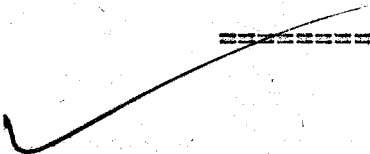


CHAPTER VII

SUMMARY, CONCLUSIONS AND SUGGESTIONS.

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CHAPTER - VIIA) Conclusions :(1) Satisfactory progress of dairy cooperative societies -

The primary dairy cooperative societies in Walwa Taluka show a satisfactory progress.

(2) Dairy development through dairy societies and taluka milk federation -

The dairy business in Walwa Taluka has developed only because of primary dairy cooperative societies and Walwa taluka Milk Federation.

(3) Uneven development of dairy cooperative societies -

Dairy cooperative societies are more centralised in nonirrigated area than in irrigated area. Dairy cooperative societies in irrigated area are more developed than in non-irrigated area.

(4) Dairy business in more profitable in irrigated area-

Dairy business is profitable to small farmers, big ~~fx~~ farmers and landless labourers. It is more profitable to landholders in irrigated area.

(5) Violation of cooperation principles-

Primary dairy cooperative societies are not working purely as per cooperation principles. Dairy societies have not accepted Anand pattern.

(6) Non implimentation of operation flood programme :

The operation flood scheme and its milk collection structure (three tier set up) has not accepted by Walwa Taluka Milk Federation and also by the primary dairy cooperative societies.

(7) Economically weak cooperative dairy societies :

Majority of the cooperative dairy societies are economically weak and always face capital deficiency problem. The milk producing members in the village are distributed amongst the cooperative dairy societies. If more than one cooperative societies work in one village, the average membership and average capital of cooperative dairy societies decreases. This can be seen by the fact that, 14 cooperative dairy societies in the taluka were closed due to inadequate milk collection.

At the end of 1985-86, there were 89 dairy cooperative societies collecting milk from their member. Out of them, the daily milk collection of 20 societies (22.48 percent) was less than 100 litres per day. Fifteen societies (17 percent) were collecting milk in the range from 101 litres to 200 litres per day and eighteen societies (20.22 percent) were collecting 201 to 300 litres milk per day. It shows that nearly 50 percent dairy cooperative societies are financially weak and poor in organisation. These societies are not in a position to provide advances & necessary facilities to their members.

(8) Competition among cooperative dairy societies and federations -

There should not be competition among cooperatives. But in Walawa Taluka such competition exists at two levels amongst the cooperative societies and federations. In Walwa Taluka 75 dairy cooperative societies are working in 34 villages, each village possesses more than 1 dairy society. Every cooperative dairy society tries to collect more milk. If any cooperative society rejects the poor quality of milk from a member, another society accepts the same milk leading to unhealthy competition. This results in increasing scope for adulterating milk for getting unfair gains and gives birth for struggle amongst the societies.

Financially stronger societies are in a position to advance more loans than other societies to their members. Poorer societies do not provide loans, naturally, the milk producers are attracted towards richer societies.

Warana Doodh Sangh Ltd., Amrutnagar and Walwa Milk federation, both collect milk from 18 villages in Walwa Taluka. This situation adversely affects the smooth working of dairy societies.

9) Political influence more -

The cooperative societies should be free from political influence. But in practice the cooperative societies are not free from political influence. Some cooperative societies acting as head quarters of ~~one~~ party politics in the villages. There are

two main political parties, Congress I and Janata. some cooperatives are under influence of Congress I, where as, other cooperatives are influenced by Janata party. This situation hampers the smooth working of dairy cooperatives and taluka federation.

In the Anand pattern it is taken for granted that there shall be only one society in one village. But it is not true in case of Walwa taluka. Out of 80 villages, 34 villages (42.5 percent) have more than one cooperative society. The Government continues to register new dairy cooperatives. This happens only due to political influence.

✓ 10) Lack of trained persons -

Educated & experienced persons are necessary for smooth and proper working of the cooperative society. But in Walawa taluka the secretaries of 75 percent of the cooperative societies were untrained. Thus, accounts were not properly maintained at society level.

Milk testing is a technical process. For milk testing trained persons must be appointed. In practice, it is not true in case of cooperative societies in Walwa Taluka. Untrained persons are working in the societies leading to inefficiency and loss of cooperative societies. The dairy cooperative societies can not appoint trained persons. because It is not possible for the societies to pay as per rules or higher payments because the societies are financially weak.

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11) Absence of proper milk collection methods -

Milk is a liquid food necessary for human beings. It should be collected, handed & distributed cleanly and properly. There are certain restrictions put on the collection of milk. It should be collected at a certain place and it should be clean. Collection of milk should be made under a roof. Vehicles and Cans, equipments must be clean. But, all these restrictions are not followed in Walwa Taluka. A number of cooperative societies collect milk in the open place or under the tree. Some societies do not have their buildings. The condition of cans & vehicles and other instruments is unclean and bad. Such milk may prove harmful to human being.

