CHAPTER VII

SUMMARY OF FINDINGS, SUGGESTIONS
AND CONCLUSION

7.1. Introduction

The advent of dairying has been a boon for dairy farmers and of particular importance to those segments of the society that have been traditionally weak, the small landholders, landless labourers and women. It has provided a year-round source of income for people who previously could only depend on payments from small seasonal crops or from occasional labour. It is estimated that upto 60-65 per cent of the income of the marginal and small-scale farmers now comes from dairying. Over the period, dairying has also acquired the contours of a fully-fledged industry in the country and has positively improved the life of those engaged in this sector, directly or indirectly, bringing significant socio-economic changes. Indian agriculture is an economic symbiosis of crop and cattle population. Millions of rural smallholder milk producers dominate India’s dairy industry, contributing 62 per cent of the total milk produced in the country. The dairy sector holds high promises as a dependable source of livelihood for the vast majority of the rural poor in India. In the free market economy co-operatives are under pressure to follow commercial dairies in their operations. The milk producers’ union renders various services to its member societies such as supervision, guidance, training, supplying of inputs and extension activities. At the same time, the major challenge for the milk producers’ union is to increase milk production in order to meet the
increasing demand resulting from the inevitable expansion of population and presumably, growth of income. The adoption of appropriate technologies for production, procurement, processing and marketing has been considered an important aspect of efficient functioning of the milk producers’ union.

In this context, this study is undertaken to assess the working of the Villupuram-Cuddalore District Co-operative Milk Producers’ Union Limited. The research was carried out and information was collected from employees, milk producers, consumers and annual reports of Villupuram-Cuddalore District Co-operative Milk Producers’ Union Limited. A brief description of the evolution of dairy industry and dairy co-operatives in Tamil Nadu is discussed in Chapter I. The reviews of previous studies are presented in Chapter II. The research has been originally sparked off by research objectives, which led to the hypotheses outlined and the methodology followed as described in Chapter III. Profile of the Villupuram-Cuddalore District Co-operative Milk Producers’ Union Limited, its dairy activities and operational performance are discussed in Chapter IV. Perception of the employees towards human resource management practices of the VCDCMPUL is examined in Chapter V. Chapter VI analyses the perception of the milk producers towards working of the VCDCMPUL. Consumers’ perception towards milk and milk products of the Villupuram-Cuddalore District Co-operative Milk Producers’ Union Limited is analyzed in Chapter VII. In Chapter VIII, the main findings emerging from the study are summarized, recommendations are made and scope for the future studies is outlined.
7.2. Findings

The findings of the study are given under four heads, namely operational performance, employees’ perception, perception of the milk producers and consumers’ perception.

7.2.1. Operational Performance

1. The VCDCMULPUL had 545 member societies with 26460 shares as on 31.03.2004, and it was 999 member societies which have shares of 26460 on 31.03.2013. There is an increasing trend in the number of member societies in the VCDCMULPUL during the study period. The annual, linear annual and compounded annual growth rates of the member societies are 8.06, 4.75 and 4.35 respectively. However, there was no change in the number of shares and paid up capital. Thence, no change is found in the annual, linear annual and compounded annual growth rates of the shares and paid up capital of the VCDCMULPUL over the study period.

2. The VCDCMULPUL collected on an average of 157318 litres of milk per day in the year 2003-04, which grew upto 178948 litres in the year 2012-13. However, an erratic change is found in milk procurement between the years 2003-04 and 2012-13. The annual growth rate of milk procured by the VCDCMULPUL from the member societies was 1.73. However, the linear annual and compounded annual growth rates of milk procured was registered negative values at 0.18 and 0.24 respectively.

3. In the financial year 2003-04, the average milk sale per day was 1388775 litres and it was 516673 litres in the year 2012-13. There is an erratic change in the average milk sale per day over the study period. The annual, linear
annual and compounded annual growth rates of average milk sale per day are 5.89, 3.69, and 3.79 respectively. The increasing population and standard of living of the middle class people have impact on milk sales.

4. The installed capacity of the Union was 210000 LPD in the year 2003-04. However, no effort was taken to increase the installed capacity of the VCDCMPUL during the study period. The erratic change in the milk throughput resulted in change in the capacity utilization. Besides, the Union functioned with under utilization of capacity during the study period. The annual growth rate of milk throughput and capacity utilization was 1.73. The linear annual and compounded annual growth rates of the milk throughput and capacity utilization showed negative values.

5. The VCDCMPUL had 2 chilling centres in the year 2003-04. The chilling centres of the union were not increased during the study period.

6. Ghee registered highest annual growth rate (65.28), whereas khoa registered a negative annual growth rate (17.60) during the study period. In case of linear annual growth rate, both ghee and khoa have registered negative growth rates at 2.25 and 20.95 respectively. Ghee has registered positive compounded annual growth rate at 7.09, and khoa has registered highest negative compounded annual growth rate at 17.08.

7. The VCDCMPUL incurred a net loss during the study period except the year 2012-13. The linear annual growth rate of the net profit and loss of the VCDCMPUL registered a negative value of 12.59.
7.2.2. Employees’ Perception

8. Out of 85 respondents, 84.71 per cent are male and 15.29 per cent are female. The predominant age group of the sample employees (45.88 per cent) in the VCDCMPUL is 41-50 years. A good majority of the remaining respondents are distributed in the age group above 50 years. 18.82 per cent and 12.94 per cent of the respondents were dispersed in the age groups upto 30 years and 31-40 years respectively.

