

C H A P T E R - III : EVALUATION OF THE ~~KRR~~  
PERFORMMANCE OF PRIMARY  
COOPERATIVE DAIRY  
SOCIETIES IN IRRIGATED  
AND NONIRRIGATED AREAS  
IN WALWA TALUKA ON THE  
BASIS OF -

- a) Growth performance of Primary dairy cooperative societies.
- b) Financial soundness of primary dairy cooperative societies.
- c) Managerial structure and efficiency of primary dairy cooperative societies.
- d) General working of primary dairy cooperative societies.

C H A P T E R - III

Evaluating the performance of primary dairy  
Cooperative societies in irrigated and non-  
irrigated area.

In order to evaluate the working of primary dairy co-operative societies at individual level and to compare their performance in respect of growth, financial soundness, collection of milk etc. Following 10 percent of <sup>the</sup> societies, ( 8 dairy societies from 99 societies ) have been selected for present study. These societies represent Walwa Taluka.

- 1) Shivaraj Cooperative Dairy Society Ltd., Bahe
- 2) Krantisinha Nana Patil Cooperative Dairy Society Ltd., Yedemachindra.
- 3) Walwa Cooperative Dairy society Ltd., Walwa.
- 4) Vishwas Cooperative Dairy Society Ltd., Tambave.
- 5) Shree Hanuman Cooperative Dairy Society Ltd., Borgaon.
- 6) Shree Amruteshwar Cooperative Dairy Society Ltd., Bhadkimbe.
- 7) Shree Bhairavnath Cooperative Dairy Society Ltd., Yelur.
- 8) Chikurde-Devarde Cooperative Dairy Society Ltd., Chikurde.

The criteria used for selecting above mentioned eight societies as sample societies are discussed in scheme of dissertation. The first five societies are from irrigated area, while the rest three are from non-irrigated area.

There are various criteria available for evaluating the working of primary dairy cooperative societies. However, the

working of dairy societies at individual level is evaluated on the basis of -

- i) Growth performance of primary dairy cooperative societies based on some selected indicators.
- ii) Financial soundness of primary dairy cooperative societies based on proportion of owned funds to working capital.
- iii) Managerial structure and efficiency of primary dairy cooperative societies based on some selected indicators.
- iv) General comparison of primary dairy cooperative societies based on some selected indicators.

Section - I

A) Growth performance of primary dairy cooperative societies in irrigated and non-irrigated area.

In order to compare growth performance of selected societies following indicators have been taken in to consideration.

- 1) Membership per society.
- 2) Share capital per society.
- 3) Reserved and other funds per society.
- 4) Loans and deposits per society.
- 5) Working capital per society.
- 6) Advances given per society.

- 7) Recovery of advances per society.
- 8) Profit/loss per society.
- 9) Audit class per society.
- 10) Dividend paid per society.
- 11) collection and sale of milk per society.

✓  
1) Membership -

Membership per society represents the extent to which coverage is attained. A large membership per society adds to its strength of activities. Because, as the number of members increase, there will be more quantum of its owned funds to give more financial economic strength to function effectively by extending service to members.

Membership of the societies except Bahe society showed an upward trend throughout entire period under review. Membership of Yedemachināra society, Walwa society, Yelur society has increased by 36.90 percent 30.35 percent and 77.55 percent from the year 1980-81 to 1985-86. Membership of other societies except Bahe society has increased in the range of 1 percent to 17 percent during the same period. Membership of Bahe society has decreased by 6 percent during the same period (Table No.3:1).

Therefore, dairy societies in irrigated areas and non-irrigated areas do not show rapid and reasonable upward trend during the period from 1980-81 up to 1985-86. Societies make

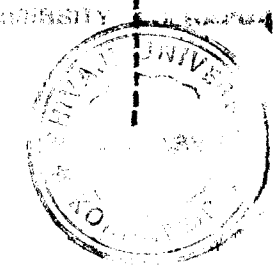


TABLE NO. 3:1 (B)

Growth performance of cooperative dairy societies. (Non-irrigated area)