12) Non milk producer members -

As per the Maharashtra cooperative Act, 1960, and as per principles of cooperation, the cooperative dairy society may not admit a person as member who does not produce milk. In Walwa taluka, so many persons are members of cooperative dairy societies although they are not milk producers. Such examples can also be given in respect to cooperative federations. This situation has been allowed to continue for so long mainly because of their political pressure. The dairy society should not accept any milk from non-members or exmembers. In Walwa Taluka, so many societies accept milk from nonmembers persons or exmember persons.

13) Absence of regular milk testing -

There are three main tests, the fat, S.N.F., Lactometer reading etc. In case of buffalo milk the fat content must be 6.00 degrees or more and 3.5 degrees or more in case of Cow milk. The SNF content must be 9 percent in buffalo milk and 8.5 percent in Cow milk. Lactometer reading should be from 28 to 32 degrees.

While making payment the quality and quantity of milk is taken in consideration. Some dishonest milk producers mix different types of materials such as caustic soda, sugar, salt, starch etc. to increase the SNF or lactometer reading. Therefore, milk must be tested every day. Majority of the cooperative dairy societies in Walwa Taluka do not follow any regular procedure for milk testing. In fact, milk is not tested regularly at some of the societies. Societies only measure lactometer reading and taste. Some societies conduct the tests randomly. This results in malpractices by members. Some societies are unaware of the instruments like automatic milcotester and other milk tests.

14) Monopoly of big farmers -

Every member of a cooperative society has a authority to enjoy equally the right of voting and participating in decisions affecting their society. In Walwa taluka, membership of cooperative dairy societies is restricted to certain families. To complete the required minimum quota of members for the registration of cooperative society, persons from the same family becoming members of the cooperative society. Some big families

or big farmers are controlling the cooperative societies. Some societies are not known by their registered names but as the societies of particular persons.

15) Inefficient milk Federation - ✓

Walwa Taluka cooperative milk federation does not provide their own transport facilities, even though they can purchase vehicles for the purpose. In the year 1985-86 Walwa taluka paid Rs.13.06 lakhs as transport charges. It is having only one truck and one Ambassador. This federation has a lot of scope for development work. Though the production of milk increased tremendously in Walwa taluka, yet the consumers have to depend on private vendors for their milk supply. Recently, taluka milk federation has started milk selling on retail scale. The spoilt milk has to be thrown away because there is no provision for its use in federation. The federation is working as commission agent. There is no ^{proper} control on dairy cooperative societies by the taluka federation.

✓ 16) Collection of milk and sale of milk outside area of operation - ✓

Area of operation of society or federation has been fixed at the time of registration. The cooperatives must work within this area. If any cooperative society starts to collect milk from the working area of other society, it has an adverse effect on the progress of that society. In Walwa taluka a number of cooperative dairy societies are collecting milk from different places.

It collects milk from villages falling in the working area of

other societies. This practice hampers the smooth working of other societies. It is found that one society collects milk in its village and supplies that to another taluka federation by using its own vehicle. Such absence of uniformity leads to inefficiency and loss of cooperative societies.

17) Insufficient Veterinary services-

The animal husbandary department of state government is entrusted the work of providing animal health cover and veterinary services to the animals in the taluka through Zilla Parishad. The number of villages are uncovered and those that are covered find these services insufficient. Govt. provides these services free of charge but the doctors are charging fee for the visits.

18) More milk collection in flush season and less milk collection in lean season -

It is observed from the records of dairy cooperative societies that, in the flush season, in the months of November, December, January and February, the milk collection is largest in the year. In the lean season, in the months of March, April, May, June, July and August, collection is less. This is due to the summer days and shortage of green fodder. Generally, the calves giving period is from June to September. This factor is also responsible for quantity of milk collected in both seasons.

19) Loopholes in transportation of milk-

There are some malpractices like adding water, sugar in milk while supplying that to society or Govt. milk scheme.

The milk is measured and tested at milk collection centres only. The milk is not societywise tested at chilling centres or ^{at} Govt. milk scheme. At chilling centre or at Govt. milk scheme, milk is tested routewise or vehiclewise which provides scope for mal-practices.

20) Only quantitative development -

The number of dairy societies increased from 48 in the year 1975-76 to 121 in the year 1985-86 in Walwa taluka. The number of dairy cooperative societies increased by 152 percent but the daily collection of milk is increased by 58 percent during the above period. The dairy societies increased rapidly in number but the milk collection is not increased in that proportion. The figures reveal that there is only quantitative dairy development in Walwa Taluka.

