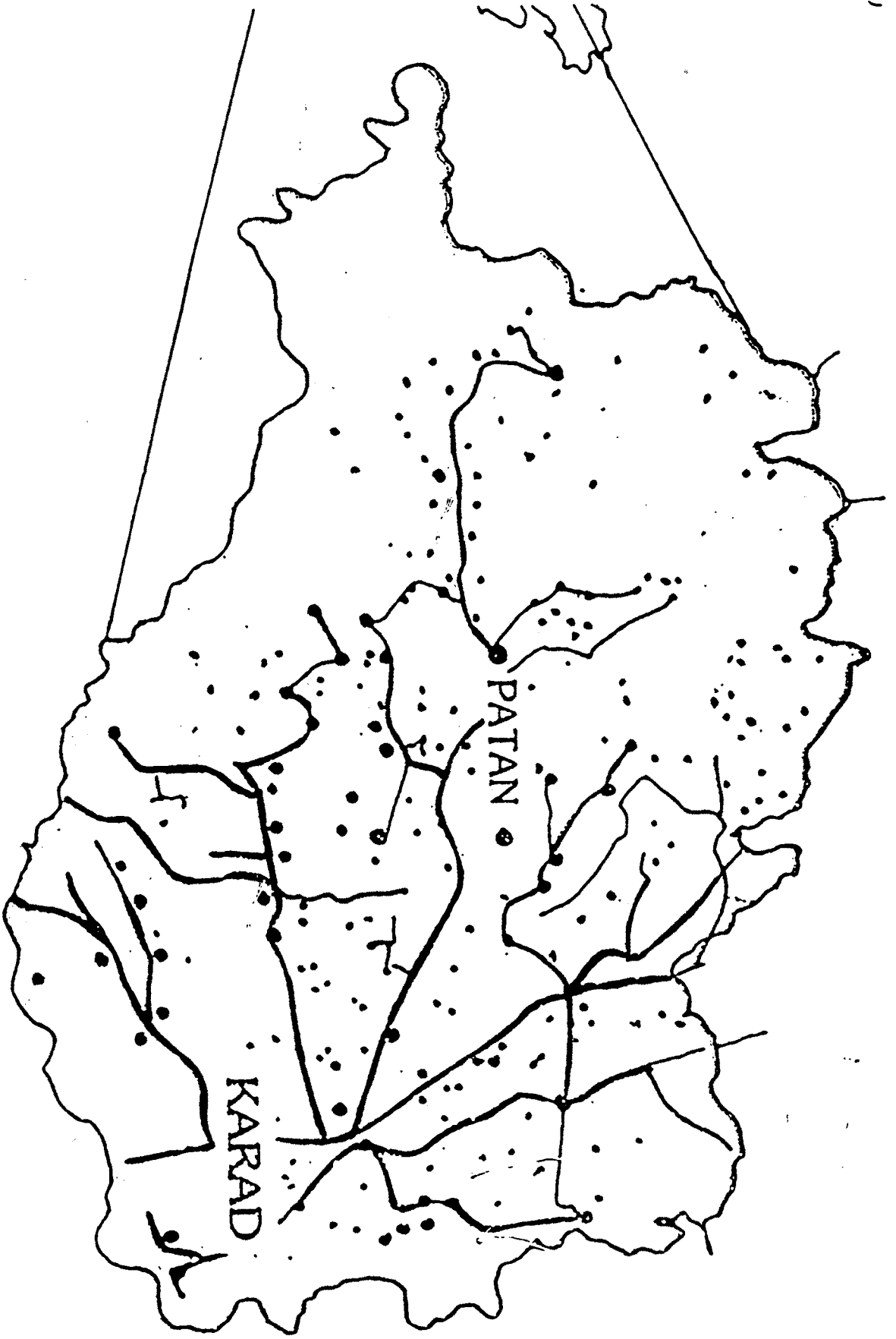


CHAPTER - IV

THE KOYANA SAHAKARI DOODH UTPADAK PRAKRIYA
SANGH, LTD. KARAD





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THE KOYANA SAHAKARI DOODH UTPADAK PRKRIYA SANGH, LTD., KAPAD.

