
CHAPTER - IV

CHAPTER 4

THE PROFILE OF THE SANGH

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CHAPTER 4

THE PROFILE OF THE SANGH

4.1 ESTABLISHMENT

Krishna Khore Co-operative Dudha Utpadak and Purwatha Sangh came into existence on 5th April 1963 due to the active efforts of M/s G. R. Patil, A. G. Shinde and A. T. Awati. The promoters started this venture with a view to develop the Miraj taluka, the then economically backward region. The major thrust was on milk business development and to uplift the standard of living of agricultural labourer and small and marginal farmers at large.

The focus on activities of the Sangh at start was more on the Eastern part of Miraj taluka. This was due to the fact that the area is characterised as drought prone. The green fodder required for the purpose of milching business in this area was made available from Western and Southern part of Miraj taluka by the Sangh.

4.2 OBJECTIVES OF THE SANGH

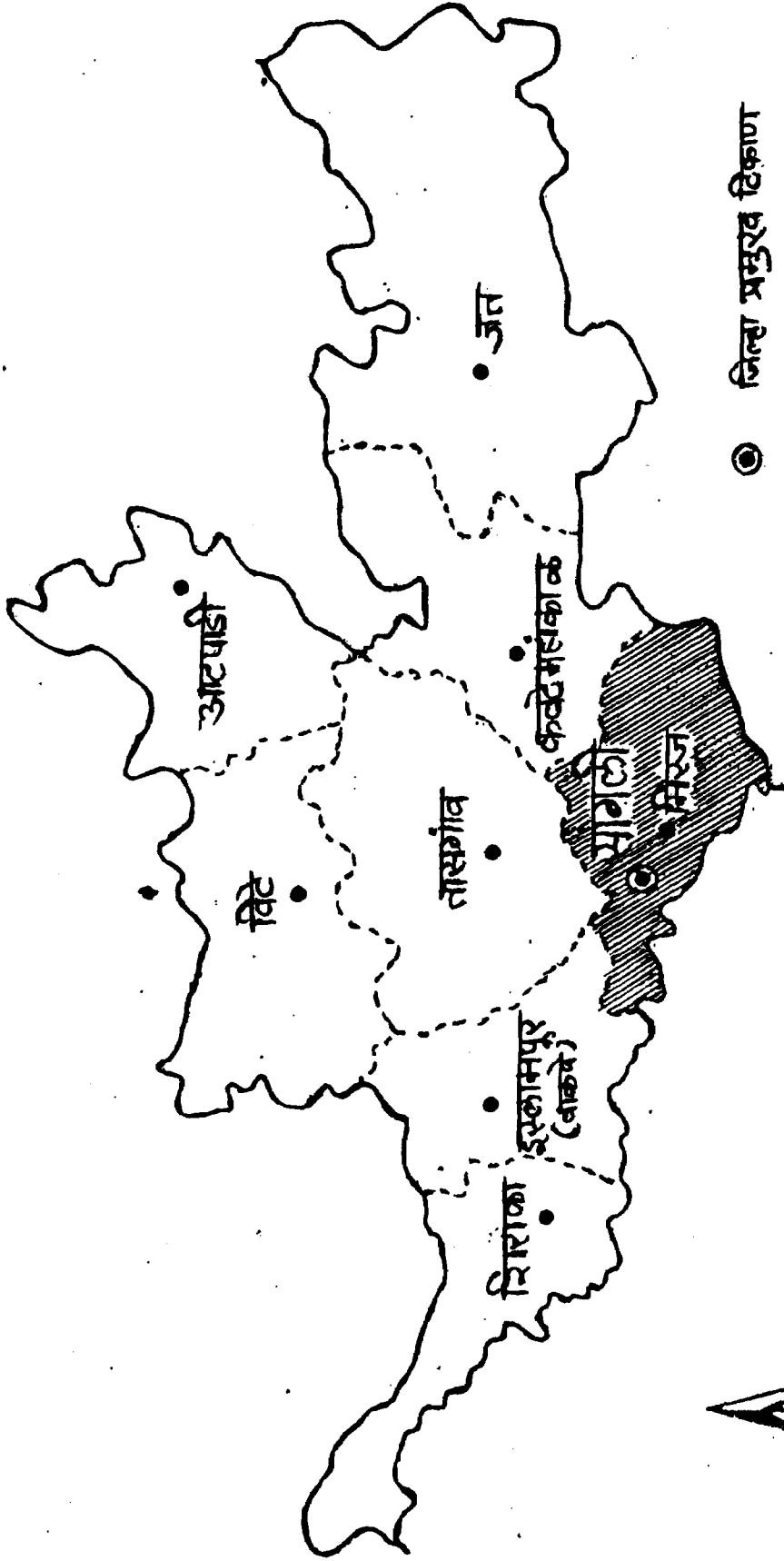
The objectives of the Sangh have been steadily increasing right from its inception. The major one are :

