DEPARTMENT OF AGRICULTURAL ECONOMICS, EXTENSION EDUCATION & RURAL SOCIOLOGY
COA (CSKH PKV, PALAMPUR)

CREDIT SEMINAR

PRESENTED BY:
OSHIN (A-2016-30-032)
M.SC. II Year
ROLE OF CO-OPERATIVES UNDER EMERGING ECONOMIC SCENARIO OF INDIA

ANAND MILK UNION LIMITED (GUJRAT)
Outline of Seminar

Introduction

Role of co-operatives

Types of co-operatives in India

Objectives of seminar

Review of literature

Methodology

Results and discussion

Conclusion

Suggestions
INTRODUCTION
Co-operation existed even before the existence of man. Co-operatives work for the sustainable development of the overall economy through various policies.

The first time co-operative came into existence during 18th century in Europe. “The Shore Porters Society” claims to be one of the world's first cooperatives, being established in Aberdeen (UK) in 1498. “Sir Robert Owen” is known as the father of co-operative movement in the world.
The term Co-operation is derived from a Latin word “co-operari”, means “working together with another or others for a common purpose” or an association of persons who unite to do some work together in order to achieve some purpose.

Basic principle of co-operation is “EACH FOR ALL AND ALL FOR EACH” & “SELF HELP AND MUTUAL HELP”

The word Co-operation have several meanings and its difficult to convey the exact meaning in its technical sense. Generally speaking “Co-operation” means, “living, thinking and working together”.
Co-operation is a joint or collective action of people directed towards some specific goal in which there is common interest or hope of getting some reward. Such cooperation may be voluntary or involuntary, direct or indirect, formal and informal but there always is a combination of efforts towards a specific end in which all the participants have a real stake.

The Primitive concept of Co-operation was related more to cultural, religious and social aspects. Co-operation was a way of life and it was inherent in the Society itself. The Modern concept of Co-operation is altogether different from the primitive one. “It denotes a special method of doing business” - T.N. Hajeela “The word Co-operation literally means Working Together or Act Together.”
Co-operation has been defined in slightly different ways in various sciences and by various scholars. This is due to its flexible nature which can lend itself to variety of purposes and adopt itself to widely divergent economic and social system. In order to have a thorough understanding of the concept, some well known definitions are analyzed.

According to Hubert Culvert, "Co-operation is a form of organization wherein persons voluntarily associate together as human beings on a basis of equality for the promotion of economic interest of themselves”.

According to Webster's Universal Dictionary's “Co-operation' is an association of a number of persons for a common benefit especially in carrying on some branch of trade or industry etc., the profit being shared as dividend among the members."
According to the Socialist Co-operative School, “Co-operation is a weapon for the development of socialist thought and the realization of firms or households for business purpose and economic institution through which economic activity is conducted in the pursuit of economic objectives”.

In general, A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise (ICA).

The place of co-operatives in Indian economy and its role in social and economic affairs has developed a new dimension with the beginning of the planning.
Cooperatives play a major self-help role in rural areas, particularly where private businesses hesitate to go and public authorities do not provide basic services.

Create opportunity for employment, income generation, and increase the availability of goods and services, all of which also contribute to economic growth. Stimulate performance and competitiveness, as their members are also the beneficiaries.

They are strongly rooted in their community, and are thus more likely to positively influence it. Are guided by a set of underlying values and ethics and are schools of social dialogue and democracy.
Balance the need for profitability with the broader economic and social development needs of their members and the larger community, because members are both producers and beneficiaries.

Are particularly valuable for women as they compensate for their often limited resources, mobility and “voice.”

