

ROLE OF DAIRY CO-OPERATIVES IN PROMOTING DAIRY FARMING

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Abstract - Dairy sector has assumed much significance by generating income not only to the agricultural but also to the urban and semi-urban population within the state especially to women by providing self employment opportunity. Milk and milk products provide essential nutrition to all or any walks of life. Dairying provides the most source of income next to agriculture. Dairy reduces unemployment to a large number of the rural poor. In a tropical country like India, agriculture may fail sometimes, because of monsoon failure but dairying never fails and provides them regular, steady income. This has been the result of the intervention of dairy co-operatives. This paper looks into the role of dairy co-operatives in promoting dairy farming.

Keywords: Dairy farming, Operation Flood, Dairy co-operatives

I. INTRODUCTION

One of the important entrepreneurial sectors in the field of agriculture is animal husbandry. Among animal husbandry, the most prominently developed sector in Kerala is dairying. Kerala had a history of having at least one cow in every home till 1980s. The gulf remittances and the resultant urbanisation lead to this situation. This opened up a new opportunity for those who were searching an entrepreneurial opportunity in the field of agriculture. Especially, since agriculture was a seasonal occupation, farmers took up dairying as subsidiary occupation. In India dairy farming has a significant role on the lives of almost all people of the country either directly or indirectly. Rearing cows is seen as traditional or auspicious activity. Dairying is also the part of agriculture and dairy production is of great importance for rural economy in India. Milk production in India is characterized by the fact that almost every farmer and a large proportion of landless labourers are milk producers. Nearly two-thirds of milk producers are small and marginal farmers and landless labourers. Operation Flood Programme had produced many direct and indirect benefits to the rural population. The economic survey 2015-16 presented that the India rank 1st in milk production, accounting for 18.5 percent of world production, achieving an annual output of 155.5 million tons during 2015-16 as compare to 146.3 million tons during 2014-15 recording growth of 6.28 percent.

SIGNIFICANCE OF THE STUDY

The present agricultural situation of our country is neither economically nor is environmentally sustainable and output from many crops is very low. Climate change or flood affects agriculture badly. At this juncture the importance of dairying rise. Dairying plays a key role in the sustainable development of rural areas in particular and country in general. An increasing demand of nutritious food increases

the scope of dairying. Climate change or other factors doesn't affect its yield. It provides a stable income to the rural poor by satisfying the urban needs. Dairy cooperatives are the liaison officers in this process. They collect milk from milk producers and ensure a good payment for them. Dairy cooperatives play a dominant role in the socio economic upliftment of the milk producers.

OBJECTIVES OF THE STUDY

1. To study the role of co-operatives in promoting the dairy farming.
2. To know about the various Schemes for dairy development.

II. RESEARCH METHODOLOGY

The information necessary for research is collected from the secondary sources such as published and unpublished data and use of websites related to dairy development in India.

HISTORY OF COOPERATIVES IN DAIRY DEVELOPMENT

In India, there was a cooperative spirit since past, but it had been officially endorsed with a government act only in 1904 with the name "Cooperatives Credit Societies Act 1904". Since then many cooperatives have come up, particularly in farming and allied sectors. Cooperatives have played a big role in dairy development in India. With the fixing of Agricultural Co-operative Banks the co operative movement took root in our Land and slowly become strong. But, the expansion of Co-operative movement in India during British rule was very slow. In most of the cases, the provincial governments took the lead and that they didn't take any wide-ranging programme to spread the movement everywhere the country. The golden era of Co-operative movement starts

only after India had won freedom. Within 20 years of independence the membership of primary societies had increased fourfold while the share capital and dealing capital increased 23 and 31 times respectively.

