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**CHAPTER – V**

**ANALYSIS AND INTERPRETATION OF DATA  
OF DAIRY CO-OPERATIVE SOCIETIES**

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**ANALYSIS AND INTERPRETATION OF DATA OF DAIRY CO-  
OPERATIVE SOCIETIES**

**5.1 Introduction**

**5.2 Analysis and interpretation of data**

## **CHAPTER - V**

### **ANALYSIS AND INTERPRETATION OF DATA OF DAIRY CO-OPERATIVE SOCIETIES**

#### **5.1 Introduction**

The individual farmers are the producers of milk. This milk is collected by primary dairy Co-operative societies at village level. This collected milk is supplied to Taluka Union, which pasteurizes and manufactures different varieties of milk products. The objectives of primary dairy Co-operatives societies as follows.

1. To organize the milk producers
2. To introduce modern technology to produce milk by spending minimum amount.
3. To provide market and optimum price to milk.
4. To develop dairy farming as an allied business to agriculture.
5. To generate employment and self-employment.

The analysis and interpretation of primary data collected from 28 selected primary dairy Co-operative societies in Patan taluka is given in the following paragraphs.

**Table –5.1**  
**Classification of members according to Categories and years.**

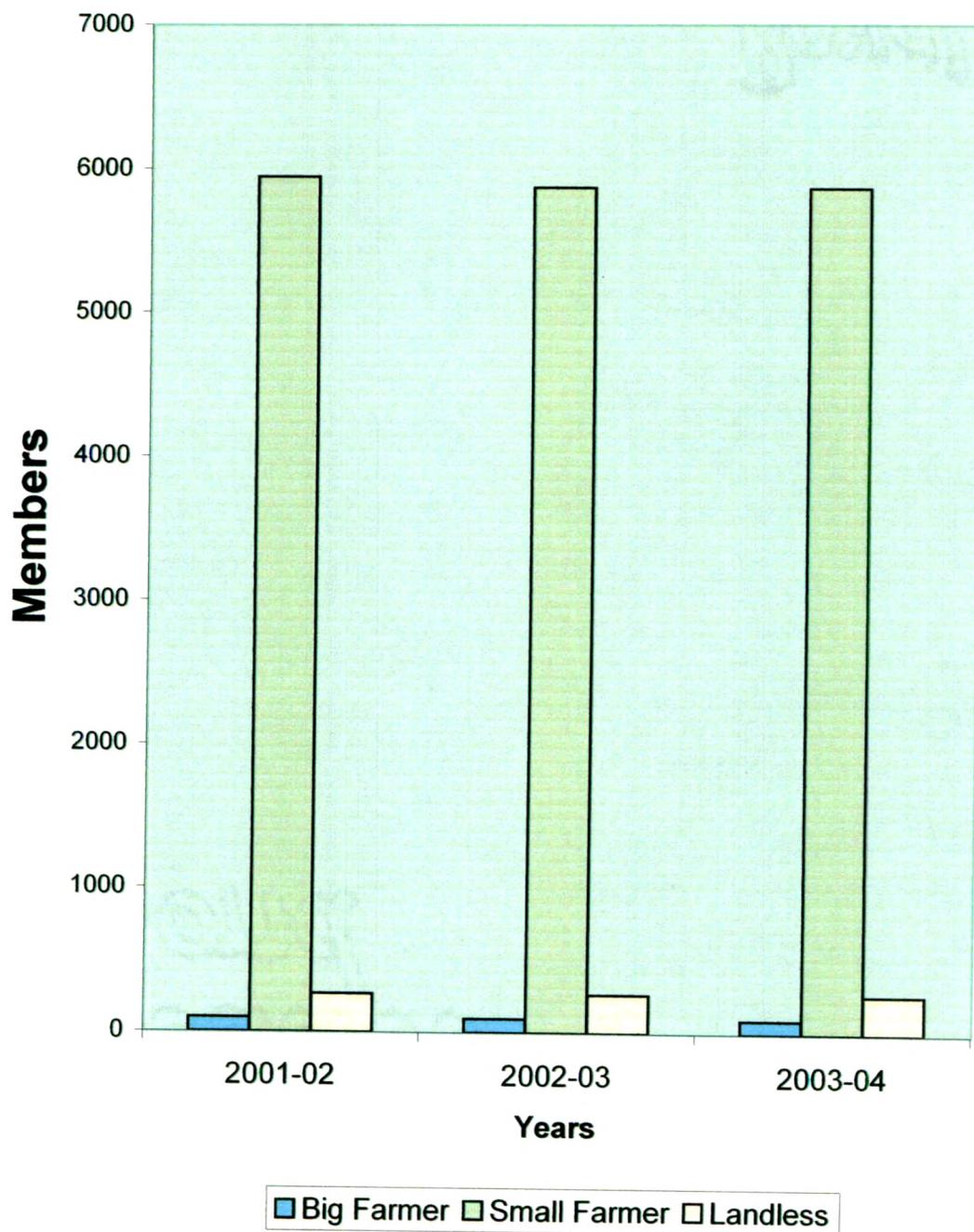
<b>Sr.No</b>	<b>Year</b>	<b>Big Farmer</b>	<b>Small farmer</b>	<b>Landless</b>	<b>Total</b>
1	2001-02	97 (1.54)	5941 (94.23)	267 (4.23)	6305 (100)
2	2002-03	95 (1.52)	5869 (94.19)	267 (4.29)	6231 (100)
3	2003-04	94 (1.51)	5868 (94.20)	267 (4.29)	6229 (100)
<b>Average</b>		95 (1.52)	5893 (94.21)	267 (4.27)	6255 (100)

Note: - figures in round brackets indicate percentage to horizontal total

**Table 5.1**

1. The table shows the distribution of members.
2. Considering the total number of farmers there is slight decrease in the number of big and small farmers during 2001 to 2004 but the number of landless is more or less constant. Similarly there is slight decrease in the membership.
3. During 2001-02 there were 6305 members. The percentage of small farmers is 94.23. Big farmers 1.54 and landless 4.23. During 2003-04 the percentage respectively is 94.20, 1.51, and 4.29. In short the number of small farmers is considerably more than the big farmers and landless.