Associations in many forms (Self-Help Groups, savings and credit associations, even farmer or fisher associations) already have a strong presence in rural areas. They provide convenient and flexible access for members in light of few or no alternatives.
TYPES OF CO-OPERATIVES IN INDIA

1. Consumers’ Co-operative Societies
2. Producers’ Co-operative Societies
3. Marketing Co-operatives
4. Housing Co-operatives
5. Co-operative Credit Societies
6. Co-operative Farming Societies
The first consumer co-operative was set up in 1903 in Madras province. Currently there are around 9,000 consumer cooperatives in the country.

There are Primary societies at the local level, Central or wholesale societies at the district level, State Consumer Co-operative Federation at the State level and National Co-operative Consumer Federation at the National level.

Sainik Consumer Co-operative Society Ltd (Goa)
PRODUCERS’ CO-OPERATIVE SOCIETIES

- They are formed by small producers who plan to obtain inputs (raw materials, components, tools and equipment) and to sell their output (finished goods) by direct distribution and without any involvement of middlemen.

- They are also called as industrial co-operatives. Goods are produced to meet the requirements of members. Goods can also be sold to outsiders at a profit. Certain portion of the profits earned is spent for the welfare of the community and the balance is distributed among members.

Women milk producer co-operative society (kareng) Assam
MARKETING CO-OPERATIVES

- Marketing Co-operatives are especially suitable for marketing of agricultural products. They seek to protect producers from being exploited by the middlemen.
- The output of the members is pooled together, the products are processed (e.g. crushing of oil seeds, ginning and pressing of cotton etc.) graded and sold at the best possible price. The sale proceeds are distributed among the members according to their contribution to the pool. They also provide credit, storage facilities, information about market price, demand and supply etc.

Pala Marketing Co-operative Society (Kerala)
HOUSING CO-OPERATIVES

- Housing co-operatives are formed by those who are interested in acquiring residential property. They undertake activities relating to purchase of land, obtaining governmental approvals, development of the site, construction of houses or flats and allotment of houses/flats to its members.

- First housing co-operative came into existence in 1914 in Madras. Kanungo co-operative group housing society (New Delhi)
The objective of forming cooperative credit societies is to provide loans to members at reasonable rates of interest and to develop the habit of thrift among members. They accept deposits from members and provide loans to members at reasonable rates of interest. The co-operative credit societies are of two types. They are:

- Agricultural credit societies (Formed in the villages)
- Non agricultural credit societies (Formed in the urban areas)
CO-OPERATIVE FARMING SOCIETIES

- They are formed by small farmers with the objective of maximizing agricultural output. It is especially suitable for developing countries like India where land is highly fragmented.

- The benefits of collective farming such as lower cost of inputs, implementation of modern methods of cultivation etc leads to higher productivity and profits which is shared by all the members.
In this endeavor, the presented study has been design with the following objectives.
I. To study the genesis and growth of co-operatives,

II. to study the structure of co-operatives in India,

III. to highlight the success story of one of the co-operatives (AMUL).
## REVIEW OF LITERATURE

<table>
<thead>
<tr>
<th>Sr. no</th>
<th>Authors &amp; Year</th>
<th>Title</th>
<th>Name of Journal</th>
<th>Main findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Devi RU and Govt SRK (2012)</td>
<td>The Role of Credit Co-Operatives in the Agricultural Development of Andhra Pradesh, India</td>
<td><em>International Journal of Cooperative Studies</em> 1;2: 55-64</td>
<td>Cooperatives are functioning in most efficient manner by providing adequate, cheap and timely credit to agricultural sector. These are providing not only credit, but also non-credit services rural economy.</td>
</tr>
<tr>
<td>2.</td>
<td>Prasad R and Satsangi R (2013)</td>
<td>A case study of AMUL co-operative in India in relation to organizational design and operational efficiency</td>
<td><em>International Journal of Scientific &amp; Engineering Research</em> 4;1: 01-09</td>
<td>The study found that the design of the basic structure is somewhat different as it believes in the federal form of structure each unit is independent of each other.</td>
</tr>
<tr>
<td>Sr. no</td>
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<td>Name of Journal</td>
<td>Main findings</td>
</tr>
<tr>
<td>--------</td>
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<td>---------------</td>
</tr>
<tr>
<td>4.</td>
<td>Shah B (2017)</td>
<td>A Study on Drivers of Organizational Structure and Design as Tool to Enhance Organizational Effectiveness: A Case Study of AMUL</td>
<td><em>International Journal for Innovative Research in Multidisciplinary Field</em> 3;4: 55-59</td>
<td>The study revealed that the design of the basic structure of AMUL is somewhat different as it believes in the federal form of structure each unit is leading to empowerment and organizational effectiveness</td>
</tr>
</tbody>
</table>
The secondary data were used for accomplishing the objectives of the study which have been collected from various published sources/documents of the state government departments such as:

- Statistical Outline of HP (various issues) by Dept. of Economics and Statistics, Govt. of HP
- Department of Agricultural Cooperation and Farmers’ Welfare
- Ministry of Statistics and Program Implementation etc.

www.irma.ac.in
www.amul.com
To study the genesis and growth of co-operatives
BEGINNING OF CO-OPERATIVE MOVEMENT IN INDIA
BEFORE INDEPENDENCE

Towards the end of the 19th century the condition of the rural masses in India was quite deplorable. The countryside was studded with problems of poverty, ignorance, improvidence, and ancestral debt and occasional outbreaks of natural calamities. The outcome of all these factors was rural indebtedness.

The rural poor were being exploited by moneylenders by way of charging usurious rates of interest. At some places of the country, peasants rose against the money lending classes.
With a view to save the peasants from the clutches of moneylenders, Provincial Governments enacted several measures of relief such as **Deccan Agricultural Act of 1879, Land Improvement Loan's Act of 1883 and Agriculturists' Loan Act of 1884.**

During 1892, the Madras Government appointed Frederick Nicholson to study the village banks organized on co-operative lines in Germany. On his return, he submitted a report. The name of the report was “**Find Raiffeisen.**” In the report, he suggested to establish cooperative societies for supplying rural credit.

The first co-operative enactment passed in 1904, had marked the real beginning of a co-operative movement in India.
The Co-operative Credit Societies Act, 1904

- This Act was the first milestone in the co-operative movement of India. It aimed at encouraging thrift habits among the poor peasants and artisans by setting-up co-operative societies.
- The co-operative societies were classified as "rural" and "urban". The former had unlimited liability, while the latter had both limited and unlimited liability.
- With the enactment of this Act around 01 lakh credit societies (with about 1,60 lakh members and working capital of Rs. 6,80 million) were started till the end of 1909-10.
- One-man, one vote was specified in the Act.
- However, there was no provision for the establishment of non-credit societies or central agencies such as central co-operative banks/federations.
- Unscientific rural urban classification.
The shortcomings of the Act of 1904 were rectified by enacting another Co-operative Societies Act of 1912.

With this enactment, in the credit sector, urban cooperative banks converted themselves into Central Cooperative Banks with primary cooperatives and individuals as their members.

Similarly, non-credit activities were also cooperatively organized such as purchase and sales unions, marketing societies, and in the non-agricultural sector, cooperatives of handloom weavers, and other artisans.
In 1914, the Government appointed a committee under the chairman-ship of Sir Edward Mac Lagan to review the progress of co-operative movement (the report of the committee came out in 1915).

The committee observed that illiteracy and ignorance of the masses, misappropriation of funds, and viewing co-operative movement as a Government movement were some of the glaring defects of the cooperative movement.

Lagan to offer the following suggestions for the effective and smooth functioning of the co-operative societies like One member-one vote should be strictly followed, all members should be made aware of the cooperative principles, honesty should be the main criterion for taking loan etc.
The Royal commission on Agriculture, 1928 while evaluating the progress of the movement in the country remarked "if co-operation fails, there will fail the best hope of rural India“. The movement suffered a serious set back as a result of the worldwide economic depression of 1929-39.

