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CHAPTER - II

"SATARA SAHAKARI DOODH PURVATHA  
SANGH LTD , SATARA - A PROFILE"

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## 2.0 Introduction :-

Before 1850, the dairy industry was carried on at family level in the World. Majority people take milk from their own cows and buffalos, and they can sell excess of the milk to the individuals in need. It was real commencement of dairy industry. Due to urbanisation there was great demand of the milk in the 19<sup>th</sup> century. So dairy industry got proper place in the agricultural economy. The dairy industry consists of the following activities.

- i) To produce milk.
- ii) To make certain processes on the milk for presevation, and sale of such milk.
- iii) To make by-products of the milk.

"Cold tank vehicles are used for milk transport from 1914".<sup>1</sup> Cold tank vehicles are used to fetch the milk in different markets. India is an agricultural country, majority people are engaged in agricultural activities. Dairying is one of the important agricultural activity. Now India has got Second place in dairy industry in the World.

India has 25 states, of which Maharashtra is one of the developed state. "There are 290 cities and 38662 villages in Maharashtra".<sup>2</sup> There are six administrative divisions of Maharashtra. The capital of the

Maharashtra is Mumbai. As per 1991 census, the population of Maharashtra is 7 crores, 88 Lakhs. More than 65 percent of the population of Maharashtra is engaged in agricultural activities. In India, Maharashtra is well-known for its co-operative sector. In 1961, there were 31,565 co-operative societies in Maharashtra and the number increased up to 92,507 till 1990.

There are 31 districts in Maharashtra state. Of which Satara is the part of Western Maharashtra. According to 1991, census, the population of Satara district is 24,51,372. There are 11 talukas in Satara district viz., Satara, Karad, Wai, Koregaon, Khatav, Man, Phaltan, Khandala, Patan, Jaoli and Mahableshwar.

Dairying is a cottage based traditional occupation of Satara district which provides work and earning to men and women. There are seven Sanghas working in the field of milk procurement and distribution in Satara district. These all the Sanghas work on co-operative basis.

Names of such Sanghas are as under -

- 1) Satara Sahakari Doodh Purvatha Sangh Ltd, Satara.
- 2) Koyana Sahakari Doodh Utpadak Prakriya Sangh Ltd , Karad.
- 3) Ajinkya Sahakari Doodh Purvatha Sangh Ltd , Satara.
- 4) Phaltan Taluka Sahakari Doodh Purvatha Sangh Ltd , Phaltan.

- 5) Khandala Taluka Sahakari Doodh Purvatha Sangh Ltd , Khandala.
- 6) Jaoli Taluka Sahakari Doodh Purvatha Sangh Ltd , Jaoli.
- 7) Wai Taluka Sahakari Doodh Purvatha Sangh Ltd , Wai.

Table 2.1

Table showing area of operation for 'Doodh' Collection of each Sangh'.

Sr. No.	Name of Sangh	Area of operation (Taluka - wise)
1.	Satara Sangh.	Man, Khatav, Koregaon, Mahableshtar. (Total Collection). Phaltan, Wai, Khandala, Jaoli, Satara (Partly Collection).
2.	Koyana Sangh	Karad, Patan. (Total Collection).
3.	Ajinkya Sangh.	Satara. (Partly Collection)
4.	Phaltan Sangh.	Phaltan. (Partly Collection).
5.	Khandala Sangh	Khandala. (Partly Collection).
6.	Jaoli Sangh	Jaoli. (Partly Collection).
7.	Wai Sangh	Wai. (Partly Collection).

From the above table, it is clear that, Satara Sahakari Doodh Purvatha Sangh Ltd , Satara occupies most of the area of Satara district (i.e. Nine Talukas) for milk collection.

During this study period, Koregaon Taluka Sahakari Doodh Purvatha Sangh Ltd , Koregaon was come into force, in Satara district. The registration number of Koregaon Sangh is P.N.A./S.A.T./K.G.N./A-GR(O)/34D/95-96 dated 6-2-1996. But Koregaon Sangh is not taken into consideration for the purpose of present study.

#### 2.1 Establishment and Objectives of the Sangh :-

Satara Sahakari Doodh Purvatha Sangh Ltd., Satara was established in the year 1969. The registration number of this Sangh is S.A.T/P.R.D.(A)271, dated 22-8-1969.

Dairy industry is an important agricultural activity which provides financial assistance to the people of rural area. It contributes to the rural-development. Milk is an essential commodity of human diet, taking into consideration such view, this Sangh is working in the field of milk collection and distribution process of the milk.

The Sangh has its own premises in Satara near Powai-naka. The main objectives of the Sangh are mentioned further :-

- i) To provide permanent means of living to farmers, Farm-labourers and educated unemployed persons.
- ii) To develop economic status of the rural area.
- iii) To make certain processes on milk for its preservation.
- iv) To maintain quality of the milk.
- v) To distribute milk and milk products at a reasonable rates to the citizen's of urban area.
- vi) To utilise plant capacity efficiently.
- vii) To give priority to solve the problems of primary milk sansthas.
- viii) To consider problems of the milk producers.
- ix) To develop dairy industry in drought affected area.
- x) To provide training facilities to the secretary of milk societies.
- xi) To collect better qualities of milk as per orders given by the state Government.