- (1) Collecting the milk from primary milk society and disposing of in the urban market.
- (2) To help the farmer members in getting milch animals, fodder, penda and kadaba; and supplying these through member primary societies.
- (3) To increase milk collection progressively from member primary societies.
- (4) Providing a source of money to agricultural labourers and farmers as a side business to increase their standard of living.
- (5) To lessen the burden of farmer members loan and to develop his milching business.

4.3 AREA COVERED

This Sangh was the first co-operative organisation started in Sangli district. Out of eight talukas under Sangli district (see Map 1), as many as five talukas were covered by the Sangh from its inception namely, Miraj, Tasgaon, Valva, Kavathemahankal and Shirol from Kolhapur district. There was monopoly of Krishna Khore Co-operative Dudha Utpadak and Purwatha Sangh. However, after the Maharashtra Govt. directive in 1986-87, one Dudha Sangh has to operate only in one taluka. Thus, the operational area

सांगली जिल्हा



- जिल्हा प्रमुख ठिकाण
- ताळुका प्रमुख ठिकाण
- जिल्हा सिमा
- ताळुका सिमा

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कृष्णा-रवीरे सहकारी वृष्ट संघाचे कार्यालय 1991-92

was restricted to only Miraj Taluka. Subsequently, in the other talukas different Dudh Sanghs were created to cater to the need of procurement and distribution of milk in these talukas.