The setting up of the Central Banking Enquiry Committee (1931) Reserve Bank of India (RBI) in 1934 was a major development in the thrust for agricultural credit. The Reserve Bank of India Act, 1934 itself required the RBI to set up an Agricultural Credit Department.

The next phase of development started with the outbreak of the Second World War in 1939. During this period the boom in earnings substantial developments took place in the co-operative movement.

MULTI-UNIT COOPERATIVE SOCIETIES ACT, 1942 -With the emergence of cooperatives having a membership from more than one state such as the Central Government sponsored salary earners credit societies etc..
In the meantime the Government of India appointed the Agricultural Finance sub-committee under the chairmanship of Gadgil DR in 1944 and the co-operative planning committee under the chairmanship of Saraiya RG in 1945 to review the progress of the co-operative movement in our country.

In 1946, inspired by Sardar Vallabh Bhai Patel and led by Shri Morarji Desai and Shri Tribhuvan Das Patel, the milk producers of Khera District of Gujarat went on a fifteen-day strike. Their refusal to supply milk forced the Bombay Government to withdraw its order granting monopoly procurement rights to Polson (a private dairy).

History was made when two Primary Village Milk Producer Societies were registered in October 1946. Soon after on 14th December 1946, the Khera District Cooperative Milk Producers Milk Union known as Amul was registered.
<table>
<thead>
<tr>
<th>Year</th>
<th>No of societies (lakh)</th>
<th>(%) Inc</th>
<th>Membership (Rs lakh)</th>
<th>(%) Inc</th>
<th>Working capital (in crore)</th>
<th>(%) Inc</th>
</tr>
</thead>
<tbody>
<tr>
<td>1906-10</td>
<td>0.02</td>
<td>----</td>
<td>1.60</td>
<td>----</td>
<td>6.80</td>
<td>----</td>
</tr>
<tr>
<td>1911-15</td>
<td>0.12</td>
<td>500</td>
<td>5.51</td>
<td>244</td>
<td>54.81</td>
<td>706</td>
</tr>
<tr>
<td>1916-20</td>
<td>0.28</td>
<td>133</td>
<td>11.30</td>
<td>105</td>
<td>151.70</td>
<td>178</td>
</tr>
<tr>
<td>1921-25</td>
<td>0.58</td>
<td>107</td>
<td>21.55</td>
<td>91</td>
<td>363.61</td>
<td>140</td>
</tr>
<tr>
<td>1926-30</td>
<td>0.93</td>
<td>63</td>
<td>36.90</td>
<td>71</td>
<td>748.80</td>
<td>106</td>
</tr>
<tr>
<td>1931-35</td>
<td>1.05</td>
<td>13</td>
<td>43.22</td>
<td>17</td>
<td>946.11</td>
<td>26</td>
</tr>
<tr>
<td>1936-40</td>
<td>1.17</td>
<td>11</td>
<td>50.77</td>
<td>18</td>
<td>1046.80</td>
<td>11</td>
</tr>
<tr>
<td>1941-45</td>
<td>1.50</td>
<td>28</td>
<td>72.18</td>
<td>42</td>
<td>1246.70</td>
<td>19</td>
</tr>
</tbody>
</table>

**SOURCE**: Reserve Bank of India (Bombay 1952)
DEVELOPMENTS IN THE POST-INDEPENDENCE ERA
After India attained Independence in 1947, cooperative development received a boost with cooperatives being given a vital role in the various plans formulated by the Planning Commission.

During **First Five Year Plan (1951-56)**, a major watershed initiative at this time was the appointment by Government of the **Gorwala Committee**, popularly known as the **All India Rural Credit Survey Committee (1951)**.

**Second Five-Year Plan (1956-1961)**, emphasized on “building up a cooperative sector as part of a scheme of planned development” as being one of the central aims of National Policy.

