

CHAPTER TWO

PLACE OF MILK IN SOCIO-ECONOMIC LIFE OF THE COMMUNITY.

- 2.1 Introduction
- 2.2 Milk business
- 2.3 Milk business in India
- 2.4 Milk business in Maharashtra
- 2.5 Milk business in Kolhapur District
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of the Community

2.1 Introduction

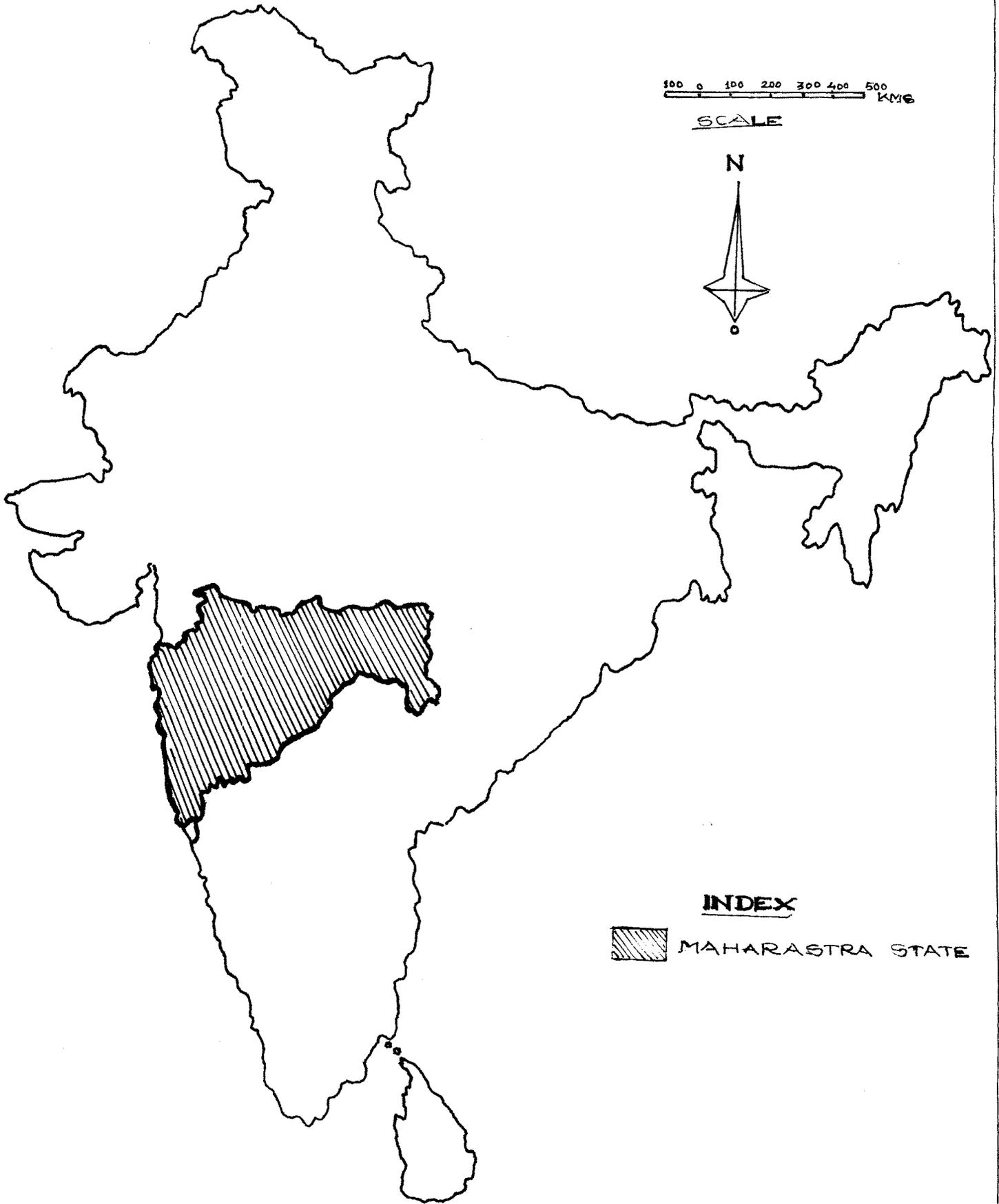
India is a vast country with the population of about 68.38 crores¹ and its 70 to 80 % of population live in rural areas. The increasing population and rapid urbanisation has created a number of socio-economic problems. The population of India being scattered in rural areas and their economic position is such that "48% of them live under poverty line."² Due to slow growth of industrialisation and modernisation most of the population depend upon agriculture and traditional occupations. The increasing population has also created problem of small land holding in India which is uneconomic to agricultural community. The agricultural cultivation in India depends upon the natural conditions. Due to vagaries of monsoon, they fail to get expected quantity of agricultural production. Besides this, prices of agricultural goods are not remunerative. They are also not cultivating their lands with modern techniques. For example most of the farmers are still not using improved variety of seeds and fertilisers. Consequently the economic condition of those depending upon agriculture is far from satisfactory.

1. Census - Report 1981

2. Census - Report 1981

INDIA

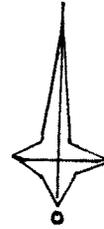
MAP OF INDIA SHOWING LOCATION OF MAHARASTRA STATE



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MAHARASTRA STATE

To improve their lot the Govt. has developed several schemes for providing additional income to them. Development of dairy farming, poultry are part of such schemes.