No.	Name of the society	Indicator	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
6.	Shree Anruteshwar Cooperative Dairy Society Ltd., Bhadkimbe.	Membership	265 (100)	298 (112.45)	285 (107.54)	285 (107.54)	290 (109.43)	280 (105.56)
		Share Capital	22440 (100)	22740 (101.33)	20620 (91.99)	18980 (84.59)	19000 (84.57)	18700 (82.32)
		Other liabilities	9108	15585	30365	29130	43478	46846
			(100)	(171.11)	(333.38)	(319.82)	(477.36)	(514.33)
		Working capital	17135	23657	50417	58570	95200	114014
			(100)	(138.06)	(294.23)	(341.81)	(555.58)	(665.38)
		Advances	1550	4700	15355	3300	12050	31626
			(100)	(303.22)	(990.64)	(212.90)	(777.41)	(204.03)
		Recovery	2130	2583	5793	7927	9050	23299
			(100)	(121.26)	(271.97)	(372.15)	(424.88)	(1093.84)

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**No. Name of the society Indicator 1980-81 1981-82 1982-83 1983-84 1984-85 1985-86**

**8. Chikurde Devarde  
Cooperative Dairy  
Society Ltd.,  
Chikurde.**

	752	767	763	767	766	766
Membership	752	767	763	767	766	766
Share Capital	44750 (100)	45350 (101.99)	42250 (101.46)	45250 (101.99)	45300 (101.86)	45200 (101.86)
Reserve and other funds	77274 (100)	84053 (101.34)	84057 (94.41)	85012 (101.11)	95936 (101.22)	98399 (101)
Deposits	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-
Other liabilities	56413 (100)	45060 (89.97)	52892 (93.75)	46653 (82.69)	47601 (84.39)	109406 (193.93)
Working capital.	178437 (100)	174463 (97.77)	179199 (100.42)	176915 (99.14)	188837 (105.83)	253005 (141.78)
Advances	20550 (100)	7200 (35.03)	-	-	-	-
Recovery	14802 (100)	16871 (113.97)	2258 (15.25)	2624 (17.72)	3581 (24.19)	1173 (7.92)

/Complied by the author./

efforts ~~for~~ for increasing membership and they are inadequate. For retaining control over society, management is against the policy of adapting new members.

2) Share Capital -

The share capital constitutes an important component of working capital. The growth index of share capital of Bahe society Yedemachindra society, Yelur society showed an upward trend during the period from 1980-81 to 1985-86. The share capital growth index of Walwa society, Tambave society, Borgaon society and Chikurde society showed a little upward trend in the same period. The share capital growth index of Bhadkimbe society has declined during the period under review.

Therefore, dairy societies in irrigated and non-irrigated areas do not show relatively better performance in respect of share capital except Yedemachindra society. Because of the stable trend in membership the capital has not increased reasonably. The dairy societies are not taking 1 paisa per litre of milk supplied by milk producing members as share deposit.

3) Reserve and other funds -

Reserve fund forms an important component of the owned funds because, reserve fund can not be claimed by members, share capital contributed by members can be withdrawn with prior intimation. Reserve fund is generally deposited with District



central cooperative bank. As reserve fund is derived from the profits, the latter is indispensable to build up the former.

The ~~x~~ reserve and other funds of Yedemachindra society, Borgaon society, Yelur society showed a rapid upward trend during the period under review. The reserve and other funds of above societies have increased by 72157 percent, 1391 percent and 795 percent respectively from 1980-81 to 1985-86. The reserve fund and other funds of other societies increased in the range of 27 percent to 222 percent in the same period.

Therefore, dairy societies in irrigated areas show better upward trend of Reserve Fund as compared to dairy societies in nonirrigated areas. The reasons of low reserve funds are that the secretaries do not have sufficient knowledge of accounting, they do not distribute profits while preparing final accounts. The other reasons are that there is no guarantee of profit before audit and negligence of members.

4) Loans and deposits taken -

Out of selected sample societies only Walwa society accepted loan of Rs.35,907 in the year 1983-84. An important indicator of the success and efficiency of a cooperative society is the extent to which it is able to mobilise savings of the community in form of deposits. Dairy societies in both irrigated and non-irrigated areas show nil performance in respect of

deposits and loans. Dairy societies would be able to stimulate thrift and mobilise household savings from rural areas. The board of directors and employees of dairy societies are not motivating the milk producers for savings and deposits.

✓ 5) Working Capital -

Working capital of a society comprises share capital, reserves, deposits and borrowings & other liabilities. Growth index of working capital of all dairy societies exhibited an increasing trend due to the increasing amount of funds. A major component of working capital, funds, itself continued to increase during the period from 1980-81 to 1985-86. However, the dairy societies in irrigated areas showed a satisfactory performance of working capital; if compared with the dairy societies in nonirrigated area.