4.1 THE IDENTIFICATION :

'The Koyana Sahakari Doodh Utpadak Prkriya Sangh Ltd., Karad works on the principles of co-operation. This co-operative dairy collects milk from its member farmers and processes it and remaining milk is being supplied to Maharashtra Govt. It operates in Patan and Karad Talukas of Satara District of Maharashtra States. The altitude varies from 450 mt. to 1000 mt. above sea level with the temperature running from 20°C to 40°C in summer and 4°C to 15°C in winter, low altitude plains of eastern region has 75mm, of rain where as high mountain ranges in western part has rain of 5000mm. The 6,20,000 population is spread over 381 villages of the total area, 20% is under Forest, 18% is under irrigation and 45% of the remaining is under cultivation of seasonal food or cash crops. Rice, Soregam, Sugarcane are the main crops. One of the India's biggest hydro electric-cum irrigation project (Koyana Dam) is located in this area. The sangh was registered in October 1957. But actually it procured milk in 1959-60, 90 thousand ltrs. But now collects 70 thousand ltrs. per day from 215 member societies, out of this around 50% cow milk. The sangh owns a dairy (Pasteurisation Plant) ice factory, vehicles and petrol pump.

4.2 HISTORY OF THE SANGH :

'Koyana Co-operative Milk Producers' Processing Union Ltd., Karad, Dist. Satara is located at Karad in Satara District of Maharashtra State. It functions in only two Talukas or the District namely Karad and Patan. Koyana Dudh Sangh has been established on December First 1957 by Late Raghunathrao Patil and his calleagus like Shree Abasaheb Parlekar, P.D. Patil, Baburao Kale, Bhagawantrao Rote, Bhikunana Salunkhe, on the bank of the river Krishna, the soil along the coast of this river is very fertile and rich for any crop and production that his why dairy business has been started as a supplimentary business to farming and to change the social and economic status of the farmers in this area.

This Sangh has originally registered by the name of Karad Taluka Sahakari Dudh Puravatha Sangh (Karad Taluka Milk Suppliers Union Ltd.). It took two years to get the smooth running of its administrative and laboratory work.

The Sangh was inaugarated under the auspicious hands of the then Chief Minister of Maharashtra Late Hon. Yeshwantrao Chavan on 25th July, 1959. The function took place in small hired place in Shaniwar Peth, Karad.

The situation before the establishment of this sangh in case of milk collection and marketing was worst,

as it was suffering from the monopoly of private milk business men, the collection and marketing in the hands of these monopolists appropriating the most of the profit, then only and milk producers were getting as good as nothing. So there was a bitter need of some alternative agency to abolish the private monopoly and to establish some co-operative union to give justice in the form of fair price to the milk producers. This need was rightly recognised and the Karad Taluka Co-operative Sangh started. The sangh was registered in October, 1957. Initially it procured 90 thousand liters of milk in 1959-60. The very first day of the opening of this sangh five villages namely Vathar, Abaichiwadi, Koparde Hawale, Chachegaon and Vadagaon, come to gether under this sangh and since then the number of Villages participating in this sangh activities went on increasing in the first year the sangh was not in profit but it established a very good and hopeful relation between milk producers, consumers and sangh in near future, it provid to be first successful co-operative dairy business in Maharashtra.

The year 1963-64 is taken to be a milestone in the history of the Sangh. In this year the original name "Karad Taluka Sahakari Dudh Purvatha Sangh Ltd., Karad", was changed to "Koyana Sahakari Dudh Puravatha Sangh Ltd. Karad". Because the operational area extended

to Patan Taluka in addition to the original area of Karad Taluka. Koyana Dudh Puravatha Sangh increased the collection of milk and alongwith it, it brought into practice another concept, that is processing of collected milk. This new concept was also proved to be successful because of the favourable efforts to benefit the milk producers and the consumers. As a result, sangh changed its name from "Koyana Sahakari Dudh Puravatha Sangh Ltd." to Koyana Sahakari Dudh Utpadak Prakriya Sangh Ltd. Karad. About 30 years back the Farmers in this area were required to sale their milk at unremmerative prices to private dealers due to lack of organised profitable market and, milk collection and processing organisation Mr. R.D. Patil a local farmer so realizing the difficulty took up the different task of the organising a two tier co-operative structure to take up all the work of the procurement, transport, processive and marketing of the milk product.