First military dairy established on 1886 at Allahabad. First co-operative dairy was started at Khetra, Allahabad in UP. Later Government of India adopts co-operative principle in dairying also and for that purpose National Dairy Development Board was setup in 1965 and Operation Flood Programme on 1970. Dairy Cooperatives account for the main share of processed liquid milk marketed in India. Now milk is processed and marketed by 170 Milk Producers' Co-operative Unions, all which is federate into 15 State Cooperative Milk Marketing Federations. With in the world the thought of dairy cooperative originated first in Switzerland in 1815. After ward it cover Denmark, Europe, and therefore the USA. In India the seed of Cooperation was sown in 1904 with the passage of first Cooperative Act. In 1965, the National Dairy Development Board (NDDB) under the chairmanship of Dr. V. Kurien was found out to support milk cooperatives with the thing of meeting the increasing demand of milk, especially in urban areas, also as developing the agricultural economy through the enhancement of the milk production of the country. In 1970, NDDB took up Operation Flood Programme so as to arrange Milk Producers Cooperative in several suitable places of India, by taking Anand Milk Producers Union Limited (AMUL) of Gujarat as a model with the above object in sight.

III. OPERATION FLOOD PROGRAMME

The world's largest dairy development programme ever undertaken, the Operation Flood (OF) undertook the gigantic task of upgrading and modernization milk production, procurement, processing and marketing with assistance provided by the World Food Programme, the European Economic Community (EEC), the World Bank and other international agencies. The project OF, which was designed and implemented by the National Dairy Development Board (NDDB) and the Indian Dairy Corporation (IDC), launched in July 1970. Dr. Kurien, who is popularly known as the milk man in India and father of White Revolution, introduced Operation Flood Scheme all over India except hilly region of the nation. The three tier system of dairy business is commenced on 1970. Primary dairy cooperatives on grassroots, District cooperative milk Sangh on district level and on the state level the Cooperative Milk Federation are came into existence. According to this three tier system the cooperative dairy business played a vital role in the farming community. Its basic concept comprises the establishment of cooperative structure on the Anand Pattern and its aims are to increase milk production in the villages and to improve the living standards of the rural poor by increasing supplementary income, fair prices to producers and

consumers and employment opportunities in the rural areas and reduce malpractices by milk traders and merchants. Dr.Varghese Kurian said that the elimination of the intermediaries is the main factor responsible for the success of the Anand pattern of dairy cooperatives. The following table shows India's Milk Production and Per Capita Availability.

Table No.1 India's Milk Production and Per Capita Availability

Year	Per Capita Availability Milk Production (Million Tones)	Per Capita availability (Grams/per day)
1950-51	17.0	132
1960-61	20.0	127
1970-71	31.6	128
1980-81	53.9	176
1990-91	78.3	217
2010-11	114.2	240
2014-15	146.3	322
2015-16	155.5	337

(Source- National Dairy Development Board Reports)

1. It is clear from the above table that milk production and availability of milk is increasing year by year. Due to the agricultural crisis more farmers are entered in to dairying for their daily bread.
2. During the above period of 65 years, the milk production is increased by 914.70 %. The yearly increment in milk production is 6.29%.
3. The operation flood programme is positively affected on milk production.
4. As per the proportion of milk production, availability of per capita milk is also increased. It is near about double in the above period.

The operation flood scheme also improved cooperative societies, rural leadership, economic and social status of the farmers. The dairy business is main supportive income source to the farming community.

DAIRY FARMING

Dairy farming is one among the important activities of the agricultural population of our country. The importance of the dairy, as a subsidiary industry to agriculture, has stressed by the National Commission on Agriculture. Dairy Enterprise, next to agriculture, not only provides continuous income and improves dietary standards of family, but also supplements the income and reduces unemployment to an outsized number of the agricultural poor. Development of entrepreneurship ensures optimal utilization of resources and facilities and value addition to product and services. It also helps in developing capability to cope up with the impact of globalization.

DAIRY COOPERATIVES IN KERALA

In the year 1980, Kerala Cooperative Milk Marketing Federation (MILMA) was established under the operation flood programme of National Dairy Development Board (NDDB) and registered as a cooperative society with its headquarters at Thiruvananthapuram. This is the association of three regional milk unions namely Trivandrum Regional Milk Producers Union (TRCMPU) Ernakulam Regional Milk Producers Union (ERCMPU) and Malabar Regional Milk Producers Union (MRCMPU). There are 3315 dairy cooperatives are organised and working under these three regional cooperative unions.