9. The predominant literacy group (32.94 percent) respondents have Diploma and ITI qualifications. 9.41 per cent and 16.47 per cent of the respondents have upto SSLC and H.Sc qualifications respectively. 24.71 per cent and 16.47 per cent of the respondents have degree and PG and above qualifications respectively.

10. 14.12 per cent, 12.94 per cent, 45.88 per cent and 27.01 per cent of the respondents draw monthly salary in the range upto Rs.10000, Rs.10001-20000, Rs.20001-30000 and above Rs.30000 respectively. 24.71 per cent and 75.29 per cent of the respondents are staff and workmen respectively.

11. 15.29 per cent of the respondents have upto 10 years of experience. 21.18 per cent, 40 per cent and 23.53 per cent of the respondents have 11-20 years, 21-30 years and above 30 years of experience respectively.

12. 83.53 per cent of the respondents are married and 16.47 per cent are unmarried. 27.01 per cent of the respondents have 1 and 2 dependants, about 12.94 per cent have 3 and 4 dependants, 36.47 per cent of the respondents have 5 and 6 dependants, and 23.53 per cent of the respondents have above 6 dependants.
13. Compassion and repatriate basis, nearness to home, family circumstances, promotional opportunities, attractive salary and job security are the reasons of the respondents to join Villupuram–Cuddalore District Co-operative Milk Producers’ Union Limited at 8.24 per cent, 37.65 per cent, 43.53 per cent, 60 per cent, 72.94 per cent and 78.82 per cent respectively.

14. There is no significant relationship among the satisfaction levels of the respondents of different genders, age groups, educational status groups, salary groups and varied experience groups towards human resource management practices of the VCDCMPUL. However, a significant difference is found between the satisfaction levels of staff and workmen towards human resource management practices of the VCDCMPUL.

15. Female respondents, respondents in the age group above 50 years, respondents having H.Sc qualification, respondents belonging to monthly salary ₹10001–20000, staff and respondents belonging to length of experience 21-30 years are more satisfied with human resource management practices of the VCDCMPUL.

16. There exists consistency in the satisfaction level of female employees, employees belonging to 31-40 years, employees having PG and above qualifications, employees drawing salary upto ₹10000, workmen, and employees having experience upto 10 years towards human resource management practices of the VCDCMPUL.
17. Discriminant function analysis was used to study how the staff differ from workmen in terms of HRM practices, namely, human resource planning, training and development and various other factors. The results reveal that ‘human resource planning’ and ‘training and development’ are the maximum discriminating variable \((R^2 \text{ per cent}=49.84 \text{ per cent})\) between staff and workmen, followed by ‘recruitment and selection’ \((37.09 \text{ per cent})\), ‘industrial relations’ \((7.24 \text{ per cent})\) and ‘workers’ participation in management’ \((5.90 \text{ per cent})\) in that order. The contribution of other factors in discriminating between staff and workmen is less than 5 per cent.

18. There has been a moderate correlation \((0.546)\) between the human resource management practices and the selected personal variables. The R square indicates that 29.80 per cent of variation in the human resource management practices is explained by all personal variables taken together. The F value indicates that the multiple correlation coefficients are significant at 1 per cent level. The gender, age, educational qualification, monthly salary and experience of the respondents have no significant effect on the human resource management practices in the VCDCMPUL. On the other hand, respondents’ cadre has significant effect on the human resource management practices at 1 per cent level of significance.

19. Out of 85 respondents, majority of the respondents \((29.41 \text{ per cent})\) are neither satisfied nor dissatisfied with the human resource planning and its role in various fields, followed by dissatisfied \((25.88 \text{ per cent})\) and satisfied \((20 \text{ per cent})\). 12.94 per cent and 11.76 per cent of the respondents are highly
satisfied and highly dissatisfied respectively with human resource planning.
The average satisfaction score reveals that the respondents have higher satisfaction towards role of human resource planning at designing training programmes for different categories of manpower (3.24), followed by role of human resource planning in reducing the hiring costs (3.07). However, respondents’ average satisfaction score is low in regards to the extent to which the need for the right type of people in right type of job at right times is met by human resource planning (2.75).

20. Majority of the respondents are neither satisfied nor dissatisfied (30.59 per cent) with the recruitment and selection, followed closely by dissatisfied (25.88 per cent) and highly satisfied and satisfied (17.65). 8.24 per cent of the respondents are highly dissatisfied with recruitment and selection. The respondents’ average satisfaction score is high on the mode of recruitment (3.34), followed by adherence to the roaster system in recruitment (3.16). In the case of cost consideration in hiring employees, the respondents have low mean score (2.85).

21. The majority of respondents are dissatisfied (30.59 per cent) with the training and development, followed by neither satisfied nor dissatisfied (27.06 per cent) and satisfied (18.82 per cent). 16.47 per cent and 7.06 per cent of the respondents are highly satisfied and highly dissatisfied respectively with training and development. The average satisfaction score reveals that the respondents have higher satisfaction towards involvement of employees in attending training programmes (3.32), followed by arrangement of adequate training programmes for the improvement of employees’ performance (3.24).
For feedback on training received from employees, the respondents have lower satisfaction (2.72), followed by facilities available for conducting training programmes in the VCDCMPUL.

