



---

## CO-OPERATIVE DAIRY AND FARMER PROGRESS IN INDIA

---

**Dr. Ashok Maruti Korade**

*Associate Professor, Department of Economics,*

*Smt. S. K. Gandhi Art's, Amolak Science and P. H. Gandhi Commerce College, Kada,*

*Tal. Ashti, Dist. Beed*

*Corresponding Author - Dr. Ashok Maruti Korade*

**DOI - 10.5281/zenodo.16881356**

---

### **Introduction:**

Ninety-four family farms founded the Cabot Creamery Co-operative in Vermont in 1919. Over the last 100 years, the co-operative has grown to 800 farm families who all share in the responsibility of producing milk that they make into the Cabot Creamery retail and foodservice cheese we all know and love. The co-operative employs 1,000 people across four plants and three states. All members work tirelessly to produce the highest quality milk, which is used to make Cabot's nationally recognized cheese and dairy products. Though anchored in a century of farming tradition, Cabot Co-operative looks to the future and adapts dairy products to ensure success for the next generation of farmers. This year they revitalized the dairy product line packaging, keeping with the familiar plaid patterns we've come to recognize from the brand. This change

reflects their commitment to the future generations of co-operative farmers.

As the dairy cheese line receives a facelift, the Cabot Co-operative award-winning legacy continues to grow as shown in the results of the 2019 US Championship Cheese Contest where, among many other awards, they took home gold medals for Extra Sharp Cheddar, Medium Cheddar, and Unsalted Butter. We are proud to offer a full selection of Cabot Co-operative dairy products. Very few businesses that show such a strong commitment to sustainability, honesty, and family exist in this world. It is our honor to partner with them, and we Co-operative that you find reasons here to support them as well. A dairy Co-operative is a collection of dairy farmers who work together to bring milk and other dairy products to market. The dairy co-operative is owned and controlled by all members of the co-operative equally. Dairy producer members share in the profits and expenses

of the co-operative. Dairy Co-operative can range widely in size and function. While some dairy Co-operative s provide support in the marketing and sale of milk, others like Cabot Creamery Co-operative collect milk from each of its 800 family farms to produce and sell award-winning cheese nationwide.

### **Importance of Co-Operative Dairying in India:**

Operative ration Flood and dairy co-operative emerged in India as the largest rural employment scheme, enabling the modernization of the dairy sector to a level from where it can take off to meet not only the country's demand for milk and milk products but can also exploit global market operative opportunities. This article reviews the existing status of milk marketing and dairy co-operative in India and provides recommendations to meet future challenges.

### **Role of Co-operative Movement in Dairy:**

The study of dairy activity is not complete without taking into account the co-operative movement in India. Co-operative means working together in a team for attaining certain objectives. The spirit of village communities in India was almost entirely based on the philosophy of co-operative. In the modern co-operative

societies may be found at local, regional, national and international levels, where a distinction is made among them on the basis of the extent of area they cover. In many states of India, dairy activity is developed on co-operative basis. The keen interest of state government and support of farmers are the main reasons for co-operative dairy development in the state. The dairy activity is now largely based upon a three tier system under which, the primary village Co-operative societies are linked with district union and state federation which are guided by the national co- operative dairy federation in India.

The structure of co-operative dairy is as follows

- 1) The state co-operative Milk Federation Ltd at the Co-operative level.
- 2) District or Taluka co-operative Milk Federation at district level.
- 3) Primary co-operative Milk producing societies at village level.

### **Milk Collection:**

Dairy activity practiced everywhere in the district level. The primary milk societies collect milk in village level and supply to the dudh sangh in the district level. This point includes the distribution of dudh sangh and milk collection at the district

**Objectives of Dairy Co-operative s in India:**

- To bring the unorganized dairy sector into the fold of organized sector.
- To improve input activities and animal health care for increasing milk production
- To encourage liquid milk availability.
- To tap the milk potential of the State and to ensure stable growth in procurement and Marketing.
- To ensure quality of milk and milk products as per the statutory specification.
- The major, supervise and regulate the dairy activities.

**Dairy Co-operative s in India-an Overview:**

Annual milk production in India has more than tripled in the last three decades. This rapid growth and modernization is largely credited to the contribution of dairy co-operative under the Operation Flood (OF) Project, assisted by many multi-lateral agencies including the European Union, the World Bank, Food and Agriculture Organization (FAO), and World Food Program (WFP), despite the impressive growth in milk production in the last three decades, productivity of dairy animals remains very low and milk-

marketing systems primitive. Currently, more than 80 percent of the milk produced in the country is marketed by unorganized sectors and less than 20 percent by the organized sector. The organized sector involves government and co-operative; the unorganized sector involves private organizations.

