

CHAPTER - 6

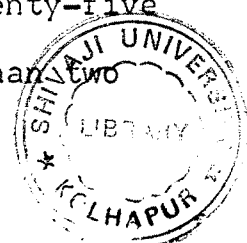
Summary, Conclusion and Suggestions

CHAPTER : 6Summary, Conclusions and Suggestions :

From various points of view the dairy industry enjoys an important place in the economics of developed and underdeveloped countries. It provides employment opportunities thereby helping to reduce unemployment, particularly in the developing countries. Besides, dairy-farming augments the incomes of the poorest poor in the rural areas and creates some form of stability of life in such areas.) Dairying is a business supplementary to agriculture. It, indirectly, helps to increase agricultural productivity. It is increasingly becoming an instrument of economic and social change. Thus, the dairy business has etched for itself an important place in rural economy.

Development of co-operative dairy societies in Baramati Taluka started from the year 1973, and continued to make satisfactory progress. At the end of the year 1984-85, there were 139 registered dairy co-operative societies. Out of these 15 were closed.

The Nira left canal passing through Baramati Taluka, divides it into (i) irrigated and (ii) non-irrigated areas. Out of the 67 villages having dairy co-operative societies in Baramati Taluka 30 are situated in the irrigated and 37 are in the non-irrigated areas. In the irrigated areas, there are 99 registered co-operative dairy societies and only 40 such societies are found in the non-irrigated areas. Twenty-five villages from the irrigated areas are having more than two



co-operative societies.

The dairy industry has helped to reduce unemployment in the taluka. It has become a source of livelihood for the poorest sections. Dairying has made an important contribution to the economic and social development of Baramati Taluka.

Conclusions :

Following are the main conclusions of the study.

(a) Co-operative dairy societies have made satisfactory progress in the Baramati Taluka.

(b) Dairy business has developed in Baramati Taluka only because of development of co-operative dairy societies.

(c) Development of co-operative dairy societies is centralized more in irrigated areas than in the non irrigated areas.

(d) Dairy business becomes more profitable to the land-holders, particularly irrigated land holders than to the land-less people.

(e) Big farmers dominate the co-operative dairy societies.

(f) The development of co-operative dairy societies is neither based purely on co-operative principles and nor on Anand Pattern. The important fact is that the dairy industry in the co-operative sector has taken roots and developed in the Baramati Taluka.

However this development of co-operative dairy societies is not ~~fr~~ free from weaknesses. Following are the main weaknesses in the development of dairy co-operatives in the Baramati Taluka.

Weaknesses :

(i) Competition among the co-operatives :-

According to the co-operative principles, there should not be competition amongst the co-operatives. But in Baramati Taluka, such competition exists at two levels, amongst the federations and the co-operative dairy societies.

Both the federations in the taluka are vying with each other to get more societies. So these federations are behind the societies. This naturally creates a false sense of inevitable importance in the societies. This situation helps to create irrelevancies as far as co-operatives are concerned.

At the co-operative's level, every co-operative dairy society tries to collect more milk leading to avoidable competition. With the societies efforts geared to competitive battles, no thought is given to co-ordination in the co-operative dairy societies. If any co-operative dairy society rejects the poor quality milk from a member, another society invites the member to join it or to patronise it.. Such practices do not necessarily help the co-operatives in the long run, but help immediately to negate some of the co-operative principles. In fact the logical outcome of such practices is an increased scope for adulterating milk for pecuniary gains of the members deterioration in milk quality and health hazards to the society at large.

Some co-operative societies are in a position to advance more loans than others to their members. However, the poorer

societies are, naturally, unable to offer such advances, and as a consequence, the farmer is drawn towards the richer societies, depriving the less fortunate ones of some members who probably do matter. This state of ~~aff~~ affairs can lead to "immiserising" of poorer societies, and to their inevitable death. It indicates that the federations are behind the societies and the co-operative dairy societies are behind the milk producers.