22. Majority of the respondents (34.12 per cent) are highly dissatisfied, followed by neither satisfied nor dissatisfied (22.35 per cent) and dissatisfied (18.82 per cent) towards wages and salary administration. 10.59 per cent and 15.29 per cent of the respondents are highly satisfied and dissatisfied respectively with it. The average satisfaction score reveals that the respondents have higher satisfaction with wage and salary structure and settlement period of wages and salaries (2.68), followed by mode of wage or salary payment (2.66). The respondents have lower satisfaction with the role of collective bargaining in the wage settlement in the VCDCMPUL.

23. Out of 85 respondents, majority of the respondents are highly dissatisfied (44.71 per cent) with the promotion and transfer, followed closely by dissatisfied (23.53 per cent) and neither satisfied nor dissatisfied (16.47 per cent). 8.24 per cent and 7.06 per cent of the respondents are highly satisfied and satisfied respectively with promotion and transfer of employees. The mean satisfaction score reveals that the respondents have higher satisfaction with the reasons associated with employee transfer (2.34), followed by clarity of the promotion and transfer policy (2.26). The respondents have lower satisfaction with priority given to existing employees while filling a vacancy by promotion in the VCDCMPUL.
24. Majority of the respondents report that they are highly dissatisfied (37.65 per cent) with safety measures, followed closely by satisfied (29.41 per cent) and dissatisfied (22.35 per cent). 3.53 per cent and 7.06 per cent of the respondents are highly satisfied and neither satisfied nor dissatisfied respectively with safety measures. The average satisfaction score reveals that the respondents have higher satisfaction with the role of safety committee/safety officer (2.52), followed by superiors’ attention to employees’ safety (2.45). The respondents have lower satisfaction with safety education and training (2.27), followed by safety policies of the VCDCMPUL (2.33).

25. Out of 85 respondents, majority of the respondents are highly dissatisfied (38.82 per cent) with the statutory labour welfare measures, followed by neither satisfied nor dissatisfied (24.71 per cent) and dissatisfied (22.35 per cent). 8.24 per cent and 5.88 per cent of the respondents are highly satisfied and satisfied respectively with statutory labour welfare measures. The average satisfaction score explains that the respondents have higher satisfaction with the facilities for storing, drying and clothing (2.29), followed by role of Labour Welfare Officer (2.26). The respondents have lower satisfaction with the first aid appliances (2.14).

26. In regards non-statutory labour welfare measures, majority of the respondents are highly dissatisfied (37.65 per cent), followed by dissatisfied (31.76 per cent) and neither satisfied nor dissatisfied (12.94 per cent). 7.06 per cent and 10.59 per cent of the respondents are highly satisfied and satisfied respectively with the non-statutory labour welfare measures. The average
satisfaction score reveals that the respondents have higher satisfaction with loans and advances (2.45), followed by co-operative stores (2.33). The respondents have lower satisfaction with facilities of career advancement (1.98).

27. Out of 85 respondents, majority of the respondents are highly dissatisfied (36.47 per cent) with the social security measures in the VCDCMPUL, followed closely by satisfied and dissatisfied (23.53 per cent), and neither satisfied nor dissatisfied (12.94 per cent). 3.53 per cent of the respondents are highly satisfied with social security measures. The average satisfaction score explains that the respondents have higher satisfaction with maternity benefit (2.42), followed by gratuity (2.41). But, the respondents have lower satisfaction with pension benefit.

28. Majority of the respondents are neither satisfied nor dissatisfied (32.94 per cent) with workers' participation in management, followed by highly dissatisfied (27.06 per cent) and dissatisfied (24.71 per cent). 2.35 per cent and 12.94 per cent of the respondents are highly satisfied and satisfied with the workers' participation in management. Average satisfaction score reveals that the respondents have higher satisfaction with importance given to employee participation to draft rules, procedures and regulations (2.48), followed by joint consultation of job related matters with employees (2.46). However, the respondents have lower satisfaction towards conduct of meetings with employees for mutual understanding.
29. 36.47 per cent of the respondents are highly dissatisfied with the performance appraisal of employees in the VCDMPUL, followed by dissatisfied (25.88 per cent) and satisfied (16.47 per cent). 10.59 per cent of the respondents are highly satisfied and neither satisfied nor dissatisfied with performance appraisal. The average satisfaction score shows that the respondents have higher satisfaction with use of performance appraisal of employees (2.39), followed by performance appraisal goals and feedback given to employees (2.35). The respondents have lower satisfaction towards periodicity of performance appraisal (2.24).

30. Majority of the respondents are dissatisfied (35.29 per cent) with the employees' grievance handling, followed by highly dissatisfied (25.88 per cent) and highly satisfied (16.47 per cent). 8.24 per cent and 14.12 per cent of the respondents are satisfied and neither satisfied nor dissatisfied with employees' grievance handling. The average satisfaction score reveals that the respondents have higher satisfaction (2.75) with efforts of the superiors to redress employees' grievances, followed by system of grievance handling followed (2.64). However, the respondents have lower satisfaction (2.36) with freedom of employees to approach top management when they are not satisfied with the handling of their problems at the lower.

31. Out of 85 respondents, majority of the respondents are highly dissatisfied (36.47 per cent) with the industrial relations in the VCDMPUL, followed closely by neither satisfied nor dissatisfied (25.88 per cent), and dissatisfied (22.35 per cent). 3.53 per cent and 11.76 per cent of the respondents are
highly satisfied and satisfied with industrial relations. The average satisfaction score reveals that the respondents have higher satisfaction (2.44) with team spirit among employees, followed by union-management relations (2.31). The respondents have lower satisfaction (2.08) towards freedom of employees to discuss their personal problems with superiors, peers and colleagues and trust of people in each other.