4.4 MEMBERSHIP

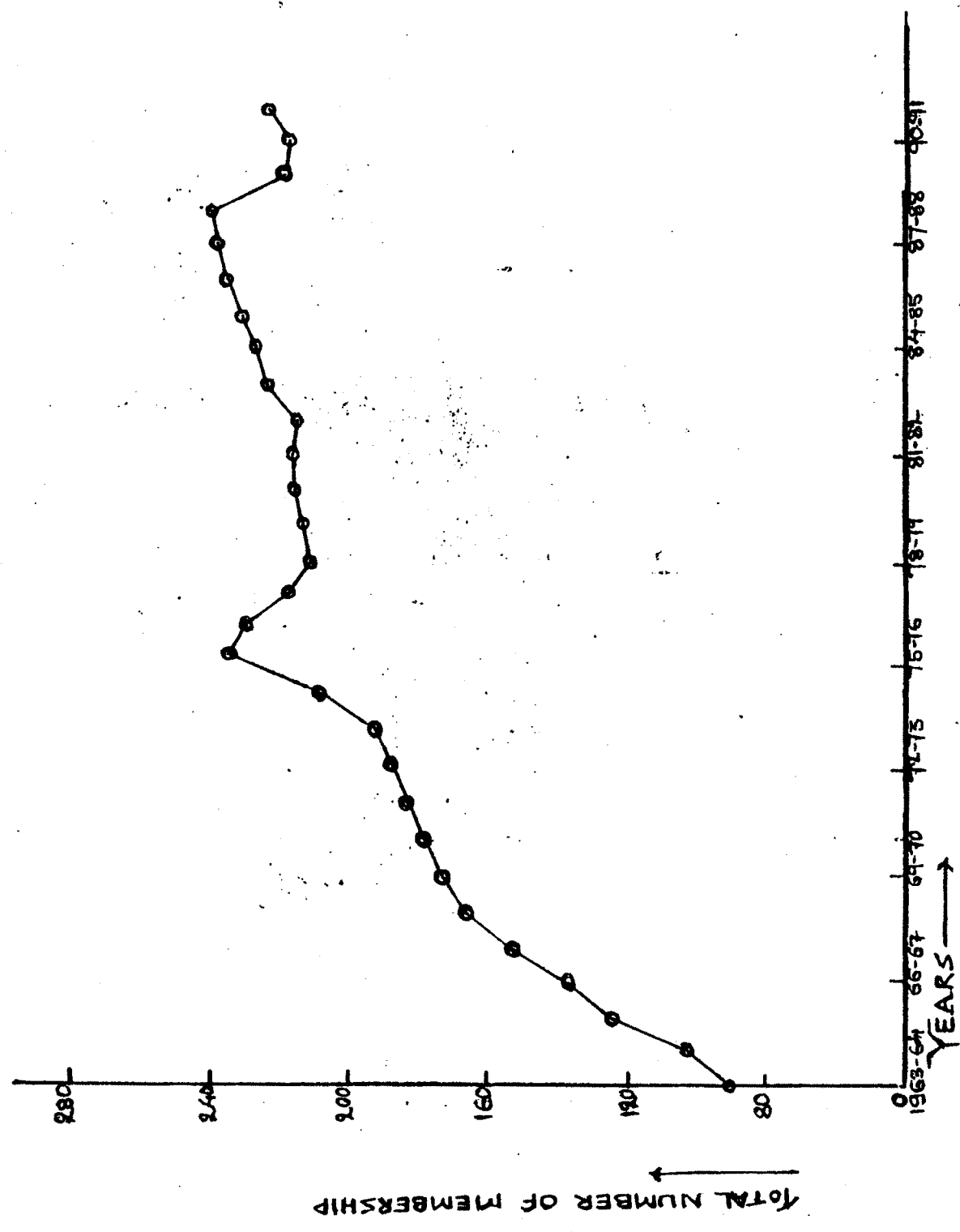
The Krishna Khore Dudh Utpadak and Purvatha Sangh was a primary Dudh Utpadak Co-operative Sangh. The membership of this comprises of the primary milk societies as per the bye laws of the Sangh. The private persons (agents) thus, are not the members of the Sangh. There is no hard and fast rule to accept the membership of the Sangh by each and every primary society. The membership however, depends entirely upon the will and wishes of the primary societies. As per the motto of co-operation " open and willing membership" the Sangh's membership was not mandatory. But, if once the primary society accepts the membership, then there is restriction on the society to give milk to the Sangh. The total number of societies have been steadily increasing from the inception of the Sangh and is shown in Table below.

It is observed from the Table that the Sangh has started with an initial membership of 86 primary member societies in the year 1963 - 64. It has steadily increased

TABLE 4.1 MEMBER SOCIETIES AND SHARE CAPITAL OF SANGH

YEAR	MEMBER SOCIETIES	MILK SUPPLYING SOCIETIES	SHARE CAPITAL
1963-64	86	36	56,600
1964-65	92	52	57,200
1965-66	121	67	64,400
1966-67	134	87	74,300
1967-68	152	109	1,00,500
1968-69	162	104	1,16,100
1969-70	166	70	1,50,700
1970-71	168	71	1,58,300
1971-72	170	95	1,70,700
1972-73	179	92	1,71,800
1973-74	189	89	1,69,700
1974-75	203	143	1,83,600
1975-76	233	156	3,32,300
1976-77	228	128	3,74,200
1977-78	218	112	3,35,200
1978-79	205	107	3,23,400
1979-80	207	110	3,11,600
1980-81	212	117	3,07,100
1981-82	212	117	2,96,000
1982-83	211	121	2,93,400
1983-84	223	133	2,94,600
1984-85	227	142	2,90,000
1985-86	228	145	2,82,900
1986-87	232	82	2,83,300
1987-88	233	81	5,38,600
1988-89	236	79	6,97,900
1989-90	218	74	6,72,700
1990-91	216	78	6,68,400
1991-92	220	78	6,70,200