Milk business has been adopted by farmers since ancient days. This business has got great potential to up-lift the economic condition of agricultural community.

2.2 Milk business

"Milk business includes, production of milk, collection of milk, processing the milk, selling and distribution of milk. Besides this, taming the milch cattle and reproducing milch cattle can also be included in this business"³

Thus milk business is very important and close subsidiary source of income of Indian farmers and agricultural labourers.

2.3 Milk business in India

Since ancient days the farming community of India has been undertaking production and sale of milk as their supplementary source of income. This business was

3. Marathi Vishwakosh, Volume-7, Mahavastra
Rajya Sanskruti Mandal, Bombay.P.810.

scattered in India. This business was not done by agricultural community for the purpose of marketing. History proves that the families in ancient India had milk cattle with them but they never used the cattle and their milk for the purpose of selling. Hindu religious epics are full of information about offering their cattle as prizes to each other in honour of bravery, moral performance and for the service of great people. Cows were tamed for reproducing bullocks to be used for agricultural purposes. Reference of cattle being disposed off on the basis of barter system is also found.

In modern times the entire attitude of taming cattle has changed. Taming cows and buffalows is becoming more and more the source of subsidiary income. The farmers are slowly adopting milk business as a commercial proposition. Agricultural labourers are also taming cows and buffalows and doing milk business to augment their meagre income.

The above trend has got impetus from ...

1. Increasing rate of organisation,
2. Growth of population,
3. Encouragement to cooperative organisation for undertaking marketing of milk,
4. Schemes of the Government for development of source of subsidiary income to the small farmers.

According to the Census Report from time to time it seems that the population is increasing (Census - 1951 - 361 million, Census - 1961 - 439 million, Census - 1971 - 548 million, Census - 1981 - 685 million) and getting urbanised on a vast scale. The present population has become almost double. Alongwith the increasing demand of necessities of life, milk also has become unavoidable necessity of urban as well as rural population. "In order to satisfy this urgency of population, a class of milkman has emerged in India."⁴ The milkmen are collecting milk from villages and are selling it in the nearby cities. Milk is also being collected by cooperative societies and Govt. agencies from the producing areas and transported to the big cities like Bombay, Madras, Delhi etc.⁵

A favourable change in milk business took place since independence. Rate of industrialisation increased.

4. Marathi Vishwakosh - Volume - 7,
Maharashtra Rajya Sahitya Sanskrit Mandal,
Bombay - 1977. P. 812.

5. Marathi Vishwakosh - Volume - 7 P. 812.

Urban population increased in number. In 1951 there were 74 cities in India having population more than 1 lakh, in the year 1981 there were 216 cities in India having population more than 1 lakh."⁶ This increased significant demand in milk but production of milk could not increase at the same rate. Having scientifically established that the milk can remain in good condition, if it is chilled, a new phase in milk business started. Obviously many chilling centres were established in different parts of the country. Various milk federations were established by different State Governments on the basis of 'Anand Pattern' in Gujarat (Anand Pattern - It is cooperative setup at Anand) as a part of its implementation. The first scheme of this kind was started in Bombay by department of the Government of Maharashtra.

"In 1965 the Central Government established 'National Dairy Development Corporation'. This corporation was established with the objective of assisting the State Govts. in formation of the cooperative federations of milk producers on 'Anand Pattern'. This corporation planned 'Operation Flood Project' in 1968-69 and it is being executed through 'Indian Dairy Corporation'.⁷

6. Indian Economy - by Datt-Sundaram, 22nd edition S.Chand & Co.Ltd., New Delhi - 1984.P.

7. Marathi Vishwakosh - Volume - 7. P. 813.

Operation Flood Project - I⁸

The main objectives of the 'Operation Flood Project I' are as listed below :

1. To supply milk daily to the cities of Bombay, Delhi, Madras and Calcutta out of the milk collected by the dairy development department of State Govts. from rural areas.
2. To start new processing centres and enhance the capacity of existing processing centres.
3. To help in establishing the milk federation of milk producers on the basis of 'Anand Pattarn'.
4. To supply balanced cattle feed to the members of federation at reasonable price.
5. To start animal husbandry centres.
6. To provide veterinary aid to producers.
7. To collect the produced milk and store it in chilled condition.

Operation Flood Project II⁹

Operation Flood Project II was launched in July 1978.

8. Marathi Vishwakosh - Volume - 8. P. 815

9. Manorama Year Book - Manorama Publishing House, Kottayam, Kerala State - 1983. P.500.

Following are the main objectives :

1. To increase milk production to 38 million tonnes by 1984-85 from the level of 30 million tonnes in 1979-80.
2. To generate funds to the tune of Rs. 485 crores.
3. Apart from the existing 4 metropolitan cities, the scheme proposes to reach 148 cities with the population of more than 1 lakh.
4. To reach 10 million rural milk producers in 33,990 organised societies by 1984-85.
5. With the artificial insemination programme the population of cross breed cows and upgraded buffaloes is estimated to rise by 14 million, forming the so called 'national milk herd' in rural milk sheds.
6. To increase per capita availability from current level of 126 gm. per day to 144 gm per day by 1984-85. It is further expected to rise to 185 gm per day by 1988-89.