(ii) Weak co-operative dairy societies :

The number of milk producers are distributed amongst the co-operative dairy societies. When the number of co-operative societies increases, the average membership of the co-operative dairy societies decreases. This has an adverse effect on the progress of dairy co-operatives. This is evidenced by the fact that at the end of the year 1984-85, 15 co-operative dairy societies in the taluka were closed down due to inadequate milk procurement.

At the end of 1984-85, there were 124 co-operative dairy societies collecting milk from their members. Out of them, the daily collection of 62 (50 percent) co-operative societies was less than 500 litres perday. Forty (32 percent) societies were collecting 500 to 1000 litres perday. Only 22 (18 percent) co-operative societies were collecting more than 1000 litres perday. It shows that a number of co-operative dairy societies are weak financially and organisationally. These societies are unable to provide advances and necessary facilities to their members, thereby forfeiting any claim to effective existence.

(iii) Absence of uniformity in the collection of milk :-

The working area of every co-operative dairy society has been fixed at the time of its registration. The society must work within this area. If any co-operative society starts to collect milk from the working area of other societies, it has an adverse effect on the progress of that society. So every society has to work within its prescribed area. But in the Baramati Taluka, this restriction is not followed by any co-operative society. A number of co-operative dairy societies are collecting milk from different places. For example, one co-operative society has ten collection centres in different villages. It collects milk from villages falling in the jurisdiction of other co-operative societies. Some co-operative societies are not working in the villages where they are registered. One co-operative dairy society is registered at the 'Kanheri' village but is working at Katewadi.

Some cooperative societies have appointed commission agents at different villages. These agents collect milk from the villages and supply it to the concerned co-operative societies. A number of commission agents are working in different villages. One person from Dorlewadi collects nearly 400 litres of milk perday, and supplies it to the co-operative dairy society which is at Katewadi. Another person from Khandaj village collects milk and supplies it to the co-operative dairy society at Malegaon. Such a situation is ~~xxxx~~ detrimental to the newer co-operative societies.

(iv) Absence of proper collection methods :-

Milk is a necessary food for the human being. It should, therefore, be collected and handled properly. There are certain restrictions put on the collection of milk. It should be collected at a certain place and it must be clean. Collection of milk should be made in a shady and secluded and covered place. Vehicles and cans must be clean. But all these restrictions are not followed in the Baramati Taluka.

A number of co-operative societies are collecting milk in the open place near the roads. Some societies do not even have their own buildings. At some places it has been found that a person is standing in the lane or roadside with one or two cans and one notebook and collects milk. The condition of the cans and ~~the~~ vehicles in which they are transported is so unhygienic that they evoke a sense of remorse. Is the milk being collected for human consumption ? one is forced to ask oneself.

(v) Absence of regular milk testing :-

Payment for the milk is made according to quality and quantity of milk supplied. There are three main tests, the fat, S.N.F. lactometer readings etc. In the case of cow's milk the fat content must be 3.5 degrees or more and 6.00 degrees in the case of buffalo milk. The SNF content must be 8.5 percent in cow's milk and 9 percent in buffalo's milk. Lactometer reading should be 1.028 to 1.030 grams etc. Some milk producers mix different types of materials such as

caustic soda, sugar, salt, arrow-root, starch and jaggery to increase SNF or the lactometer readings. The milk therefore must be tested every day. But a number of co-operative dairy societies in the taluka do not follow any regular procedure for milk testing. In fact, milk is not regularly tested at some of the societies. The only tests these societies conduct are with respect to taste and lactometer. Some societies conduct tests randomly. Even if some societies might want to conduct tests regularly they might not be able to do so for want of proper testing instruments. Let alone these, some societies are unaware of the instruments that are to be used for different milk quality tests. They only know lactometer and lactometer jars.

(vi) Political influence :-

The co-operative societies ought to be free from political influence. Despite negative responses to a question regarding political affiliation of the co-operatives, it is an open secret that in practice, the cooperative societies are not immune from political influences. Nay, some of them might, in fact be actively indulging in politicking. There are two main political parties, Congress 'S' and Congress 'I' in the region. The Baramati Taluka Milk Co-operative Federation is under the influence of congress 'S' where as the Pune District Milk Co-operative Federation is influenced by congress 'I'. In this context, one must remember that a number of co-operative societies in this taluka are weak.