21) Chilling centres not beneficial -

The taluka milk federation has started 4 chilling centres in the area of operation. So the problem of spoilt milk is no more. It is found that, these chilling centres are not beneficial to federation. It is so because the chilled milk also requires ice while supplying that to Govt. milk scheme, Miraj. The geographical distance between chilling centres and Govt. milk scheme, Miraj is comparatively large. The main aim of establishing chilling centres to minimise ice exp; is not fulfilled.

22) Struggle of area of operation -

Walwa taluka is the area of operation of Walwa milk federation. But since before the establishment of Walwa milk federation, the Warana Sangh has been collecting milk from 18 villages which are in the area of operation of Walwa milk federation. This resulted in unhealthy competition among these two milk sanghs and provide scope for malpractices to the dishonest milk producers.

23) Milk collection by Vikas societies -

As per the cooperative law or as per bylaws, Vikas society can not collect and sale milk in its village, if a cooperative dairy society is working in that village. But this restriction is not followed by many vikas societies in Walwa Taluka. Walwa Milk Federation also accepts milk from such societies. It is against the provisions of cooperative law. It should be stopped.

24) Lack of cooperative spirit -

Cooperative society is a society of ^{the} people by the people for the people. Cooperative spirit is the life blood of cooperative institution. But in Walwa Taluka, the dairy societies are merely working as milk collection agents. The dairy cooperative societies attempt for uplifting financial condition of poor members is nil. The milk producing members are also not active in this regard. Lack of cooperative spirit is the major difficulty in the progress of dairy cooperatives.

25) Federation running in losses in main activity-

Taluka Federation profits from the year 1981-82 to 1983-84 is inadequate if compared to its total turnover. In the year 1984-85 and 1985-86, federation incurred losses. It shows that the main activity of federation to purchase and sale of milk has been not showing reasonable profits. In the year 1986-87, federation earned profits. The important reason behind this profit is, large cattle feed production and sale. It is discreditable to federation to incur losses in main objective and to earn profits in subsidiary activity.

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B) Suggestions -

- (1) Weak cooperative dairy societies should be dissolved/
amalgamated/reconstructed.

Financially stronger cooperative societies can provide necessary services to their members. But in Walwa Taluka, many cooperative dairy societies are managed as small units. These weak cooperative societies are not in a position to provide necessary facilities to their milk producing members. So it is wise to reorganise such societies by using techniques like merger, dissolution, reconstruction, amalgamation etc. Because of such remedies the number of cooperative societies will

decrease, but stronger and efficient cooperative societies will come up. It will lead to qualitative improvement rather than quantitative improvement.

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(2) One cooperative dairy society for one village-

To avoid malpractice at various levels and cut throat competition, there should be one cooperative dairy society in one village. There should be one Taluka Federation in one taluka. So that, the cooperative societies can work smoothly & efficiently to earn reasonable profits. "One village one society" principle should be strictly followed by govt. No new society/should be registered in those villages having already one registered society. Once the policy is adopted it must be adhered to and no change should be permitted.

(3) Proper control of the cooperative dairy societies-

The Government and Taluka milk federation should strictly follow certain policies & procedures about milk collection place, testing, measurement, area of operation, other necessary facilities about the dairy societies. The flying ^usquad should be appointed for unexpected visits to dairy societies. The dairy societies violating policies laid down should be warned once or twice; if necessary, criminal action should be taken against them. The malpractices can cause damages to the consumers if not controlled in proper time. There should not be contact of the dairy society representative with the chemist, at the time of milk testing.

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(4) Use of Time Schedules -

The Taluka milk Federation should prepare time schedule in order to control malpractices and adulteration. Such time schedules should be followed to control loopholes, and overcrowding and for maintaining accounts properly at society level.

(5) Implementation of Fodder development programmes-

One of the objectives of cooperative dairy societies is to provide fodder to its members. In Walwa Taluka not a single society is implementing fodder development programme. Dairy cooperative societies, at least from nonirrigated areas, should implement the fodder development programme to benefit their members. Because of this programme, the milk collection range between the ~~fish~~ season and lean season can be minimised.

(6) Opening milk distribution centres in urban areas-

Today, the cooperative department has given permission to dairy societies & federation for retail sale. If the Taluka federation starts their own milk distributing centres at nearby cities, Federation can earn more profits. ^{If} The dairy societies, sold milk to hotels sweet marts, mess, the milk societies can get more profits through ~~via~~ which, the milk producers can be benefited.

(7) Manufacturing and sale of milk products-

Bylaws of cooperatives ~~dairy~~ dairy society and federation permits them for manufacturing and selling of milk products.

This is a profitable activity as compared to mere collecting and selling of milk. The cooperatives can get more profits. The stronger cooperative can provide better prices and better facilities to milk producing members.