Because of the implementation of Operation Flood Project, the cooperative sector has got important place in dairy business."At the end of 1969, 143 cooperative milk federations, 10,020 primary cooperative processing centres,

38 cooperative milk projects, 5 cooperative cattle feed factories and milk processing centres were established in India"¹⁰

"In the year 1981 there were 190 dairy plants in the country, including 94 liquid plants, 30 milk product factors, and 66 pilot or rural dairy centres in public and cooperative sectors and daily milk collection was 62 lakh litres".¹¹ At the end of 30th June 1983 there were 25,859 cooperative dairies of milk producers in India.

10. Marathi Viswakosh Volume - 7. P.815.

11. Manorama year book - 1983. P. 501.

Live stock Resources in India :Table No. 1.1Table showing the No. of cattle and buffalows in India.

| Animal \ Year | 1966 | 1972 | 1977 |
|---------------|------|------|------|
| Cattle | 17.6 | 17.0 | 18.0 |
| Buffalows | 5.3 | 5.8 | 6.2 |

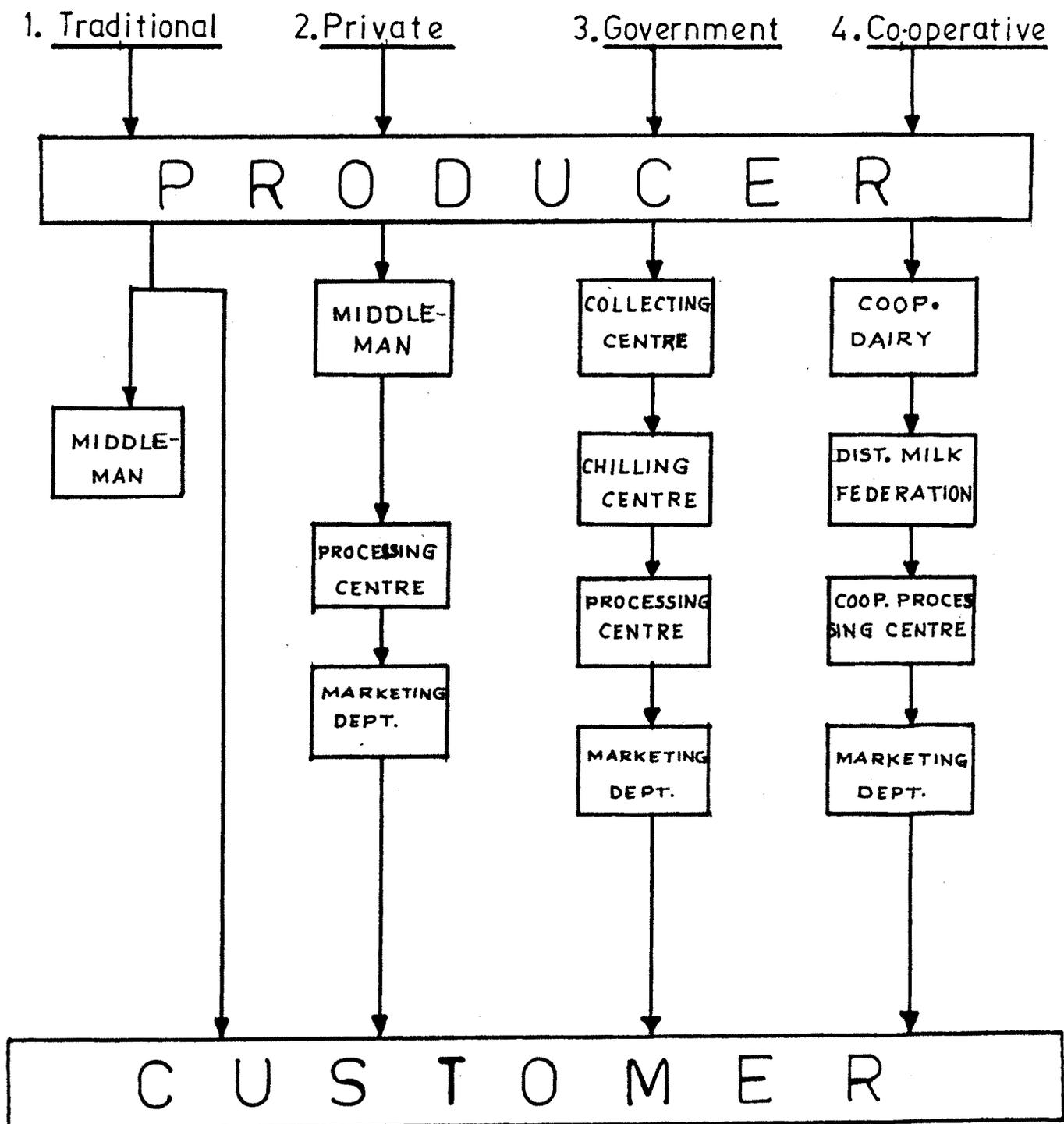
(Source - Indian Economy - by Datt, Sundaram, 22nd edition)

As table No. 1.1 shows there were 17.6 crores milching cattles and 5.3 crores buffalows in the year 1966. In 1972 there were 17 crores cattle and No. of buffalows increased to 5.8 crores. The number of cattle and buffalows increased to 18.0 crores and 6.2. crores respectively in the year 1977.

