procurement of 18.11 lakh litres. The percentage share of sale of whole-milk out of total procurement of milk was as high as 77.0 % in the year 1981-82 it declined to 10.5 % in 1990-91. This decline is mainly due to the growth in milk by-product production by the Government Milk Scheme, Miraj.

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C.2) Milk By-Product Production:

a) Green Cheese:

The Government Milk Scheme, Miraj produced 2.3 thousand Kgs. of Green Cheese in the year 1981-82 which increased to 40.9 thousand Kgs. in 1990-91 which shows a growth of more than seventeen times during the period of ten years. The major buyers of Green Cheese are MAFCO, Pune, MAFCO, Bombay and other private parties. In 1981-82 MAFCO, Pune purchased nearly 1.4 thousand Kgs. of Green Cheese which increased to 3.3 thousand Kgs. in 1990-91. MAFCO, Bombay purchased 1.1 thousand Kgs. of Green Cheese in the year 1990-91. Other private parties purchased 1.1 thousand Kgs. of Green Cheese in the year 1981-82 which increased to 8.9 thousand Kgs. in 1990-91.

b) Table Butter:

Government Milk Scheme, Miraj produced 59.8 thousand Kgs. of Table Butter in the year 1981-82 which increased to 4.75 lakh Kgs. in 1990-91. This means nearly eight times increase in the production of Table butter over the year 1981-82. Major buyers of Table butter are MAFCO, Other Government Milk Schemes and Kurla Dairy. Kurla Dairy purchased 2.03 lakh Kgs. of Table butter in the year 1987-88 which increased to 2.98 lakh Kgs. in 1990-91. MAFCO, Pune purchased nearly 65 thousand Kgs. of Table butter in the year 1987-88 which increased to 1.14 lakh Kgs. in the year 1990-91.

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c) White Butter:

Government Milk Scheme, Miraj produced 5.86 lakh Kgs. of White-butter in the year 1981-82 which increased to 9.38 lakh Kgs. in the year 1990-91, this means a 60 % increase in the production of White-butter over the year 1981-82. The major purchasers of White-butter are MAFCO and Kurla Dairy. The branches of MAFCO namely Pune, Worli, Thane and Turbhe are the main buyers of white butter. They purchased 6.85 lakh Kgs. of White-butter in the year 1987-88. Kurla Dairy purchased 80.0 thousand Kgs. of White-butter in the year 1987-88 which increased to 2.79 lakh Kgs. in 1990-91.

d) Ghee:

Government Milk Scheme, Miraj produced 2.1 thousand Kgs. of Ghee in the year 1981-82 which increased to 1.0 lakh Kgs. in the year 1990-91. This means more than forty seven times increase in the production of Ghee during the period of ten years i.e. 1981-82 to 1990-91. Main purchasers of Ghee, produced by Government Milk Scheme, Miraj are Kurla Dairy and MAFCO, Worli. Kurla Dairy purchased 1.0 lakh Kgs. of Ghee in the year 1987-88 and in the year 1990-91 it purchased 29 thousand Kgs. of Ghee. MAFCO, Worli purchased 21.1 thousand Kgs. of Ghee in 1987-88 and in the year 1990-91 it purchased 18.0 thousand Kgs. of Ghee.

e) Skimmed Milk Powder:

The Government Milk Scheme, Miraj produced 7.18 lakh Kgs. of Skimmed Milk Powder (S.M.P.) in the year 1981-82 which increased to 32.31 lakh Kgs. in 1990-91, which shows a growth of more than four and half times in the production of Skimmed Milk Powder during the period 1981-82 to 1990-91. The major purchaser of Skimmed Milk Powder is Aarey. Aarey purchased 11.29 lakh Kgs. of Skimmed Milk Powder in the year 1987-88, and in the year 1990-91 it purchased 30.0 thousand Kgs. of Skimmed Milk Powder. Kurla Dairy purchased 5.30 lakh Kgs. of Skimmed Milk Powder in the year 1987-88 and in the year 1988-89 it purchased 1.10 lakh Kgs. MAFCO Worli purchased 7.86 lakh Kgs. of Skimmed Milk Powder in the year 1987-88 and in 1988-89 it purchased 5.50 lakh Kgs. of Skimmed Milk Powder.

The above details of by-products production by the Government Milk Scheme, Miraj, adequately proves that the Government Milk Scheme, Miraj with increase in daily procurement of milk from the Taluka Co-operative Sanghs, has curtailed its sale of whole-milk which was essentially for the Bombay region. To avoid this dependency on a single market for sale of whole-milk, it has entered into milk by-product production for which there is a demand from other agencies like MAFCO and other dairy units.

D) MAJOR SUGGESTIONS OF THE STUDY:

1) In the future, it is very obvious that the Taluka level, Taluka Co-operative Milk Producers Federation or Union will continue to exist, and in these circumstances, it becomes imperative, that the responsibility of developing and strengthening the village level co-operative milk societies rests solely with these taluka co-operative milk federations. The Taluka Co-operative Milk Federations have to increase their efforts to promote the growth of primary level co-operative milk societies. For this, appropriate measures to develop the 'Backward Linkage' effects will have to be taken. Provision of cross breed high milk yielding variety of cows, facility for artificial insemination, supply of proper cattle feed and green fodder, extension activity to encourage rural women-folk to take up dairy farming etc., are the major measures which the Taluka Level Federation will have to take to develop the proper linkage effects.

2) Proper facilities and provision for weights, measures to ensure supply of quality milk, proper and quick transport facility will also have to be developed by the Taluka Level Co-operative Milk Federation.

3) In period of 'flush season' when supply of milk to the Taluka Co-operative Milk Federation increases,

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the federation can undertake its own scheme to sell the additional milk in the 'local urban markets'. For this, the Taluka Co-operative Milk Federation will have to develop its own independent 'local sale' policy of marketing additional milk or go for milk by-product production.

4) The Government Milk Scheme, Miraj also can in future undertake sale of whole milk in local urban areas, or in nearby local areas in Andhra Pradesh and Karnataka. Attempts should also be to increase local sale of milk by products under a brand name by the Government Milk Scheme, Miraj.

5) In addition to the primary task of collection of milk in the Taluka, the Taluka Level Co-operative Milk Federations can diversify their activities into other areas where there is a local sales possibility in both rural and urban areas. One such area is the bakery products and production of bread and biscuits for which there is a scope of good demand in both urban and rural areas. Ice-cream production, sale of cold scented milk etc., are the other areas to diversify.

6) Extension service, and educating the farmers and rural women folk of the benefits of dairy activities,

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advice on how to care for the proper upbringing of the milch animals, importance of quality improvement and sustenance of high milk yield are the areas in which increased constant guidance has to be given to the farmers. In this sphere the role of the Taluka Level Co-operative Milk Federations assume importance in the absence of the District Co-operative Milk Federation. The existing Taluka Federations can set-up jointly a Extension Service Facility Centre for the benefits of the milk producer farmers.

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