During the entire period under review (Table No.3:1) the working capital of Yedemachindra society, Borgaon society, and Yelur society increased by 328.90 percent, 843.10 percent and 565.38 percent respectively. While the working capital of Bahe society, Tambave society, and Chikurde society increased by 77.07 percent 107.69 percent and 41.78 percent respectively during the same period (Table No.3:1). The rate of increase in working capital is not satisfactory because the deposits are nil and funds are inadequate. The growth rate of owned capital is comparatively less except Yedemachindra society during the period under review.

✓

6) Advances given -

The performance in respect of advance was better in case of dairy societies in irrigated and nonirrigated areas during the period from 1980-81 to 1985-86. Borgaon society has not been giving advances. Bahe society has been giving advances since the year 1983-84 onwards. Chikurde society has stopped giving the advances from the year 1982-83. Only Bhadkimbe society has given large amount in the form of advances during the period under review. The dairy societies should give more advances to poor milk producers. Advance plays an important role in developing dairy business.

7) Recovery of advances -

The growth index of recovery of advances of Yedemachindra society and Yelur society enhanced respectively from 100 to 1120 and from 100 to 1093.84 from the year 1980-81 to 1985-86. While growth index of recovery incase of Bahe society has reduced from 100 to 90.08 during the same period because the board of directors is not cautious about recovery of advances.

8) Profit/loss -

Yedemachindra society, Walwa society and Borgaon society from irrigated areas are running in profits continuously from the year 1980-81 to 1985-86. Bahe society earned profits during the above period except the year 1981-82. Tambave society from irrigated area shows losses in the years 1981-82 and 1985-86.

Bhadkimbe society and Yelur society from nonirrigated area are running in profits during the period under review. Chikurde society incurred losses in the year 1981-82. (Table No. 3:2)

Therefore, the cooperative dairy societies in Walawa taluka are showing negligible profits or running in losses during the period from 1980-81 to 1985-86. The profits made by dairy societies are quite inadequate, if compared to their total turnover. The year 1981-82 was very crucial for the ~~the~~ dairy societies in which 3 societies out of 6 incurred losses.

9) Audit class -

Table No. 3:2 indicates that Yelur society gets A class in each year from 1980-81 to 1985-86. Borgaon society gets B class in each year during the above period. Bahe society and Bhadkimbe society got A class during first 4 to 5 years of the study period and got B class and C class in the last 2 years. Yedemachindra society got B class during first 2 years and A class for last 4 years of study period. The Walwa society's ~~the~~ position is the same. Tambave society shows more fluctuations in their audit class. Chikurde society got C class for first 3 years and B class for last 3 years of study period.

Therefore, the working of Yelur society is good throughout the period under review. Working of Yedemachindra society, Walwa society and Chikurde society has improved during last 2 to 3 years of study period.

'A' audit class means the society has worked satisfactorily in that year. While giving audit class the auditor considers the things like profit earned, volume of collection of milk, milk handling loss, participation of board of directors and members violation of cooperative law, benefits to members etc.

10) Dividend -

Bahe society, Yedemachindra society, Yelur society and Chikurde society paid 9 percent of dividend from 1980-81 to 1985-86. Tambave society and Borgaon society did not pay any dividend during the same period. The rate of dividend is fluctuating in case of Walwa society. Bhadkimbe society paid 9 percent dividend from 1980-81 to 1982-83 and 6 percent dividend from 1983-84 to 1985-86. (Table No.3:2)

Therefore, majority of dairy societies (75 percent) paid dividend throughout the period under review. These dairy societies have followed a cooperation principle " limited return on investment." Instead of having sufficient profits, Tambave society and Brogaon society did not pay any dividend from 1980-81 to 1985-86 because their management was ignorant of cooperative laws and distribution of profits.