In 1981, there were 54 million milch cows and 28 million milch buffalows in India, but 28 million buffalows gave more milk than the 54 million cows.¹²

12. Manorama Year Book - 1983. P. 501.

CHANNELS OF MILK DISTRIBUTION IN INDIA



Milk production in IndiaTable No. 1.2Table showing the milk production in India

(Production in million tonnes)

| <u>Sr.No.</u> | <u>Year</u> | <u>Production</u> |
|---------------|-------------|-------------------|
| 1 | 78-79 | 29.1 |
| 2 | 79-80 | 30.2 |
| 3 | 80-81 | 31.5 |
| 4 | 81-82 | 32.9 |

(Source - Manorama year Book -1983 P.501)

As table No. 1.2 shows there were 29.1 million tonnes of production of milk in the year 78-79. In the year 79-80, it increased to 30.2 million tonnes. The production of milk further increased to 31.5 million tonnes in the year 80-81 and in the year 81-82 it increased to 32.9 million tonnes.

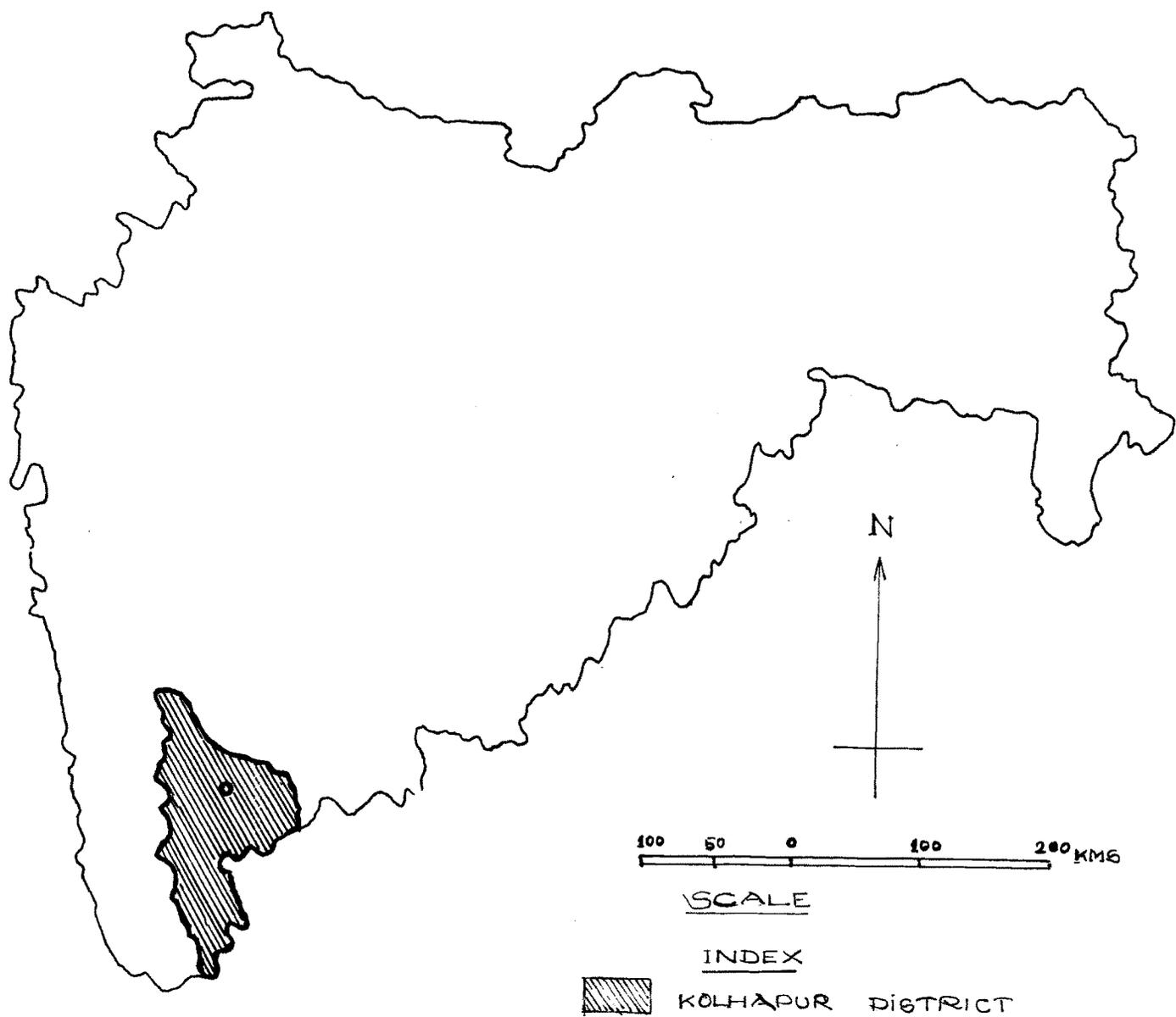
2.4 Milk business in Maharashtra

According to 1981 census the population of Maharashtra State was 6,27,15,300 out of which 2,19,66,806 resided in urban areas and 4,07,48,494 resided in rural areas. It means majority of population of Maharashtra live in rural areas.

MAHARASTRA STATE

MAP OF MAHARASTRA STATE SHOWING LOCATION OF

KOLHAPUR DISTRICT



Naturally agriculture is the dominant sector in Maharashtra.

Maharashtra has achieved remarkable reputation in milk business. The State Government is implementing Govt. milk schemes at 31 different places including Bombay, Peona, Kolhapur, Sangli, Dhule, Jalagaon, Nagpur. Cooperative sector is also playing major role in milk business, for which it deserves high degree of merit.

