Chapter-I

INTRODUCTION

Indian’s ancient aspects are fundamental formula of modern cooperative. The theory of cooperation is very briefly that an isolated and powerless man can, by association with other and by moral development and mutual support obtain, in his degree, the material advantage available to the wealthy and powerful persons, and thereby develop himself to the fullest extent of his natural abilities. In this way, economically, self-reliance and mutual help are the pillar of cooperative.

Cooperative is a voluntary and democratic association of human beings, based on equality (of control opportunity) and equity (of distribution) and mutuality for the promotion of their common interest as producers or consumers. Cooperative is a form of an organization in which person voluntarily associate together as human beings on the basis of equality for the promotion of the economic interests of themselves. Hence, cooperative is an organization. This organization is voluntarily associates, based on mutual bonafides management, unselfish feelings for common interest, for utilizing reciprocally their own forces. Generally, cooperation serves as an organizational instrument for the economically weaker producer, farmers, artisans or workers and consumers for strengthening themselves and protecting themselves against the exploitation by the stronger. It helps them to gain the
advantages of large scale operation while maintaining their independent.

**Principles of Co-operatives:**

Cooperative principles are those principles which are essential to the achievement of the cooperative enterprise or movement. They are a set of rules which govern the life and activity of cooperative organization. They are the characteristic features which distinguish cooperation from other forms of organization, and they are commonly described as the principles of cooperation. Cooperative principles are the ideas inherent in cooperation, which determines what it is as a made of action “A cooperation principles is the way of organizing and conducting the cooperative activity which is inherent and indispensable corollary of the ideal or the objective of the cooperative movement. The cooperative character of an enterprise depends on the observance of principles, not on the social make-up of the membership, nor on the particular fields of business activity. These principles have inspired the cooperative movement throughout the world. These principles are; democratic control, open membership and voluntary, limited interest on capital, patronage dividend, cash trading’s, political and religious neutrality and promotion of education. International cooperative Alliance appoints a Special Committee to examine and formulate the principles of cooperation. This committee divided the principles into two classes. Essential or obligatory principles and non-essential principles. Essential principles includes, open membership and voluntary, democratic management, limited interest on capital,
payment of dividend in proportion to transactions. Non-essential principles include religious and political neutrality, cash trading and education.

**Development of Cooperative:**

It is difficult to say about the development of cooperative when and how it happened. But on this topic it can be said that the birth of cooperate would be at the time when an human being have expected to cooperative and help another person. In the time of ancient when human was individual the scope of cooperative must be narrow. In fact this would be cooperative feeling and trends which was the main source in the form of religion, community and society structure and development because through this effective media, many difficult social and economical problems are solved time or time.

History of development of cooperative can be divided into three stages.

1. Development of cooperative in ancient period.
2. Development of cooperative in middle age.

**Development of Cooperative in Ancient Period:**

Human civilization’s ancient period was extremely prestigious. In this period Mishre, Babilonia, Unnan, China and Rome’s civilization was at the Peak which will be memorable. Before 3000 years Jesus Crist in Mishre Society in the period of Faraho
Cooperative Association was established by traders. The objective of this cooperative was established by traders. The objective of this cooperative and semi-cooperative association was to work mutually and supply the necessity of societies.

Ancient Babilonia agriculture system was based on cooperative. Lease of agriculture as based on cooperative principles and lease cooperative agriculture was in circular in Babilonia. Ancient Unnan civilization was based on cooperation and cooperative. It is clear by this fact that cooperative committee was for human funerals.

Before 200 years Jesus Crist in Ancient China hone progeny was the first to establish an credit committee whose main function was to give credit. In Roman period firstly the established cooperative union in the form of religious association.

**Development of Cooperative in Middle Age:**

Introducer of Christian religion started giving importance to human fundamental rights. Declining of Mishre, Unnan, China and Roman society provides an new turn to the history of world. A new tradition started of community life. New feeling of freedom in human society gives new turn to cooperative some country. In that time peoples get protected by community in country like England. Gildo established in traders. After the death of Jesus Crist in middle age trades formed an association named Gild, for achieving their special objective and to improve the situation of their economy.
In this period Asia was affected by Mohammedan religion. A Gleam of new life was found in the lesson of Mohammed Pagember introducer of Mohammedan religion. The period of 15th century and upto 18th century is called as Purchagaran period. With industrial revolution capitalist society was born. In year 1750 industrial revolution started in England and this revolution spread all over the countries behind.

**Development of Cooperative in Modern Age:**

Birth of cooperative in the form of an process against exploitation because of industrial revolution when imbalance situation arised in economic and social in domestic community and capitalist started exploiting labours and unpowerful persons for their own selfishness. Then, in society a cooperative society was established in against the exploitation. Villages and markets cooperative credit was developed. This development was done in modern age only. In developed of cooperative and ideal of cooperative support the associationism against individualism. Reality was that cooperative development was done not only for economic organizations new principles formula but also for birth of new socialist organizations principles. This was the movement of public. Its development was in between the public and its ideal sentences were to work for the interest of public.

**Cooperative in India:**
After Vedas civilization life of Indian’s became a part of ideal cooperatives. As the life was based on orthodox or traditional religions. Self reliance and self dependent rural society was the pillar of this life prospects. A fundamental principle of cooperative was of joint family system based on mutual cooperation and social security. In this way feeling of cooperative and cooperation was found till the Mughal period in the broad sense.

We get cooperative and organization sentiments lesson from fundamental Vedas of Indian culture. Indian culture supports cooperative organization and world relations from ancient time. Cooperative was not an new system in India. Effort was made to develop the cooperative in new form by stopping the basic form by changing situation and dependence.

Indian history was not peaceful history. There was period of restless and turbulence in between the governance of openhearted or liberal kings. The thinking of hand to mouth was entered in the minds of people. There was no feeling of saving. But they had the capacity to save. And productions were also done for the nearest future needs.

Very less loans were taken by the peoples before British rule because in that period money was not sufficient for giving loan. Creditors were provided very less protection law cooperative declined under British period. Self reliance and self dependence rural society was destroyed. Cottage industries find themselves very difficult to survive in competition with foreign mill industries and
slowly they destroyed or declined. Naturally, total loan reduced. There was less capacity to take loan and give loans in peoples. The value of land was less and except land nothing was there to keep as security for loan.

Security of property increased in british period. Lawful protection was given to Sahukars. Under new hand system british rulers established an new social society Zamindar’s, Sahukars, Mahajans who started exploiting farmers joint family system started converting to nuclear family by development of new industries. Urbanization policy was applied. Security of property increase in british period. Sahukars were provided lawful protection. Loan facility started increasing. Limitations also increased in loan system. The most important defect was that most of the loans were taken or used for unproductive work.

After establishment of labour union in India the poor farmers were not aware of facilities. There was no organizational capacity in the labour union. They believed on luck and less believed on work. There was no good leader to the poor farmers and as a result they were exploited. There was no economic and social development of farmers and poverty increasing. There was lack of education, deceived from outer knowledge. And the land was only the support for livelihood.

The Cooperative Credit Societies Act 1904 was established for the improvement of bad condition of farmers. And after that cooperative credit societies act shows a speedy progress. Before
independence India was ruled by Britishers. British ruler encouraged cooperative movement not with the feeling of social welfare its aim was to stop the feeling of some revolutioners. In 1901 a commission suggests report. Report realized that Sahukars were not helping the farmers. But they were creating problem in few areas. Sahukars started taking very much interest on the loan of farmers while taking the profit of their needs. So that loan was in sufferable for most of the farmers. The burden of loan circulates generation to generation and then it becomes difficult to realize those loan burdens.