Graph 5.1  
**Classification of Members of Dairy  
Co-operative Societies.**



**Table -5.2**  
**Classification of members according to sex and years.**

<b>Sr.No</b>	<b>Year</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
1	2001-02	5311 (84.23)	994 (15.77)	6305 (100)
2	2002-03	5224 (83.84)	1007 (16.16)	6231 (100)
3	2003-04	5208 (83.61)	1021 (16.39)	6229 (100)
	Average	5248 (83.90)	1007 (16.10)	6255 (100)

Note: - figures in round brackets indicate percentage to horizontal totals.

Table 5.2 shows that

1. There are more than 80 percent members are males through out the period.
2. The total number of male members is decreasing but the number of female members is gradually increasing during all these years. It is noted that there is decrease in total number of membership
3. The distributaries of male and female members are uneven.

**Table -5.3**  
**Classification of the Directors according to Age and sex**  
**as on 31/03/2004**

<b>Sr. No</b>	<b>Age</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
1	10 to 20	-	-	-
2	21 to 40	71	7	78
3	41 to 60	127	20	147
4	Above 60	27	1	28
Total		225	28	253

Table 5.3 reveals that the management of dairy co-operative societies is in the hands of matured men and women. Male directors dominate the dairy co-operative societies.

**Table- 5.4**  
**Classification of the Directors according to education**  
**and sex as on 31 / 03 / 2004.**

<b>Sr. No</b>	<b>Education</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
1	Illiterate	17 [07.56]	9 [32.14]	26 [10.28]
2	Up to S.S.C	170 [75.56]	11 [39.29]	181 [71.54]
3	Up to H.S.C	21 [09.33]	8 [28.57]	29 [11.46]
4	Graduate	14 [06.22]	- -	14 [05.53]
5	Post graduate	- -	- -	- -
6	Other	3 [01.33]	- -	3 [01.19]
	<b>Total</b>	<b>232</b> <b>[100]</b>	<b>21</b> <b>[100]</b>	<b>253</b> <b>[100]</b>

Note: - figures in square brackets indicate percentage to vertical totals.

Table 5.4 reveals that the percentage of illiterate and educated directors. The percentage of illiterate male and female directors is 10.28. The percentage of directors educated up to S. S. C and H. S. C is around 83 percent whereas the percentage of graduate director is hardly 5.33%. The directors who have acquired other educational qualification have not taken any technical education pertaining to dairy farming.

**Table- 5.5**  
**Classification of the Directors according to**  
**Categories and Sex as on 31 / 03 / 2004.**

<b>Sr. No</b>	<b>Category</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
1	Open	205 (88.74)	26 (11.26)	231 (100)
2	Other	20 (90.91)	2 (09.09)	22 (100)
	Total	225 (91.70)	28 (08.70)	253 (100)

Note: - figures in round brackets indicate percentage to horizontal totals

The table 5.5 shows that the percentage of directors in open category is more in all primary dairy Co-operative societies. The classification of directors is according to other category and rules laid down by the Co-operative department and the Government of Maharashtra .

Table -5.6  
**Classification of live stock of selected Dairy  
 Co -Operative Societies according to Categories and year**

Sr No.	Year	Cow			Buffalo			Total		
		Deshi	Cross	Total	Deshi	Cross	Deshi	Deshi	Cross	Deshi
1	2001-02	1151 (88.33)	152 (11.67)	1303 (100)	9820 (98.31)	169 (01.69)	9989 (100)	10971 (97.16)	321 (02.84)	11292 (100)
2	2002-03	1225 (85.54)	207 (14.46)	1432 (100)	10366 (97.87)	226 (02.13)	10592 (100)	11591 (96.40)	433 (03.60)	12024 (100)
3	2003-04	1305 (84.19)	245 (15.81)	1550 (100)	10827 (97.18)	314 (02.82)	11141 (100)	12132 (95.60)	559 (04.40)	12691 (100)
Average		1227 (85.92)	201 (14.08)	1428 (100)	10338 (97.77)	236 (02.23)	10574 (100)	11565 (96.35)	438 (03.65)	12002 (100)

Note: - Figures in round brackets indicate percentage to horizontal totals

Table 5.6 shows the classification of livestock.

1. Through out all these years it is observed that there is gradual growth in the local and cross breed varieties of cows and buffaloes.
2. The percentage of the local varieties of cow is 85.92 and percentage of cross breed varieties of cow is 14.08.
3. The percentage of local varieties of buffalo is 97.77 where as the percentage of cross breed varieties is 2.23, Out of that the percentage of local varieties of cattle is 96.35 and crossbreed is 3.65.