**Third Five Year Plan (1961-1966)**, some of the national institutions were came into existence like NCUI, NCDC, ARC were started in 1963.
Fourth Five-Year Plan (1969-1974): The main objective of this plan being' a growth with stability, major stress in the cooperative sector was on developing agricultural and industrial cooperatives for increasing production and consumer cooperatives for stabilizing prices.

Fifth Five-Year Plan (1974-1979): One of the primary objective of Government policy during fifth plan was not only to increase the production of essential consumers goods, but also to make them available to people at reasonable prices.

The Sixth Five Year Plan (1979-1985) also emphasized the importance of cooperative efforts being more systematically directed towards ameliorating the economic conditions of the rural poor. The Plan recommended steps for re-organizing Primary Agricultural Credit Societies into strong and viable multi-purpose units i.e. NABARD act (1981) and Multi State Co-operative Society Act (1984).
<table>
<thead>
<tr>
<th>Years</th>
<th>No of societies (in lakh)</th>
<th>% Inc/ Dec</th>
<th>Membership (in lakh)</th>
<th>% Inc</th>
<th>Working capital (in crore)</th>
<th>% Inc</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950-51</td>
<td>1.80</td>
<td>--</td>
<td>137</td>
<td>----</td>
<td>276</td>
<td>---</td>
</tr>
<tr>
<td>1960-61</td>
<td>3.32</td>
<td>84.00</td>
<td>352</td>
<td>156.00</td>
<td>1,312</td>
<td>375.36</td>
</tr>
<tr>
<td>1970-71</td>
<td>3.20</td>
<td>-3.61</td>
<td>644</td>
<td>82.95</td>
<td>6,809</td>
<td>418.97</td>
</tr>
<tr>
<td>1980-81</td>
<td>3.26</td>
<td>1.87</td>
<td>1,176</td>
<td>82.60</td>
<td>25,119</td>
<td>268.90</td>
</tr>
<tr>
<td>1990-91</td>
<td>3.50</td>
<td>7.36</td>
<td>1,565</td>
<td>33.07</td>
<td>71,672</td>
<td>185.35</td>
</tr>
<tr>
<td>2000-01</td>
<td>5.55</td>
<td>58.57</td>
<td>2,190</td>
<td>39.93</td>
<td>4,94,102</td>
<td>589.39</td>
</tr>
</tbody>
</table>

Source: Compiled from Indian Agriculture in Brief 1977-78 and Statistical Year Book of India 2016
ORIGIN AND GROWTH OF CO-OPERATIVES IN HIMACHAL PRADESH
Cooperative movement in Himachal Pradesh had its **origin in 1892** when a cooperative society was formed even before the enactment of Cooperative Credit Societies Act in 1904, at **Panjawar village of Una district**.

In 1920, a cooperative credit society "Jalari - sounbhian Cooperative Credit Society" was set up with 19 members and Rs 55 crore as its share capital and in 1935, its identity was changed as "Jalari-Cooperative Thrift and Credit Society".
In 1944, one more society was registered in H.P. with 12 members in a remote village at Bhutti Near Kullu. In Himachal Pradesh, Cooperative Act was introduced in 1956 and thereafter, it was amended in 1968 after the reorganizations of state.

The position of cooperative movement up to 1947 was not very encouraging. There were 663 cooperative societies. In the state and most of them were defunct.

The cooperative movement in the state was actually initiated in the middle of 1949 with the appointment of the first registrar of co-operative societies.