After the end of dependence there was an important change in the view towards the fiscal functions and responsibilities and which showed an welfare society in the working procedure of ideal government. And for achieving this objective plans were made. The planning commission have greatly emphasized on the role of cooperatives specialty in developing rural economy under the first five years plan and also in corporate interest of society and profit etc. It was assumed that the loan distributed for production work will be more better through the cooperatives than the government. And for fulfilling this objective it was necessary to control and planned economy life of nation. So that production can be increased, poverty can be removed and balanced economy can be established.

Cooperative started entering in all the area of National production and distribution by the decision taken on national level for cooperative policy and programmes. Due to the importance of
cooperative in development of planned economy other committers, commissions and working forces recognized cooperative in various fields such as agriculture, irrigation, small industries, distribution, housing and constructions.

Establishment of National Government in 1947 on independence became the source of weired initiative for cooperative movement. It is written in the element of policy direction of state in Indian constitution that:

1. Enfranchisement for sufficient resources of livelihood.
2. Ownership of national resources will be distributed in such a way that may not affect the interest of society.
3. Centralization of capital will not be done as a result of operation of economic affairs which may effect the general public.

It is also cleared about the objective of the area of social policy in element of policy directed of state and in commencement of constitution which can be achieved only be applying the different affairs of principles of cooperatives. And for achieving this objective democratic development policy was possessed. Through which a plan was prepared of development of producers and consumers cooperative organizations in a fixed form slowly-slowly for the establishment of socialist society.

Reality was that nation possessing principles of democratic society like India has an important place of cooperative because relation of cooperative is very deep in democratic society. It is very
much necessary to do the democratism of economic activities for society and democratism of economic activities for society for society and democratism of economic activities are impossible without cooperative. This is the reason why India has kept the aim of cooperative nation association.

**Dairy Industry in India**

Firstly Aryans started animal husbandry near about year 1500 to 2000 Jesus Crist. They used them for cultivating their land and milk for drinking. Along with this Aryans also determined the price of cow milk more than its meat. Obstructed the murder of cow, milk more than its meat. Obstructed the murder of cow, made many stories relating to it and also prayed cows. Today also, Hindu do prayer of cow. In present time also Hindu people reverse cow as holy or spiritual. Besides this, only in east (India/China) Buffalo are nourished in the form of milk giving animal and this work got lots of success that today half of the total milk production are from Buffalo in India. But when many times Britishers attack on India, India has faced many problems. And due to long duration problems of attack, India’s physical sources suffered a lot. In which high breed animal are also included.

Besides the risk caused due to human being, many human beings and animals died because of natural implements also like, flood, dry etc. When lamentation caused for food grains then more pressure increased on land. But in front of needs of human beings, animals needs were hidden which effected the animal husbandry.
As the time passes on it was regretted that some efforts should be given towards the development of animals and it became an part of more producing food movement.

In brief we can analyze the India’s Dairy Industry before and after independence in the form of following points.

**Before Independence:**

1. **1886.** On the suggestion of agriculture board defence department established an Dairy Farm for supply of milk by part of an british army established in Allahabad.

2. **1914.** Primary study was done for knowing the union of milk of cow and buffalo on the suggestion of agriculture board. And efforts were done to know the high breed of Indian animals.

3. **1916.** The board suggested government of appoint an Empirical Dairy expert by admired on the possibility of more milk in India.

4. **1919.** First animal husbandry was organized on the manner of beginning proceeding of planned development.

5. **1920.** Dairy expert Mr. William Smith made an plan to increase the production of milk on the base of long term and recommended that

   (i) Birth to scientific nourishment and management system should be adopted in Military Dairy Firms.
(ii) Establishment of one training center to trainees the employers of firms on the basis of scientific management for fulfilling the necessity of employees.

6. **1923.** Military firms of Bangalore, Wellington (Wathi Mountains) Karnal’s were delegated to agriculture department. Firm existing in Karnal was developed as animal nourishment firm and firm existing in Bangalore was developed as Empirical Animal nourishing institution. And in Bangalore Diploma, Post-Graduate Diploma and other classes for fewer periods was started.

7. **1929.** Empirical agriculture research committee was established which is now called as Indian Agriculture Search Committee. Shri Pesto Adduli Polsan established an new technology of Polsan model Dairy in Anand. And in which most modern product like famous. Polsan butter started producing. In 1950 Resto Adduli established an plant in Patna.

8. **1931.** Institution existing in Bangalore was delegated to central Government education, Health and land development. And its name was changed and kept empirical Dairy Institution.

9. **1936** Dr. N.C. Wright- Director, Dairy Research Institution, Scotland came to India to analyze the progress of Dairy industry. He commented and recommended on the
development of dairy industries with in 4 years of his residence period in India. His comments were the following:

(i) Dairy industries are not well organized. Therefore there is no proper mundies for milk produced in rural area.

(ii) Due to lack of proper and efficient mundies there is margin in useful effects of development oriented receiving.

On the basis of above comment he recommended the following:-

(i). Develop private technology and to adjust an technologist for solving the problem of Indian Dairy Industries.

(ii). India is village oriented country in which limited farmers and labors lives without land. Therefore, Dairy development can be done on the basis of cooperative, so that rural area can be brought under it.

10. 1938. The first union named Lucknow Dugdh Uttpad Sahakar Sangh Ltd. Was established and after this organization was made in other district and states.

11. 1941. Again the name changed to imperial Dairy research which was established in Bangalore. Speed was brought in the affairs relating the training and research of this institution and state level programmes were encouraged.

12. 1945. Milk colony was established by Mumbai Government under Mumbai Dairy Plan.
13. **1946.** The first consolidated Dairy Cooperative Industry was established of farmers in Anand, District Kheda. Which was named as Amul after ward? In this way after independence Amul and Mumbai Dairy Plan speedy developed. Dairy in which pressure was given towards the development of favorable resources of Indian circumstances and marketing technique.

**After Independence:**

Consolidated efforts were done for development Dairy when five year plans were started in 1951 after independence of country.
Following are some important points:

**Objective of Five Years Plan:**

**First Five Year Plan- Outlay of Rs. 8 Crore**

1. Establish 146 important rural parts by opening artificial insemination centres.
2. Establishment of 650 Animal Hospitals.
3. To start milk supply in Mumbai and Calcutta.
5. Establishment of 25 Gausdan.

**Second Five Year Plan – Outlay of Rs. 21 Crore.**

1. Establish 196 new important rural parts and expand present 114 segments out of 670 artificial insemination centres.
2. Establish 34 new Gausdan and 248 enclosures for cattle.
3. Establish 1900 animal medicine hospital.
5. Encourage Glaxo, Livers, Nasells etc. type private entrepreneur to establish Dairy produce factory.
6. Commence license for making products like cheese, baby food and other milk products.

**Third Five Year Plan-Outlay of Rs. 36 Crore.**

1. To establish Dairy Development Department in each state.
2. To start supply of 143 Government milk in big industrial cities.

