

## **Milk Cooperative Societies: Growing Business and Employment**

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World Milk Day, started by the Food and Agriculture Organization since 2001, is celebrated every year on 01 June. The purpose of celebrating this day is to draw attention to the activities related to the dairy sector and to establish the importance of milk as a global diet. Along with this, this day also effectively establishes the identity, prestige and respect of the people associated with dairy or milk business among others. Milk is the most readily available beverage and food item globally. Milk and milk products are accessible to all classes of people all over the world without any discrimination.

India is the world's largest milk producer with 22% of global milk production. It is followed by the United States, China, Pakistan and Brazil respectively. Milk production in the country has increased at a compound annual growth rate of about 6.2% to reach 202.96 million tonnes in 2020-21 from 146.31 million tonnes in 2014. The top milk producing states of India are Uttar Pradesh (14.9%), Rajasthan (14.6%), Madhya Pradesh (8.6%), Gujarat (7.6%) and Andhra Pradesh (7.0%). Various development and incentive programs run by the Government of India and Indian milk cooperatives have an important role in India becoming a leading country in global milk production.

Talking about the rise of Indian milk cooperatives, the dairy development program has a glorious history of its own in the field of cooperatives. For the first time in the history of cooperative, the Katra Milk Cooperative Society, Allahabad came into existence in the year 1917. It not only became the first milk cooperative society of the state, but it was the first time in the country, when a cooperative society was formed in the field of dairy. But there was no significant progress in this direction in the coming two decades. In the year 1938, the country's first milk union was established in the name of Lucknow Milk Producers Cooperative Union Limited. In the coming years, in 1962, the Pradeshik Cooperative Dairy Federation Limited was formed in Uttar Pradesh to provide technical advice to the states under the Dairy Promotion Program. In the year 1971, Operation Flood, a scheme which brought unprecedented progress in the field of milk production, was launched in 8 states of the country in its initial phase. Since this scheme was limited to only 08 states of the country, due to this it could not see much impact on the ground level. As a result, the government started focusing its attention on the expansion of

dairy development programmes. In which more attention was given to the cooperative milk sector. The structure of cooperative dairy in India is as follows-

1. State Cooperative Milk Union at apex level
2. District Cooperative Milk Union at the district level
3. Primary Cooperative Milk Producer Societies at the village level

There are 6000 women's societies in India out of 70,000 milk cooperative societies. Ten years ago the percentage of women members was 14, which has now increased to 20 per cent. 80 percent of the milk produced by rural producers is handled by the unorganized sector and the remaining 20 percent is handled by the organized sector. Milk cooperatives play an important role in reducing rural poverty by promoting rural milk production and increasing marketing. Milk cooperatives have played a significant role in removing barriers such as involvement of middlemen, lack of bargaining power by producers and lack of infrastructure for collection, storage, transportation and processing. These cooperatives have a longer life than other types of enterprises and thus have a high degree of entrepreneurial stability. These cooperatives share the risks and profits among the members. These societies use the ideas of the people and the members have a tangible ownership and stake in the business. It provides financial stability to its members by protecting them from debt trap.

The contribution of the dairy sector to the Indian GDP is 4%. Milk cooperatives are a major source of income for Indian farmers. In 2022, the business of the Indian milk sector was 149 billion dollars, which is targeted to be 355 billion dollars by 2025. The main commercial milk cooperatives in India are Amul, Mother Dairy, Parag Milk Foods Limited, Kerala Cooperative Milk Federation Limited, Mehsana District Cooperative Milk Producers Union Limited (Doodh Sagar Dairy), Karnataka Cooperative Milk Producers Federation Limited (Nandani), Tamil Nadu Cooperative Milk Producers Federation Limited (Aavin), Creamline Dairy Products Limited (Jersey Dairy), Telangana State Dairy Development Cooperative Federation Limited etc.

Amul Dairy is the main name among the milk cooperatives of India. Amul is a milk cooperative movement of India which has its origin in Anand (Gujarat). This is a great example of long term success of any co-operative movement, Amul laid the foundation of white revolution in India, making India the largest milk producing country in the world. Amul (Anand Co-operative Milk Producers Union) was established on 14 December 1946 as a milk products co-operative movement. In the financial year 2022, Amul recorded a sales turnover of INR 610 billion in India as compared to about INR 392 billion in the previous year. Amul is one of the largest dairy companies in the world with an increasing growth rate since 2011 and has a good reach internationally.

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Apart from this, Mother Dairy is an important cooperative organization of Delhi. It was established in 1974 and is a subsidiary of National Dairy Development Board (NDDB). It is a major milk supplier in the National Capital Region and has a strong presence in other parts of India as well. Its total revenue in the financial year 2022 was Rs 12583 crore.