— KRISHNA KHORE CO-OP DUDHA UTPADAK AND PURWATHA SANGH LTD, MIRAJ. —
 — CHANGE IN THE TOTAL NUMBER OF MEMBERSHIP. —



in last thirty years to approximately 220 in 1991 - 92. It should however be noted that from the year 1986 - 87, though the operation of the Sangh was restricted to Miraj Taluka only, the number of member societies have not reduced significantly. However, the number of milk supplying societies to the Sangh has reduced considerably from 145 in 1985 - 86 to 82 in 1986 - 87. Surprisingly it is also noticed that this number has been decreasing in the next five years though marginally to 78 in 1991 - 92.

The total share capital of the Sangh accumulated from the member societies was Rs. 56,600 in 1963 - 64. It has progressively increased over the thirty years to more than ten times to Rs. 6,70,200 in 1991 - 92. Interestingly it is noticed that inspite of decreased number of societies from 1985 - 86 onwards the share capital has approximately trebled.

4.5 MILK COLLECTION

The primary milk societies collect milk from their member farmers from their operational territory. This collected milk is then procured by the Sangh for processing at its Miraj process plant. The milk collection of the Sangh from 1963 - 64 is shown in the Table below. It is observed from the Table that there is no consistency in milk

TABLE 4.2 TOTAL MILK COLLECTION BY THE SANGH

(Figures in litres)