Table No. 1.3

Table showing the number of Milk dairies and Federations and their Membership during the 1974 to 1978 in Maharashtra.

| Year | 1974 | 1975 | 1976 | 1978 |
|--------------------------|----------|----------|----------|----------|
| Particulars | | | | |
| Dairies and Federations. | 2,279 | 3,095 | 4,352 | 4,991 |
| Members | 1,57,500 | 1,94,000 | 3,48,000 | 3,64,000 |

(Source - Shwetpatrika - Directory cum Booklet on cooperative dairies in Kolhapur District Surekha Prakashan, Kolhapur- 1980)

As table No. 1.3 shows there were 2,279 dairies and federation with 1,57,500 members in the year 1974, these

increased to 3,095 and 1,94,000 respectively in the year 1975. In the year 1976 the number of dairies and federations further increased to 4,352 with a membership of 3,48,000, the number of milk federations and their membership increased to 4,991 and 3,64,000 respectively in the year 1978.

At the end of 30th June 1983 there were 9173 cooperative dairies. "At present there are more than 11,000 primary milk producing dairies having membership of more than 6 lakh, the number of federations at tehasil and districts level is 81 and federation called 'Mahanand' is constituted, out of tehasils and district federation."¹³

Milk production in Maharashtra

Table No. 1.4

Table showing milk production

Per day in Maharashtra State during 1974-75 to 1984-85

(Production in litres)

| Year | 1974-75 | 1983-84 | 1984-85 |
|------------|---------|---------|---------|
| Production | 4.3 | 18.0 | 23.0 |

13. Lokarajya - Maharashtra Rajya Roupyamahotsav Vishesh Anka - Directorate of information and Public relation, Bombay - May 1985.P.57.