11) Milk collection, sale and handling loss -

Table No.3:3 reveals that, the growth index of milk collection of Yedemachindra society, Borgaon society and Yelur society shows an increasing trend from the year 1980-81 to

Year	Particular (in litrdkimbe	Nonirrigated area	
		Yelur	Chikurde
1980-81.	Milk col 1.20 .00)	82.01 (100.00)	389.94 (100.00)
	Milk Sa 1.16 Handling L 0.04	82.01 -	388.60 1.34
1981-82	Milk col 9.33 .98 )	85.21 (103.91)	415.48 (106.54 )
	Milk Sa 9.21 Handling 10.12	85.21 -	414.21 1.27
1982-83	Milk col 2.32 9.29)	132.62 (161.71)	338.84 ( 86.89 )
	Milk Sa 2.14 Handling 10.18	135.26 <u>2.64</u>	337.49 1.35
1983-84.	Milk co 8.43 <del>5.58</del> 5.03)	108.04 (131.74)	259.57 ( 66.56 )
	Milk Sa 7.74 Handling 10.69	109.00 <u>0.96</u>	258.45 1.11
1984.85.	Milk co 2.22 3.22)	124.07 (151.29)	367.80 ( 94.32 )
	Milk Sa 1.46 Handling 10.76	125.60 <u>1.53</u>	366.37 1.43
1985-86.	Milk co 1.39 1.30)	150.06 <del>157.86</del> (182.98)	431.93 (110.76)
	Milk Sa 10.58 Handling 10.81	152.50 <u>2.44</u>	430.55 1.38

( All figures

1985-86. The milk collection of above three societies have increased by 55.34 percent 196.96 percent and 82.98 percent respectively at the end of 1985-86. The growth index of milk collection of Bahe society, Walwa society and Bhadkimbe society should a decreasing trend during the above mentioned period. The milk collection of Bahe society and Bhadkimbe society continuously decreased from 1980-81 to 1985-86. The milk collection of Walwa society continuously decreased from the year 1980-81 to 1983-84 and afterwards increased up to 1985-86. The growth index of milk collection of Tambave and Chikurde society shows fluctuating trend during period under review. The milk sale of all societies show the same trends as shown in milk collection.

✓ All societies in irrigated and non-irrigated area except Yelur society faced problem of milk handling loss (shortage). Out of eight sample societies only Yelur society shows surplus milk in collection during the period under review. Bahe society Yedemachindra society and Walwa society show surplus milk in collection in the years 1985-86, 1981-82, 1985-86 respectively.

Therefore, all the societies in irrigated and non-irrigated area show a decreasing trend during the year 198-81 to 1982-83 and also shows an increasing trend during the year 1983-84 to 1985-86. The Yelur society shows surplus in milk collection during the year 1982-83 to 1985-86 because of improper milk measurement which leads to loss of milk to the milk ~~pro~~ producers. This malpractice should be stopped at once.

✓

Section - II

Financial soundness of Primary Dairy Cooperative Societies  
in irrigated and non-irrigated area.

In this section an attempt is made to evaluate the working of PDCS in respect of Financial position for achieving sound Financial strength of a society, it is necessary to have a large proportion of owned funds to working capital.

Close observation of figures (Table 3:4) reveals that working capital consisted more of other liabilities than of owned funds & deposits. The proportion of borrowing & deposits to working capital in case of all societies except Walwa society is nil. Deposits & borrowings are important indicators of the success and efficiency of cooperative society. The performance about deposits & borrowing in irrigated & non-irrigated area is nil except Walwa society, which shows 6 % to 13 % borrowings during the years 1983-84 to 1985-86.

There are three components of owned funds such as share capital, Reserves & other funds. It is therefore pertinent to highlight componentwise analysis to evaluate the working of PDCS.

The PDCS in non irrigated areas are continued to be financially stronger in respect of share capital than PDCS in irrigated areas. The proportion of share capital to working capital in case of Bhadkimbe & Chikurde societies continued to



be in the range between 19.90 % to 88.38 % and 17.86 % to 26.00 % during the period of reference. (Table No.3:4) In case of Yelur society the proportion ranges from 1.33 % to 4.43 % in the same period.

On the contrary, proportion of share capital to working capital in irrigated area, except Tambave society remained in the lower range between 0.67 % to 18.30 % during the same period.

As far as amount of reserves & other funds as a percentage of working capital is concerned, Walwa society in irrigated area showed relatively better performance. In this regard the performance of Yedemachindra and Bahe society was satisfactory. On the contrary the proportion of reserve & other funds to working capital in case of Tambave & Borgaon society remained in the lower ranges between 15.30 % to 22.74 % and 0.34 % to 2.73 % during the period. (Table No.3:4)

In nonirrigated area Bhadkimbe society showed poor performance on the same point during the same period. Other two societies namely Yelur & Chikurde society showed relatively better performance. The proportion of Reserve & other funds to working capital in case of Yelur society and Chikurde society continued to be in the ranges between 30.90 % to 57.05 % and 38.90 % to 48.18 % during the same period.