Under the five year plan, the cooperative movement has been playing an effective role in implementing the state's economic policy, particularly in the fields of agricultural credit, marketing, processing, storage, distribution of agricultural inputs and essential commodities under the public distribution system.
## PROGRESS IN CO-OPERATIVES OF HP SINCE 1975

<table>
<thead>
<tr>
<th>Years</th>
<th>No. of Societies</th>
<th>% Inc</th>
<th>Membership (in lakh)</th>
<th>% Inc</th>
<th>Working capital (in lakh)</th>
<th>% Inc</th>
</tr>
</thead>
<tbody>
<tr>
<td>1975-76</td>
<td>3,677</td>
<td>----</td>
<td>5.93</td>
<td>----</td>
<td>5,277.33</td>
<td>----</td>
</tr>
<tr>
<td>1979-80</td>
<td>3,775</td>
<td>2.66</td>
<td>6.85</td>
<td>15.51</td>
<td>7,341.08</td>
<td>39.10</td>
</tr>
<tr>
<td>1985-86</td>
<td>3,853</td>
<td>2.06</td>
<td>8.32</td>
<td>21.45</td>
<td>16,455.61</td>
<td>124.15</td>
</tr>
<tr>
<td>1990-91</td>
<td>3,958</td>
<td>2.72</td>
<td>8.85</td>
<td>6.37</td>
<td>42,142.52</td>
<td>156.09</td>
</tr>
<tr>
<td>1995-96</td>
<td><strong>4,419</strong></td>
<td><strong>11.64</strong></td>
<td><strong>11.53</strong></td>
<td><strong>30.28</strong></td>
<td><strong>1,47,469.76</strong></td>
<td><strong>249.93</strong></td>
</tr>
<tr>
<td>2002-03</td>
<td>4,334</td>
<td>-1.92</td>
<td>11.87</td>
<td>2.94</td>
<td>3,38,989.20</td>
<td>129.87</td>
</tr>
<tr>
<td>2007-08</td>
<td>4,426</td>
<td>2.12</td>
<td>13.87</td>
<td>16.84</td>
<td>10,39,225.01</td>
<td>206.56</td>
</tr>
<tr>
<td>% inc of 2014-15 over 1975-76</td>
<td>31.52</td>
<td>-----</td>
<td>179.43</td>
<td>----</td>
<td>4661.27</td>
<td>----</td>
</tr>
</tbody>
</table>

Source: Department of Co-operation Himachal Pradesh
To study the structure of co-operatives
ORGANISATIONAL STRUCTURE OF CO-OPERATIVES IN INDIA

- International Co-operative Alliance (ICA)
- Regional Office for Asia and the Pacific (ROAP)
- National Co-operative Union of India (NCUI)

**General Co-operative Structure**

- National Level Federations
- State Level Federations
- District Level Federations
- Primary Cooperatives
- Members

**Urban Credit Co-operative Structure**

- National Federation of the Urban Co-operative Banks and Credit Societies Ltd
- Cooperative Bank of India
- State Federation of Urban Cooperative Banks and Credit Societies
- State Cooperative Bank
- District Central Coop.
- Urban Coop. Banks
- Members
Amul

It's about loving your butter

Kabhi bread Kabhi bun
INTRODUCTION

- **AMUL** is an Indian dairy cooperative, based at Anand in the state of Gujarat, India. The word **AMUL** is derived from the Sanskrit word “Amulya” (अमूल्य), meaning “invaluable”.

- Formed in December 1, 1946, it is a brand managed by a cooperative body, the Gujarat Co-operative Milk Marketing Federation Limited. (GCMMF), which today is jointly owned by 03 Million milk producers in Gujarat.

- AMUL spurred **India's White Revolution** which made the country the world's largest producer of milk and milk products. In the process Amul became the largest food brand in India and has also ventured into markets overseas.

- **Dr. Verghese Kurien**, is the founder-chairman of the GCMMF for more than 30 years (1973-2006), is credited with the success of AMUL.
AMUL became the largest exporter of dairy products in the country. AMUL is available today in over 40 countries of the world. It has nearly 50 sales offices spread all over the country, more than 5000 wholesale dealers and more than 7,000 retailers.