3. To increase units in each block and expand 10 important rural segments.

4. To start Madras milk supply.

5. To start Madras milk supply.


Till the end of 14965, some point which was noted in connection to the Government programme success and failure. These were the following:

**Progress in Five years Plan:**

1. Dairy industries got valid at national level.

2. At every level planned concept was started.

3. Organized marketing were possessed by private, public and cooperative sectors.


5. Toned milk was prepared in such a way to remove the economic crises by selling at reasonable rate and less oiliness.

6. Concept of development of intensive animal started.

7. India started developing personal carder of technically trained employees.

**Failure of Five Year Plans:**
Besides above progress of five year plan some negative effects were pointed as follows:

1. The plan was to do complete modernization of Dairy industry and for consumer’s profitability. Its business was not to increase the production of milk.

2. To increase the production of milk expected givers are consigned to state animal husbandry department whose relation was not with Dairy Industry.

3. Dairy farming became a business for rural milk producers in which their interest reduced because full burden of milk giving animal were given to them.

4. Because of increase in demand as a result of industry development private Dairy businessmen exploited customers.

5. Private businessmen made stable in towns in which high breed cows and buffalo were kept which was purchased from big cities to fulfill the demand of milk. Because there was problem in keeping these animals in big cities. Especially when they stop giving milk. Therefore after some time when the animals become useless they are send to slaughter house. They replace the old animals from new one from villages.

First step was taken to stop the trends of losses held before by starting the operation flood programmes. Only through agency giving milk to milk producers and along with this profitable price facilities were given. This agency was of self farmers producers and through them on the basis of cooperative on Anand method was
circulated. In this India’s Dairy business catch the right direction. As a result of it progress in the form development of proper facilities on foundation level, Development of facilities on foundation level, Development of facilities for milk resources, trained workers, reformation of Dairy implement, and in the form of animal hospitals implements and medicines etc. Besides this, as the view was in starting. It helped in completing the needs of dairy producers. It opened the way of profitability to Dairy industries producers.

**National Dairy Development Board:**

First of all to develop Dairy industry in country a board was established at National level. Its name was National Dairy Development Board. This board was establishment in 1965 under the committee registration act 1960 and Bombay public trust act 1950. It was working under the supervision of Indian Government. Agriculture and irrigation ministry. And for its management system effective provisions were done. It is clear by this point that its board of directors and chairman are appointed by President of India. The main effective working of National Dairy Development Board organization is its secretary. Besides this there are authorities for the help in the activities of board. The important point which is to be noted is that the establishment of this board credit goes to past Prime Minister Late Lal Bahadure Shastry. While seeing the changes in social and economical manner in its Keda district due to cooperative committee. He made an organization at National level for making committee in other areas of country.
**Objective of National Dairy Development Board:**

This institution work for the development of Dairy Industry at National level. The following are its main objectives.

1. To encourage projects profitable for General public relating to Dairy Industry, Animal Husbandry, food grains and agriculture and fishing.

2. To increase production of milk and necessary knowledge relating to Dairy technique. To provide quality and technical services on request and to bring speed in distribution, refining and procurement.

3. Study primary behaviour and to make plan and frame out for work and start the plan.

4. To provide technical programme for development of public for training of employees.

5. To help in selection of implements and to start services of procurement in heavy quantity.

6. To provide suggestions relating to other organization plans, control and along with this quality control organization and in area of marketing to Dairy and its other ancillary functions. And to do Research in National Dairy Development Board and outside where it is necessary.

7. To work as international contact institution for other National Dairy Boards and International Agencies and give facility to
give and take to employees and help other countries dairy development.

8. To do research work in the area of animal husbandry and Dairy Industries.

National Dairy Development Board helps in establishing cooperative farmers organization by the different services provided by National Dairy Development Board which include purchasing, purifying and marketing facilities of milk and milk product.

National Dairy Development Board has got approved in projects which are running in India and Foreign by the held of World Bank and in different five year plan. The biggest Development project is operation flood, which is from National Dairy Development Board and its plans and implementation is done by Boards.

**Format of National Dairy Development Board:**

The work of National Dairy Development Board is divided into seven divisions. Those plan, engineering, those plan, engineering, purchasing, public power development, Research and Development farmer organization and animal husbandry and computer service. For the help of these working divisions, Administrative division, Account division, A accountants Examination Department, Management and Economic Unit and Practicable Units are working. National Dairy Development Boards has also a branch of seeds. Specialist and eating oil. Form which again the eating oil and seeds from which oil is extracted production is made defect less or fit and
its marketing can be done on the bae of operation flood. National Dairy Development Board work through its head office established in Annand and Delhi, Calcutta, Bangalore, Mumbai, Madras and Bhopal regional offices. The Management of projects. East states like Gujarat, Maharashtra and Gova are directly done through head office of National Dairy Development Board. Management of projects relating to Tamilanadu, Keral, Andhra Pradesh and Karnataka is done by regional office Bangalore. Management of Projects of Uttar Pradesh, Haryana, Punjab, Rajasthan, Jammu Kashmir and Himachal Pradesh, is done by Regional Office Delhi. Management of states coming under N.I.C. Bihar, Sikkim, East Bengal, Orissa are done by regional office of Calcutta. And Madhya Pradesh Dairy and vegetable oils project management is done by regional office Bhopal.

**Procedure of National Dairy Development Board:**

For achieving objective of National Dairy Development Board takes the work in its hand through the different working department or divisions like projects, planning, and public power development, achieving implements and supply, design, engineering, product and refining development and giving suggestions.

National Dairy Development Board is working for the implementation of Project of Dairy Development in whole country. In most of the cases, basically this projects are for farmers organization relating to dairy plant cattle feed plant, purchase of milk in villages and technically procurement of marketing.
Along with Dairy projects, engineers division also work on the other project engaging and maintenance of Gova Mass complex, Himit warehousing, paper elimination plant and liquid nitrogen plant. Besides this it also takes the work of new and improved implements design and development for Dairy and Cattle feed plant and also encourage small industries for making necessary implement in country for Dairy and Cattle feed plant. In developed design of National Dairy Development Board sale of open milk system is also included (Builk vending system) for, which National Dairy Development Board was awarded with silver shield for import substitution. Units of selling open milk are established in Delhi, Madras, Calcutta, Baroda, Jaipur and in other places of country.

Purchasing department of National Dairy Development Board purchases implements and materials and supply it to its different projects and its customer organization. National Dairy Development Board has made an purchasing plan in heavy quantity, through which, not only Dairies can standardize its necessity of implements and helps in receiving them in less prices but it helps in increasing the procedure of producers also. National Dairy Development Board has taken the permission or took the license for importing those implements which are not available in our country.

National Dairy Development Board also provides services of suggesting to Dairy and for its helping works. In which it includes, preparation to Dairy and for its helping works. In which it includes, preparation of Master Plan, commercial study, Munndy research study and internal study of Dairy and cattle feed plants. So that
outer policies can be recommended to improve the work. National Dairy Development Board study the Munndy on the basis of necessity. This study helps in providing facility of refining and marketing of milk in villages and cities. National Dairy Development also does survey of rural and urban area families so that can investigate the effects of services provided under operation flood relating to technical investment. National Dairy Development Board also helps Indian Dairy Corporation also in case of progress supervision, computer service division includes the work relating to commercial study, production of milk procurement and providing technique, cattle feed of animal at less cost etc. relating to development work.