The Pune district was brought under the operation flood from 1984. In the Anand Pattern it is assumed that there shall be only one society in one village. For example in the Kaira District, one cannot find a single village having more than one milk society. The same case is in Karnataka also. But it is not the case in Baramati Taluka. Out of the 67 villages 35 (52 %) have more than one milk cooperative society. There is no provision for the Taluka Co-operative federation. But in Baramati Taluka, two co-operative federations are working. Not only this but number of new co-operative societies are coming up.

The Government continues to sanction setting up of new dairy co-operatives with a proviso that it should be attached to the District Co-operative Federation. This happens only due to political influence.

(vii) Non milk-producer members :-

According to the principles of co-operation, the co-operative dairy society may not admit a person, who does not produce milk. But in Baramati Taluka, a number of persons are members of co-operative dairy societies despite the fact that they are not producing milk. One co-operative dairy society from the sample was found to have as its chairman a non milk producer from its inception. This state of affairs has been allowed to continue for so long mainly because of his Political clout as a leader. Such examples can also be sighted with respect to cooperative federations.

Besides these, the society continues to receive milk on dally-basis from persons and group of persons who are not members of the society and who have not been its members in the past. Their status with the society is classified as "account holders".

(viii) Inefficient federations :-

The two co-operative federations working in this taluka are inefficiently managed. These do not provide transport facilities, even when they are in a position to purchase vehicles for the purpose. For example, in the year 1984-85, Baramati Taluka co-operative Federation paid nearly rupees 16 ~~nine~~ lakh as transport charges. It is having only one truck which is not used for transport of milk.

Pune District Milk co-operative Federation is providing transport facility to co-operative societies except Baramati Taluka. There is a lot of scope for development work. Though the production of milk has increased tremendously in Baramati Taluka, yet the consumers have to depend on private vendors for their milk supply. They have to pay a higher price for poor quality milk. Recently the taluka federation has started milk distribution scheme in Baramati city, but it is not sufficient to meet the requirement. These federations are working only as commission agents. There is no control of the federation over the co-operative societies.

The spoilt milk has to be throwaway because there is no facility for its use. In the year 1984-85, the spoilt milk totalled nearly 9.5 lakh litres. This loss can add upto

Rs. 28.5 lakhs in one year. The percentage of adulteration has increased with the increasing number of co-operative societies and production of milk.

(ix) Domination of big farmers :-

The administration of the co-operative society should be conducted on democratic lines. Members of a co-operative society should enjoy equally the right of voting and participation in decisions affecting their society. But in this taluka, the membership of co-operative societies is restricted to certain families. To complete the required quota of members for the registration of co-operative society, persons from the same family are becoming members of the co-operative society. It is found that some big farmers are controlling the co-operative societies. Some societies are not known by their registered names but as the societies of particular persons. For example, one society has fifty-one members but it is collecting milk from 149 milk producers. These 149 milk producers have no voice in the formulation of the society's policy.

(x) Lack of trained persons :-

For the smooth and proper working of the co-operative society, it is necessary to appoint trained persons. But in Baramati Taluka, the secretaries of 60 percent of the co-operative societies were untrained. Thus records were not properly maintained.

Another point relates to milk testing. For milk testing, trained persons must be appointed. But this is not found in a single co-operative society. The reason is not far to seek. The trained person would demand higher payments or payments according to rules. But it is not possible for the societies to pay according to rules, because the societies are weak financially. So untrained persons are working in the societies.

(xi) Insufficient veterinary services :-

The State Department of Animal Husbandry ~~xxxx~~ is responsible for providing animal health cover and veterinary services to the animals in the taluka through Zilla Parishad and KVC. But a number of villages are uncovered and those that are covered find these services insufficient. The government is providing these services free of charge, but the doctors are charging fee for the visits.

These are the lacunae in the co-operative dairy development in Baramati Taluka.

Suggestions :-

To overcome these lacunae following measures should be adopted.