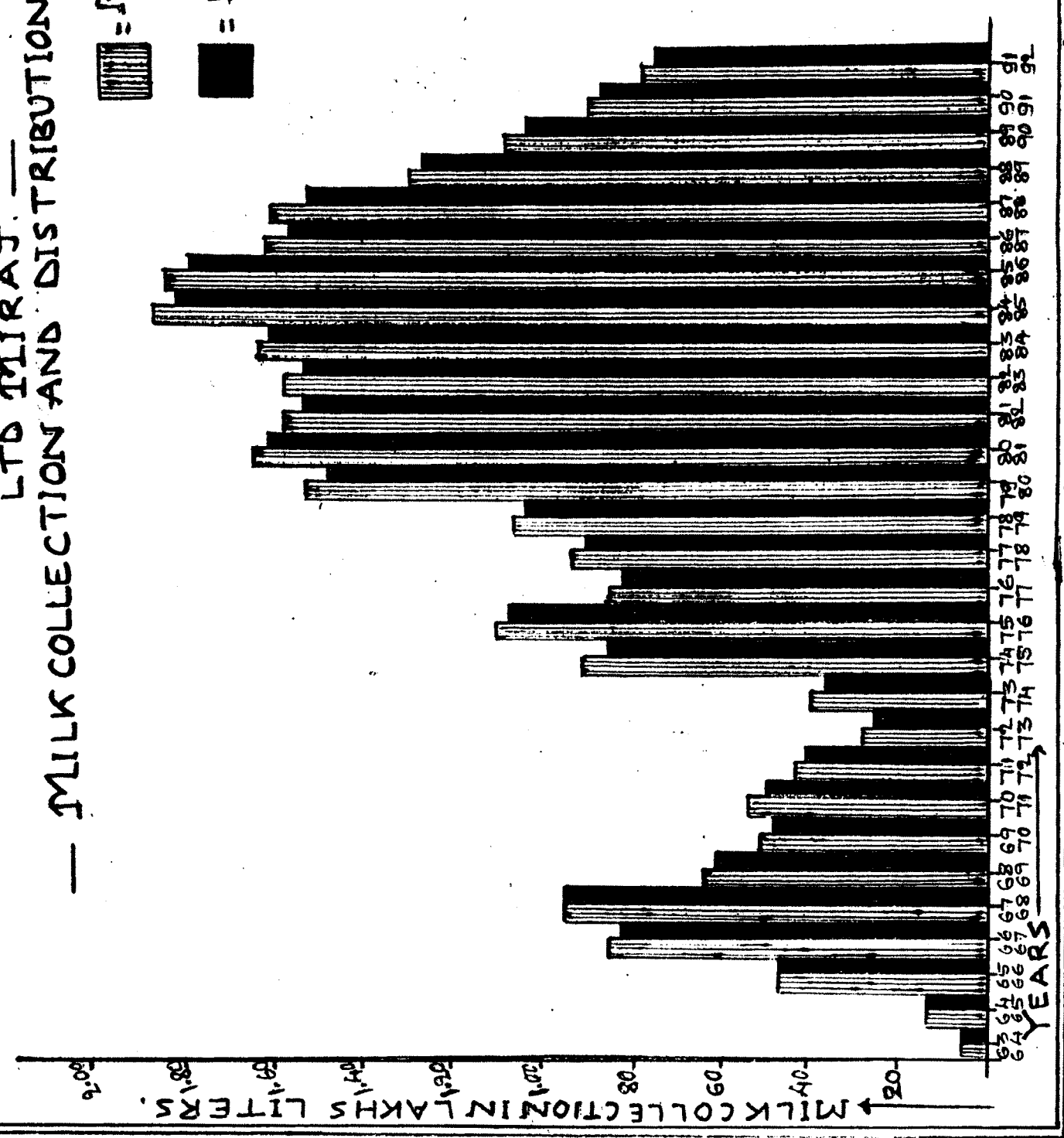
YEAR	TOTAL MILK COLLECTION	NET CHANGE (%)
1963-64	6,50,117	
1964-65	11,77,603	+ 71
1965-66	48,18,442	+ 300
1966-67	86,65,116	+ 49
1967-68	95,08,783	+ 10
1968-69	62,20,249	- 35
1969-70	53,65,503	- 14
1970-71	55,83,294	+ 4
1971-72	42,85,683	- 23
1972-73	29,08,413	- 32
1973-74	40,03,688	+ 38
1974-75	93,82,605	+ 134
1975-76	1,15,08,876	+ 22
1976-77	86,47,123	- 25
1977-78	94,41,635	+ 9
1978-79	1,11,08,999	+ 18
1979-80	1,52,53,139	+ 37
1980-81	1,66,08,678	+ 9
1981-82	1,58,04,335	- 5
1982-83	1,58,29,377	+ 0.15
1983-84	1,65,93,330	+ 5
1984-85	1,87,98,871	+ 13
1985-86	1,85,48,277	- 1.3
1986-87	1,63,34,940	- 12
1987-88	1,62,02,968	- 0.8
1988-89	1,29,70,478	- 20
1989-90	1,12,58,906	- 13
1990-91	91,56,204	- 18
1991-92	78,15,449	- 14

— KRISHNA KHORE CO-OP. DUDHA UTPADAK AND PURWATHA SANGH
 LTD MIRAJ.

— MILK COLLECTION AND DISTRIBUTION —

▨ = MILK COLLECTION

■ = MILK DISTRIBUTION



collection. It is noticed that the milk collection has increased to 300 percent during 1964 - 65 and 1965 - 66 followed by continuous decrease in milk collection upto 1972 - 73. The collection has again started increasing subsequently and there was maximum increase of 134 percent in the year 1974 - 75. However, thereafter with few exceptions the milk collection has progressively decreased upto 1991 - 92.