National Dairy Development Boards farmers organization and animal husbandry division helps in field work for procurement of milk and establish cooperative farmers organization in different area of milk providing for marketing and provides trained persons for providing technical system of increasing milk production. This type of group has helped in establishing Cooperative Committee on the base of Annand Method in Gudgav, Rohtak, Alwar, Bikner, Ludhiyana, Bhatinda, Jalgav, Irodh, Betdaga, Darzaline, Bhidnapur, Manipur, Sangarure, Ropad, Sangum, Jagar, Lumudl, Bangalore, Maysore, Tumkur, Hasan, Bhopla, Indore, Ujain, Khollapur and Gangtok.

On the guideline in Annand a veterinary diagnosis laboratory and diseases supervision unit has started working. This laboratory will work as training centre for development of technical public
power for supervision of increasing rate of animals health under operation flood.

National Dairy Development Board’s development work also includes product and process development. For doing this type of work a well arranged laboratory and guided plant is established. This laboratory is established with a view to analyze the milk and milk product in which analysis method involves standardization. Work is also done for domestic dairy products standardization and registration methods.

National Dairy Development Board has also done work relating to milk refining and distribution of energy and use of Gobar gas energy. Public power development division of National Dairy Development Board provides training programmes in four places to the different level employees working in technical and managerial carder implementing in consolidated cooperative Dairy enterprises. Those are Head Office of National Dairy Development Board in Annand, Man Singh Training Institution, Sabarmati Ashram Gaushala. Bidaga and Iroad, Sili Gudhi and Jhalandar in which regional exhibition and training centres also helps in this case. In cooperative committee small-small centres are established in milk providing area near about all training centres for practical training. In different states District Dugdh Utpadak Sahakari Sangh facility is used for training relating to profession. Many under developed countries also took benefit of National Dairy Development Board’s training facility.
National Dairy Development Board's organizes International workshop and seminars for the benefit of under developed countries.

On behalf of India Government National Dairy Development Board organized an 19th International Dairy Conference in December 1974 in Delhi. This was the first conference organized in any under developed country.

National Dairy Development Board has managed feeder Balancing Dairy in Patna and mother dairy of Delhi and Calcutta on request of Indian Government and related State Government, National Dairy Development Board took the management from the trustees of Sabarmati Ashram Gaushala from July, 1973 upto 20 years period. This unit is developed for maintain and increase the productivity of animal and agriculture firm. More giving milk animals for farmers and new technology for producing high variety seeds and applying new techniques for animal husbandry and prepare an sample for publicity of knowing knowledge in this area.

On the suggestion of Indian Government for applying principle of operation flood in other area of agriculture projects were made as the name called eating oil and oil extracting seeds production and improving the marketing again. On proposed project by National Dairy Development Board in country with the cooperation of primary committee on National Tilhan Producing Cooperative Association was facilitated. Cash was collected for project by selling the 2,50,000 matric ton oil which was received in charity from
U.S.A. cooperative leag (clusa) and Canada Cooperative Union (C.U.C) upto 7 years period. Whose outlay or expenses were Rs. 150 crore and whose aim was to bring 8 projects district in 6 states of country under it. It was assumed that in the end of this project, the producers has taken about 3,4,7,000 oil seeds as their portion.

A rural management institution was established in Annand by active cooperation of Indian Government, Gujarat Government, National Dairy Development Board and Indian Dairy Corporation with a aim to provide training in cooperative management and consolidated rural development to youth employees. This institution will also provide suggesting services to cooperative committee working for economic and social development of rural area and other agencies. In which special attention will be paid to village poor peoples.

**Indian Dairy Corporation:**

Indian Dairy Corporation was established under Company Act on 03 February, 1960. It is an Government enterprises. The necessity of establishment of Indian Dairy Corporation was to handle the “Indian World Federation Programme Project-618” which in known by the name of Operation Flood, Trade and Finance business. In this way in a very important form it became an agency of Central Government to promote and facilitate finance.

**Objective of Indian Dairy Corporation:**
Following are the main objective of Indian Dairy Corporation:

1. To encourage dairy business in country.
2. To help State Government and Cooperative Committee’s and other organizations, who take interest in encouraging Dairy industry who fulfill the needs of milk and milk products.
3. To provide different types of technical inputs to increase the milk production.
4. To keep the animals in villages who are kept in cities.
5. To help in development of dairies capacity and works which are present in big cities and villages.
6. To help in development of subsidiary industries which are necessary in development of Dairies.
7. To work in the form of Indian Government assigning agencies with foreign agencies and institutions.

**Frame-line relating to Organization**

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CHART-I

Board

Chairman

Managing Director
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Government decided to appoint only one Chairman and only
one Board of Indian Dairy Cooperation and National Dairy
Development Board for smoother implementation and better balance
in Dairy Development Project in India. National Dairy Development
Board works by Head Offices established in Baroda and regional
offices in Delhi, Calcutta, Mumbai, Madras and Bangalore. National
Dairy Development Board works in the form of technical advisor of
Indian Dairy Corporation relating to all activities.

**Working of Indian Dairy Corporation:**

Indian Dairy Corporation is mainly implementing the projects
working under operation flood. Main functions of Indian Dairy
Corporations are the following:

1. To procure commodities (S.M.P. received in charity under milk
   powder world food grain programmed) and butter oil and to
   procure S.M.P. and butter made in the country.

2. To receive commodities.

3. Quality control commodities.

4. To distribute commodities necessary according to different
   Dairies.

5. Accounting.

6. Amount received by this way is used in village area for the
development of Dairy.
This way Indian Dairy Corporation is helping Indian Dairy Industries by improving the village area economy and without giving the burden to Indian public.

**Progress of Indian Dairy Corporation:**

1. Indian Dairy Corporation has prepared an special nutrition policy under which 3 year old child comes.

2. A paper elimination plant is established in Baroda nearby Ittalo on cost of Rs.4.78 crore.

3. Centres are established for packing (for supply of Aseptic milk) in Jaipur, Bhopal, Surat and Guntur.

4. A plant was established in Hyderabad for Khurapaka and Muhapaka diseases of cattle Tika, cost was total Rs. 18.11 crore. In this plant every year 25 lakh Tika’s quadrivalent does will be prepared.

5. Animal disease clinic and supervision unit was established in Annand situated National Dairy Development Board as the cost of Rs. 74-75 lakh.

6. National Dairy Greed was established, in which main area of giving milk are connected through milk carrying tankers running on big lines and roads. Now, these tankers are produced in India also.

7. They are providing finance to the projects running in Indian Dairy Corporation in Karnataka, Madhya Pradesh and in
Rajasthan with the economic help of International Development agency.

8. A Dairy marketing projects as guideline is established in Baroda.

9. This unit helps in preparing different items by the use of milk like Peda, Gulab Jamun etc. and also helps in publicity of the products.

10. A company was established by Indian Dairy Corporation in Annand (Vidhyanagar) to make the machinery used in Dairies. In this way Indian Dairy Corporation is progressive in all areas.

**Dairy Industries in Uttar Pradesh:**

Uttar Pradesh is one of the most populated state. Its geographical area is 2,94,413 square kilometer. This state is fulfilled with natural resources. There is no lack of educated and qualified public. Within few years this state has taken speed in industrialization. Different types of industries are developing in this state. Along with other industries Dairy industry is also developing.