**Table - 5.7**  
**Classification of members availing loan by obtaining guarantee**  
**Letters from societies**

<b>Sr. No</b>	<b>Year</b>	<b>Yes</b>	<b>No</b>	<b>Total</b>
1	2001 - 02	414	5891	6305
2	2002 - 03	538	5693	6231
3	2003 - 04	725	5504	6229
Average		559	5696	6255

Table 5.7 indicates that

1. If the member of the Dairy Co-Operative Societies takes the loan to purchase the cow or buffalo from the bank, the Dairy Co-Operative Societies issue guarantee letter to the bank. There is not a single the Dairy Co-Operative Society that gives loan to purchase cows and buffaloes.
2. During the period 2001 to 2004, there is steady growth of the members who borrow the loan, but there is slight decrease in the membership.
3. During 2001 to 2003 the number of borrowers is less than the average (i.e. 559) but during 2003-04 the number of borrowers is more than the average.

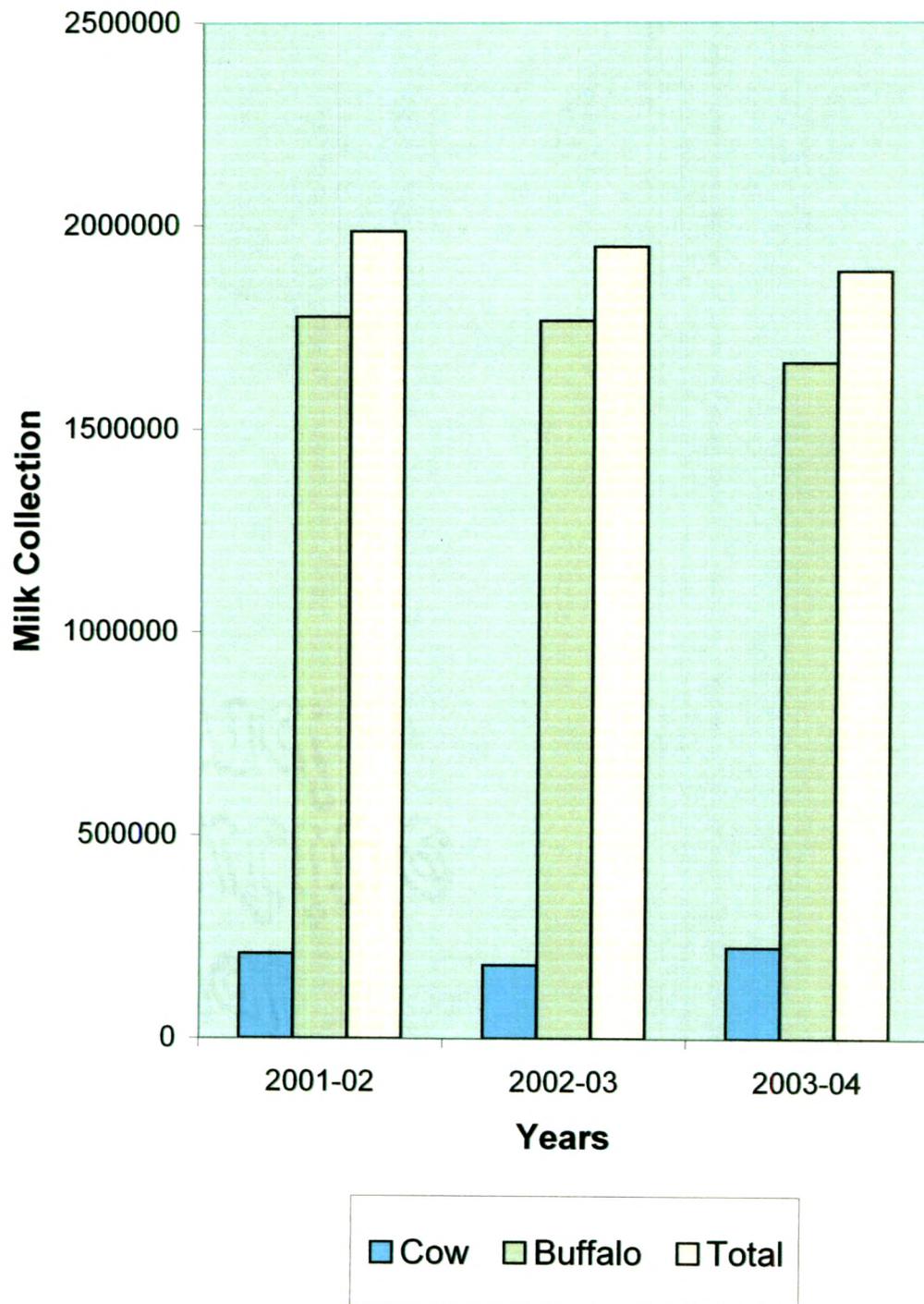
**Table- 5.8**  
**Number of Live stock according to Insurance Policy taken**

<b>Sr. No</b>	<b>Year</b>	<b>Yes</b>	<b>No</b>	<b>Total</b>
1	2001 - 02	414	10878	11292
2	2002 - 03	538	11486	12024
3	2003 - 04	725	11966	12691
<b>Average</b>		559	11443	12002

Table 5.8 reveals the insurance position.

1. There is hundred percent insurance of the cattle, which have been bought by taking the loan from the bank. It is noted that the members who do not take any loan from the bank generally do not insure their cattle.
2. During the year 2001 to 2003 the number of insured animal is comparatively less than the average (i. e. 559) but during 2003-04 it is more than 77 percent.
3. There is steady growth in the number of members who do not insure their cattle.