In the year 1994-95, Satara Sahakari Doodh Purvatha Sangh Ltd , Satara has started its own independent plant for making certain processes on milk. This plant has a capacity to make process on 5000 liters milk per hour. Such plant is located in Old M.I.D.C., area (Plot Number B/49) at Satara. So it is possible to sell milk at local level. The Sangh has its Own 'Ice Factory Building' and 'Ice Factory Machinery' at Kondave in Satara Taluka.

## 2.2 Membership and Share Capital :-

Satara Sahakari Doodh Purvatha Sangh Ltd , Satara collects milk from its members. The members have right to receive a notice of 'Annual General Meeting' before 14 days. The members have right to appoint their representative called 'Board of Directors' to manage the operation of the Sangh.

The members of this Sangh are classified as follows -

- i) Primary Milk Sansthas.
- ii) Vividha Karyakari Sahakari Sansthas.
- iii) Individuals.

Table 2.2

Table showing membership of the 'Satara Sangh'.

Year	Primary milk Sansthas	Vividha Karyakari Sahakari Sansthas	Individuals	Total
1990-91	306	89	135	530
1991-92	306	89	135	530
1992-93	311	89	135	535
1993-94	314	89	135	538
1994-95	316	89	134	539

The above table indicates that,



- i) The membership of the Sangh was constant in the year 1990-91 and 1991-92.
- ii) In the year 1992-93, the membership was increased by 5 in case of primary milk Sansthas as compared with 1991-92.
- iii) In the year 1993-94, the membership was increased by 8 in case of primary milk sansthas as compared with the year 1991-92.
- iv) In the year 1994-95, the membership was increased by 10 in case of primary milk sansthas as compared with the year 1991-92.
- v) In the year 1994-95, there was reduction in the membership of individuals.
- vi) Result of these 5 years shows that there was no change in the membership of Vividha Karyakari Sahakari Sansthas.

As per circular issued by the co-operative Commissioner, Pune, dated 7<sup>th</sup> November, 1990, the Sangh had made amendment in its bye-laws in 1992, regarding adoption of new financial year, which will start on 1<sup>st</sup> April and will end on 31<sup>st</sup> March of the year .

**Share Capital :-** 'The amount realised on account of issue of shares is termed as paid up Share Capital'.

In the year, 1990-91, the authorised capital of the Sangh was Rs.2,00,000/- . It was divided into

8000 shares of Rs.25/- each. But in this year, the 'Board of Directors' made amendment in bye-laws of the Sangh, regarding the increase in authorised capital for expansion purpose. Implementation of such amendment have been started from financial year 1991-92. Now authorised capital of the Sangh is Rs.1,00,00,000/- It is divided into 4,00,000 shares of Rs.25/- each.

At the time of issue of shares entire amount i.e. Rs.25/- per share will be collected from the holders. The liability of members are limited up to price of shares held by them.

The Sangh can raise the funds in the following manner -

- i) Entrance fees.
- ii) Issue of shares.
- iii) Deposits from members and non members.
- iv) Loans from National Dairy Development Board.
- v) Grants, financial aid and concessions.
- vi) Shares contribution (per Litre of milk, in respect of a member of primary milk Sanstha).
- vii) Loans from Bankers (On the security of the Sangh's property).
- viii) Government Share Capital.

Table 2.3'Table showing paid-up share capital of the Satara Sangh'.

Sr.NO.	Year	Paid up share capital
1	1991-92	Rs. 22,23,425/-
2	1992-93	Rs. 23,80,650/-
3	1993-94	Rs. 25,75,225/-
4	1994-95	Rs. 27,61,850/-

From the above table it seems that -

- i) There is continuous increasing paid up share capital of the Sangh.
- ii) The paid up share capital in the year 1992-93 is raised by Rs. 1,57,225/- as compared with the year 1991-92.
- iii) The paid up share capital in the year 1993-94 is greater by Rs. 1,94,575/- as compared with the year 1992-93.
- iv) The paid up share capital in the year 1994-95 is Rs. 1,86,625/- more than that of the year 1993-94.
- v) The paid up share capital in the year 1994-95 is Rs. 5,38,425/- more than that of the year 1991-92.

### 2.3 Milk Procurement and Distribution :-

Satara Sahakari Doodh Purvatha Sangh Ltd , Satara generally collects milk of cows and buffalos, from rural section. . Area occupied by this Sangh for milk procurement is of nine talukas from Satara district. Of which total collection of milk from four talukas viz., Man, Khatav, Mahableshwar, Koregaon and partly collection from five talukas namely Phaltan, Khandala, Jaoli, Wai and Satara. Such milk is collected from 345 milk Sansthas located at different villages of Satara district. Milk collected twice in a day. (i.e. morning and evening). Milk collection of this Sangh is about 70,000 liters - per day. The Sangh uses own vehicles as well as contract basic vehicles for milk procurement and distribution process. Time is an important factor in dairy industry. The sangh considers 'time factor' for milk collection process, because if milk is not collected within stipulated time, it will become useless. If collected milk is not distributed properly, it is impossible to achieve the objective of milk collection.