4.3 MANAGEMENT :

The Koyana Co-operative Milk Producer's Union is headed by the Chairman elected by representatives of primary societies. He is assisted by an elected Board of Directors. The day to day operations are under technical and administrative control of the manager. He runs the Dairy procurement and quality work with the assistance of the other technical and administrative control of the manager. He runs the Dairy procurement

and quality work with the assistance of the other technical and nontechnical employees. The working has an overall control and supervision of the State Govt. through its Dairy Development Depot.

4.4 FINANCIAL POSITION OF THE SANGH :

The authorised Share capital of the Sangh is Rs. 15 Lakhs out of which the paid up share capital is Rs. 23,73,850/- contributed by the Govt. Primary co-operative Societies and individual members as well. The Reserve Funds Rs. more than 1 Crores.

The total investment of the sangh is Rs. 1,85,57,841/- at the end of 1985-86 out of the total investment the percentage share of machinery, vehicales, can and caps and land building is 35.49, 29.80, 31.17 and 18.58 respectively

4.5 PLANTING CAPITAL :

Funds for this operations available from three sources. Farmers obtain for day to day operation from agriculture and production of milk loans are granted at subsidised interest ratio. The Society and faderation can get loan from co-operative Banks. In addition, the National Co-operative Development and Govt. of India. Undertaking extents financial and technical assistance.

FINANCE AND SUBSIDIES TO SANGH :

Name of Financer	Loan Rs.	Subsidy Rs.	Total Rs.	Recovery Rs.
1. Co-operative Dept. (Machinery, Vehicles, Lands other)	5,51,830	2,79,620	8,11,450	5,31,830
2. Dairy Development Dept. (for buffalo & Cow vehicle)	6,87,000	--	6,87,000	6,87,000
3. National Co-operative Development Corporation (for vehicles & Machinery Cans & Storage purchase Tank)	34,64,000	--	34,64,000	5,11,125

DEPOSITS :

The affiliated societies are deposited to Sangh of Rs. 3,31,685/-. Sangh is paying interest on such deposit every year.

4.6 THE NATURE OF THE BUSINESS :

Sangh collects cow and buffalows milk from the member societies, pasteurises it at Karad Dairy and almost 85% to 90% milk is sent to Bombay. Balance of 15% milk is sold locally in Karad City through 14 Milk Booths at Rs. 5/- per Litres. Sangh also sales Flavoured Milk, butter and 'Shrikhand' on a low kay. Cattlefeed is purchased and supplied to milk societies on No. Profit No Loss basis.

4.7 PRESENT DAIRY PLANT POSITION :

1. Plant started in 1964. with Rated capacity of 10,000 litres a day.
2. Expansion : In 1982 the bandling capacity was further expanded to 75,000 litres a day and the storage capacity of 60,000 litres.
3. Maximum handling in 1985-86.
66,000 litres and average handling yearly
60,000 litres a day.
4. 'Operation Flood' project.

Maharashtra Government has declared that the two Talukas of Karad and Patan will be viewed as an independent milk-shed and that this sangh will be treated as equivalent to any District level milk union. N.D.D.B. and Maharashtra Rajya Mahasangh Bombay have also agreed with this and it has been decided to implement Operation Flood in these two Talukas through this Sangh. However actual implementation has not commenced as yet.

TABLE 4.1

PROGRESS OF THE SANGH

(Fig. in lakh ltrs.)