Graph - 5.2

**Classification of Collection of milk**

**Table - 5.9**  
**Classification of Collection of milk according to categories**  
**Of live stock and Years**

(In Liters)				
Sr no.	Year	Cow	Buffalo	Total
1	2001 - 02	208982 (10.52)	1776794 (89.48)	1985776 (100)
2	2002 - 03	151230 (07.88)	1767381 (92.12)	1918611 (100)
3	2003 - 04	224953 (11.91)	1663663 (88.09)	1888616 (100)
	Average	195055 (10.10)	1735946 (89.90)	1931001 (100)

Note: - figures in round brackets indicate percentage to horizontal totals.

Table 5.2

1. The table reveals the percentage of collection of milk.
2. The milk collection of cow is uneven in the years. The average percentage of cow milk collection was 10.10% but in 2002-03 it decreased by 2.22% and it increased during 2001-02 and 2003-04.
3. The milk collection of buffalo during the last three years is uneven. The average milk collection of buffalo was 89.90% during 2001-02 where as it decreased in 2003-04 but there is slight increase during 2002-03.
4. The total milk collection of cows and buffalos is 1931001 lack liters. Out of that 10.10% is cow milk collection and 89.90% is buffalo's milk collection.

**Table 5.10**  
**Classification of cost of Milk collection according to**  
**Categories of live stock**

<b>(In Rupees)</b>				
<b>Sr no.</b>	<b>Year</b>	<b>Cow</b>	<b>Buffalo</b>	<b>Total</b>
1	2001 - 02	1207323 (05.21)	21964323 (94.79)	23171646 (100)
2	2002 - 03	1171850 (06.36)	17262374 (93.64)	18434224 (100)
3	2003 - 04	1571223 (08.36)	17220341 (91.64)	18791564 (100)
Average		1316799 (06.54)	18815679 (93.46)	20132478 (100)

Note: - figures in round brackets indicate percentage to horizontal totals.

Table 5.10 shows the cost of milk collection.

1. The cost of cow and buffalo milk collection is uneven.
2. The average cost of cow milk collection is hardly 6.54% but during 2001 to 2003 it is less than the average. But there is slight increase of 1.82% during the year 2003-04.
3. The average cost percentage of buffalo milk is 93.46% but during 2001 to 2003 there is slight increase. During 2003-04 there is slight decrease by 1.82%

**Table - 5.11**  
**Classification of per day milk collection according to**  
**Categories of live stock and year**

<b>(In Liter)</b>				
<b>Sr no.</b>	<b>Year</b>	<b>Cow</b>	<b>Buffalo</b>	<b>Total</b>
1	2001 - 02	571 (10.50)	4868 (89.50)	5439 (100)
2	2002 - 03	414 (07.87)	4849 (92.13)	5263 (100)
3	2003 - 04	603 (12.03)	4410 (87.97)	5013 (100)
<b>Average</b>		529 (10.10)	4709 (89.90)	5238 (100)

Note: - figures in round brackets indicate percentage to horizontal totals.

Table 5.11 shows that

1. There is gradual decrease in day-to-day collection of milk.
2. The collection of cow milk is uneven but there is decrease in the milk collection of buffalo. During 2003-04 the collection of cow milk is highest than last three years and collection of buffalo milk is lowest than last three years.

Table - 5.12  
**Classification of Per member average milk collection  
 According to live stock and years.**

(in liters)				
<b>Sr no.</b>	<b>Year</b>	<b>Cow</b>	<b>Buffalo</b>	<b>Total</b>
1	2001 - 02	1278 (12.38)	9042 (87.62)	10320 (100)
2	2002 - 03	1002 (10.28)	8749 (89.72)	9751 (100)
3	2003 - 04	1242 (13.07)	8260 (86.93)	9502 (100)
Average		1174 (11.91)	8684 (88.09)	9858 (100)

Note: - figures in round brackets indicate percentage to horizontal totals.

Table 5.12 indicates that

1. There is gradual decrease of total milk collection from 2001 to 2004. It was highest in 2001-02 but it is decreased by 7.92% in 2003-04.
2. The milk collection of cow is uneven. During 2001 to 2004 the average milk collection is 11.91%. During 2002-03 the milk collection of cow decreased by 1.63% but it increased by 0.82% during 2001-02 and 2003-04.
3. There is gradual decrease in the milk collection of buffalo. During 2001 to 2004 it decreased by 1.16%.

**Table -5.13**  
**Classification of sale of milk according to Categories and years**

<b>(In liters)</b>					
<b>Sr. no</b>	<b>Year</b>	<b>Local Sale</b>	<b>Sangh Sale</b>	<b>Private sale</b>	<b>Total</b>
1	2001 - 02	196678 (10.11)	1660232 (85.37)	87951 (04.52)	1944861 (100)
2	2002 - 03	203362 (10.52)	1645852 (85.13)	84106 (04.35)	1933320 (100)
3	2003 - 04	205886 (10.78)	1630763 (85.41)	72623 (03.80)	1909272 (100)
<b>Average</b>		201975 (10.47)	1645616 (85.30)	81560 (04.23)	1929151 (100)

Note: - figures in round brackets indicate percentage to horizontal totals.

Table 5.13 shows that.