KOLHAPUR DISTRICT

MAP OF KOLHAPUR DISTRICT SHOWING LOCATION OF KOLHAPUR CITY IN KARVIR TALUKA

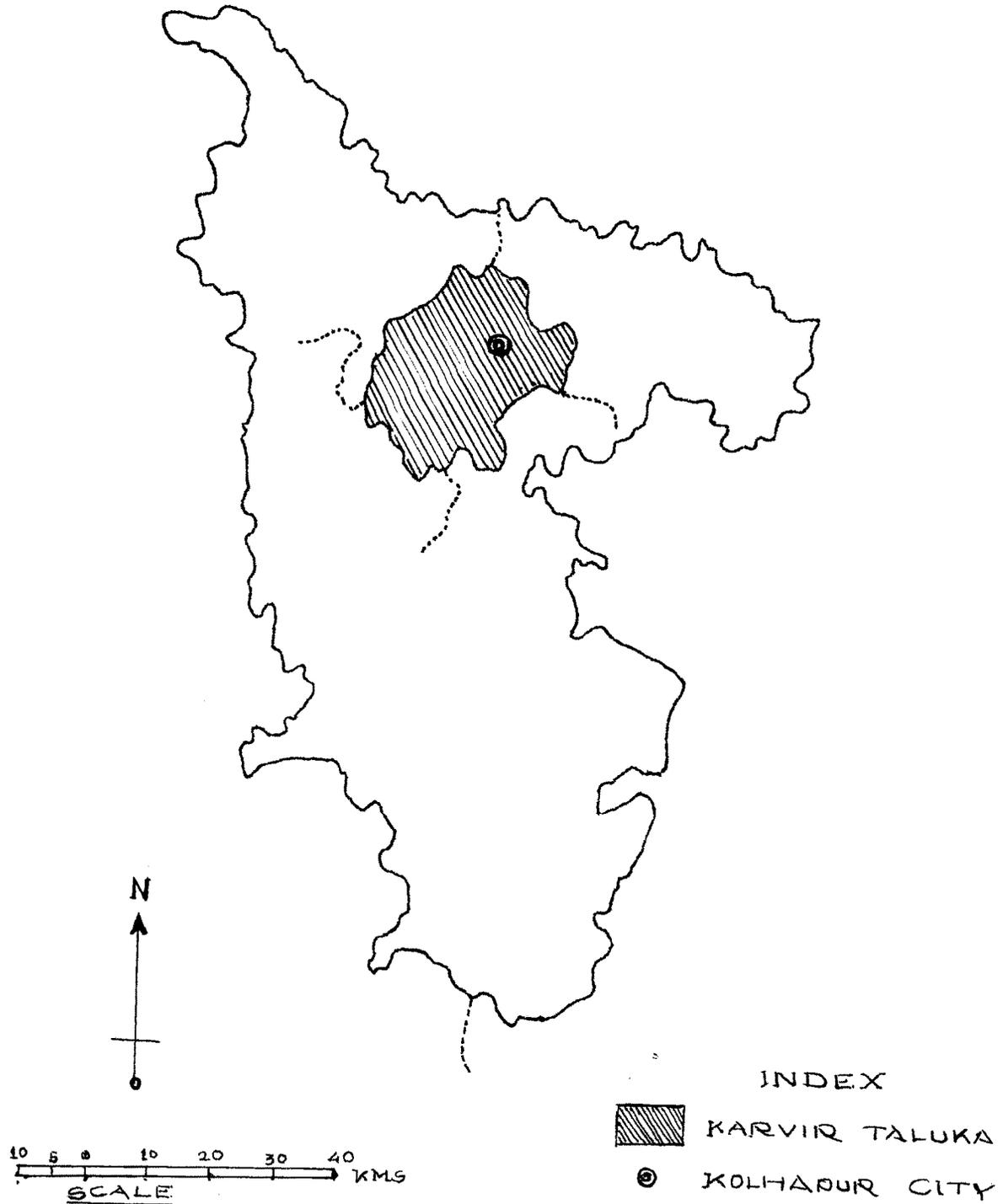


Table No.1.4 shows the milk production per day. There was 4.3 lakh litres of milk production per day in the year 1974-75. It increased to 18 lakh litres in the year 1983-84. In the year 1984-85, it further increased to 23 lakh litres. At present milk production in Maharashtra has reached to 28 lakh litres per day."Now there is problem before State Govt. of disposing milk, because Bombay city requires 13 lakh litres of milk but 22 lakh litres of milk is brought every day in this city. Maharashtra Govt. exports the milk to the nearest States like Madhya Pradesh, Goa etc."¹⁴

2.5 Milk business in Kolhapur District :

Kolhapur district lies in the western part of southern Maharashtra and has 12 tehasils and 1093 villages and 11 towns according to 1981 census.

The total population of Kolhapur district is 24,99,437 of which 6,21,622 lives in urban areas and 18,77,815 lives in rural areas.

14. Parisanwad - (Marathi)

Papers published in Seminar held by Sahakar Prashikshan Kendra. Ahamadnagar on 6th March 1986 at Sahakar Prashikshan Kendra's Sabhagruha.

According to the Census Report 1981, there were 2,98,000 cattle and 4,24,000 buffalows in Kolhapur district. Kolhapur district is having good capacity of milk production. The daily production of milk in the district was approximately 7 lakh litres, out of which 2.5 lakh to 3 lakh litres was available for marketing and out of this 1.75 lakh litres was distributed through Cooperative Dairies"¹⁵

The significance of cooperative sector in milk business is established. Naturally in Kolhapur District there are three different milk federations.

They are

- 1) Kolhapur Zilha Sahakari Dudh Utpadak Sangh Ltd.,
Kolhapur
- 2) Shirel Taluka Dudh Utpadak Sahakari Sangh Ltd.,
Jaysingpur
- 3) Shri Warana Sahakari Dudh Utpadak Prakriya Sangh,
Ltd., Warananagar.

15. Swetkranti - Surekh Prakashan Kolhapur 1980.
P. 113.

1. Kolhapur Zilha Sahakari Dudh Utpadak Sangh Ltd.,
Kolhapur.

The said sangh was established in 1963 and initially the Sangh had 75 members out of which 28 were cooperative dairies and 47 were individuals. At the time of formation its daily milk collection capacity was only 600 litres. In the year 1985 the membership of sangh increased to 757, out of which 676 were cooperative dairies and 81 were individuals. The milk collection in the year 1964 and 1985 was 8,55,731 litres and 4,18,09,590 litres respectively. The daily average collection in 1964 was only 2,340 litres it increased to 14,836 litres in the year 1985. The figures indicate the continuous increase in the milk collection.

The Zilha Sahakari Sangh collects milk from various primary cooperative dairies in the district and collected milk is stored and processed in three chilling centres established at Kolhapur, Gadhinglaj and Bidri (Kagal). A new chilling centre is being set up at Shahuwadi Tahasil.

Table No. 1.5

Table showing the distribution of milk collected by Zilha Sangh in the year 1984-85.

| Sr.No. | Name of customer | Milk (in litre) |
|----------|--------------------------------|-----------------|
| 1. | Kolhapur City Agents | 26,71,611 |
| 2. | State Govt. Milk Scheme, Miraj | 1,64,48,350 |
| 3. | Mahananda Dairy (Bombay) | 96,47,072 |
| 4. | Others | 1,30,42,557 |
| Total :- | | 4,18,09,590 |

(Source - Annual Report of Zilha Sangh - 1984-85)

Table No.1.5 shows the milk distributed by Zilha Sahakari Duddh Utpadak Sangh. The Sangh has sold their milk to local agents 26,71,611 litres, to state Govt. milk scheme 1,64,48,350 litres, to Mahananda dairy, Bombay, 96,47,072 litres and to others 1,30,42,557 litres in the year 1984-85.

2. Shirel Taluka Duddh Utpadak Sahakari Sangh Ltd., Jaysingpur.

The said Sangh had 94 members in the year 1984-85,

out of which 93 were cooperative dairies and 1 an individual. During the year 1984-85 the total milk collected by this Sangh was 47,25,669 litres and average daily collection was 12,940 litres. The milk collected by this Sangh was sold to State Govt. Milk Scheme, Miraj"¹⁷

3. Shri Warana Sahakari Dudh Utpadak Prakriya Sangh Ltd. - Amrutnagar.

The total membership of this Sangh in the year 1984-85 was 5,168, out of which there were 5,090 individual members and 78 cooperative dairies. This sangh collects milk from Panhala Tahasil as well as some part of Belgaum District of the Karnataka State. In the year 1984-85 milk collected by this sangh was 1,46,97,287 litres and average daily collection was 40,266 litres.¹⁸

The milk collected by this sangh was sold at Kolhapur city, Inchalkaraji, Jaysingpur and Bombay in the year 1984-85. Remaining milk was used for preparing different by products like milk powder, chakka, Ghee, butter etc.