The Sangh sells its milk to the Government of Maharashtra (i.e. Government milk plant at M.I.D.C. Satara), to the Maharashtra Rajya Sahakari Doodh Mahasangh Mumbai, on wholesale basis and at local level in Satara city in Panchgani and Mahableshwar on retail basis. Local distribution of milk is done with the help of

four matadors which are working on trip basis and have not owned by the Sangh.

The Sangh uses two trucks of its own for milk collection and distribution process. And 39 hired vehicles on contract basis, but transport charges are given as per kilometers run, to the owners of the hired vehicles.

Rate fixed by the Satara Sangh for transport :-

- i) Matador - Rs. 2.35 per kilometer
- ii) Tata 407 model - Rs. 2.65 per kilometer
- iii) Tata 608 model - Rs. 3.40 per kilometer
- iv) Truck - Rs. 3.80 per kilometer.

Generally Sangh gets payment of milk from the Government of Maharashtra after 15 days. It means Sangh receives payments twice in a month. The Sangh adopts the same procedure while making payment to the milk suppliers. But the Sangh pays differently for cow buffalo milk to the suppliers.

Recent rate of milk per liter fixed by the Sangh is as under -

- i) Cow milk :- one liter : Fat 4.85 S.N.F. Rs.6.75.
- ii) Buffalo milk : one liter : Fat 6.90 S.N.F. Rs.9.00

Milk procurement officer plays an important role in milk procurement process.

2.4 Machinery in the dairy department of the Sangh:-

Following are the machinery in operation, in the dairy department of Satara Sahakari Doodh Purvatha Sangh Ltd , Satara. All the machinery are insured. Insurance of all the machinery are taken from United India Insurance Company Ltd., branch Satara under one policy. Forming part of policy number is 161300/44/05/0002/95. The period of such policy is one year.

Schedule of Machinery'

Sr.No.	Description of Machinery	Sum- Insured Rs.	Premium Rs.
1.	T.E.E. lcc Transformer S.No. 30812 KVA 160 HV 22000 LV 4330 Model -1993	1,40,000/-	1,750/-
2.	Super Ammonia Compressor 5/2 x 7½ size S.No.556, RPM 400, Model 1982.	1,20,000/-	1,920/-
3.	Oil Starter 60 H.P. Sr.No. 9309670, Karnataka Elec, Industry, U-414, Rotar 440 volts 80 AMP.	20,000/-	300/-
4.	Oil starter 60 H.P. Karnataka Elec. Industry U-415 Rotar 440 Volts 80 AMP.	25,000/-	375/-

Sr.No.	Description of Machinery	Sum-Insured Rs.	Premium Rs.	
5.	60 HP shipping Induction Motor make Crompton Greaves Sr.No., AG-I 0992 Volts 4/5 RPM 1415 Amps 80.	75,000/-	1,125/-	
6.	60 HP shipping Induction Motor make crompton Greaves Sr.No. Volts 415 RPM 1415 Amps-80.	75,000/-	1,125/-	
7.	ALFA LAVAL PLATE HEAT EXCHANGER (PASHRISAR) Sr.No. 30101/90/907 with pannel board working pressure 6 KG.	3,50,000/-	1,400/-	
8.	Boiler water pump Bijlee Bharat make HP 5 RPM 2900 Sr.No.K.8209937			
9.	Thermo machine make Boiler capacity 200 and S.No.084 Model No. TW-200	1,40,000/-	630/-	
10.	Pump C.No.32200 GI 521L S.No. D 311 01 3001			
11.	Alfa Laval make milk pump 5 Nos.			
	Sr.No.	RPM	Amount	HP
	9210035	2880	24000/-	05
	9214026	2880	24000/-	05
	9212053	2880	24000/-	05
	9212054	2880	24000/-	05
	9212052	2880	24000/-	05
			120000/-	
			1,20,000/-	2,400/-

Sr.No.	Description of Machinery	Sum-Insured Rs.	Premium Rs.
12.	Kirloskar Make Generator along with Model No.49541 Sr.No.91AH 114325 E.No. 25185252 KAA 62.5 Volts 415, S.No.92041/02 Amps, 87.5 62.5 KVA 415 Volts.	2,75,000/-	5,500/-
13.	Kirloskar make chilled Water Pump-2 A) S.No.930585 5 HP RPM 2870 Amps 80 B) S.No.930203 5 HP RPM 2810 415V 5 HP	19,000/-	380/-
14.	Kirloskar make Slutch Pump Sr.No.93127 RPM 2810 415V 5 HP.	12,000/-	240/-
15.	Kirloskar make condensor Water Pump 2 Nos. Sr.No. HP Volts RPM 930560 5 400 2870 930558 5 400 2870	19,000/-	240/-
16.	Aerator Gear Box-pump 3 Nos. S.No.E 721/01-36 415 Volts 7 Amps S.No.E 72E 221/91,56 S.No.E 721/01-73 HP 9.	1,65,000/-	3,300/-
17.	AVORI INDIA MAKE WEIGHTING SCALE Weight 300 Kg M/c C 917051C.	1,30,000/-	650/-