Like other state Uttar Pradesh is also advance in the held of milk production. There is an history in this state regarding dairy development programmes. Time to time profitable efforts has been done for dairy development in this state also. With the objective to organize dairy industries in 20th century in this state effective efforts were done. Therefore in 1917 a cooperation Dairy committee was established in Allahabad. The name of this committee was
Kattra cooperation committee, Allahabad. Again in 1938 a Dairy Cooperative Committee was established in Lucknow whose name was kept as Dugh Uttapadak Sahkkari Sangh, Lucknow. After this Dairy Union was established in Allahabad, Varanasi, Kanpur, Haldwani and Meerut respectively. In this way organized efforts were done to develop dairy business in Uttar Pradesh.

To develop properly dairy development programme a cooperative institution was established in 1962. As its name was kept as Pradeshik Cooperative Dairy Federation. In present this Federation sells its milk and milk product in the name of ‘Parag’ Brand to the consumers. Operation Flood-I was started in 1970-71 to encourage the Dairy industry in the state. The responsibility of this operation flood plan was handed over to Pradeshik Cooperative Dairy Federation. Under this plan Meerut and Varanasi respectively establishes tow dairy of 1 lack liter milk handling capacity and two laboratory of cattle feed upto the capacity of 100 matric ton. Along with this in Raibareelly district a Jersey cow breed unit was established. While seeing the development programmes of Dairy and its importance in the year 1976 different dairy development was established. Along with this Uttar Pradesh Dairy Act 1976 was applied. In Pradesh State Dairy Councilor and Dairy Commissioner post was created due to this act. Dairy Commissioner was given the authority of Director relating to Cooperative Committee act and its rules under Dairy Cooperative. Again under this act Head of Department and Secretary of State Dairy Councilor was appointed. This system helps in developing the state Dairy development
programmes. In state from November 1982 Operation Flood-II was implemented with the objective to run the dairy development programme in a proper planned way. Again after 5 years means a September 1987 Operation Flood-III plan was started.

**Per Animal Average Milk Production in Uttar Pradesh:**

Per animal average milk production has increase in Uttar Pradesh. The per animal milk production was 2 kilogram and 3.40 kilogram of cow and buffalo respectively in 1989-90 which has increased in 2003-2004 that is in the tenth five year plan upto 2.1 kilogram and 2.79 kilogram of cow and buffalo respectively. Per animal average milk production is different in different district of state. Table 1.1 presents the per animal average milk production of 2003-2004 in Uttar Pradesh (district). Capacity average milk production of cow is different in different district. It is clear by analyzing this table that Agra has the highest per cow milk production. In this district cow average milk production is 2.49 kilogram but in Meerut it is 2.46 kilogram, in Firozabad 2.44 kilogram, in Saharanpur 2.39 kilogram, in Aligrarh 2.25
Table 1.1
District wise Per Animal Average Milk Production (in Kilogram)
Year 2003-2004

<table>
<thead>
<tr>
<th>S.No.</th>
<th>District</th>
<th>Cow</th>
<th>Buffalo</th>
<th>Goat</th>
<th>Total Per Animal Average Milk Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Meerut</td>
<td>2.462</td>
<td>3.896</td>
<td>0.505</td>
<td>2.288</td>
</tr>
<tr>
<td>2.</td>
<td>Sharanpur</td>
<td>2.399</td>
<td>3.711</td>
<td>0.380</td>
<td>2.163</td>
</tr>
<tr>
<td>3.</td>
<td>Muradabad</td>
<td>2.073</td>
<td>2.934</td>
<td>0.468</td>
<td>1.825</td>
</tr>
<tr>
<td>4.</td>
<td>Agra</td>
<td>2.491</td>
<td>3.008</td>
<td>0.682</td>
<td>2.060</td>
</tr>
<tr>
<td>5.</td>
<td>Firozabad</td>
<td>2.441</td>
<td>2.851</td>
<td>0.665</td>
<td>1.986</td>
</tr>
<tr>
<td>6.</td>
<td>Aligarh</td>
<td>2.253</td>
<td>2.898</td>
<td>0.656</td>
<td>1.936</td>
</tr>
<tr>
<td>7.</td>
<td>Unnav</td>
<td>1.304</td>
<td>2.772</td>
<td>0.347</td>
<td>1.474</td>
</tr>
<tr>
<td>8.</td>
<td>Sitapur</td>
<td>1.154</td>
<td>2.675</td>
<td>0.264</td>
<td>1.364</td>
</tr>
<tr>
<td>9.</td>
<td>Sultanpur</td>
<td>1.417</td>
<td>1.995</td>
<td>0.612</td>
<td>1.341</td>
</tr>
<tr>
<td>10.</td>
<td>Allahabad</td>
<td>1.123</td>
<td>2.115</td>
<td>0.408</td>
<td>3.646</td>
</tr>
<tr>
<td>11.</td>
<td>Fatehpur</td>
<td>1.203</td>
<td>2.047</td>
<td>0.404</td>
<td>1.219</td>
</tr>
<tr>
<td>12.</td>
<td>Etava</td>
<td>1.363</td>
<td>2.497</td>
<td>0.463</td>
<td>1.441</td>
</tr>
<tr>
<td>13.</td>
<td>Banda</td>
<td>1.462</td>
<td>2.028</td>
<td>0.391</td>
<td>1.294</td>
</tr>
<tr>
<td>14.</td>
<td>Gorakhpur</td>
<td>1.467</td>
<td>3.633</td>
<td>0.696</td>
<td>1.932</td>
</tr>
<tr>
<td>15.</td>
<td>Varanasi</td>
<td>1.450</td>
<td>2.509</td>
<td>0.397</td>
<td>1.452</td>
</tr>
</tbody>
</table>

Source: Office of Pradeshik Cooperative Dairy Federatin, Lucknow.
Kilogram and in Muradabad 2.07 Kilogram. But in other district the per cow average milk production is in between 1 to 2 kilogram. The important point is that cow milk production in Allahabad is the lowest.

Buffalo average milk production is different in different district. It is clear by analyzing this table that Meerut has the highest per buffalo milk production that is 3.89 kilogram. But in Sultanpur it is less than 2 kilogram. And in other district like Muradabad, Firozabad, Aligarh, Unnav, Sitapur, Allahabad, Fatehpur, Etava, Banda, Varanasi it is more that 2 kilogram. And in other district it is more than 3 kilogram. As we talk about goat, generally goat gives less milk. It is clear by analyzing this table that per goat, generally goat gives less milk. It is clear by analyzing this table that per goat average milk production is less than 1 kilogram. But it can be said that Gorakhpur district gives highest goat milk production in comparison to other district that is near about 600 grams. And per goat average milk production is the lowest in Sitapur that is near about 200 grams.