(i) There should be one co-operative federation :

To avoid the cut-throat competition, there should be only one co-operative federation. Once Anand Pattern (C.F.) is accepted, there is no provision for the Taluka Co-operative Milk Federation. So the Taluka Co-operative Federation must

be done away with. But, whenever there is recognition for the Taluka Co-operative Milk Federation, there should not be any interference by the District Co-operative Federation. In Baramati Taluka, the co-operative milk federation has made satisfactory progress in a short period. Once a policy is adopted it must be adhered to, and no changes should be permitted. The policy's logical reasoning should be accepted.

(ii) Inefficient co-operative milk societies should be dissolved :-

Economically sound co-operative dairy societies can provide essential facilities to their members. But in this taluka, a number of co-operative societies are organised as small units. These co-operative societies are unable to provide necessary facilities to their members. So it is better to reorganise these societies on the basis of Anand Pattern. With this the number of co-operative societies will decrease, but efficient co-operative milk societies will come up. It means quantity of societies will decrease but at the same time the quality will improve.

(iii) No private transport facility :-

The government is paying transport charges to the societies through the federations. So transport facility must be provided by the federation. Federations can afford to purchase the vehicles, and they must do so. If it is done, there will be no rush at chilling centre, no hurry for collection and testing. Work of the co-operative society

would then be restricted to collection of milk at the village level. It will then be transported by the federation or by those co-operative societies which can afford the purchase of vehicles. It means that the milk should be transported by their own vehicle or through the federation. No private transport facility should be permitted to be used.

(iv) Fodder development programmes must be implemented :-

One object of the co-operative dairy society is to implement schemes for the fodder development. But in Baramati Taluka not a single co-operative society is implementing such a programme. Co-operative societies in the nonirrigated areas must necessarily, implement programmes for fodder development, so that members will be benefitted.

(v) Chilling Centres :-

Many a time milk has been spoilt due to inadequate transport facility and low capacity of government chilling centre. So, if the federation constructs its own 'mini' chilling plants, there will be no problem of spoilt milk; Or a few co-operative societies from the same area can come together and construct their own chilling plants. There will then, be no problem of early collection, and transportation. For example, in 'Pandare' village there are 17 co-operative dairy societies. If these co-operative milk societies construct their own chilling plant, they can collect milk with proper testing. A number of problems such as early collection, speedy testing, rush of vehicles at one chilling centre etc., can be solved satisfactorily. Some

co-operative societies from Indapur Taluka (Pune District) have started such type of schemes. If it is implemented in the Baramati Taluka too, it will help to reduce the excessive spoilage of milk.

(vi) There should be proper control of the co-operative dairy societies :-

Proper control must be exerted on the co-operative societies by government or by the federations. The government should strictly follow certain policies about these societies relating to milk testing, collection working area etc. sudden unexpected visits to these centres must be regularly conducted. Those co-operative societies that encourage adulteration, should be warned once or twice. If they does not mend their ways then criminal charges should be preferred against them. The malpractices can cause untold damage to the consumers if not checked in time. It becomes more imperative if recent practices of mixing urea in milk are taken into account.

(vii) Time schedule :-

In order to control malpractices and adulteration a system of time-schedule should be followed whereby the overcrowding is eliminated. Such time-schedules could also be rotated.

There should be no contact of the representatives of the societies with the chemist, at the time of milk testing. Modern machinery should be used for the testing of milk for quality etc.

(viii) To start milk distribution centres in the urban areas.

If federations starts their own milk distributing centres at Pune, Bombay or some other cities, the milk producers can get more benefit.

(ix) Manufacturing of milk products :

Milk can be spoilt due to many reasons. A number of products can be prepared from such milk. At present, Baramati Taluka Milk Co-operative Federation has started the manufacture of milk products but its capacity is very low. Owing to this low capacity some times spoilt milk has to be thrown away. So if these federations start manufacture of milk products on a large scale, it will be beneficial to the milk producers.

If all these measures are brought into practice, there will definite improvements in the present undesirable conditions existing in the co-operatives. Needless to say, dairy-farming will have achived its objective of social and economic amelioration of the conditions of life of the rural people.