Sr.No.	Description of Machinery	Sum-Insured Rs.	Premium Rs.
18.	Chilled Water Agitator Crompter Greaves make 5 HP Motor 440 Volts 1430 RPM Sr.No. 1741/FK 1081 1741/FK 3072	28,500/-	428/-
19.	Elec.Panel Board 400A Distribution alongwith startels circuit breaker.	1,52,000/-	1,520/-
20.	Kirloskar KC 3 Ammonial Compressor Model No. KC 2 RPM 400 to 1000 S.No.33700.	2,03,000/-	3,248/-
21.	Mechanical Can Scrubber	2,47,300/-	2,473/-
22.	Pouch filling machine Sr.No. 2588 Fill pack 5000 make Nichrome metal 1986 Model.	2,30,000/-	1,150/-
23.	ELGI Make Air Compressor Model 1500/EGI FAB No.14769 Capacity 500 LH work 12/kg.cm <sup>2</sup>	46,000/-	460/-
24.	Servo controlled voltage power control Pune Input 370470 Output 415 Volts type SCVs 453 Model 1986.	10,000/-	100/-
25.	3 HP Milk Pump Filling 1986 Model (Details as per Sr.No.24)	20,000/-	150/-

Sr.No.	Description of Machinery	Sum-Insured Rs.	Premium Rs.
26.	Superation machine type 307US alongwith base frame drive and thermosyphen system. Frame No. L0180MMK 11, KW - 22.00 RPM 2935, Volts 415, Amps 88.00 Machine No. CLD 35-94 engl. 1155, 3 phase, 50 Hz Harmoniser pump (Water circulation).	13,81,655/-	27,633/-
27.	S.S. piping 51 MM	7,200/-	144/-
28.	S.S. Bends with unions 51 MM	10,500/-	210/-
29.	Fully automatic L and T make star Delta Strater SS - 00549, 440 Volts 3 phase	4,000/-	80/-
30.	Electrical wiring materials incl. glands, Lugs etc. Cable 4 x 16 sq.mm. 3 x 06 sq. mm.	5,000/- 1,200/-	100/- 24/-
31.	Electrical 100 Amps main switch 100 MPR, 500 Volts, Ravi make along with over core armed aluminium cable	3,000/-	60/-
Total :		40,34,355/-	59,115/-

2.5 Products of the Sangh :-

Satara Sahakari Doodh Purvatha Sangh Ltd., Satara is also interested in preparing by products from the milk. These by products are sweets like Satara Kandee-Pedha, Satara Basundee, Satara Ghee, Sugandhee Doodh. Such by products of milk are available to sell at Satara, Panchagani and Mahableshtar.

'Table : 2.4'

'Table showing Sale of by-products of the milk'

Year	By-products	Sale in quantity
1990-91	Satara Ghee	9700 Kgs.
	Satara Kandee Pedha	1890 Kgs.
	Satara Basundee	1065 Kgs.
	Sugandhee Doodh	81,750 Bottles.
1991-92	Satara Ghee	8040 Kgs.
	Satara Kandee Pedha	980 Kgs.
	Satara Basundee	1130 Kgs.
	Sugandhee Doodh	71980 Bottles
1992-93	Satara Ghee	6875 Kgs
	Satara kandee Pedha	709 Kgs
	Satara Basundee	900 Kgs.
	Sugandhee Doodh	37944 Bottles.
1993-94	Satara Ghee	5800 Kgs.
	Satara Kandee Pedha	900 Kgs.
	Satara Basundee	700 Kgs.
	Sugandhee Doodh	47,430 Bottles

From the table, it seems that

- i) Total sale of 'Satara Ghee ' of the 4 years is 30,415 Kgs.
- ii) Total sale of 'Satara Kandee Pedha' of the 4 years is 4479 Kgs.
- iii) Total sale of 'Satara Basundee' of the 4 years is 3795 Kgs.
- iv) Total sale of 'Sugandhee Doodh' of the 4 years is 2,39,104 Bottles.

But in the year 1994-95, the Sangh sold only two by-products in local market namely 'Satara Kandee Pedha' 900 kgs and 'Satara Basundee' 705 Kgs.

## 2.6 Profit Distribution :-

The financial statements generally consist of

- i) Income statement or Profit and Loss Account.
- ii) Balance Sheet.

"Profit and Loss Account shows the results of trading i.e. Profit earned or loss sustained during the period generally a year covered by it."<sup>3</sup>

Balance Sheet discloses the financial position of the business. These financial statements are useful to the management to have certain information, they

are mainly meant for external parties.

"Profit is the difference between total revenues and total expenses over a period of time". Profit shows overall performance of the business. Profit is the indicator of the efficiency and efficiency achieved through hard efforts.

"Net Profit is that proportion of net sales which remains to the owners or the share-holders after all costs, charges and expenses".<sup>4</sup>

Generally, profit earning capacity depends upon the efficiency.

'Table 2.5'

'Table showing the Net Profit of the Sangh'.

year	Net profit	
	Rupees	Paise
1990-91	46,171	63
1991-92	3,14,573	58
1992-93	4,63,457	80
1993-94	1,34,999	39
1994-95	6,11,079	43

From the above table it seems that -

- i. In the year 1990-91, the net profit of the Sangh was too low.
- ii. In the year 1994-95, the net profit of the Sangh was satisfactory.