32. Dissatisfaction with grievance handling, lack of career advancement opportunities, lack of feedback on training from employees, poor collective bargaining, bias of superiors, poor maintenance of first aid appliances and lack of periodical performance appraisal are the problems of the employees ranging from 24.71 per cent to 57.65 per cent with regard to human resource management in the VCDCMPUL. 61.18 per cent, 64.71 per cent, 67.02 per cent and 78.82 per cent of the respondents state the lack of participation in decision making, holdup of promotion, lack of trust of people in each other and absence of safety education and training as the problems in human resource management in the VCDCMPUL respectively.

33. Respondents ranging from 22.35 per cent to 56.47 per cent suggest that effective grievance handling, career advancement opportunities, feedback on training from employees, effective collective bargaining, objectivity of superiors and maintenance of first aid appliances will improve the effectiveness of human resource function of the VCDCMPUL. 60 per cent, 61.18 per cent, 63.53 per cent, 65.88 per cent and 71.76 per cent of the respondents suggest periodical performance appraisal, participation in
decision making, timely promotion, trust of people in each other and safety education and training to improve effectiveness of human resource function in the VCDCMPUL.

7.2.3. Perception of the Milk Producers

34. Out of 375 respondents, 82.13 per cent are male and 17.87 per cent are female. The predominant age group of the sample milk producers (48 per cent) is 41-50 years. A good majority of the remaining respondents are distributed in the age group above 50 years. 13.67 per cent and 17.60 per cent of the respondents were in the age group upto 30 and 31-40 years respectively.

35. The predominant literacy group (45.07 per cent) of the respondents has H.Sc qualification. 16.53 per cent and 22.67 per cent of the respondents have SSLC and degree qualifications respectively. 5.87 per cent of the respondents are uneducated and 9.87 per cent of the respondents have PG and above qualifications.

36. 13.60 per cent and 12.53 per cent of the respondents belong to upto ₹100000 and ₹100001-200000 annual household income groups respectively. 49.33 per cent of the respondents are in the annual household income range ₹200001-300000. 24.53 per cent of the respondents’ annual household income is above ₹300000.

37. 67.33 per cent of the respondents are agriculturists, 14.67 per cent of the respondents are agricultural labourers, 11.20 per cent of the respondents are employed people and 6.40 per cent of the respondents are engaged in business.
38. 18.13 per cent of the respondents have upto 3 family members, 24.27 per cent
of the respondents have 4 and 5 family members, and 57.60 per cent of the
respondents have 6 and above family members.

39. 3.20 per cent and 32 per cent of the respondents have membership in the milk
societies about upto 10 years and 11-20 years respectively. 53.07 per cent and
11.73 per cent of the respondents are members in milk societies for a period
of 21-30 years and above 30 years respectively.

40. 5.07 per cent of the respondents belong to forward community and 10.40 per cent
of the respondents belong to backward community. 68.53 per cent and 16 per cent
of the respondents belong to most backward community and SC and ST
groups respectively. Out of 375 respondents, 69.33 per cent belong to
Villupuram district and 30.67 per cent of the respondents belong to
Cuddalore district.

41. Out of 75 member societies, 18.67 per cent have existed for less than 10
years. 30.67 per cent of the societies have 11-20 years of existence. 37.33 per
cent and 13.33 per cent of the member societies have 21-30 years and above
30 years of existence respectively. 18.67 per cent of the member societies
have less than 100 members. 28 per cent of the societies have 101-200
members. 44 per cent and 9.33 per cent of the societies have 201-300 and
above 300 members respectively.

42. Majority of the milk societies (36 per cent) collect an average of 401-600
litres of milk per day, and 10.67 per cent of the societies collect below 200
litres per day. 29.33 per cent and 24 per cent of the member societies collect
milk in the range 201-400 litres and above 600 litres per day respectively. Out of 75 member societies, 74.67 per cent are making profit and 25.33 per cent of the societies have incurred net loss.

43. 44.53 per cent of the respondents say that it is the only co-operative milk producers’ union functioning for two districts namely Villupuram and Cuddalore in Tamil Nadu. Manufacturing range of byproducts and supply of quality milk are its special features according to respondents at 52.80 per cent and 53.87 per cent respectively. Remunerative price for the milk procurement and extensive dairy activities are the special features of the VCDCMPUL, according to respondents at 68.53 per cent and 82.67 per cent respectively.

44. There is no significant relationship among the satisfaction levels of the milk producers belonging to different genders, age groups, educational status groups, annual household income groups, occupations, periods of membership and locations towards working of VCDCMPUL.

45. Male respondents, respondents in the age group 31-40 years, respondents having SSLC qualification, respondents belonging to annual household income upto ₹100000, agriculturists, respondents holding period of membership upto 10 years and members of Villupuram district are more satisfied with the working of VCDCMPUL.

46. There exists consistency in the satisfaction level of male members, members belonging to 31-40 years, members having degree qualification, members having the annual household income of above ₹300000, employed persons,
members holding membership upto 10 years and members of the Villupuram
district towards working of VCDCMPUL.