17. Annual Report - 1984-85, published by Shirol Taluka Dudh Utpadak Sahakari Sangh Ltd., Jaysingpur 1985, P.P.1,2.

18. Annual Report 1984-85 published by Warana Sangh, Ltd., Amrutnagar - 1985. P.2.

Table No. 1.6

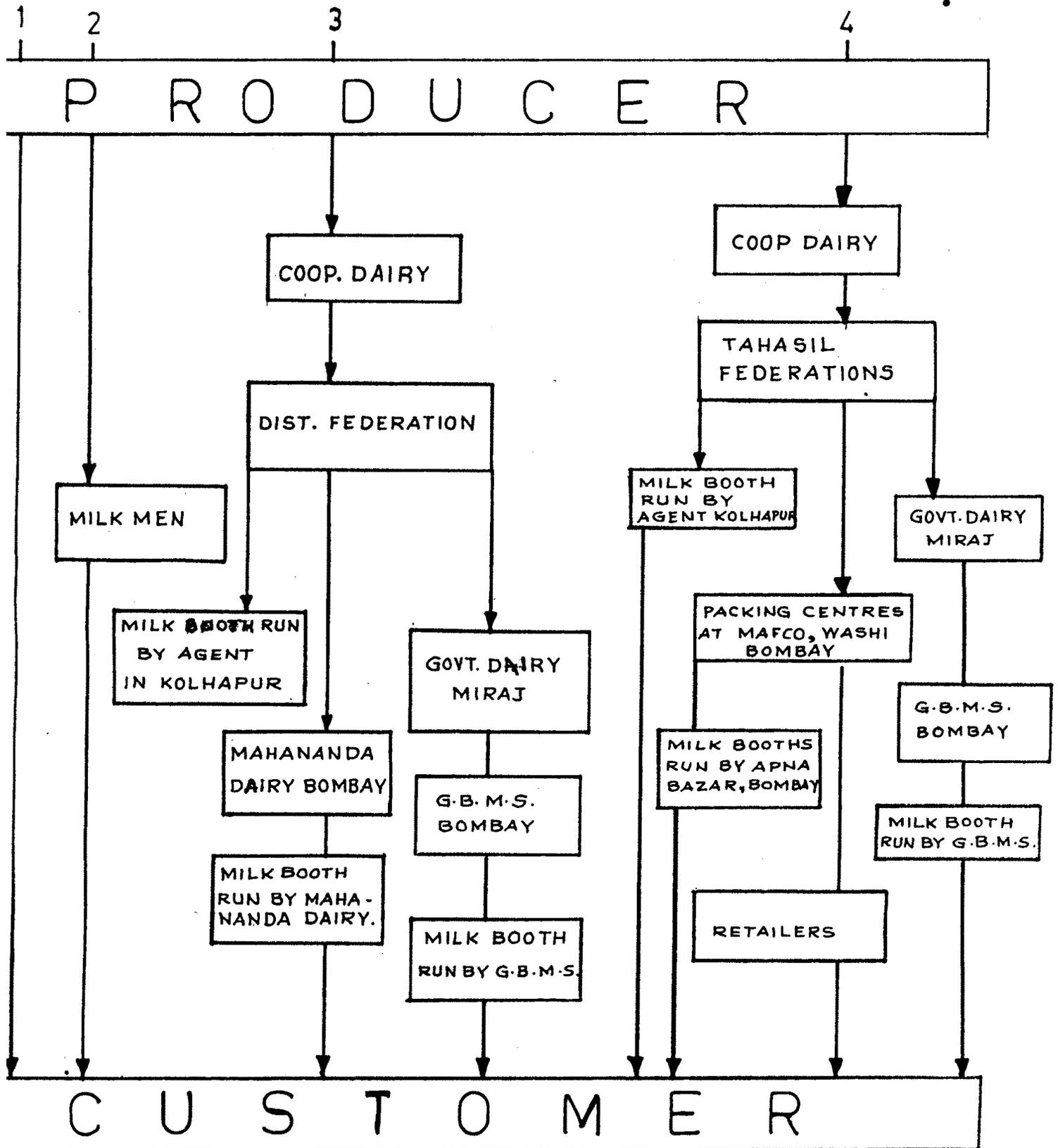
Table showing the disposal of milk collected by
Warana Sahakari Dudh Sangh in the year 1984-85

| Sr.No. | Utilisation of Milk | Milk in litres |
|----------|--|----------------|
| 1 | Used for processing of different kinds of by-products | 84,49,658 |
| 2 | Homosinasation and standardisa- tion. | 26,64,355 |
| 3 | Local sale | 70,81,074 |
| 4 | Bombay sale | 1,09,30,805 |
| 5 | Greater Bombay Milk Scheme | 5,74,635 |
| Total :- | | 2,97,00,527 |

(Source - Annual Report of Warana Sangh - 1984-85)

Table number 1.6 shows the utilisation of milk collected by Warana Sahakari Dudh Sangh in the year 1984-85. This Sangh has used 84,49,658 litres milk for processing of different kinds of by products, 26,64,355 litres used for homosinasation and standardisation; This sangh has sold 70,81,074 litres of milk in local market, 1,09,30,805 litres of milk in Bombay market and Greater Bombay Milk Scheme 5,74,635 litres milk.