Sangh was satisfactory.

While calculating the net profit of the Sangh, it is necessary to take into account the rules of Maharashtra Sahakari Sanstha. Net profit is gained after deducting items mentioned in rule - 49 A of the Maharashtra Sahakari Sanstha, from gross profit.

It is necessary to declare in the 'Annual General Meeting' the Net profit earned by the Sangh in the previous year. There was amendment made in bye-laws in the year 1990-91, by the 'Board of Directors' in regard with the classification of the net profit. After this amendment, according to bye-laws serial number 66 A, the Sangh will classify its net profit in the following manner.

- i) Transfer 25% of current year's net Profit to 'Reserve Fund'.
- ii) Divided up to 12% on paid up share capital from the remaining profit.
- iii) Dairy industry 'Research and Development Fund'.
- iv) 'Building Fund'.
- v) After making above mentioned provisions, 5% of remaining profit to 'Charitable Fund'.

Generally 'Board of Directors' recommend about the classification of the net profit earned by



'Table 2.6''Table showing the classification of the 'Net Profit'

Year	Net Profit Amount Rupees Paise	Classification	Amount Rupees Paise
1991-92.	3,14,573 . 58	Reserve Fund	78,643:40
		Dividend	1,79,172:00
		Reserch & Development Fund	31,457.35
		Building Fund	22,020:15
		Charitable Fund	164:05
		Profit Balance	3,116:63
		Total	<u>3,14,573.58</u> =====
1992-93.	4,63,457 . 80	Reserve Fund	1,15,864.45
		Dividend	2,44,576:75
		Research and Development fund	46,345:80
		Building Fund	516:25
		Profit Balance	9,808:75
			Total
1993-94.	1,34,999 . 39	Reserve Fund	33,750.00
		Research and Development Fund	14,500.00
		Building Fund	80,000.00
		Charitable Fund	5,000.00
		Profit Balance	1,749:39
			Total

Year	Net profit		Classification	Amount	
	Rupees	Paise		Rupees	Paise
1994-95,	6,11,079	43	Reserve Fund	1,52,770	00
			Dividend	3,09,027	00
			Research and Development Fund	61,107	25
			Building Fund	61,107	92
			Charitable Fund	1,353	35
			Profit Balance	25,713	91
			Total	6,11,079	43

The above table indicates that,

- i) The Sangh have been providing 25% reserve fund from the net profit for each year as per by laws.
- ii) Amount paid on account of dividend is less than 12% in respective years, but Sangh has not paid dividend in the year 1993-94.
- iii) Amount spent on account of 'Research and Development Fund' is 10% of the net profit, in the year 1991-92. In the year 1992-93, 1994-95, 10% of the net profit for 'Research and Development' purpose.
- iv) But amount spent by the Sangh for 'Research



and Development' in the year 1993-94 is 10.75% of the net profit.

- v) The Sangh is creating 'Building Fund' every year.
- vi) After making above provisions, Sangh has established 'Charitable Fund' from remaining profit.
- vii) The Sangh has provided for 'Charitable Fund' at a rate of 5% of remaining profit in the year 1991-92, 1992-93 and 1994-95.
- viii) 'Charitable Fund' has been provided in the year 1993-94 was 5% more than that of remaining profit. And it was not according to the by-laws of the Sangh.
- ix) Profit balance of the four years is Rs.40,388 and paise 68.

## 2.7 Budgeting process in the Sangh :-

Budget is a blue print of desired plan of actions. "Budgetary control is designed to assist management in the allocation of responsibility and authority, to aid in making estimates and plans for the future, to assist in the analysis of the variations between estimated and actual results and to develop bases of measurement or standards with which to evaluate the efficiency of operations".<sup>5</sup> It means budgetary control involves establishment of budgets, and the continuous

comparison of actual with budgeted results. In order to operate effectively, there must be an efficient organisation for budgetary control.

Satara Sahakari Doodh Purvatha Sangh Ltd, Satara establishes its financial budget. Estimated incomes and estimated expenses are considered while preparing financial budget. In case of this Sangh, the establishment of budget is the responsibility of the 'Accountant'. The Accountant Co-ordinates all the work involved. Such budget is fixed for one year. On the basis of budget of pervious year, budget for the next year is prepared.

#### **2.8 The audit of the Sangh :-**

A co-operative institution is formed under the provisions of Co-operative Societies Act, 1912. Hence its accounts are prepared under the rules and regulations laid down for the purpose.

"The responsibility of the audit of the accounts of the co-operative institutions primarily rests with the co-operative Department of the State Government under section 17 of Co-operative Societies Act 1912, Since 1925, when the Act was amended".<sup>6</sup>

As in number of cases, co-operative institutions are managed by the persons who are not conversent of

the rules and regulations and, who do not know how to record the transactions and maintain the books of accounts. The auditor should be very careful in conducting the audit of such co-operative institutions.

Under the circumstances and the reasons stated above, it is deemed advisable that the Registrar should come to the aid of these institutions to maintain proper records and prepare the final accounts. It is therefore, necessary for the Registrar to audit the accounts of a co-operative society or get the accounts audited by some persons authorised by him by special order under-writing. The accounts of a co-operative society must be audited at least once in a year. The annual accounts are prepared on 31<sup>st</sup> March. For this purpose the Registrar should have a full-control over these institutions in respect of accounts by creating departmental audit.