47. There has been a moderate correlation (0.620) between the satisfaction levels
of the members of the primary milk societies towards working of the
VCDCMPUL and the selected personal variables. The R square indicates that
38.50 per cent of variation in the satisfaction level is explained by all
personal variables taken together. The F value indicates that the multiple
correlation coefficients are significant at 1 per cent level. Gender, age,
education, annual household income and period of membership of the
respondents have no significant effect on their satisfaction with various
activities of the VCDCMPUL. Location of the members has significant effect
on their satisfaction with working of the VCDCMPUL.

48. The results of the discriminant function analysis show that ‘supervision of the
member societies’ and ‘processing milk into milk products’ are the maximum
discriminating variables ($R^2$ per cent=8.64 per cent and 6.50 per cent
respectively) between Villupuram and Cuddalore milk producers, followed
by ‘guidance and counseling’ (6.15 per cent), ‘animal breeding services’
(5.43) and ‘vaccination for animals’ (5.24 per cent) in that order. The
contribution of other items in discriminating between Villupuram and
Cuddalore milk producers is less than 5 per cent.

49. Out of 375 milk producers, majority of the sample milk producers are
dissatisfied (27.73 per cent), followed by highly dissatisfied (27.20 per cent)
and satisfied (15.73 per cent) with various dairy activities of the
VCDCMPUL. 14.13 per cent and 15.20 per cent of the respondents are highly satisfied and neither satisfied nor satisfied respectively with the dairy activities of the VCDCMPUL. The average satisfaction score reveals that the respondents have higher satisfaction level (2.73) with insurance schemes, followed by supply of milch cattle and supply of input services (2.67), and supervision of the member societies, vaccination for animals and animal breeding services (2.66). However, the respondents have low level of satisfaction towards arrangement for procurement of milk (2.43) followed by managerial assistance to societies (2.51).

50. Ranging from 22.93 per cent to 38.93 per cent of the milk producers state that improper arrangement for procurement of milk, insufficient managerial assistance to societies, inadequate management grant to societies, inadequate supply of fodder, seed, etc. and poor farm support activities are the problems encountered by the VCDCMPUL. Inadequate technical inputs and extension, poor price to the milk producers, inadequate guidance and counseling, lack of more chilling centres and lack of range of milk products are also the problems of the VCDCMPUL as stated by the milk producers at 47.20 per cent, 49.33 per cent, 52 per cent, 53.60 per cent and 63.20 per cent respectively.

51. Ranging from 19.73 per cent to 35.20 per cent of the respondents suggest that proper arrangement for procurement of milk, sufficient managerial assistance to societies, adequate management grant to societies, adequate supply of fodder, seed, etc. and adequate farm support activities will get better the
working of the VCDCMPUL. Adequate technical inputs and extension, remunerative price to the milk producers, guidance and counseling, establishment of more chilling centres and manufacturing range of milk products are the suggestions of the respondents at 44.80 per cent, 46.40 per cent, 48.80 per cent, 52.53 per cent and 55.20 per cent respectively for the efficient functioning of the VCDCMPUL.

7.2.4. Consumers’ Perception

52. Out of 450 respondents, 76.89 per cent are male and 23.11 per cent are female. The predominant age group of the respondents is (41.11 per cent) 41-50 years. A good majority of the remaining respondents (28.44 per cent) are dispersed in the age group above 50 years. 18 per cent and 12.44 per cent of the respondents are dispersed in the age group upto 30 years and 31-40 years respectively.

53. The predominant literacy group (35.56 per cent) respondents have postgraduation and above qualifications. 24 per cent and 6.44 per cent of the respondents have upto SSLC education and H.Sc qualification respectively. 34 per cent of the respondents are degree holders.

54. 23.33 per cent of the respondents are housewives, 8.22 per cent are employed, 37.33 per cent are businessmen and 31.11 per cent are professionals. Out of 450 respondents, 15.78 per cent, 8.89 per cent, 45.78 per cent and 29.56 per cent of the respondents are dispersed in the monthly household income range of upto ₹10000, ₹10001-15000, ₹15001-20000 and above ₹20000 respectively.
55. 19.56 per cent of the respondents have family members upto 3, 35.78 per cent have 4 and 5 family members and 44.67 per cent of the respondents have above 6 family members. 74 per cent of the respondents belong to nuclear family and 26 per cent of the respondents belong to joint family.

56. 66.67 per cent and 33.33 per cent of the respondents belong to Cuddalore and Villupuram districts respectively. Out of 450 respondents, 66.89 per cent are married and 33.59 per cent of the respondents are unmarried.

57. Out of 450 respondents, 30.67 per cent and 51.33 per cent of the respondents are aware of Aksha and Cavin’s brands of milk and milk products respectively. 54.67 per cent and 84 per cent of the respondents are aware of Nanda and Arokya brands of milk and milk products respectively. All the respondents are aware of the Aavin milk and milk products.

58. Good quality, brand image and products of the co-operative are the special features of the Aavin milk and milk products at 49.11 per cent, 54 per cent and 60.44 per cent respectively. 63.11 per cent and 66 per cent of the respondents state that reasonable price and freshness are the special features of the Aavin milk and milk products respectively.