**Development of Dairy Committee in Uttar Pradesh:**

As it is cleared that Uttar Pradesh has also paid attention towards cooperative committees for development of milk. Table 1.2 presents the development of dairy committee in state. It is clear by analyzing this table that with in 14 years Dairy Committees are developed upto more than 2 times. Its index in 198 as 1990-91 is assumed as base year.
Table 1.2
Cooperative Dairy Committee in Uttar Pradesh

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Societies</th>
<th>% Inc./Dec.</th>
<th>Index No. (1990-91=100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>5875</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>1991-92</td>
<td>6124</td>
<td>4.24</td>
<td>104</td>
</tr>
<tr>
<td>1992-93</td>
<td>6686</td>
<td>9.18</td>
<td>114</td>
</tr>
<tr>
<td>1993-94</td>
<td>7017</td>
<td>4.95</td>
<td>119</td>
</tr>
<tr>
<td>1994-95</td>
<td>7826</td>
<td>11.54</td>
<td>133</td>
</tr>
<tr>
<td>1995-96</td>
<td>8933</td>
<td>14.13</td>
<td>152</td>
</tr>
<tr>
<td>1996-97</td>
<td>9621</td>
<td>7.70</td>
<td>164</td>
</tr>
<tr>
<td>1997-98</td>
<td>10416</td>
<td>8.26</td>
<td>177</td>
</tr>
<tr>
<td>1998-99</td>
<td>10580</td>
<td>1.57</td>
<td>180</td>
</tr>
<tr>
<td>1999-2000</td>
<td>10865</td>
<td>2.69</td>
<td>185</td>
</tr>
<tr>
<td>2000-2001</td>
<td>10678</td>
<td>-1.72</td>
<td>182</td>
</tr>
<tr>
<td>2002-2003</td>
<td>11112</td>
<td>4.06</td>
<td>189</td>
</tr>
<tr>
<td>2002-2003</td>
<td>10540</td>
<td>-5.15</td>
<td>179</td>
</tr>
<tr>
<td>2003-2004</td>
<td>11645</td>
<td>10.48</td>
<td>198</td>
</tr>
</tbody>
</table>

In the year 1990-91 the number of cooperative milk societies was more than 5800. And after 3 years it increased to 1.3 times. This way in the year 1992-93 the number of cooperative milk committee reached to more than 6600. Which was 5% in comparison to previous year? Again in the year 1994-95 the number of cooperative milk committee increased to 12% in comparison to previous year. And by increasing with different rate the number of cooperative committee reached to 10.9 thousand. But in the year 2000-2001 it reduced to 2%. Again its number increased to 4%. But in the year 2002-2003 it reduced to 5% in comparison to previous year. Again in the year 2003-2004 it increased to 10% in comparison to previous year that means the number of cooperative milk societies reached to 11.6 thousand.

Along with the increase of Dairy Committee, membership of Cooperative Dairy Committee has increased. It is clear by Table 1.3 that with in 14 years membership of Cooperative Dairy Committee has increased to 1.4 times. Increasing rate has increased with different rate in different-different years. In the year 1990-91 the total number of membership of cooperative committee was 392 thousand. But it reduced in the year 1991-92 upto 12%. Again in the year 1992-93 it increased to 9% in comparison to previous year. After that also number of membership of cooperative committee was increasing. As a result in the year 1998-99 its membership was 557 thousand which 2% in comparison to previous year was. But in the year 1999-2000 it reduced to 1%.

Table 1.3
## Membership of Cooperative Dairy Committee

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Societies</th>
<th>% Inc./Dec.</th>
<th>Index No. (1990-91=100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>391.70</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>1991-92</td>
<td>342.80</td>
<td>-12.48</td>
<td>88</td>
</tr>
<tr>
<td>1992-93</td>
<td>372.46</td>
<td>8.65</td>
<td>95</td>
</tr>
<tr>
<td>1993-94</td>
<td>398.99</td>
<td>7.12</td>
<td>102</td>
</tr>
<tr>
<td>1994-95</td>
<td>428.20</td>
<td>7.32</td>
<td>109</td>
</tr>
<tr>
<td>1995-96</td>
<td>488.59</td>
<td>14.10</td>
<td>12.5</td>
</tr>
<tr>
<td>1996-97</td>
<td>514.06</td>
<td>5.21</td>
<td>131</td>
</tr>
<tr>
<td>1997-98</td>
<td>544.13</td>
<td>5.85</td>
<td>139</td>
</tr>
<tr>
<td>1998-99</td>
<td>557.28</td>
<td>2.42</td>
<td>142</td>
</tr>
<tr>
<td>1999-2000</td>
<td>550.91</td>
<td>-1.14</td>
<td>141</td>
</tr>
<tr>
<td>2000-2001</td>
<td>514.33</td>
<td>-1.74</td>
<td>138</td>
</tr>
<tr>
<td>2002-2003</td>
<td>548.93</td>
<td>1.40</td>
<td>140</td>
</tr>
<tr>
<td>2002-2003</td>
<td>493.27</td>
<td>-10.14</td>
<td>126</td>
</tr>
<tr>
<td>2003-2004</td>
<td>532.29</td>
<td>7.91</td>
<td>136</td>
</tr>
</tbody>
</table>

**Sources:** Annual Report of 2003-2004 of Pradeshik Cooperative Dairy Federation, Lucknow.

In comparison to previous year and continued in next year 2000-2001 also which has reduced to 2%? Again in the year 2001-2002 it increased its membership upto 549 thousand which increased 1% in comparison to previous year. But reduced in the next year 2002-2003 which was 10% in comparison to previous year. But again in 2003-2004 its membership increased to 8% that was 532 thousand.
Marketing Functions: A Theoretical Investigation:

Marketing has a special significance in modern management of business and industry and is one of the important managerial concepts. Hence all the marketing activities are customer oriented. Marketing starts with the determination of consumers want and ends with the satisfaction of these wants. So for this products are transferred from the place of production to the place of consumption. Through which this work is performed is called marketing activities. These activities are performed under a broad marketing technique. Its three special methods are integration, distribution, and equalization. Integration is that process under which all the selling products are centralized from producers. But distribution products are send to consumers. And in other side under equalization supply at the time of demand is adjusted on the basis of its quantity and quality.

Under integration products are centralized at a place from the small producers which includes purchase, finance management, risk, transportation, storage, standardization and grading etc. Distribution may be taken as a marketing activity which facilitates the movement of goods form the initial producer to the ultimate consumers. For most products a number of different types of intermediaries exist. These intermediaries are of many types, they are wholesaler, retailer etc. Equalization activities come between the integration and distribution. Equalization work is performed by transportation and warehouses. This way it is clear that marketing involves many works under it. The functional approaches made in
the field divided the entire marketing process into a good number of significant services. It would be right to mention that the activity by which the commodities the consumers are brought together form the functions of marketing\textsuperscript{10}.

Several specialized activities such as selling, storing and financing can be scrutinized and studied through what is known as marketing functions which have been classified by different authorities in different ways. According to Candiff and still have also given the description of marketing function like selling, buying, transportation, storage, financing risk, market information, standardization, product planning\textsuperscript{11}. But Pyle has divided all marketing functions into two parts that is assembling process and distribution process. Assembling process includes, purchase and storage, finance management, transportation, gradation, standardization, risk etc. And distribution process includes selling, transportation, storage, classification, finance management risk etc. Mc. Garry opinion about marketing functions is that the marketing function may be classified into six parts e.g., contractual, merchandizing, pricing, propaganda, physical distribution and termination\textsuperscript{12}. In other side Tousley Clark and Clark have classified the marketing function in 8 parts. Those are selling, buying, transportation, storage, financing, risk taking, market information and standardization\textsuperscript{13}. Cundiff, still and Gavani have divided marketing function into 3 points in his book fundamental of modern marketing. Those are merchandize function, physical functions and ancillary functions\textsuperscript{14}. Merchandizing functions
includes product planning and development, standardization and grading, buying and assembling and selling where physical distribution functions includes warehousing and transportation. And in other side finance management, risk, marketing information are the ancillary functions of marketing.