OBJECTIVES OF DAIRY CO-OPERATIVES

1. To carry out the activities of promoting the procurement, freezing and marketing of milk products for the economic development of farming community.
2. Improvement and protection of milch animals and the economic betterment of those engaged in milk production.
3. Provide veterinary services and undertake animal husbandry services so as to improve the health of animals and disease control facilities.

PURPOSE OF DAIRY CO-OPERATIVE SOCIETIES

1. To establish milk collection and distribution centres. It helps to avoid middlemen.
2. To arrange for selling of milk through their own depots and through licensed vendors. Cooperatives offer a centralised marketing system.
3. To provide opportunities for value addition in milk. Societies provide financial assistance to start units for manufacturing value added products of milk.
4. To provide financial assistance for purchasing cattle to eligible member farmers.
5. To provide cattle feed and veterinary services to member farmers at subsidised rate.
6. To arrange technical services like artificial insemination and training to member farmers.
7. To execute dairy development projects in specific areas.
8. To encourage co-operation and self respect among the members.

BENEFITS FOR DAIRY CO-OPERATIVE MEMBERS

1. Dairy co-operatives provide ready market for milk they produced. They can sell their milk at their door step.
2. Dairy co-operatives provide field services and insurance facilities to members. Life of farmers and cattle are insured through cooperatives.
3. Members are benefitted from training programmes provided by the societies. They get new ideas and

knowledge through the training programmed offered by dairy cooperatives at regional level and society level.

4. Dairy co-operatives help to avoid middlemen. Since there is no middlemen in dairying, farmers are escaped from a great exploitation.

SHORTCOMINGS OF DAIRY CO-OPERATIVES

1. Even though regular supply of feeds is undertaken by the dairy co-operatives, quality of the feeds supplied is not satisfactory.
2. Effectiveness and reach of animal health care service is not satisfactory.
3. The number of training programmes conducted by the societies is very limited.
4. Credit facilities provided by the co-operatives are insufficient.
5. Pension amount provided by the societies are inadequate.
6. Lack of proper coordination with government authorities.
7. Price paid by the society to its members is also not reasonable.

SCHEMES FOR DAIRY DEVELOPMENT

There are so many schemes are introduced by the government in the field of dairying in order to promote the dairy farming and also to increase the milk production.

1. **Milk shed development:** Milk shed scheme was implemented to increase the cattle population. Increase in cattle population increases the milk production in the state. This scheme aims to implement scientific practices in dairying and attract more people in to dairying by maintaining the productivity of cross bred cows. Under this scheme a maximum of Rs. 450000 is provided to farmers as subsidy.
2. **Need based assistance:** This facility is provided for purchase of equipments at 50 percent of the rate of the equipment subject to Rs. 10000. Farmers who have 5 or animals are eligible for the aid. The aim of the facility is to boost technology in the field and thus improving productivity and profitability.
3. **Assistance for purchase of milking machine:** Milking machines are very useful for the farmers. This assistance is provided to farmers who have more than 5 animals. The subsidy amount is 50 percent of the amount subject to Rs. 20000.
4. **Cattle feed subsidy:** This scheme is provided to all the milk producers who have membership in dairy cooperatives. Under this scheme it subsidize the milk production cost by meeting Rs.1 for every one kg of cattle feed purchased by the producer from the dairy cooperatives based on the quantity of milk

procured by the society. The incentive is provided on the basis of the milk procurement.

IV. CONCLUSION

Village milk collection points became an important way of providing market access and regular cash incomes for millions of rural households all over India. As milk production increased rapidly, India turned from an importer of dairy products into one of the largest producers worldwide. Most of the cooperative members-producers are small and marginal farmers with less than two hectares of land. Dairy cooperative helps to create awareness in health, sanitation, and education to the farmers. Study shows that cooperatives play an important role in promoting dairying. Dairy co-operatives provide ready market for milk produced by the farmers. It also provides field services and insurance facilities to members. They are benefitted from training programmes offered by the societies. Dairy cooperative makes society organized, harmonized and helpful.

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