The Co-operative Societies Acts of Several states provide that the accounts of the Societies shall be conducted by the Registrar Co-operative Societies of the state or his nominee. Thus this provision assures the members who do not have a hand in the management of the society that the affairs of the society are well managed. This involves the maintenance of a large number of qualified auditors and their assistants by the 'Co-operative Department of the State'. In addition

to that the Department prepares a panel of external auditors who are qualified persons for this purpose the State is divided into divisions and the Registrar appoints auditors from the panel to audit the accounts of the co-operative institutions of that particular division.

The annual accounts of Satara Sahakari Doodh Purvatha Sangh Ltd , Satara are prepared on 31<sup>st</sup> March, every year. The audit of this Sangh is conducted by the Special auditor (Class - I) , Sahakari Sanstha (Dugdh), Satara. The accounts of a Sangh must be audited at least once in a year. This type of audit is called 'Statutory audit'.

Auditors report of last five years (From Financial year 1990-91 to 1994-95) shows that, the Sangh have got 'Class - A' in audit. It means Sangh have been maintaining accounts books as per rules laid down in Maharashtra Co-operative Societies Act, 1912 and its bye-laws.

Class 'A' of audit indicates that the Sangh has properly managed and the accounts are properly maintained. It shows prosperous future of the Sangh.

But the internal check system is not in operation in case of Sangh. And generally such system is not followed in the Co-operative institution.

## 2.9 Development Schemes and Programmes :-

Doodh Mahapoor Yojana (Operation-Flood) is bestowed by Dr. V. Kuriyan to India. And hence the 'Government of India' is implementing such scheme since 1970. It is helpful to improve milk production in India. In recent position America is on first place in milk production and India got second place in the World. But it is expected that India will take first place for milk production in the World up to year 2000.

Due to following reasons, it is possible to improve milk production in India.

- 1) Remunerative price.
- 2) Availability of technical input for milk production enhancement.
- 3) Organised marketing.
- 4) National milk grid on co-operative basis.

'Table 2.7'

'Table showing milk production of India  
in the year 1990'.

Sr.No.	Type of animal	Quantity of milk	Production in percentage
1.	Buffalo	29 Lakh tonnes	52.8%
2.	Cow	24 Lakh tonnes	43.7%
3.	Sheep	1.9 lakh tonnes	3.5%
	Total	54.9 lakh tonnes	100%

Satara Sahakari Doodh Purvatha Sangh Ltd , Satara is implementing "Doodh Mahapoor Yojana" (Operation-Flood) in Satara district since 1985. The Sangh has been receiving financial and technical aid from "Maharashtra Rajya Doodh Mahasangh" and "National Dairy Development Board". So this is helpful for improving dairy industry by implementing various programmes.

The basic principle of the dairy industry to give milk rate to the producer as per quality of the milk. This is the justice to the milk supplier, who provides better quality milk. The Sangh considers above principle while collecting milk from primary milk Sanstha. The Sangh has distributed milk testing instruments free of cost to the primary milk Sansthas. Under 'Doodh Mahapoor Yojana' (Operation Flood) Sangh have distributed ninety Milkotesters to the various primary milk Sansthas. It is necessary to the primary milk Sanstha to use such milkotesters while collecting milk. Due to daily testing of milk, it is possible to give remunerative price to the producers. It is also helpful for becoming financially sound to the primary milk Sansthas.

The Sangh provides 'Animal Medical Services' for improving milk production. For preservation of diseases of animals, Sangh has been implementing "Raksha Dose Programme". Under 'artificial insemination service scheme' Sangh have been distributing, 'rich quality

seminal fluid of the buffalo's (Preserved 'Sidha Valoo's Veeryamata') at resonable rates. It is applied for the sake of buffalo's and cow's. For these schemes Sangh have receiving grants from the 'Rajya-Doodh Mahasangh'.

'Agricultural department of the Central Government and 'National Seeds Corporation' provides 'Seeds of green chara' to the Sangh from time to time. Then Sangh distributes 'Seeds of green chara' to the milk suppliers free of cost. In the year 1994-95 Sangh have distributed 4900 Kgs seeds of Maize.

The Sangh gives priority to solve the problems of primary milk Sansthas. For better working of primary milk Sansthas, Sangh have started independent section for guidance. The Sangh also considers difficulties of the milk producers.

#### 2.10 Management and Authorities :-

Management :- "Management is a task of planning, co-ordinating, motivating and controlling the efforts of others toward a specific objective."

Management is a dynamic process. In other words, 'Management means manage men tactfully'.