Year	Milk Procurement	Milk sold locally	Sales to Government of Maharashtra
1959-60	0.84	0.56	Nil
1964-65	5.78 (588)	2.01 (258) (34.77)	3.67 - (63.49)
1970-71	31.44	7.01 (248) (22.29)	23.69 (545) (75.34)
1975-76	34.68 (10)	7.09 (01) (20.44)	26.14 (10) (75.39)
1979-80	76.88 (121)	8.57 (20) (11.14)	67.10 (157) (87.39)
1982-83	136.93 (78)	15.84 (84) (11.56)	120.19 (78) (87.77)
1983-84	146.69 (7)	18.61 (17) (12.68)	127.26 (5) (86.75)
1984-85	167.97 (14)	35.90 (89) (21.37)	131.46 (3) (78.26)
1985-86	198.54 (18)	28.51 (-20) (14.35)	167.50 (27) (84.36)

1) Source : Annual Report Published by Koyana Sahakari Dood Utpadak Prakriya Sangh Ltd. Karad.

Note : 1. Figures in () indicate percentage over the preceding periods.

2. Figures in () indicate percentage shares in the total milk collection.

4.8 PROGRESS OF THE SANGH :

During the very first year of its inception (1959-60) The Koyana Dudh Sangh suffered huge quantity of milk for want of adequate supplies of storing facilities. The losses ran in thousand liters of milk procured from its sister institutions. The remaining quantity was (56 thousand ltrs.) sold locally. During succeeding five years period 1960-61 to 1964-65. The procurement of milk increased by 588% (117.6% p.a.) the percentage of which locally sold and sold to the government workout to be 34.77 and 63.49 respectively. During the five years period the Sangh installed the storing plants and hence a substantial increase in the sales to government took place.

The increasing trends both in procurement and sales to the Government continued. During following period 1965-66 to 1970-71 the quantity procured increased to 31.44 lakhs litres. of milk and sales to the Government increased to 23.49 lakhs litres. milk in terms of relative percentage both of them increased by 443% and 7.34% respectively over those of preceeding year of reference that is (1964-65). The spurt in procurement was due to the increasing number of dairy Co-operative societies. However owing to the lack of reliable data regarding them we are unable to give their actuals as well as percentage increase.

Further this rather tremendous increase would be attributed to a unique scheme regarding the improvement in the location capacity of the milch population which was implemented through the appointment of veterinary Doctor and the supply of cross bred - varieties - Muru - Maisans - Girrathi she buffalows in the rural area of Taluka. This scheme was carried with the help of sangh and under the scheme of the small and marginal farmers and Balutedars (Village handi - crafts men) were provided with cross varieties of milch animals with economic assistance. During the next succeeding five years 1971-72 to 1975-76 the procurement remained more or less constant milk supply to the government also remained more or less to the same as its relative shares in the total procurement remained the same. That is 75.37% during the another three years short period 1976-77 to 1980. The procurement increased almost more than doubled to 76.88 lakh litrs. and pushed the percentage increase to 121 by 1979-80, the relative share of milk sold to the government increased to 87.39% causing a decline in the relative share of milk sold locally from 20.26 to 11.14.

The salutary features of this growth of milk sold to the government is the increasing commercialised activities of the sangh where as, the unfortunate and the unwanted development of declining supply of milk to the local population. After remaining more or less constant which increased by just 7% the relative 17% share of both

locally after having declined steadily in the total procurement, remaining constant over 1979-84 to 21.23% in 1984-85 affecting adversely the supply of milk to the government (78.17%). This increase resulted into the establishment of additional booths in town itself (Karad). Strangely enough 1985-86 the procurement increased by 15% over that of preceding year and accordingly milk sold to government increased causing the relative percentage to be again on the high of 84.36% causing a decline of local sale to 14.36%.

If we consider the trend of locally supplied milk, it declined by - 20% over that of preceding year. This is really a bad indication from the point of view of nutritious food supply to the local population. The prices charged to the local population must be rather high enough which makes the large majority of population unable to purchase milk, despite this growth of activities of Sangh, in respect of procurement and sale to the government as well as one can note the fact that the increase have occurred at the cost of rural and town population depriving them of proteins which is supplied through consumption of milk.