1. The primary Dairy Co-Operative Societies sold milk to local buyers, to union, and to private businessman.
2. Out of the total sale local sale is 10.47%, union sale is 82.30% and private business sale is 4.23%.
3. There is gradual growth in local sale as compared to union sale and private sale.

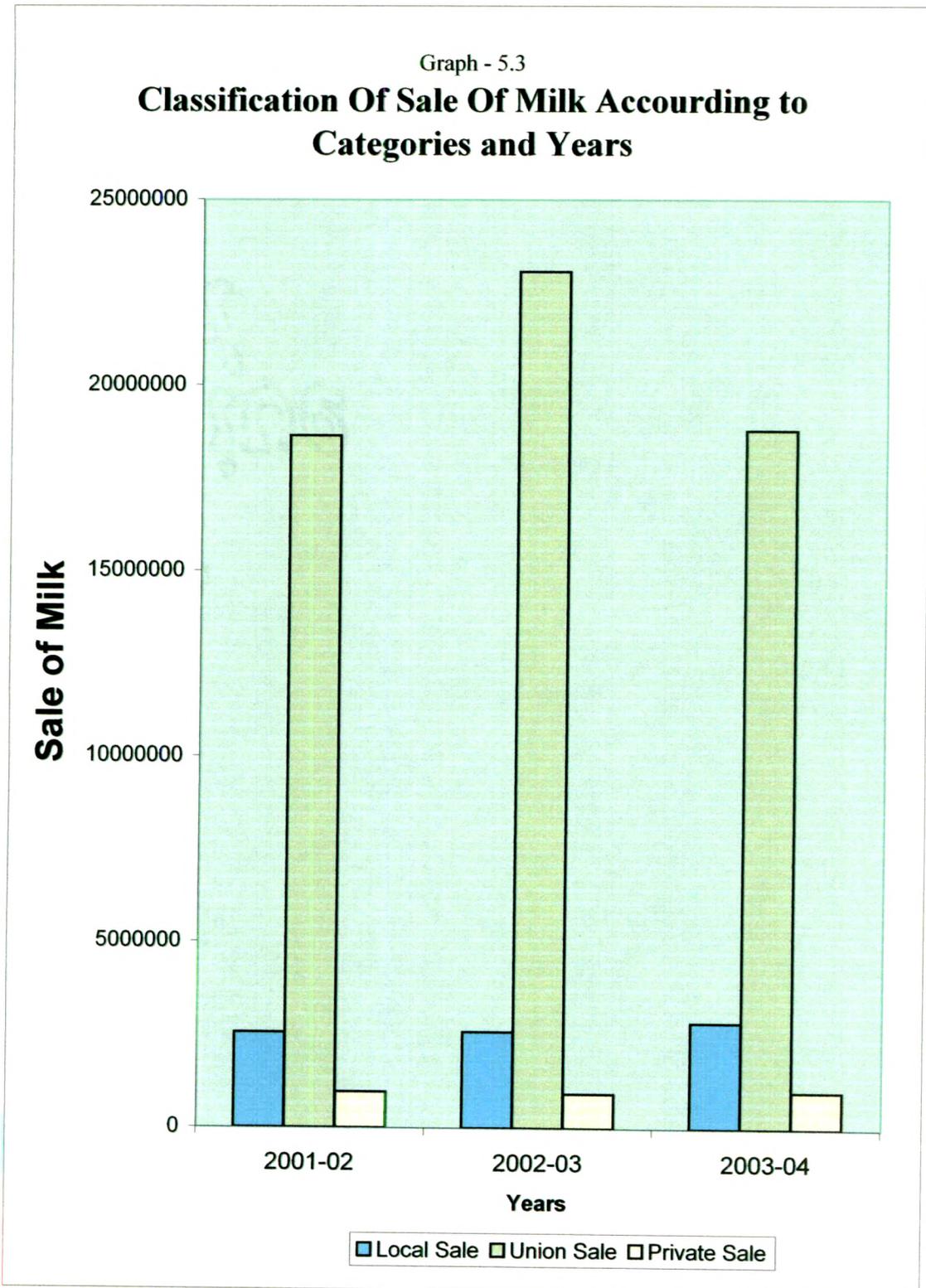
**Table - 5.14**  
**Classification of sale of milk according to Categories and years**

<b>(In rupees)</b>					
<b>Sr. no</b>	<b>Year</b>	<b>Local Sale</b>	<b>Sangh Sale</b>	<b>Others</b>	<b>Total</b>
1	2001 - 02	2582728 (11.65)	18626438 (84.01)	962637 (04.34)	22171803 (100)
2	2002 - 03	2583360 (09.52)	23063819 (86.79)	928633 (03.49)	26575812 (100)
3	2003 - 04	2849259 (12.59)	18788502 (83.02)	992875 (04.39)	22630636 (100)
<b>Average</b>		2671782 (11.23)	20159586 (84.73)	961382 (04.04)	23792750 (100)

Note: - figures in round brackets indicate percentage to horizontal totals.

The table 5.14 shows that

1. Gradual increase in local sale during 2001 to 2004.
2. The average sale of union is 84.73% and it is uneven. The average sale is less During 2001-02 and 2003-04 but it increased in the year 2002-03.
3. The milk sold to private businessman is uneven.