59. Advertisement, price, quality and freshness are the factors influencing the respondents to prefer Aavin milk and milk products at 19.33 per cent, 44.67 per cent, 47.56 per cent and 51.33 per cent respectively. 51.56 per cent, 59.56 per cent, 66.22 per cent and 66.88 per cent of the respondents prefer Aavin milk and milk products because of availability, nutritional value, package and
fat content respectively. Thickness, taste and flavour, and brand name are the central factors influencing the respondents to prefer Aavin milk and milk products at 72.67 per cent, 73.56 per cent and 76.67 per cent respectively.

60. Out of 450 respondents, 14.89 per cent and 25.11 per cent of the respondents are buying Aavin milk and milk products at milk booth and shops respectively. 54 per cent and 6 per cent of the respondents are buying through door delivery and departmental stores respectively. 10 per cent and 25.56 per cent of the respondents are buying Aavin milk and milk products below 5 years and 6-10 years respectively. 44.67 per cent and 19.78 per cent of the respondents are purchasing Aavin milk and milk products 11-15 years and above 15 years respectively. Ranging from 5.33 per cent to 10 per cent of the respondents prefer Aavin milk products such as sweat curd, ice candy, kulfi, badam mix and choco bar. Ranging from 14.22 per cent to 20.89 per cent of the respondents prefer panner, flavoured milk, curd, khoa and ice cream. 21.11 per cent of the respondents prefer butter milk and 22.67 per cent respondents prefer ghee.

61. Respondents ranging from 1.11 per cent to 4.89 per cent are aware of Aavin milk and milk products through pamphlets, handouts, wall painting, magazine and television. 5.78 per cent, 7.57 per cent and 12 per cent of the respondents are aware of Aavin milk and milk products with the help of banners, newspaper and through well wishers respectively.
62. Out of 450 respondents, 16.89 per cent are highly satisfied, 20.22 per cent are satisfied and 15.33 per cent are neither satisfied nor dissatisfied with the Aavin milk and milk products. 26.44 per cent and 21.11 per cent of the respondents are dissatisfied and highly dissatisfied respectively with Aavin milk and milk products of the Villupuram-Cuddalore District Co-operative Milk Producers’ Union.

63. There is no significant relationship among the satisfaction levels of the respondents belonging to different genders, age groups, educational status groups, occupations, monthly income groups and locations towards Aavin milk and milk products of the VCDCMPUL.

64. Female respondents, respondents in the age group 31-40 years, respondents having degree qualification, employed consumers, respondents belonging to monthly income upto ₹10000 and consumers of Villupuram district are more satisfied with the Aavin milk and milk products of the VCDCMPUL.

65. There is consistency among the satisfaction levels of the male respondents, respondents in the age group of above 50 years, respondents who have postgraduation and above qualifications, professionals, respondents having the monthly income of ₹10001-15000 and consumers of Villupuram district towards Aavin milk and milk products of the VCDCMPUL.

66. There has been a moderate correlation (0.412) between the personal variables and satisfaction with the Aavin milk and milk products. The R square indicates that 17 per cent of variation in satisfaction with Aavin milk and milk products is explained by all personal variables taken together. The F
value indicates that the multiple correlation coefficients are significant at 1 per cent level. Gender, age, educational status, and monthly household income have no significant effect on the respondents’ satisfaction with Aavin milk and milk products. Respondents’ location has significant effect on their satisfaction towards Aavin milk and milk products.

67. In regards to the Aavin milk and milk products of the VCDCMPUL, majority of the respondents (26.44 per cent) are dissatisfied, followed by highly dissatisfied (21.11 per cent) and satisfied (20.22 per cent). 16.89 per cent and 15.33 per cent of the respondents are highly satisfied and neither satisfied nor dissatisfied respectively. The average satisfaction score reveals that the respondents have higher satisfaction level towards price (3.02) followed by brand esteem (2.89), and thickness (2.87). However, the consumers have lower level of satisfaction score (2.77) towards fat content.

68. The discriminant function analysis shows that ‘freshness’ is the maximum discriminating variable ($R^2$ per cent=19.89 per cent) between Cuddalore and Villupuram consumers, followed by ‘thickness’ (18.66 per cent), and ‘package’ (13.54) in that order. The contribution of other items in discriminating between Villupuram and Cuddalore consumers is less than 10 per cent. The least discriminating variable is quality.

69. Absence of regular supply, inadequate advertisement and non-availability of byproducts are the problems of the consumers towards Aavin milk and milk products at 37.33 per cent, 39.11 per cent and 45.33 per cent respectively. Quality deterioration, low fat content and higher price are the other problems
of the consumers with Aavin milk and milk products at 47.56 per cent, 63.67 per cent and 67.33 per cent respectively in Villupuram and Cuddalore districts.

70. Respondents ranging from 35.78 per cent to 47.33 per suggest that regular supply, adequate advertisement, availability of byproducts and quality improvement will gain the competitive advantage of the Aavin milk and milk products in Villupuram-Cuddalore District Co-operative Milk Producers’ Union. High fat content and reasonable price are the suggestions of the respondents to gain the competitive advantage of the Aavin milk and milk products in the market at 62.44 per cent and 66.89 per cent respectively.

7.3. Suggestions

Based on the perception of the employees, members of the milk societies, consumes and the analysis of the operational performance, the following suggestions are given for the efficient functioning of the Villupuram-Cuddalore District Co-operative Milk Producers’ Union Limited:

1. At present Villupuram-Cuddalore District Co-operative Milk Producers’ Union Limited does not have any formal grievance redressal cell. The employees submit their grievances to their immediate superiors. When such representation is made to the superiors, the latter tell something orally and manage the situation. This system does not solve the grievances of the employees. On the contrary, the grievances of the employees are not redressed resulting in accumulation of such grievances, which ultimately lead to industrial disputes. In order to solve the grievances of the employees
“grievance redressal cell” should be established in VCDCMPUL with representatives of employees and management which will have to consider the grievances of the employees and solve the problems immediately to the extent possible so that there is no accumulation of grievances.