In this way it is cleared that different experts of marketing has explained marketing functions according to their own opinion but still fundamental functions are same in every aspects of marketing function. Marketing functions can be discussed into following way:

1. Analyzing customer
2. Opportunity Analyses
3. Product Planning and Development
4. Purchases and Assembling
5. Standardization and Gradation
6. Selling
7. Transportation
8. Warehouse and Storage
9. Market Information
10. Market Risk and
11. Finance Management

In this way it is clear that many activities are done to send the product from producers to consumers. Not only this much these marketing functions can be organized in different ways. It true that
ideal classification of marketing function is not impossible but it is difficult. Hence, classification of marketing functions are done effectively while considering the institutions nature, size etc. Besides priority of marketing functions depends upon marketing organization.

Pradeshik Cooperative Dairy Federation is an marketing institution which is working for efficient marketing and promotion of dairy business Hence, it cannot be assumed that this Federation will perform all the marketing function can be presented into following ways:

1. Procurement and Assembling
2. Selling and Distribution
3. Physical Distribution
4. Warehouses
5. Ancillary Functions

**Procurement and Assembling:**

Procurement and assembling is one of the important marketing functions of Federation. This function is performed for the satisfaction of consumers. Under this functions all the activities are included which is to search the resources for proper supply, to select product outlay, grading, standardization, size and desired quantity and for reaching on a decision relating to other conditions. Under this function products are procured by different sources and are assembled in a fixed place and then the product is sold to
consumers according to their necessity form the place where the product is procured and assembled. Assembling work is performed by different middlemen’s.

Under marketing functions there is a principle relating to procurement and purchasing that if the product is purchased in a proper way then think half of the sale is being done. For the success of purchasing and procurement functions it is necessary to assume the necessity of customers. As the question relates to Pradeshik Cooperative Dairy Federation, Federation has prepared an organized structure for procurement of milk. Federation has prepared an organized structure for procurement of milk. Federation also uses other sources if necessary for procurement of milk.

**Selling and Distribution:**

Selling and distribution is the heart of marketing function. The fundamental objective of marketing is to provide needed products to customers at reasonable price, quantity, quality and suitable time. Hence, selling includes all those activities which is necessary for a products or services to search demand, to procure, to develop and for completing the sale. This activity is that activity under which ownership of product is transferred from seller to the purchaser. Under this those activities are covered which converts the desire into demand. Hence, selling process connect the purchaser and seller. Selling mainly includes product planning and development, establish contact, create demand, do agreement, besides this all
selling also include personal selling, advertising and publicity, sales promotion etc. in marketing functions.

Pradeshik Cooperative Dairy Federation has it self made an organized structure for selling its product. And does not provide products for selling to any other business institutions through this selling structure.

**Transportation:**

If agriculture and industries are the body of nation then transportation and communication is the brawn. Transportation expands market, increase production process, provides mobility in capital and labour, helps in distribution of capital and encourages specialization and labour division. Not only this much it also creates the utility of place and helps in transferring the ownership of products. It is the cause and the effect of the industrial growth of a country. It aids the physical distribution by carrying necessary materials to localized production centres and distributes the goods when they are fabricated into finished products.

There are three modes of transportation. Land transportation, water transportation and airways transportation. Land transportation includes pack animals, head loads, Bullock carts, cycles, motor cars, trucks, lorries etc. besides pathways, railways are also an important mode of land transportation. Water transportation has been a mot important mode of transportation. Since time immemorial. Water transports consists of inland waterways and ocean transport while inland water transport system
comprises rivers and canals, ocean transport consists of coastal shipping and overseas shipping. In all conditions only one of the mode of transportation is not suitable. Against this different modes of transportation should be used according to the situation. In big enterprises a transportation department is individual for performance of transportation work. This department plans transportation for sending goods from one place to another and evaluate them. The policy which is performed for transportation in all direction is important for marketing management.

Pradeshik Cooperative Dairy Federation generally uses road transportation to send the milk and milk product to customers. But some time railway transportation is used while seeing. The distance of market Federation has private transport for road transport. These transports are used for procuring milk and selling milk and milk product.

**Warehousing:**

Warehousing and storage assumes a place of paramount importance in the process of marketing. Storage may be defined as the marketing function that involves holdings of goods between the time of its production and its final consumption. It is the process of holding and preserving goods from the time they are produced until they are needed for consumption. The need for storage arises fundamentally due to the lack of adjustment between the time of production and time of consumption of goods. Thus, the main factors that give rise to storage are seasonal production and more or
less uniform consumption, uniform production and more or less uniform consumption, uniform production and seasonal consumption the need for protection or preservation of the commodities, and the inability to maintain perfect balance between supply and demand because of the system of round about production. The word warehouse is used to denote a plane of storage. Usually a warehouse is a building or room used for the purpose of storing merchandize. Thus, storage is a physical distribution function of marketing and warehouse the tool with which this function is performed. Storage are of two types – General and Controlled. General storage is done at all places like-storage of goods in houses, storage in Godowns by traders. In controlled storage products are kept at better or reasonable temperature. This type of storage is difficult and expensive. For this machinery are kept and it is performed by electricity.

Generally, warehousing is of five type, private warehousing which is owned and operated by a firm or a trader or a manufacturer exclusively for his own purposes. Private warehouses are generally used by retail dealers. Secondly comes government or semi-government. Thirdly, bonded warehouse, are generally located near ports. They meant to enable the unloading of commodity from a ship safely into a place until the owner of the goods takes delivery of them. Besides storing goods, these warehouses may also arrange for marketing finance, although not directly. The importer normally has to take over the goods after paying customs and other duties due to the shipping and port authorities. It is actually this function
which made these warehouses to be known as bonded warehouses. The goods deposited with them are said to be in bond. Fourthly, household warehouses are most temporary in character and are not used for commercial purposes. These warehouses are meant for storing furniture. And other household articles, when one has to move away from house due to transfer or the habit of travel. On such occasions one may not like to dispose of the articles but many like to store them in a place where they well be kept safe until his return. Fifthly, cold storage or refrigerated warehouses. Perishable commodities such as fruits, eggs, meat, fish etc. are given second life with the help of these warehouses. This is in fact the latest contribution of technology which imported the storage function the real capability of giving time utility to any product. Pradeshik Cooperative Dairy Federation uses only one type of warehousing that is cold storage warehousing.

**Ancillary Functions:**

Besides the above functions, marketing functions are called ancillary function. Hence, these functions are not directly related with the transfer of ownership of products and services. Under this function finance system, risk taking, market information, standardization and grading are included. The point which is to be noted that Pradeshik Cooperative Dairy Federation also completes the ancillary functions of marketing to fulfills its limited objectives generally Federations performs standardization and grading, quality control, advertisement and publicity and promotion etc. functions.
It is necessary to formulate an integrated marketing method to achieve more effective and suitable productivity in marketing area. Marketing functions are performed with a view to reduce the marketing cost. It will be better for Pradeshik Cooperative Dairy Federation to examine all the marketing activities time-to-time and effective measures should be taken to remove the drawbacks.

**Research Management:**

1. **Objective of Study:**

   It is to known that Pradeshik Cooperative Dairy Federation is an cooperative marketing institution serving as for promotion and development of cooperative in the field of Dairy industries in state. This institution is working on the base of modern marketing. The main aspect of modern marketing is consumer satisfaction, to secure the interest of consumers, to secure the interest of institution and to encourage long term social welfare. This institution is also serving as achieving these objectives. Hence, it is necessary for all side development. Its marketing functions should be examined time to time regularly that is limitations can be known and effective measures can be taken to remove its limitations.