**Table - 5.15**  
**Classification of milk payment made by the**  
**Societies to its members in Days.**

<b>Sr. no</b>	<b>Days</b>	<b>Numbers of Societies</b>	<b>Percentage</b>
1	8	0	0
2	10	1	3.57
3	15	4	14.29
4	30	23	82.14
<b>Total</b>	-	28	100.00

The table 5.15 reveals the mode of payment. The primary dairy co-operative societies make periodical payment. All the societies make payment after 10, 15, 30 days interval. 82.14% primary dairy societies make payment after 30 days, 14.29 societies make payment after 15 days but there is only one society, which arranges payment to its members after 10 days. It is noteworthy to know that all payment is in cash.

**Table - 5.16**  
**Classification of the employees according to education and sex**

<b>Sr no.</b>	<b>Education</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
1	Uneducated	1 [1.16]	-	1 [1.16]
2	S.S.C	48 [55.81]	-	48 [55.81]
3	H.S.C	24 [27.91]	-	24 [27.91]
4	Graduate	12 [13.95]	-	12 [13.95]
5	Post graduate	- -	-	- -
6	Other	1 [1.16]	-	1 [1.16]
	<b>Total</b>	<b>86</b> <b>[100]</b>	<b>-</b>	<b>86</b> <b>[100]</b>

Table 5.16 shows that

1. All employees working in primary dairy co-operative societies are male. The female employees are ignored.
2. 55.81% employees are educated up to S.S.C and 1.16 % employees are having other qualification such as G.D.C.&A and 1.16% employees are uneducated.
3. The number of employee are having qualification less than graduation because non-availability of full time work and nature of work.

**Table - 5.17**  
**Classification of the employees according to categories and sex**

<b>Sr no.</b>	<b>Category</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
1	Open	74 [86.05]	-	74 [86.05]
2	Reserve	12 [13.95]	-	12 [13.95]
<b>Total</b>		<b>86</b> <b>[100]</b>	<b>-</b>	<b>86</b> <b>[100]</b>

Note: - figures in round brackets indicate percentage to horizontal totals.

Table 5.17 shows that the percentage of reserve category employees is only 13.95. This is not in accordance with the reservation policies of the Co-operative Act and Government of Maharashtra.

Hundred percent reserve category employees are males. This shows that the management is not seriously implementing government reservation policies regarding appointment of employees.

**Table - 5.18**  
**Classification of the employees according to experience.**

<b>Sr no.</b>	<b>Experience group In Year</b>	<b>No of employees</b>	<b>Percentage</b>
1	0 to 10	64	74.04
2	10 to 20	14	16.03
3	21 to 30	6	7.00
4	Above 30	-	-
5	No experience	2	2.3
	<b>Total</b>	<b>86</b>	<b>100</b>

The table 5.18 reveals the percentage of experienced and inexperienced employees. There are 71.04 % employees who have experience up to 10 years and there is no employee who has 30 years experience. The percentage of inexperienced employees is hardly 2.3%.

**Table - 5.19**  
**Classification of number of employees according to Training**

<b>Sr no.</b>	<b>Categories</b>	<b>No. Of employees</b>	<b>Percentage</b>
1	Trained	24	27.91
	Untrained	62	72.09
	Total	86	100

The table 5.19 shows the percentage of trained and untrained employees. 27.91% employees have undergone co-operative dairy training organized by Dairy Co-operative Unions / Federation / Societies / Government.

**Table - 5.20**

**Classification of Dairy Co-Operative Societies according to  
No. Of employees as on 31st March 2004.**

<b>Sr no.</b>	<b>Category</b>	<b>Number of Societies</b>	<b>Percentage</b>
1	Up to 2 workers	9	32.14
2	Up to 3 workers	13	46.43
3	Up to 4 workers	4	14.29
4	5 and more workers	2	7.14
	Total	28	100

Table 5.20 shows that out of 28 Primary Dairy Co-Operative Societies, 13 Societies are carrying out their business with the help 3 employees. Their percentage is higher i.e. 46.43. There are only two societies in which 5 or more employees are involved and their percentage is minimum i.e. 7.14.

**Table - 5.21**  
**Classification of Dairy Co-Operative Societies according to**  
**Facilities provided to the employees.**

<b>Sr no.</b>	<b>Facilities</b>	<b>Yes</b>	<b>No</b>	<b>Total</b>
1	Bonus	25	3	28
2	Leave	3	25	28
3	Provided Fund	1	27	28
4	Retirement Benefits	-	28	28
5	Loan	0	28	28
6	Other	7	21	28

Table 5.21 reveals the information about the facilities provided to the employees. There are 25, out of 28, Primary Dairy Co-Operative Societies, which are providing bonus facilities. Leave facilities are provided by only three societies. There is only one society, which has made the provision of providing provided fund facility to its employees. Retirement and loan facilities are not provided by any societies. 7 societies are providing other facilities for the welfare of employees. Though all the societies are working in the same Taluka, there is vast difference as far as of facilities are concerned.

**Table - 5.22**  
**Classification of Dairy Co-Operative societies**  
**According to facilities provided to members.**

<b>Sr no.</b>	<b>Category</b>	<b>Number of Societies</b>	<b>Percentage</b>
1	Facilities provided	16	57.14
2	Facilities not provided	12	42.86
Total		28	100

Table 5.22 reveals that there are 57.14 % primary dairy co-operative societies which provide medical facilities, fodder facilities, guarantee letter facilities, etc. but remaining 42.86 % societies do not extend any facilities to its members.