**Achievements of GCMMF**

- Around 3 million milk producer
- 15 district unions
- 15,760 village societies
- 9.4 million liters of milk procured per day
- Annual turnover is 53 billion
- The Govt. of India has honored Amul with the “Best of all categories Rajiv Gandhi National Quality Award”.
- Largest milk handling capacity in Asia
- Largest cold chain network
- Export to 37 countries worth 150 crores
# PRODUCTS TRADED BY AMUL

<table>
<thead>
<tr>
<th>PRODUTS</th>
<th>PRODUCTS</th>
<th>PRODUTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amul milk</td>
<td>Cheese</td>
<td>Beverage range: Amul Memory milk, Amul kool flavoured milk, Amul kool cafe</td>
</tr>
<tr>
<td>Ice cream</td>
<td>Paneer</td>
<td>Dahi</td>
</tr>
<tr>
<td>Ghee</td>
<td>Milk powder</td>
<td>Mithai range: Shrikhand, Gulab jamun, Basundi</td>
</tr>
<tr>
<td>Chocolates</td>
<td>Cattle feed</td>
<td>Amul pro brand products</td>
</tr>
</tbody>
</table>
SOME OF ITS ADS

Auction Replay?
Amul
Going, going, gone!

ISREROZ khao!

Kaun banega rashtrapatni?
Amul
Head of taste

It’s about loving your butter
Kabhi bread
Kabhi bun
Amul
<table>
<thead>
<tr>
<th>Sr. no</th>
<th>Particulars</th>
<th>As on 31st march 2016</th>
<th>As on 31st march 2015</th>
<th>Particulars</th>
<th>As on 31st march 2016</th>
<th>As on 31st march 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Members’ fund</td>
<td></td>
<td></td>
<td>Non current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Share capital</td>
<td>4,111.38</td>
<td>2,978.53</td>
<td>Fixed assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reserves or surplus</td>
<td>8,731.40</td>
<td>7,097.72</td>
<td>Tangible assets</td>
<td>72,945.67</td>
<td>42,611.23</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>12,842.78</strong></td>
<td><strong>10,076.25</strong></td>
<td>Capital work in progress</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td>Non current liabilities</td>
<td></td>
<td></td>
<td>Non current investments</td>
<td>2,507.97</td>
<td>1,847.22</td>
</tr>
<tr>
<td></td>
<td>Long term borrowing</td>
<td>2,3600.33</td>
<td>17,435.48</td>
<td><strong>Total</strong></td>
<td><strong>77,694.42</strong></td>
<td><strong>53,825.30</strong></td>
</tr>
<tr>
<td></td>
<td>Long term provision</td>
<td>1,124.93</td>
<td>808.19</td>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Deferred tax liabilities</td>
<td>2,298.48</td>
<td>1,319.57</td>
<td>Inventories</td>
<td>43,484.62</td>
<td>44,400.55</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>27,023.74</strong></td>
<td><strong>19,563.24</strong></td>
<td>Trade receivable</td>
<td>19,697.34</td>
<td>19,748.24</td>
</tr>
<tr>
<td>c.</td>
<td>Current liabilities</td>
<td></td>
<td></td>
<td>Cash and bank balance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Short term borrowing</td>
<td>27,473.88</td>
<td>21,168.78</td>
<td>Short term loans and advances</td>
<td>3,361.11</td>
<td>6,419.96</td>
</tr>
<tr>
<td></td>
<td>Short term provision</td>
<td>1,018.353</td>
<td>1,519.63</td>
<td>Other current assets</td>
<td>527.99</td>
<td>407.75</td>
</tr>
<tr>
<td></td>
<td>Trade payable</td>
<td>52,953.98</td>
<td>39,654.38</td>
<td><strong>Total</strong></td>
<td><strong>69,684.37</strong></td>
<td><strong>72,470.09</strong></td>
</tr>
<tr>
<td></td>
<td>Other current liabilities</td>
<td>2,666.09</td>
<td>34,313.11</td>
<td><strong>Total liabilities</strong></td>
<td><strong>1,07,512.27</strong></td>
<td><strong>96,655.90</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Total liabilities</strong></td>
<td><strong>1,47,378.79</strong></td>
<td><strong>1,26,295.36</strong></td>
<td><strong>Total assets</strong></td>
<td><strong>1,47,378.79</strong></td>
<td><strong>1,26,295.36</strong></td>
</tr>
<tr>
<td>Sr. no</td>
<td>Particulars</td>
<td>As on 31st march 2016</td>
<td>As on 31st march 2015</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------</td>
<td>-----------------------------------------------------------------</td>
<td>------------------------</td>
<td>------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i</td>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Net revenue from the operations (except excise duty)</td>
<td>4,82,498.12</td>
<td>4,14,196.14</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other income</td>
<td>902.73</td>
<td>486.50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total income</strong></td>
<td>4,83,400.85</td>
<td>4,14,682.64</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ii</td>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cost of material consume</td>
<td>4,20,198.46</td>
<td>3,74,892.86</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Manufacturing expenses</td>
<td>26,430.91</td>
<td>26,475.96</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Inventories of finishing goods</td>
<td>4,195.86</td>
<td>13,707.06</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Employee benefit expenses</td>
<td>8,458.24</td>
<td>7,227.42</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Finance cost</td>
<td>5,190.00</td>
<td>3,837.52</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Depreciation</td>
<td>6,004.11</td>
<td>4,197.64</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Administrative co-operative development and other expenses</td>
<td>8,688.45</td>
<td>7,359.33</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total expenses</strong></td>
<td>4,81,227.91</td>
<td>4,13,076.75</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>iii</td>
<td><strong>Profit before tax</strong></td>
<td>2,172.94</td>
<td>1,605.89</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>iv</td>
<td><strong>Tax expenses</strong></td>
<td>627.82</td>
<td>433.33</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>v</td>
<td><strong>Profit for the year</strong></td>
<td>1,545.12</td>
<td>1,172.56</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ORGANISATION STRUCTURE OF AMUL DAIRY