   This research management presents the criticized evaluation of marketing functions of Pradeshik Cooperative Dairy Federation. The fundamental marketing functions of this institution are procurement and assembling, selling and distribution, physical distribution, transportation, warehousing and storage and other ancillary functions. Presents study centralizes on evaluation of its
marketing functions suitable and effective suggestions are given to make its marketing functions powerful. This way following objectives are studied:

1. Examining the method, policies, and practices regarding products procurement, purchases and processing activities.

2. Evaluating the methods, policies and practices regarding selling activities

3. Analyzing method, policies, and practices regarding storage and distribution.

4. Studying development and allied marketing activities.

5. Identifying the problems and challenges faced by the Federation in discharge of its marketing functions.

6. Suggesting suitable remedial measures where ever found necessary.

A part from the above, the study also presents an overview of the organization structure and financial performance of the Federation.

2. Scope of Study

(i) Concept of Study:

The present studies of Pradeshik Cooperative Dairy Federation enter in itself the marketing functions of Dairy Federation. While keeping this point in mind this study centralize firstly the existence of Federation, objectives, functions, organization structure etc. Again study also does the inspection of Federation’s different
marketing activities which is also called as marketing functions. Firstly under this Federation procurement and assembling functions are analyzed. Another important function of Federation marketing functions are selling and distribution. In which inspection is don of methods, systems and progress of selling and distribution. Transportation is also an important work; under this Federation transportation system is analyzed. Along with this storage and warehousing is also an important function which is included in marketing area. As this functions are also called as ancillary functions of marketing functions which includes advertisement and publicity, standardization and grading, quality control etc.

(ii) Period of Study:

Present research management covers ten to fourteen years period for study. In this way marketing functions performed under the year 1990-91 to 2002-2003 are analyzed. As it is cleared that Pradeshik Cooperative Dairy Federation has established in 1962. In initial stage its work was limited, but as time passes Federation also developed its working area. Hence, effective and better analyzes can be presented on its marketing functions on the basis of the year 1990-91 to 2002-2003. During this period Federation has received many experiences regarding performance of marketing functions.

(iii) Aspects of Study:

As it is clear that present study does the evaluation and analysis of marketing functions of Pradeshik Cooperative Dairy
Marketing function of this Federation starts from procurement and assembling. Hence, analysis of this marketing function covers method of procurement and assembling and production cost etc. Second main function of Federation is selling and distribution. This study, centralize on method of selling and distribution total sale, composition of selling, selling and distribution cost etc. The aspects which are covered under transportation has also been analyzed. Besides this transportation cost is also an sub-material of this study.

This study also presents the analyze is relating to the system of storage and warehousing functions done by Federation. Advertisement and publicity, standardization and grading, quality control etc. are covered under developmental marketing functions of Federation. Performance of these functions also helps in increasing the efficiency and productivity of Federation’s marketing functions. Because these functions effects directly or indirectly the marketing functions.

3. Collection and Analysis of Data:

Present study is based on secondary data but still if necessary primary data are also used. The data which is collected by other person or institution for general objective are called secondary data. These data are not collected for any special or particular study. But primary data are those which are collected for solving any problem relating to special factors. Secondary data is collected from annual report of Pradeshik Cooperative Dairy Federation for the present
study. Besides this other published sources from federation are used as secondary data. Which includes data of Ut tapad Vipadhayn is also used as source. Which includes Uttpad Vipadhyan system, method of liquid milk marketing inventory control system, P & I Kary Mulayankan Padhati and P.M.M.R. which is published by the Federation, is also used as support sources? Primary data is gathered with the help of structured questionnaire. And for this interview of higher authorities of head offices has been taken. Besides this information are also collected from authorities relating to the Feeder balancing institution established in Ramnagar, Varanasi.

The data so gathered is suitably tabulated, interpreted and analyzed with the help of appropriate statistical tools. The main tools which are used include percentage analysis, ratio analysis, index number and growth rate analysis. Trends of different years are studied by percentage analysis. But ratio analysis helps in comparative study. Index number relates to developing trends periods. And growth rate analysis gives the knowledge of increase and decrease annually.
4. Plan of Study:

Present study is of seven chapters which is divided into three parts. First part presents primary nature and background of study. Second part is the centre point of study and third part provides conclusion of study. In first part two chapters are included. First chapter covers concept of cooperative, principles, development, cooperative in India. Indian Dairy Industry. Dairy industry in Uttar Pradesh, Marketing functions and research management etc. Under Indian Dairy Industry concept of National Dairy Development Board, objectives, frame line, workings etc. are also investigated. Besides this Indian Dairy Corporation are also mentioned under Indian dairy industries. Which includes objective of Indian Dairy Corporation, workings and progress of Indian Dairy Corporation? Whose investigation is also done. Progress of Dairy business, total milk production per animal average ilk production, development of milk committees etc. In Uttar Pradesh dairy industry are also studied. Light it thrown on Pradeshik Cooperative Dairy Federation marketing functions procurement and assembling, selling and distribution, transportation, functions are included. Besides this storage and warehousing and other development and allied functions are also included.

Research management includes objectives of study and scope of study. Scope of study light is thrown on period of study, concept of study and aspects of study. Besides this scope of study presents collection and analysis of data plan of study and limits of study.
Second chapter presents the gleams of Pradeshik Cooperative Dairy Federation. Under this it presents the existence objective, functions and organization structure etc. of Uttar Pradesh Pradeshik Cooperative Dairy Federation. Besides this, it also covers the management system, performance work of Uttar Pradesh cooperative dairy Federation includes share capital, reserve and surplus, grants and assistance, deposits and securities loans on securities and advances and fixed assets. Besides this current asset, investment and deposits and current liabilities and provision are also includes in financial performance of work. Under working performance of Uttar Pradesh cooperative dairy Federation covers total turnover, stocks-opening and closing stock and profit and loss are analyzed.

Second part is four chapter part. Third chapter throws lights on procurement and assembling functions. In includes concept of procurement and assembling, importance, procurement system, purchasing transportation and cost of procurement etc. Fourth chapter of selling and distribution are analyzed. It includes concept of selling and distribution, its importance and selling and distribution system. Besides this transaction of selling and distribution and cost of selling and distribution is also included in fourth chapter. Fifth throws light on storage and warehousing which includes concept of storage and warehousing types, establishment etc. Besides this it also includes problems and suggestions relation to storage and warehousing. Sixth chapter of ancillary functions analysis development and allied functions.
Which includes concept of ancillary functions, advertisement and publicity, sales promotion are included. Besides this evaluation of marketing research and development and quality control is also done.

Third part covers only one chapter that presents conclusion, summary of findings and suggestions.

5. Limits of Study:

Not availability of information is the main limits of this study. As it is cleared that this study is based on annual report. Unfortunately different annual reports of Federations lack in similar information. Time to time data’s presentation has changed. Some condition is followed by other publications also. Primary data’s should be utilized more and more in any study which is related to marketing but I have done limited use of it. Its main reason is that Pradeshik Cooperative Dairy Federation has covered whole state as its working area. Which is not possible but is difficult for an research scholar who is bound with time and resources to do investigation by collecting data. Again my study relating to evaluation of marketing functions of Federation does not do the through investigation of other aspects. Besides these limitation conclusion and suggestions of this study is very much useful and it is important for determining policy.
REFERENCES


5. George Davdovic Reformulation of Cooperative principles: The cooperative Union of Canada, Page No. 7.