Pradeshik Cooperative Dairy Federation (PCDF) in Uttar Pradesh was established in the year 1962 with the aim of cooperative based organized milk business in the state. PCDF, which operates under the brand name Parag, is an organization that has freed the milkmen from exploitation, which has been exploiting milk producers for years in the milk business. In this, direct contact was established between the milk producer and the consumer. This state level apex cooperative organization draws strength from the participation of the producers and provides them with professional skills and dynamic professionalism in the traditional organization. Over the years, PCDF has diversified itself into new dimensions, expanding into new sectors. Today, PCDF has an important place in providing milk to Mother Dairy in the National Milk Grid for milk supply in Delhi. The contribution of PCDF cannot be defined by figures alone. The important fact is that the milk producers associated with it are slowly moving towards a prosperous future and over the years the trust of the milk consumers has remained in Parag. The success of PCDF should be assessed in this context.

Talking about India's most literate state of Kerala, the Kerala Cooperative Milk Marketing Federation (KMDFC) was established in the year 1980, which is known by its trade name Milma (Dpsd.). It is a state level cooperative society with its headquarters at Thiruvananthapuram. Its total revenue in 2021-22 was 4300 crores.

Karnataka Milk Federation, which sells its products in the market under the brand name Nandini, is a federation of milk producers owned by the Government of Karnataka, Ministry of Cooperatives, in Karnataka, another state in India. There are milk producer cooperatives in almost every district of Karnataka. Karnataka Milk Federation (Nandini) is the second largest milk cooperative in India after Amul. It was established in the year 1974 and its headquarter is in Bangalore.

Similarly, talking about Tamil Nadu, another state of South India, the Dairy Development Board was established in Tamil Nadu in 1958. Its objective was to supervise and regulate milk production in the state as well as commercial distribution in the state. The Dairy Development Board established its control over the milk cooperatives of the state. But the Tamil Nadu Cooperative Milk Producers Federation Limited formed in 1981 replaced the Dairy Development Board. It is the apex body of 17 District Cooperative Milk Producers Unions in the State of Tamil Nadu with its headquarter located at Avin Ilam, Kumbakanam, Thanjavur District. It trades in the market under its brand name 'Aavin'. Apart from being the largest company in the state of Tamil Nadu, this association is also a well-known name in the dairy industry of India.

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In other states of India like Aanchal in Uttarakhand, Saras in Rajasthan, Devbhog in Chhattisgarh, Medha in Jharkhand, Gomati in Tripura, Sudha in Bihar, Sanchi in Madhya Pradesh, Vita in Haryana, Goa Dairy in Goa, etc. milk cooperatives are functioning. Thus, there are dairy cooperative brands in almost every state of India, which have made their way into the market not only at the state level but also at the interstate level. Big brands are also doing well in the international market.

Animal husbandry and milk production is one of the largest agricultural businesses in India and provides direct employment to approximately 80 million dairy farmers. Improvement in economic activities, increase in per capita production of milk and milk products, preferences in food habits and increasing urbanization have provided a growth of 9.11% in the year 2021-22 to the dairy industry. Like other businesses, employment opportunities are available in abundance in the milk production sector. The state governments of the country are promoting milk production by providing subsidies to the farmers. Along with this, efforts are also being made to increase the quantity of milk production with the help of science and technology. The main objective behind making all kinds of efforts is to progress the country as well as to improve the standard of living of the people, especially to encourage and provide facilities to the people living in the rural environment associated with animal husbandry and milk production business. Many schemes are also being run to do this. As one of these main schemes, loans are given to cattle rearers to buy cows and buffaloes. Other schemes include Rashtriya Gokul Mission, National Livestock Mission, Animal Husbandry Infrastructure Development Fund, Dairy Processing and Infrastructure Development Fund etc. In 2017-18, a scheme named "Assistance to cooperative societies and farmer producer organizations engaged in dairy activities" was launched. The scheme is being implemented by the National Dairy Development Board (NDDB). The corpus of Rs 300 crore permanently held with Chhattisgarh will be used to provide soft loans for working capital to enable cooperatives engaged in dairy activities to provide farmers access to a stable market.

Since cooperatives are based on values such as self-help, democracy, equality and solidarity, milk cooperatives can play an important role in empowering rural women, especially in India. There are about 6000 Dugdh Mahila Samitis in India, which are comparatively less. Governments and local bodies can play an important role in forming new women's milk cooperatives by making efforts at the grassroots level in this direction and women can automatically move towards this and provide themselves with a permanent means of self-reliance and income.

So we can say that the Indian milk cooperatives have not only provided prosperity to the people through cooperation but have also made invaluable contribution to the country's economy. Milk societies have increased new and permanent employment opportunities and tried to provide economic progress by freeing people from exploitation. Realizing the importance of milk societies, the central and state

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governments have also laid the foundation of new schemes. Milk societies have expressed the intention of co-operatives.

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