CHANNELS OF MILK DISTRIBUTION IN KOLHAPUR DISTRICT



Milk business in cooperative sector of Kolhapur District.

Table No. 1.7

Table showing milk business in cooperative sector during the year 1978-79 to 1982-83 in Kolhapur District.

| Particulars | Year | 1978-79 | 1979-80 | 1980-81 | 1981-82 | 1982-83 |
|---------------------------|------|-------------|-------------|-------------|-------------|-------------|
| Coop. Dairies | | 611 | 708 | 753 | 779 | 820 |
| Members | | 1,46,206 | 1,56,154 | 1,62,009 | 1,68,218 | 1,68,218 |
| Milk collection in litres | | 4,39,69,500 | 5,13,69,005 | 5,42,66,980 | 5,42,34,255 | 5,75,09,520 |
| Profit in thousand Rs. | | 2,408 | 2,866 | 5,565 | 5,868 | 6,455 |

(Source - Kolhapur District Cooperative Societies statistical information book, published by Chairman, Kolhapur Dist. Coop. Board)

Table No. 1.7 shows that in 1978.79 there were 611 co-op. dairies, these increased to 708 in the year 1979-80. In the year 1980-81 there were 753 cooperative dairies, it increased to 779 in the year 1981-82, further it increased to 820 in 1982-83.

The membership of co-op.dairies in the year 1978-79 was 1,46,206, it increased to 1,56,154 in 1979-80. In the year 1980-81 the membership was 1,62,009 , it increased to 1,68,218 in 1982-83. In the year 1978-79 the co-operative dairies collected 4,39,69,500 litres of milk it increased to 5,75,09,520 litres in 1982-83.

The profit of Co-op.dairies was Rs. 24,08,000/- in the year 1978-79 , it increased to Rs. 64,55,000/- in the year 1982-83.

2.6 Milk business in Kasaba Bawada

Milk business in Kasaba Bawada is run on indigenious lines. However, recently a certain degree of commercialisation is taking place. For example there are cooperative milk dairies , Gavalis and individual milk producers all engaged in either collection and distribution of milk or production and distribution of the same. The cooperative milk dairy called Shri Dyaneshwar Dudh Utpadak Sahakari Sanstha Ltd., is engaged in collection and distribution of milk. It is a member of the Kolhapur District Milk Federation. Details regarding production and marketing of milk in Kasaba Bawada are given in Chapter No. 4 - Page No. 51

2.7 Place of Milk in Socio-Economic Life of the Community

Milk has been recognised as 'form of a complete food' available in natural form for the maintenance of

health. Milk is a food for all irrespective of age . groups. "It may be defined as normal secretion of mammary glands of mammals"¹⁹

Milk and milk business has special importance in agricultural country, for its direct and indirect influence on the 'economic' and 'social' situation of the nation. It plays very important role in the life of the community. The following role is played by milk in the life of the community.

1. A complete food :

All, children, grown-ups and old people need milk. It is a nourishing food for the children, it can be served as a tonic to the invalids and it is health protector for young and grown-ups. Milk makes a man healthy who in turn becomes a wealth to his nation. And, it is pretty obvious that the milk consuming person makes himself healthy and works efficiently that gives a bit of positive contribution to the economic condition of whole nation, since milk is very necessary for each and every individual of the nation.

19. Milk and Milk Products - by Eckles Combs and Macy - 4th edition, McGraw-Hill Book Co. INC - 1951. P.21.

2. Supplementary source of income.

Taking into consideration the condition of our country 'milk business' can be specially developed to a profitable proposition. The rural population can have the special benefit from this business, if they adopt it effectively as a supplementary source of income. And that will certainly help to increase milk production and its consumption in the country. That will improve healthy condition of the people. It will increase the efficiency of the people.

3. Solution to the problem of disguised unemployment :

In a nation like ours, landed property is distributed with tremendous speed, due to carelessly growing population. Since, per capita land holding ratio has been decreasing to the limit of non-profitable land cultivation, the problem of disguised unemployment is increasing. Production and marketing of milk of the potential will go a long way in solving or at least minimizing this problem.

4. As a source of employment :

'Milk production' and 'milk business' can be an effective way to solve the unemployment problem. Needless to say that our country has been facing tremendous pressure

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of increasing burden of unemployment of youth. This serious problem can be solved by the young men in milk production and milk business. It has been estimated that an individual owning minimum two to three milching cattle can be gainfully employed alongwith one more member of the family in maintaining the animal and their off springs, production of milk and its marketing. Further, if all such individual producers are organised into cooperatives, this will lead to generation of additional employment. Similarly the federation of such cooperative can go in for establishment and maintainance of chilling centres, processing of part of the milk collected from the members into milk products, their marketing activities and thus generate further employment.

Subsidiary Role of Milk Business :

1. Healthy cattle for transport and tilling of land :

The rural community prefers to have local means of transport such as bulluck carts. Also bullucks and he-buffalows are available for going about the lands.

2. Source of energy :

Animal waste such as cowdung etc. can be used for establishing gas plants or even bio-gas plants which can

generate electricity for providing light and domestic fuel power.

3. Source of natural manueuer :

Animal waste, even after its use in the gas plants can be used as effective natural manueuer for agricultural production.

4. Development of animal husbandry :

Realisation of the importance all that has been said above is bound to prove as an impetus to the development of animal husbandry centres.