**Structure and Function of Dairy Co-Operative:**

To achieve its Objectives, PCDF works through a professionally managed Three Tier Co-operative Structure which links the Village level milk producers to the milk consumers in the Cities.

The Three Tier Structure consists of -

- Village level DAIRY CO-OPERATIVE SOCIETIES (DCS): The DCS in villages collect the surplus milk from farmer members. Animal Health and other support and Services are routed through the DCS. to the farmers.
- District level Milk Unions: The Milk Unions collect milk from all the village DCS of its district, process and market it. The Milk Union provides support and services to the farmer by routing them through the village DCS. Thus it sells cattle feed, organizes fodder development programs and

makes available good quality fodder seeds.

- State level Federation: The Apex Federation provides Marketing services and other support to the District Milk Unions of the State. It also helps the Milk Unions to market milk outside the State, maintains liaison with the Government, Plans and Coordinates Programs and ensures mobilization of resources.

### **AMUL: Structure, Importance and Functions:**

#### **Three Tier Structure of Dairy Co-operative:**

Co-operative in India is working at three stages viz. production processing and marketing. At the primary level in villages itself, the willing farmers join together to form a Milk associations as well as a state-level organization. Each level is financially unaffected of the other levels and consists of agents chosen from the levels below it.

#### **A three-tier Model of Amul:**

Amul is an amazing organization that is simple and yet awe. It Co-operative on a three-step method which ensures that each body performs its function efficiently. The three tiers are:

- Village Dairy Co-operative Society: Every manufacturer is a

member of the Co-operative village which is a manufacturer's community.

- District Milk Unions: Village Dairy Co-operative Society members elect their representatives which collectively forms the District Milk Union.
- State Milk Federation: The State Milk Federation is responsible for the distribution and sale of milk products on the market.

### **Role of NDDB:**

From chronic shortages of milk, India has emerged as the world's largest milk producer with production exceeding 140 million tonnes in 2014-15. This success did not come overnight. It is the result of four decades of persistent toil by milk producers and their Co-operative s, supported by a shared vision, the commitment and the expertise of the professionals of the National Dairy Development Board (NDDB).

### **Food aid for Development:**

The of programme was the first in the world to use food aid for development. Milk powder and butter oil were combined with Co-operative -produced milk and sold in the Metro markets. The sales proceeds were used to finance milk production, procurement, processing and marketing infrastructure. OF is a rare example of

food aid being used to promote self-sufficiency and to integrate millions of small and marginal producers into the economic mainstream.

**Main function of NDDB:**

NDDB, set up in 1965, was registered as a society. The National Dairy Development Board Act came into existence in 1987. This made NDDB a statutory body and it became an institution of national importance.

NDDB's main function is to conceptualize, organize, and promote programs for the development of dairy sector and allied industries.

Recently, NDDB and EESL sign Moll with EESL to provide energy-efficient solutions for the dairy sector.

In 2010, NDDB had launched a plan that had four thrust areas:

- Quality assurance
- Productivity enhancement
- Institution building
- National information network

**Conclusion:**

Milk production in India has been growing at around four percent annually compared to about 2.75 per cent growth in world milk production. Daily per capita availability of milk in India is now around 300 grams compared to the world average of about 290 grams. India is perhaps the only country in Asia and Africa to have

ensured national self-sufficiency in milk. India's milk producers-small holders with few milk animals-have changed the face of Indian dairy. Singly, they may pour just a few liters of milk, but together they have made India the world's Co-operative milk producer. Milk is India's single largest agricultural commodity in value, greater than the combined value of paddy and wheat. Milk also accounts for more than two-thirds of the value of India's livestock output. More importantly, despite climatic constraints, milk production in India has grown as a small holder milk production system relying largely on Co-operative residues and byproducts as feed and on family labour for farm operations. This approach has helped add economic value to resources such as Corporate residues and family labour, which otherwise have limited alternate value.

**References:**

1. Dahiya, L.N.: Dimensions of Economic Life in Rural India, Delhi, Gian, 1991.
2. Deutsch, Morton: The Effects of Cooperation and Competition Upon Group Process. 1960.
3. Dimson, Elroy: Rural Market Anomalies, Cambridge University Press, 1988.
4. Doornbos, Martin: Dairy Aid and Development: India's Operation

- Flood, New Delhi: Sage Publication, 1990.
5. Fairbairn, B., Bold, J., Fulton, M., Ketilson, L., & Ish, D.: Co-operative and community development: Economics in social perspective. Saskatchewan, Canada: Centre for the Study of Co-operative, 1995.
  6. Jack Murrin, Valuation: Measuring and Managing the Value of Companies, New York, Wiley, 1994.
  7. Jeffrey D. Jones: Handbook of Business Valuation, New York: Wiley, 1992.
  8. Jitendra L. Garmora: Rural Development and Rural Economy, Vital Pub, Delhi, 2007.