**Table - 5.23**  
**Classification of the societies according to Audit Class Obtained**

<b>Sr no</b>	<b>Year</b>	<b>Audit class of the society</b>				<b>Not available</b>	<b>Total</b>
		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>		
1	2001 - 02	10 (35.71)	15 (53.57)	2 (07.14)	-	1 (03.57)	28 (100)
2	2002 - 03	10 (35.71)	16 (57.14)	1 (03.57)	-	1 (03.57)	28 (100)
3	2003 - 04	9 (32.14)	16 (57.14)	1 (03.57)	-	2 (07.14)	28 (100)
Average		10 (35.71)	16 (57.14)	01 (03.57)	-	1 (03.57)	28 (100)

Note: - figures in round brackets indicate percentage to horizontal totals.

Table 5.23 shows the audit class of the societies. 35.71 % societies, which have obtained 'A' audit class, 57.14 societies often 'B' audit class and 'C' class has been obtained by 3.57 societies.

Table – 5.24

**Classification of Societies According Dividend provided.**

<b>Sr no</b>	<b>Year</b>	<b>Dividend Paid</b>	<b>Dividend Not Paid</b>	<b>Total</b>
1	2001 - 02	13	15	28
2	2002 - 03	13	15	28
3	2003 - 04	13	15	28

Table 5.24 shows that there are only 13 societies which are paying dividend to the members. The percentage of dividend paying societies is 46.43. Where as 53.57 percent societies are not paying any dividend to milk producer.

**Table - 5.25**  
**Classification of Societies according to facilities**  
**Provided to members.**

<b>Sr no.</b>	<b>Name of the facilities</b>	<b>Yes</b>	<b>No</b>	<b>Total</b>
1	Medical facility to Animal	22 (78.57)	6 (21.43)	28 (100)
2	Plans to improve milk production	12 (42.86)	16 (57.14)	28 (100)
3	Guarantee letters	20 (71.43)	8 (28.57)	28 (100)
4	Prizes	12 (42.86)	16 (57.14)	28 (100)
5	Financial help after Death of Animals	-	28 (100)	28 (100)
6	Milk payment of Difference Bill	25 (89.29)	3 (10.71)	28 (100)

Note: - figures in round brackets indicate percentage to horizontal totals.

Table 5.25 indicates the type of facilities, which are being, provided to the members

1. 78.57 percent societies are providing medical facilities to animals where as 21.43 percent societies are not helping.
2. 42.86 percent societies are providing prizes and plans to improve milk production facilities to its members where as 57.14 percent societies are ignoring their members.
3. 71.47 percent societies are giving guarantee letters to the members who obtain loan. 28. 57 societies are indifferent.
4. No society is providing financial help after death of animals.
5. Difference bill payment facilities are provided by 89.29 % societies but 10.71 % societies have not taken in his steps in this regard.

## **Preparation of Final Account**

As per the Co-operative Act each and every dairy Co-operative society is required to prepare Trading and Profit and Loss account and Balance Sheet within 45 days after completion of financial year in form 'N' and submit it in general meeting as per Act 75 section 2

One of the chief objects of keeping account is to find out Profit and Loss made by the society at the end of given period. It is also necessary to ascertain the financial position of the society from time to time. This object can be achieved by preparing final account at the end of each accounting period, usually a year. They are called as final account because they are preparing at the end of an accounting period. Final account consists of 1. Trading account. 2. Profit and Loss account. 3. Balance Sheet.

### **1. Trading Account.**

Trading account is an account in which trading transactions of the society are recorded. Transactions relating to purchase of milk, goods, sales, sales return, closing stock, etc. The main object of preparing Trading account is to find out the Gross Profit or Gross Loss of the society during the given period. Gross profit or Gross Loss is the difference between the cost of the goods sold and the sale proceeds.

### **2. Profits and Loss Account**

This account is prepared to find out the Net Profit or Net Loss of the society for an accounting period.

Firstly the balance of trading account is transferred to Profit and Loss account. Therefore Profit and Loss account is opened with the Gross Profit on credit side and Gross Loss on Debit side. After that all the indirect expenses 1. Office and administrative expenses. 2. Selling and distribution expenses. All financial expenses are recorded on debit side and indirect incomes are recorded on Credit side. The difference between the debit and credit side of Profit and Loss account represents net profit or net loss.

### 3. Balance Sheet

Balance Sheet is a part of final account, but it is not an account. It is Statement showing assets and liabilities of the society and capital investment by the society on particular date. It shows the financial position of the society, on particular date. It should be note that trading and Profit and Loss account refer to particular period of time and Balance Sheet to a Particular day.

Balance Sheet is divided in to two parts, Asset side and Liabilities side. Total assets of the society are recorded on the asset side and total liabilities are recorded on liabilities side.

Trading and Profit and Loss account of selected dairy Co-operative societies for the year ending 31<sup>st</sup> March, 2004.