The management of the Sangh vests in the 'Board of Directors', Strength of 'Board of directors' are

twenty. The 'Board of Directors' of the Sangh would be as under -

i)	Representatives elected by the primary milk Sansthas, Vividha Karyakari Sahakari Sansthas and individual members	= =	9
ii)	Representative of economically backward peoples	=	1
iii)	Representative of Schedule Caste or Schedule Tribes	=	1
iv)	Representative in the service of the Sangh and elected by the employees of the Sangh	=	1
v)	Representatives of the Ladies	=	2
vi)	Representative of the district central co-operative Bank	=	1
vii)	Adopted Director	=	1
viii)	Regional Dugdhshala development Officer or his representative	=	1
ix)	Divisional Deputy Registrar Sahakari Sanstha (Dugdh) or his representative	=	1
x)	Representative of National Dairy Development Board	=	1



xi)	Representative of Maharashtra Rajya		
	Sahakari Doodh Mahasangh	=	1
	Total Representatives	=	<u>20</u>
			=====

In short, management of the Sangh is in the hands of 20 directors. The members of Board of Directors are elected as per the provisions of 'Election Rules 1971' of Sahakari Sansthas. The period (duration) of the 'Board of Directors' is five years which is counted from the first general meeting of the elected members. The election of the 'Board of Directors' is held after five years, which is bound by the election rules of the co-operative society. In the first meeting the 'Board of directors' elects the chairman and Vice Chairman for the five years from the elected members. This meeting shall be held within thirty days from the date of 'Annual General Meeting'. The Chairman shall preside over all the meetings of the Board and also over the 'Annual General Body Meeting' and 'Special General Meeting' whenever called. In absence of the Chairman, the Vice-Chairman shall preside over the meeting and in absence of both the Chairman and Vice Chairman, the Directors shall elect the Chairman only for that meeting from the present ones.

For completion of 'quorum' more than fifty percent 'Board of Directors' should be present for

the meeting. The 'quorum' is very essential aspect of the meeting. Working of the meeting's of 'Board of Directors' cannot be done without 'quorum'.

According to the 'Bye-law - 40' of the Sangh elected 'Board of Directors' will see the working of Sangh upto next election of the 'Board of Directors'. The members of the 'Board of Directors' get travelling allowance, daily allowance or fees of meetings as per rule - 107 A, of 'Maharashtra Sahakari Sanstha'.

The Chairman and Vice Chairman shall hold office for five years. They are eligible for re-election. The chairman of the meeting has right of a casting vote. The Chairman presides over the 'General Meeting, Meetings of the 'Board of Directors' and meetings of the sub-committees.

The following members are in the present Board of Directors :-

- |    |                                    |               |
|----|------------------------------------|---------------|
| 1) | Shri. Jaysingh Pandurang Badadare, | Chairman      |
| 2) | Shri. Maruti Nivrutti Dange        | Vice Chairman |
| 3) | Shri. Pralhad Jagdeorao Chavan     | Director      |
| 4) | Shri. Sahebrao Vitthalrao Jadhav,  | Director      |
| 5) | Shri. Hambirrao Dinkarrao Jadhav,  | Director      |
| 6) | Shri. Vitthal Jijaba Kadam         | Director      |
| 7) | Shri. Shivajirao Shankarrao Mane,  | Director      |
| 8) | Shri. Dnyandeo Ramchandra Deshmukh | Director      |

- |     |   |          |
|-----|---|----------|
| 9)  | Shrimati Shashikala Mugutrao Deshmukh,                          | Director |
| 10) | Shri. Laxman Baliba Waikar,                                     | Director |
| 11) | Shri. Jaysingh Jagoo Ghamare                                    | Director |
| 12) | Sou. Bharati Shivaji Phadtare                                   | Director |
| 13) | Sou. Rajani Manikrao Bhosale                                    | Director |
| 14) | Shri. Popatrao Mahadeo Jadhav                                   | Director |
| 15) | Shri. Vishnoo Mahadeo Pawar                                     | Director |
| 16) | Shri. Annasaheb Kundalika Sawant                                | Director |
| 17) | Regional Dugdhashala Development<br>Officer, Pune.              | Director |
| 18) | Divisional Deputy Registrar Sahakari<br>Sanstha (Dugdh), Pune.  | Director |
| 19) | Representative of National dairy<br>Development Board.          | Director |
| 20) | Representative of Maharashtra<br>Rajya-Sahakari Doodh Mahasangh | Director |

**Authorities :-** The authorities of the Satara Sangh consists of Manager, Officer on Special Duty, Accountant, Milk Procurement Officer, Society co-ordinator, Office Superintendent and Assistant Dairy Engineer. These authorities are appointed by the 'Board of Directors' with the consent and permission of the 'Deputy-Registrar' of the co-operative societies.

The further authorities are in the present position.

- |    |                     |                                |
|----|---------------------|--------------------------------|
| 1. | Mr. A. R. Salunkhe  | : Manager                      |
| 2. | Mr. G. N. Malusare  | : Officers on Special<br>Duty  |
| 3. | Mr. H. A. Jadhav    | : Accountant                   |
| 4) | Mr. G. D. Vetel     | : Milk Procurement<br>Officer. |
| 5. | Mr. S. M. Khaladkar | : Society co-ordinator         |
| 6. | Mr. B. J. Jadhav    | : Office superintendent        |
| 7. | Mr. D. S. Jadhav    | : Assistant Dairy<br>Engineer. |

#### 2.11 Working Staff :-

"As one author has rightly said 1 + 1 makes an organisation, i.e. where there are two or more persons there is in effect an organisation".<sup>7</sup> An organisation is a human grouping in which work is done for the accomplishment of some specific goals, or missions. Without human efforts, . organisation cannot accomplish their objectives.