Milk spoiling can not be avoided fully. A number of milk products can be prepared from such milk. If the taluka Federation starts manufacture of milk products on large scale, it will be beneficial to the milk producers.

✓ (8) Efficient working of chilling centres-

The four chilling centres started by taluka milk federation, are not beneficial to federation. The geographical distance between chilling plants and Govt. Milk scheme, Miraj is comparatively more, so the chilled milk also requires ice while supplying that ^{to} the Govt. milk scheme, Miraj. There is no substitute to chilling plants. The chilled milk should be supplied to Govt. Milk Scheme, Miraj within minimum time by using speedy vehicles and use of ice should be avoided. Otherwise the aim of chilling centres will be frustrated. ✓

A few cooperative dairy societies from the same area can come together and establish their own chilling plants. Then there will be no problems of early collection, speedy testing, rush of vehicles at one chilling centre etc. Chilling centre is the best solution on the problems like inadequate transport facility, low capacity of Govt. chilling centres. ✓

(9) Training and guidance to milk producers-

The success of any dairy cooperative society depends upon the milk supply by its members. The total milk collection depends upon the knowledge of dairy business as it is a technical business. In this regard, dairy society should provide library facility and arrange study tours, training programmes for giving current dairy business knowledge to its members. This programmes will lead to more milk collection and more profits. The employees of cooperative dairy societies should be provided training about account maintaining, ~~and~~ Auditing, banking, cooperative law etc.

(10) Check on malpractices in transporting milk-

It is general procedure of taluka federation, to test quality of milk at society level while collecting that and not to test it societywise & at chilling centres or at Govt. Milk dairy. This practice should be stopped at once to avoid malpractices in transportation of milk. The milk should be societywise tested two times at the cooperative dairy society and at chilling centre or Govt. Milk Dairy and discrepancies in quality and quantity should be investigated.

(11) Intensive & complete milk testing essential-

It was found that many societies do not follow any regular and standardised procedure for milk testing. Some milk is accepted without testing its quality or by mere observation. This practice should be stopped and 100 percent milk testing procedure should be

followed. In this connection modern dairy devices like milco-tester etc. should be used.

(12) Regular guidance and control arrangement-

It is the duty of taluka Milk Federation to superwise, guide and control the working of dairy cooperative societies for better attainment. But, in Walawa Taluka milk federation, due to lack of such arrangement, the cooperative dairy societies are facing inefficiency and mismanagement troubles. Taluka federation should appoint "Guidance and control squad." Members of this squad should arranged unexpected visits to dairy societies which will lead to efficient and proper working of dairy cooperatives.

(13) Cadre of dairy society employees at taluka level-

The rules and regulations of each dairy cooperative society ^{for} governing employees are different. The dairy cooperative societies are giving salary as per their own convenience, which is inadequate. The dairy societies employee's are scattered physically and mindly also. A cadre of dairy employees at taluka level should be formed, for consistency in work, working conditions, salary etc.

(14) Cattle farms by dairy cooperative societies -

To provide high quality of milch animals, ^{an} attempt to increase milk collection, provide dairy training, are some of the objectives of cooperative dairy society. For the better ~~atkin~~

attainment of above objectives cooperative dairy societies can start their own cattle farms. This scheme can prove beneficial to milk producing members. Educational visits to cattle farms, supply of high quality of milch animals, and other necessary training will be possible. The daily milk collection of society will be increased. The financially stronger Cooperative dairy societies in irrigated areas should start such cattle farms.

✓ (15) More management charges by the government -

Today, Government is giving 22 paises to taluka federation and 6 paises to cooperative dairy society as management charges (commission) for per litre of milk supplied. This management charges amount is fixed by Government after considering the 1979-80 prices. Since, 1980, the cost of transport, ice, salary, dairy equipments etc. have been increasing & tremendously. So many federations and cooperative dairy societies are running in losses. The management charges paid to cooperatives by the government requires an upward revision.

(16) Even Milk rate throughout the year -

At present government is paying different milk rates for different seasons. In flush season (Sept. to Feb.) the milk rate paid is higher than the milk rate paid in lean season (March to August). The Govt. should pay one flat milk rate throughout the year because the prices of necessaries and management cost remain same in both above mentioned seasons. Day-by-day the prices are increasing but never reduces in lean season.

Dairy business is a technical business. It is a business of perishable liquid commodity which gives more scope for mal-practices at all levels. This business is risky business as it deals with perishable commodity. So the dairy business should be efficiently managed without any delay. If all the above measures brought into practice, there will be definite improvements in the present undesirable conditions prevailing in the cooperatives. If properly managed, dairy business can achieve its objectives of social and economic development of rural area.

Examined
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Examined