#### Trading Account

For the year ended 31 March, 2004

Particular	Rupees	Particular	Rupees
Purchase of Milk	21020995	<b>Sale of Milk</b>	
Purchase of Fodder	464554	Local sale	2656775
Milk Processing instrument	76264	Sangh sale	19354326
Fuel and Oil	49357	Sale of fodder	518883
Gross profit C/d	1449883	Milk difference Bill	113180
		Commission	408939
		Closing stock of fodder	8950
<b>Total</b>	<b>23061053</b>	<b>Total</b>	<b>23061053</b>

**Profit and Loss account**

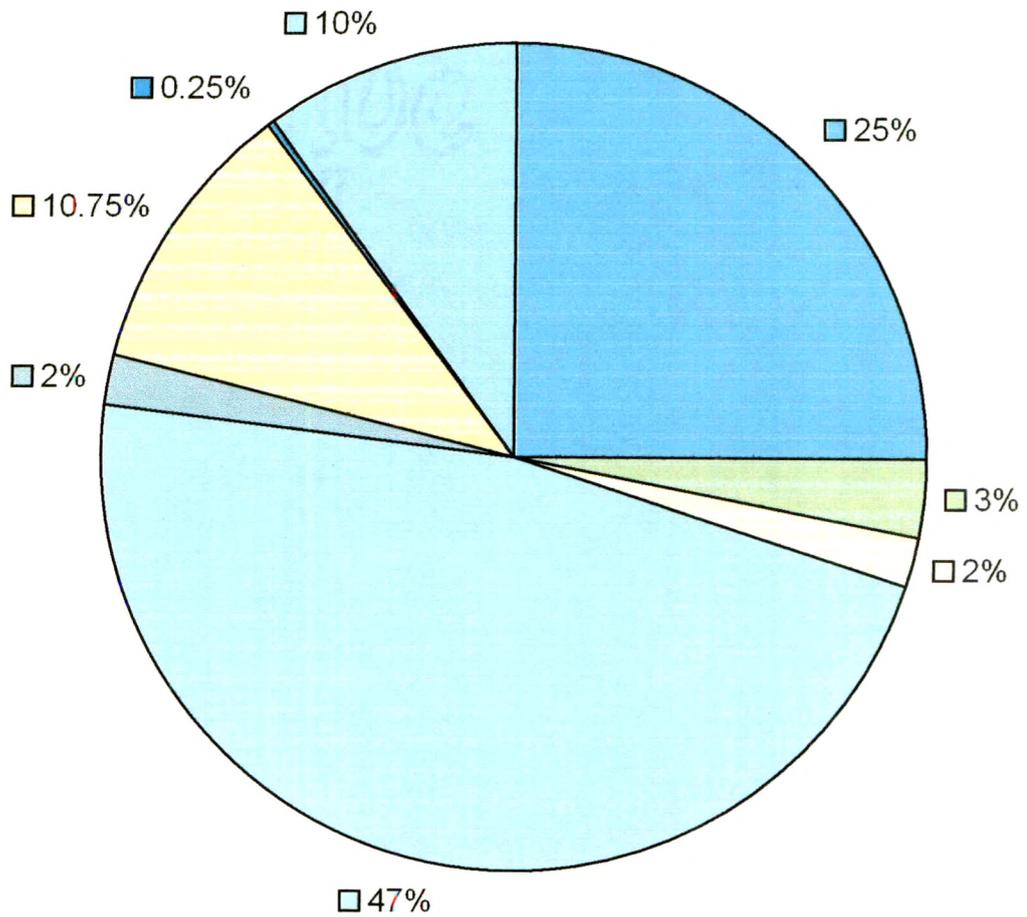
For the year ended 31 March, 2004

<b>Particular</b>	<b>Rupees</b>	<b>Particular</b>	<b>Rupees</b>
Salary	675963	Gross Profit b/d	1449883
Printing and Stationary	86009	Dividend paid	192394
Traveling expenses	63241	Interest received	149596
Management expenses	26529	Collection	346422
Advertisement	41913	Rent of Bilking	5700
Dividend paid	206839	Milk difference bill	163630
Phone and light bill	49838		
Donation	6651		
Milk Difference Bill	126808		
+ Out standing	26822		
	<u>163630</u>		
DEP on fixed asset	87447		
Dep. On building	237426		
Repair of building	31587		
Live stock medical program	2750		
Audit Fee	66423		
Othe expences	87764		
Live stock develop fund	9630		
Reserve fund	120369		
Building fund	226294		
Education fund	48148		
Felicitation fund	9630		
Labor welfare fund	1204		
Current year profit	58340		
<b>Total</b>	<b>2307625</b>	<b>Total</b>	<b>2307625</b>

**Balance sheet as on 31<sup>st</sup> March 2004.**

<b>Liabilities</b>	<b>Rupees</b>	<b>Assets</b>	<b>Rupees</b>
Paid up Capital	152105	Cash and bank balance	734463
Reserve fund	1232036	Investment	1853203
Other funds	2795368	Debtors	1790477
Other liabilities	2702075	Fix asset less deprecation	787022
Building fund	226294	Building less deprecation	2136832
Anamat	917614	Land	89515
Government Grant	59985	Anamat	89088
Current year profit	58340	Machinery	147608
O/S milk difference bill	36822	Deposits	542761
		Library	720
		Stock of fodder	8950
<b>Total</b>	<b>8180639</b>	<b>Total</b>	<b>8180639</b>

Graph 5.4  
**Classification of percentage wise  
 distribution of profit**



- |                               |                                    |
|-------------------------------|------------------------------------|
| ■ Reserve fund                | □ divident to shareholders         |
| □ Live stock development fund | □ Building fund                    |
| □ Education fund              | □ Flactutation fund                |
| ■ Labour walfare              | □ Profit transfar to balance sheet |

1. Graph 5.4 Clearly indicate that the distribution of profit is uneven.
2. The amount spent on labor welfare is negligible it should be more.
3. Livestock development fund is inadequate.
4. Dividend to share holder be increased by reducing the expenses/ building fund.