The proportion of other liabilities to working capital in case of Borgaon society continued to be in the range between

90.43 % to 97.36 % during the period under review. The same type of proportion in case of Walwa society continued to be in the lower range between 21.98 % to 37.33 % during the same period.

Proportion of other liabilities to working capital showed by all other societies is also higher. In case of all societies in irrigated & nonirrigated area the proportion of owned capital to working capital is quite poor.

### Section - III

#### Managerial efficiency of dairy societies in irrigated and non-irrigated areas. :

In order to evaluate the managerial efficiency of dairy societies, following indicators have been used -

- 1) Educational qualification of secretary
- 2) Experience of secretary
- 3) Salary paid to secretary
- 4) Other employees in dairy society

#### 1) Educational qualification of Secretaries:

**Note** a single society has appointed higher executive officer. All societies have appointed secretaries for clerical work. It is found that management decisions are also taken by secretaries. Table No.3:5 shows that 62.5 percent of secretaries are educated up to S.S.C. only. Only 37.5 percent of secretaries are graduates. Out of these graduate secretaries only 33.33 %

of graduate secretaries have adequate education of Accountancy and auditing, banking etc. only 12.5 percent of secretaries have completed the cooperative courses like G.D.C. & A, and G.C.D.etc. only 12.5 percent secretaries have completed cooperative training for small periods.

Therefore, majority of the secretaries have not sufficient knowledge of book-keeping and accountancy, auditing, banking, cooperation law etc. The societies in irrigated area have appointed graduate secretaries, and these secretaries have completed the courses like G.D.C. & A and G.C.D. etc. The dairy societies from non-irrigated area are financially weak and can not appoint educated and trained persons. The dairy societies can not offer high salary and fail to attract educated, trained and experienced persons.

## 2) Experience :

Table No.3:6 shows that generally, all the secretaries have trained themselves in their own dairy society. The secretaries have no experience of other fields like banking, Insurance, Accountancy etc. close observation of the table No.3:6 shows that out of 8 sample societies, 3 secretaries of the societies from irrigated area have experience up to 10 years. 2 secretaries of the societies have 11 to 15 years experience. ~~in between~~ Three secretaries of the dairy societies in nonirrigated area, have experience of 4 years, 11 years and 23 years respectively. Dairy society secretary is the best example of the job training.

TABLE No. 3:6

Classification of secretaries according to experience.

Sr.No.	Name of the society	Experience in years						Total
		Up to 5	6-10	11-15	16-20	21-25	26-30	
<u>Irrigated area</u>								
1.	Bahe society	-	1	-	-	-	-	1
2.	Medemachindra society	-	1	-	-	-	-	1
3.	Walwa society	1	-	-	-	-	-	1
4.	Tambave society	-	-	-	1	-	-	1
5.	Borgaon society	-	-	1	-	-	-	1
<u>Nonirrigated area</u>								
6.	Bhadkimbe society	1	-	-	-	-	-	1
7.	Yelur society	-	-	1	-	-	-	1
8.	Chikurde society	-	-	-	-	1	-	1
Total :		2	2	2	1	1	-	8

( compiled by the author.)

T A B L E N O . 3 : 7

Classification of secretaries according to salary paid per month.

Sr.No.	Name of the society	Salary in Rs.					Total
		Up to 100	101-200	201-300	301-400	401-500	
<u>Irrigated area</u>							
1.	Bahe society	-	-	1	-	-	1
2.	Yedemachindra society	-	-	-	1	-	1
3.	Walwa society	-	-	-	1	-	1
4.	Tambave society	-	-	-	1	-	1
5.	Borgaon society	-	-	1	-	-	1
<u>Nonirrigated area</u>							
6.	Bhadkimbe society	-	1	-	-	-	1
7.	Yelur society	-	-	1	-	-	1
8.	Chikurde society	-	-	1	-	-	1
Total :		-	1	1	3	3	8

/ Complied by the author./

3) Salary paid to secretaries -

Table No.3:7 reveals that majority of dairy cooperative societies have been paying salary to secretaries with in the range from Rs.300 to Rs.500 per month. 75 percent of dairy cooperative societies have been paying salary in the range from Rs.301 to Rs.500 per month. 25 percent of dairy cooperative societies have been paying salary in the range from Rs.101 to Rs.300 per month. All secretaries feel that the salary paid was inadequate as compared to their heavy work. 37.5 percent of graduate secretaries feel that their salary was inadequate as compared to their educational qualification. Graduate secretaries think that their salary is quite less as compared to salary given to graduate employees in other fields. The societies in irrigated area have been paying better salary as compared to salary paid by societies in non-irrigated area.