2. The VCDCMPUL shall comply with the constitutional and legal obligations in respect of non-discrimination, equality of opportunity in training, career prospects, facilities, etc. The VCDCMPUL should provide employees with opportunities for career advancement and growth. It will enhance commitment of employees and high state of employee morale. Therefore, the VCDCMPUL should make necessary arrangements to conduct refresher courses, orientation and short-term training programmes to develop their competencies in areas like human relations, interactions with individuals and groups, team building, and sensitivity training to their employees.

3. About 50.59 per cent of the respondents state that they are not using the feedback for their development. It is suggested that the employees should not ignore the feedback given to them. They must take it seriously to develop their skills. Moreover, the management must give an opportunity to the employees, those retuned from the training programmes, to express their perception on the training programmes and what they have learned. When the suggestions of the employees are cost effective, valuable, lead to higher productivity, and improve operational efficiency, they should be implemented.

4. The employees have stated that there exists poor quality of first aid appliances and the first aid boxes are not kept in proper place. It is suggested that considerable attention should be paid to have first aid appliances with
quality drugs and necessary medicines. Moreover, safety committees should be constituted in the VCDCMPUL. The safety committee shall supervise the equipment conditions, maintenance of first aid boxes, etc. periodically. The safety committee shall educate the employees about their responsibility during the hazardous situations.

5. A participative management style improves employee motivation, job satisfaction, democracy and organizational climate. Hence, the VCDCMPUL shall consult employees with respect to work related matters. For this, periodical meetings shall be organized at various levels. Employee suggestion scheme needs to be operationalised effectively so as to utilize the creativity of employees. The VCDCMPUL shall encourage employees through significant reward and recognition system to put their constructive and value added suggestions to practice so that the employees will be more committed towards organizational objectives.

6. Arrangement has to be made to supply green and dry fodder in adequate quantity and at reasonable price to the milk producers particularly during off seasons. Since the members of the milk societies are poor, they are not able to provide quality feed to their milch animals which in turn results in low quality of milk. Hence, steps should be taken by the VCDCMPUL to provide quality feeds at subsidized rate to the pouring members. This would enhance quality of milk on one hand and encourage more members to pour milk to the society on the other hand.
7. In co-operatives, it is very difficult to have a consistent promotional policy due to complying with statutory regulations such as reservations. However, a consistent promotional policy can be followed in the VCDMPUL through meritorious career landmarks. Moreover, promotions are to be given to employees in time.

8. Members of the milk societies being poor and uneducated are found to maintain their animals in under deprived nutritional conditions, keep them in unsanitary and unhygienic environment. Proper health care management of the animals is possible through three-tier treatment system of first-aid: at the village level through a local veterinary assistant, rural mobile veterinary service on predetermined days and prevention and mass vaccination towards the epidemics. Hence, the VCDMPUL should take necessary steps in this regard.

9. The prices are not fixed in consultation with the farmers, nor is there any floor price to prevent the exploitation of farmers by middlemen. Thus, a well thought pricing policy to protect the interest of the milk producers must be formulated. Payment for milk is generally based on its fat and SNF content. Payment to milk producers on the basis of microbial loads also needs to be initiated. Latest instruments to test the bacteriological quality of milk should be used and a premium price has to be paid based on its microbial loads. Incentives should be given to producers and societies supplying better quality milk.

10. More funds should be allotted to the dairy industry in the Five Year Plans, keeping in view its potential and contribution to the gross domestic product. Since dairying is a capital intensive enterprise, institutional financial assistance may be stepped up. Dairying may be made as one of the most
important activities under IRDP programme. Therefore, landless labourers, marginal and small farmers may be given priority in extending financial assistance via VCDCMPUL not only to purchase the milk animals but also in maintaining them.

11. Milk products are found to have a wide market with high margin of profit. The VCDCMPUL should therefore aggressively take part in the production of range of byproducts and sale of milk products and take steps to fetch higher price to its farmers.

12. The VCDCMPUL should intensify relevant education and training programmes and make the farmer members actively take part in the management of affairs of societies and union. The low level of participation in the activities of the VCDCMPUL is not a good indicator for growth. Therefore, VCDCMPUL must motivate and encourage milk producers to be fully active in the dairy activities.

13. The farmers and member societies should be given maximum managerial assistance, grant, fodder, seed, farm support activities, and adequate technical inputs and extension. Moreover, the VCDCMPUL should further develop proper dairy production, processing and marketing infrastructure, which is capable of meeting international quality requirements.

14. In order to boost the milk sales of the VCDCMPUL, measures like expansion of the retail network, extensive use of hoardings, display through neon signs, wall posters and bill boards, testing quality on demand by consumers and cash incentive schemes may be adopted. Such type of encouragement will in the long-run definitely boost the sale of milk in a better manner. Since most
of the consumers belong to middle and lower middle class category they will not be able to pay the money daily, So credit system can be followed by collecting some deposit at the starting itself. Moreover, Aavin milk is not available in 100 ml, 200 ml and it is one of the major problems. Hence, due attention may be given by VCDCMPUL to overcome this problem.