Milk producer

Vill. Dairy Co-op

Dist. Milk Co-op. Union

State co-op. Milk Mrktng Federation

The consumer
REASON FOR ITS SUCCESS

- Gets fresh milk from almost 3.6 million farmers everyday directly from their farms without disturbing the agro-system of the farmers.
- White revolution helped AMUL very much
- Low price
- Variety of products
- And another thing is the three tier system
- Farmers priority
- Provide feed and vet aid
CONCLUSION

- A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through jointly-owned and democratically-controlled enterprises, cooperative helps strengthen basic and ethical values among members and the community at large.

- Participation in the business is the key to the success of a cooperative enterprise, by doing so the methods and techniques of doing business get refined and become more efficient.

- Co-operative movement took its shape in a formal manner as a defiance mechanism to provide relief to agricultural masses against the exorbitant interest rates charges by the money lenders.

- The performance of cooperative movement during the period from 1906-07 to 1911-12 remained progressive in all respects. After the introduction of co-operative Societies Act in 1912, there was rapid growth of the co-operative societies. The great depression of 1929 gave a set back to the Cooperative movement. The overall performance of the co-operative societies in the country remained satisfactory.
1. Co-operative societies should be set up taking the local conditions into consideration.
2. Encourage the office-bearers and workers and should continue to appreciate their work.
3. Audit should be conducted by qualified chartered accountants in the societies having turnover of Rs. 1 crore or more.
4. The agriculture cooperatives should use brand names for the handling of agriculture product, vegetable, fruits etc..
5. Cooperative institution has to arrange its own resources.
6. The village level agricultural cooperatives should diversity their business.
7. Motivating educated unemployed rural youth and women folk for organizing agro-processing activity and for marketing their products through the cooperative channels.
“If you want to shine like a Sun, first burn like a Sun.”
—Dr. A.P.J. Abdul Kalam