The inconsistent increase or decrease in the milk collection is attributed to several reasons. For instance, seasonal as well as climatic changes, competition from private dairies, better rates in the market and behavioural aspects.

4.6 MILK DISTRIBUTION

The Dudh Utpadak Sangh collects milk and distributes it to the Miraj Government Dairy. It collects cow milk, buffalo milk, spoiled milk and milk of various fat content. Thus the price of the collected milk varies depending on the type of milk.

The milk distribution of the Sangh is shown in the Table below. From 1963 - 64 to 1968 - 69 the dairy was not distributing milk in the local market. However, the Govt.

TABLE 4.3 MILK DISTRIBUTION OF THE SANGH

(Figures in '000 litres)

YEAR	TOTAL MILK COLLECTION	TOTAL MILK DISTRIBUTION	MILK DISTRIBUTION TO MIRAJ DAIRY	LOCAL MARKET	SPOILAGE (%)
1963-64	6,90	6,90	6,90	-	-
1964-65	11,77	11,77	11,77	-	-
1965-66	48,18	48,18	48,18	-	-
1966-67	86,65	85,91	85,91	-	0.8
1967-68	95,08	95,08	95,08	-	0.3
1968-69	62,20	61,06	61,06	-	1.8
1969-70	53,65	53,20	52,77	43	0.8
1970-71	55,83	54,87	51,66	3,21	1.7
1971-72	42,85	42,48	38,79	3,69	0.8
1972-73	29,08	28,77	25,37	3,39	1.0
1973-74	40,03	39,44	36,68	2,76	1.4
1974-75	93,85	92,85	92,85	-	1.0
1975-76	1,15,08	1,14,10	1,14,10	-	0.8
1976-77	86,47	85,83	85,83	-	0.7
1977-78	94,41	93,91	93,91	-	0.5
1978-79	1,11,08	1,10,53	1,10,53	-	0.5
1979-80	1,52,63	1,51,62	1,51,62	-	0.5
1980-81	1,66,08	1,64,49	1,64,49	-	0.3
1981-82	1,58,04	1,57,60	1,57,60	-	0.2
1982-83	1,58,29	1,57,32	1,57,32	-	0.6
1983-84	1,65,93	1,64,84	1,61,16	3,68	0.6
1984-85	1,87,98	1,86,39	1,78,98	74	0.8
1985-86	1,85,48	1,83,37	1,77,68	5,70	1.1
1986-87	1,63,34	1,60,89	1,52,64	8,25	1.4
1987-88	1,62,02	1,59,76	1,35,38	2,43	1.0
1988-89	1,29,70	1,28,73	1,22,85	5,88	0.7
1989-90	1,12,58	1,11,59	1,09,92	1,66	0.8
1990-91	91,56	90,80	87,96	2,83	0.8
1991-92	78,15	77,70	40,75	3,69	0.5

of Maharashtra permitted the Sangh to sell part of its milk in the local market. This concession was withdrawn during the period 1974 - 1983. The Govt. has again permitted the Sangh to sell 15 percent of its collected milk in private market from 1983 onwards.

The spoiled milk collected is either sold to private sweet marts or processed by the Sangh itself to produce ghee. It is noticed from the Table that during the last 30 years the percentage of spoiled milk of the total collected milk varies from 0.2 percent to 1.8 percent.

4.7 OTHER ACTIVITIES

In addition to the procurement and distribution of milk from the primary societies to the Govt. dairy, the Sangh undertakes various activities related to the milk. These are discussed below.

1) Cattle feed and cattle medicine facility :- For the purpose of providing cattle feed to the members of primary societies, the Sangh started a cattle feed manufacturing unit in MIDC Kupwad area in Miraj after 22 years from its inception, in the year 1982. The rate of cattle feed at present is Rs.165 per 65 Kg. bag in the market. The Sangh however is selling the same bag at Rs.155. It is observed

that though there is a price difference of Rs.10 the product is not well accepted by its member societies and the farmer members. This may be due to the tough marketing competition as well as due to less nutritious product as will be discussed in the next chapter. Out of 78 milk supplying primary societies, only 25 societies have been purchasing the cattle feed from the Sangh.