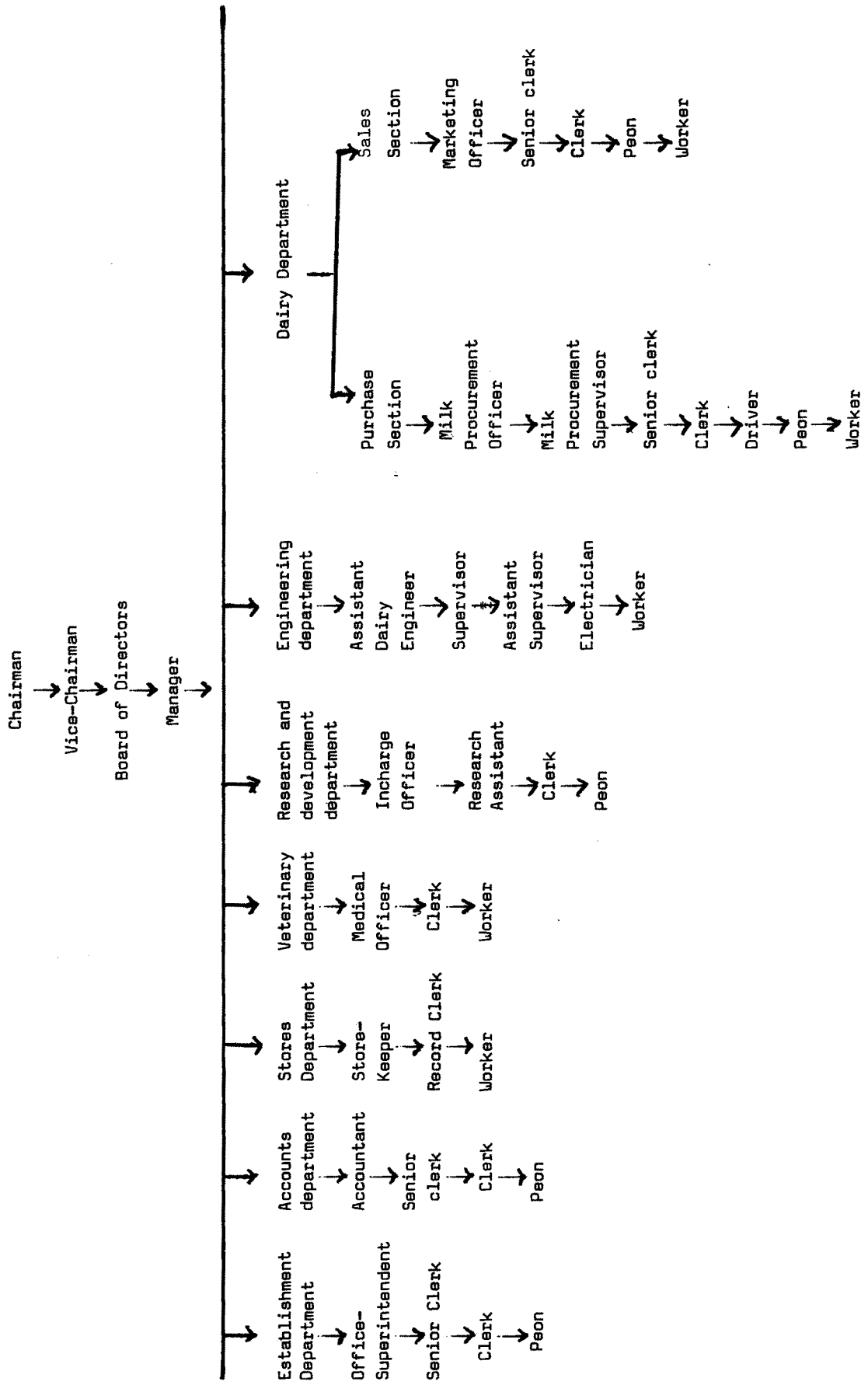
Working staff of Satara Sahakari Doodh Purvatha Sangh Ltd , Satara consists of totally 180 employees, of which 178 employees are on permanent basis and remaining 2 employees (workers) are on temporary basis (i.e. on daily wages basis). In the Sangh employees are different cadres. There are 19 cadres of the employees in the Sangh.

'Permanent working staff of the Sangh (as on 31/3/1995)'

Sr.NO.	Cadre	Numbers
1.	Manager	01
2.	Officer on Special Duty	01
3.	Accountant	01
4.	Milk Procurement Officer	01
5.	Society Co-ordinator	01
6.	Office Superintendent	01
7.	Assistant Dairy Engineer	01
8.	Milk Procurement Supervisor	03
9.	Supervisor	07
10.	Senior - Clerk	05
11.	Refrigeration Operator	01
12.	Ice-factory Operator	01
13.	Assistant Ice Factory Operator	01
14.	Electrician	03
15.	Driver	11
16.	Clerk	27
17.	Assistant Supervisor	18
18.	Peon	04
19.	Worker	90
Total		178

**2.12 Suggestive Organisational Chart**

Satara Sahakari Doodh Purvatha Sangh Ltd, Satara



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