15. One of the strategies to enhance the dairy market is to promote research and development of value-added quality dairy products, besides improving the traditional dairy products. This will also help to transform the dairying into a most vibrant and profitable industry. A dairy producer can derive only limited returns from selling raw milk. It is only the concept of value-addition that would help dairy producers capture a large market and fetch remunerative prices. There is immense scope for value added products like desserts, puddings, custards, sauces, stirred yoghurt, nectars and sherbets. Hence, the VCDCMPUL can exploit the opportunity.

16. For any product publicity gives new life and blood. Proper awareness programmes should be launched to educate consumers so that masses would be able to know the role of dairy products in their daily diet. This will increase the per capita consumption of milk and milk products. The VCDCMPUL has to give wide publicity through effective media like television, cinema, newspaper, journals, etc. Since the amount spent on the advertisement is very low; most of the people still don’t know the products that are available in the Aavin stall. The sales of the Aavin products can only be increased only if people know about them and the only way to achieve is by advertisement. This will create some awareness about the Aavin milk products.
17. Better operational efficiencies are needed to improve yields, reduce waste and minimize fat/protein losses during processing, control production costs, save energy and extend-shelf life. The adoption of good manufacturing practices and hazard analysis and critical control point would help manufacture of milk products conforming to international standards and thus make their exports competitive.

18. To make the VCDCMPUL efficient, economically viable and free from bureaucratic and political interference, need based change in the co-operative laws should be made. Since a number of dairies have increased in the private sector posing severe competition to the VCDCMPUL. The VCDCMPUL need to be provided with greater autonomy and should be encouraged to pursue the legitimate interests of their members on an effective, self-reliant, responsible, accountable and democratic manner.

19. The state government should play a supportive role to enable VCDCMPUL to continue flourishing in the state. Government should not interfere in the affairs of VCDCMPUL and it should ensure that VCDCMPUL is not politicized in any way. The affairs of the VCDCMPUL should be managed by professionals who are not only appointed by farmers but are accountable to the farmers for their performance. Only then VCDCMPUL continue to play their vital role of creating a socio-economic revolution in the state.

20. In order to avoid some problems like recovery of money from the employees for this spoiled fodder kept in the godown, the facilities at the godown have to be increased to protect the fodder from insets, rats and rain.
7.4. Conclusion

Liberalization of world trade in dairy products under the new trade regime of the WTO poses new challenges and has opened up new export opportunities for the dairy industry in India. It needs to enhance competitive economic advantage in dairy products in terms of quality, cost and its credibility in international markets. Milk yield needs to increase so as to decrease the per litre cost of production, quality needs to be enhanced with the adoption of the latest processing and packaging technology will increase export of dairy products. Dairy co-operatives have been getting various opportunities as well as facing different challenges. The dairy co-operative movement has not only improved the lives of the people here but has made significant contribution to the economy. Competitiveness that nation’s dairy industry has in terms of low cost of milk production, well structured milk procurement system covering major milk sheds of the country, technological capabilities and other support systems could be advantageously utilized. The study is conducted with 85 employees, 375 milk producers and 450 consumers of the at Villupuram-Cuddalore District Co-operative Milk Producers’ Union Limited to examine its working. The results show that dissatisfaction with grievance handling, lack of career advancement opportunities, lack of feedback on training from employees, poor collective bargaining, bias of superiors, poor maintenance of first aid appliances, lack of periodical performance appraisal, lack of participation in decision making, holdup of promotion, lack of trust of people in each other and absence of safety education and training are the problems of the employees with regard to human resource management in the VCDCMPUL Improper arrangement
for procurement of milk, insufficient managerial assistance to societies, inadequate management grant to societies, inadequate supply of fodder, seed, etc., poor farm support activities, inadequate technical inputs and extension, poor price to the milk producers, inadequate guidance and counseling, lack of more chilling centres and lack of range of milk products are the problems encountered by the VCDCMPUL according to milk producers. Absence of regular supply, inadequate advertisement, non-availability of byproducts, quality deterioration, low fat content and higher price are the other problems of the consumers with Aavin milk and milk products. To ensure a positive outcome, attention to the factors identified in the suggested framework is important for the efficient functioning of the VCDCMPUL. If this study provokes the people concerned to take some positive measures, the researcher will feel amply rewarded.

7.5. **Scope for Further Research**

In the course of survey of literature and during the period of study, it has been found that there is vast potential for research in different areas of dairy co-operatives including VCDCMPUL. The main focus of the present study is on the perception of the employees, milk producers, consumers and operational performances of the VCDCMPUL. As this study is confined to VCDCMPUL, the findings cannot be generalized in a wider context. Hence, in order to generalize the study at the national level, a nationwide investigation that covers more milk producers’ union and regions is suggested. The general belief is that the failure of co-operatives is essentially born out of mismanagement; therefore, there is a need to investigate into this aspect. A micro level study can be conducted to find out the
major causes for the net loss of the VCDCMPUL to suggest remedial measures to overcome them. A comparative study of the working of co-operative and private sector dairies can also be conducted. Moreover, further investigation shall be carried out on organizational climate, competitive advantage of Aavin milk and milk products, and socio-economic impact of milk co-operatives on the farmers. Structural deficiency and financial inadequacy of VCDCMPUL can be subjected to future enquiry.