For the purpose of the farmer members of the primary milk societies the Sangh also provides medical facilities in Miraj taluka. To illustrate, these include the appointment of a veterinary doctor for medical treatment of milch animals, insemination facilities and other miscellaneous treatment. These treatments are given at reasonable rates.

2) Loan for purchase of milch animals :- To increase the milk collection in the operation area, the Sangh was providing milch animals to farmer members through primary milk societies. This was one of the main objectives of the Sangh from its inception. The loans were obtained from National Dairy Development Corporation from 1963 to 1974 and was distributed through the Sangh. This was however withdrawn from 1977. Later the Sangh was instrumental in giving loans to the farmer members for the purchase of milch animals through nationalised or co-operative banks. The loans given by the Sangh for the purchase of buffaloes and

TABLE 4.4 LOANS GIVEN BY THE SANGH TO SOCIETIES

YEAR	LOAN FOR BUFFALO PURCHASE			LOAN FOR COW PURCHASE		
	AMOUNT	SOCIETIES	BUFFALOES	AMOUNT	SOCIETIES	COWS
1963-64	3,10,000	43	620	-	-	-
1964-65	1,00,000	18	200	-	-	-
1965-66	1,25,000	26	250	71,753	8	91
1966-67	3,05,000	41	498	1,08,184	10	152
1967-68	1,92,600	41	390	-	-	-
1968-69	2,00,000	41	392	31,678	2	30
1969-70	75,000	6	95	-	-	-
1970-71	47,350	4	9	86,197	4	59
1971-72	41,078	7	59	-	-	-
1972-73	12,600	3	-	-	-	-
1973-74	1,14,000	4	91	89,000	2	55
1974-75	2,86,000	7	214	2,55,350 ^B	3	87
1975-76	5,89,310 ^B	35	437	6,04,850 ^B	7	98
1976-77	16,00,410 ^B	54	1003	5,06,130 ^B	53	155
1977-78	-	-	-	1,09,600	8	88
1978-79	-	-	-	3,76,600	14	458
1979-80	1,05,000 ^B	63	670	73,400	8	111
1980-81	-	-	-	40,13,886 ^B	67	693

(B indicates loans given by the banks and other by the Sangh)

cows is depicted in the Table below in terms of the amount sanctioned, number of buffaloes and number of cows purchased. It is noticed that there is no definite trend in the amount loaned for the purchase of milch animals, perhaps this may be due to inconsistent efforts of the Sangh in getting loans from NDDC and to carry on OPERATION FLOOD PROGRAMME in a positive direction.

3) Ice factory :- Since the Sangh needs lot of ice to store and preserve the milk, it started ice factory in 1972-73 with an installed capacity of 37 tonnes. The ice factory, it is claimed by the management that is underutilised. This is observed from the following table.

The table shows the sales of ice from 1972 - 73 to 1991 - 92. It is noticed that the ice sales varies drastically from year to year and there is no definite pattern. As revealed latter, despite having sufficient capacity, the Sangh purchases ice for the preservation of milk procured. It is also noticed in the present study that the Sangh does not attempt to sell ice despite having additional unused capacity in its ice factory. The management however, laments that the irregular pattern in ice sales are attributed to the shortage in electricity supply, non-availability^{of} spare parts of ice machinery in time, restricted operations, and increased competition.