Therefore, the salary paid by all dairy cooperative societies is inadequate as compared to the work allotted to them. Majority of the dairy societies are financially weak and can not offer higher salary.

4) Composition of employees -

Table No.3:8 shows that all dairy societies have appointed secretaries. Out of 8 sample societies, 62.5 percent of dairy societies have appointed clerks, 37.5 percent societies have appointed peons, 100 percent societies have appointed measurers and

T A B L E NO. 3:8

Classification of employees according to nature of work.

Sr. No.	Name of the society	Nature of working							Total	
		Chief Officer	Secretary	Treasurer	Clerk	Peon	Messenger	Tester		Other
<u>Irrigated area</u>										
1.	Bahe society	1	-	-	-	1	1	-	-	3
2.	Yedemachindre society	-	1	-	1	1	1	-	-	4
3.	Walwa society	-	1	-	2	-	4	1	-	8
4.	Tambave society	-	1	-	-	1	5	3	-	10
5.	Borgaon society	-	1	-	1	-	4	1	-	7
<u>Nonirrigate area</u>										
6.	Bhadkimbe	-	1	-	1	-	1	1	-	4
7.	Yelur society	-	1	-	-	-	2	-	-	3
8.	Chikurde society	-	1	-	3	-	2	1	-	7
<u>Total:-</u>		8	8	-	8	3	20	7	-	46

/Complied by the author./

62.5 percent dairy societies have appointed testers. It means 37.5 percent societies have no clerks, 62.5 percent societies have no peons and 37.5 percent societies have no testers.

Therefore, all dairy cooperative societies did not appoint all type of required persons. The available employees perform all kinds of work which hampers efficiency of society. 37.5 percent dairy societies have not sufficient employees during the period from 1980-81 to 1985-86. More than 75 percent employees are untrained leading to inefficiency and loss to dairy society.

#### Section - IV

##### General working of primary dairy cooperative societies in irrigated and nonirrigated area.

In this section an attempt is made to evaluate the general working of dairy societies in respect of employees, milk testing, capital milkrate, competition, subsidiary services, Managing Committee, success or failure of cooperative movement etc.

It is found that out of 8 sample societies, 3 societies (37.5 percent) have no sufficient employees. Generally, the employees are recruited according to their relations with management. While appointing employees very few societies give importance to experience and qualification. Majority of the dairy societies collect milk after verifying quality of milk. Five dairy



societies accept below grade milk due to inter society or inter sangh competition. In Walwa Taluka, only two dairy societies (Yedemachindra society and Yelur society) have electronic milko-tester machine. All dairy societies pay milk bills two times in a month.

✓ Out of 8 sample societies, six societies are facing capital deficiency problem. The milk rate given by the state government is not adequate, it should be increased. Majority of milk producing members of seven societies lack cooperative spirit. Majority of dairy societies are facing cut-throat competition problem while collecting milk because many societies work in one village, milk is collected by two Milk Federations, milkmen and milk merchants are active. The dairy societies are providing veterinary services to their members.

Majority of the dairy societies are facing <sup>the</sup> problem of capital shortage. The dairy societies are not in a position to give loans to farmers for dairy development. The state government has not contributed to the capital of any dairy society. The dairy societies purchase cattle feed from Walwa Milk Federation on credit and provide it to their members. All dairy societies are indifferent to veterinary services, dairy business training, gohar gas, educational tour etc. only Yedemachindra society has implimented prize scheme and providing library facility to members. The management of all dairy societies are working properly. Seven societies ( 85 percent) are of the opinion that

the cooperative movement in their area of operation is not reasonably successful.

The scrutiny of eight sample societies indicates that only 5 dairy cooperative societies are working comparatively better; these societies are economically sound. The Financial condition of other 2 dairy societies is not good. One dairy society is working only for maintaining its existence.