TABLE 4.5 PROGRESS OF ICE FACTORY OF THE SANGH

YEAR	ICE SALE (Rs.)	CHANGE (%)
1972-73	91,980	
1973-74	1,08,317	+ 17.8
1974-75	1,34,161	+ 23.8
1975-76	1,62,224	+ 20.9
1976-77	2,72,681	+ 68.0
1977-78	3,11,574	+ 14.2
1978-79	3,55,773	+ 14.1
1979-80	4,04,944	+ 13.8
1980-81	4,74,209	+ 17.1
1981-82	5,06,811	+ 6.8
1982-83	5,25,959	+ 3.7
1983-84	4,94,306	- 6.0
1984-85	5,47,835	+ 10.8
1985-86	5,48,374	+ 0.09
1986-87	4,29,460	- 21.6
1987-88	5,77,704	+ 34.5
1988-89	4,83,915	- 16.2
1989-90	4,06,400	- 16.0
1990-91	1,06,678	- 73.7
1991-92	2,12,912	+ 99.5



4) Shibiras :- For the purpose of controlling the diseases and giving essential guidance on medical treatment on diseases of the cross-bred cows, the Sangh started the "Shibiras" from 1963-64. The Sangh also conducts programmes in villages for providing artificial insemination facilities and services of veterinary doctors and experienced specialists besides supply of medicines at reasonable rates.

To impart in-depth knowledge and latest methods in milk business to the farmer members, the Sangh with the help of Zilla Co-operative Board and Zilla Parishad conducts Animal Melas, Coaching Classes and Shibiras periodically every year. To fight against inflation, the Sangh is planning to impart know-how in increased milk production through modern methods. The Sangh has already sent a proposal to the Government for 100 percent milk testing.

5) Prize Distribution :- In 1980 the Board of Directors of the Sangh decided to introduce the prizes for the milk collection, and quality milk to boost milk collection. It is claimed that this scheme is well taken by the milk producers in this area. All these activities have helped to increase the milk production and make the milk business a profitable venture.

6) New schemes in offing :- Recently various following mentioned schemes have been in the planning stage.

(a) Green Fodder Development Division :- In milk production, the green fodder assumes major stake. Hence, if some suitable arrangement is made to produce green fodder in planned manner, not only the cost of milk will be brought down but will result in quality milk output. Secondly, in Miraj taluka by and large there is no adequate green fodder due to paucity of water. Hence, the Sangh with the joint help of Mahatma Phule Agriculture University Rahuri, Sahakari Sangh Kolhapur, and Kolhapur Dudh Sangh has planned to develop new fodder seeds namely, Lasun, Ghas, Barsim, Staylo, Hymata and Joint Bazra. It is also planned to make these available to the farmer members.

(b) Milk Sale in Miraj, Sangli and Bombay :- In near future, the Sangh has planned to start private sale of milk in Miraj, Sangli and Bombay in addition to supplying the milk to the Miraj Dairy.

(c) Krishna Khore Bread Factory :- The increased demand for bread from rural as well as the urban area has prompted the Sangh to diversify its operation into bakery

business. The Sangh has planned to start bread factory in its garage shed building. It is aimed to produce better quality bread and other products and sale at reasonable rates. The planned capacity of the bread factory is estimated to be 5000 breads per shift.

4.8 ORGANISATION STRUCTURE

The organisation chart of the Krishna Khore Co-operative Dudha Utpadak and Purwatha Sangh is shown in CHART 1 below. It is headed by the Board of Directors. The Board consists of 17 Directors, which are elected from the General Body of the Sangh. Under the guidance of the Board of Directors, the Chairman and Manager function. The day-to-day operations are looked after exclusively by the Manager. The Manager is assisted by the Accountant, who looks after entire accounts of the Sangh. The Chemist is the head of milk processing unit, under whom number of supervisors work. The ice factory is headed by the Ice Factory Incharge, who gets work done through operators. The cattle feed unit is manned by the Cattle Feed Incharge, who is assisted by the Plant Supervisor and Chemist.

ORGANISATION CHART OF THE SANGH

BOARD OF DIRECTORS



CHAIRMAN



MANAGER



ACCOUNTANT

CHEMIST

ICE PLANT
IN-CHARGE

CATTLE FEED
IN-CHARGE



CLERKS



SUPERVISORS



OPERATORS



SUPERVISORS

CHEMIST