Introduction

Indian dairy sector contributes the large share in agricultural gross domestic products. Presently there are around 70,000 village dairy cooperatives across the country. The co-operative societies are federated into 170 district milk producers unions, which in turn have 22-state cooperative dairy federation. Milk production gives employment to more than 72 million dairy farmers. In terms of total production, India is the leading producer of milk in the world followed by United State of America.

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 up to 60-65 percent of the income of this group (marginal and small-scale farmers) now comes from dairying. Studies have shown that dairying in rural areas surpassed crop production in terms of profit in marginal, small and medium-sized holdings. For small-scale farmers with irrigated land, dairying and crop production together, were more profitable than crop farming alone. 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 business, directly or indirectly, bringing significant socio-economic changes.

The primary dairy cooperatives are positively influencing the development of villages in India especially in Shahuwadi Tahsil of Kolhapur district of Maharashtra. This research highlights the important position of dairy industry in Shahuwadi Tahsil’s rural economy. It examines the contribution of dairy cooperatives to rural development. It is a case study of some selected cooperative
milk dairies in Shahuwadi Tahsil of Kolhapur district in Maharashtra. It tries to assess the contribution of milk cooperatives in the rural development of the same village. The study comprises the analysis of primary data related to demography of the sample, change in income, change in education and change in health services and many more. The results put forth the contribution of primary milk cooperatives in this development in terms of upliftment of poor people, increase in income level, increase in education level and access to health services.

**Co-operative dairies in World Scenario**

The idea of dairy cooperative originated first in Switzerland in the village of Kiesen in 1815. Later on it spread over Denmark, Europe, and the USA. In India the seed of Cooperation was sown in 1904 with the passage of first Cooperative Act. The Indian Dairy Cooperatives are organized on a three-tier structure. The Primary Milk Producers' Cooperative Societies work at the village level followed by the District Milk Cooperative Union works at the district level. A state level Cooperative Milk Federation supports and guides district unions. All the unions in a state are normally members of a federation whose prime responsibility is the marketing of milk and milk products outside the state. There is also a fourth tier, the National Cooperative Dairy Federation of India (NCDFI), which is a national-level body that formulates policies and programmes designed to safeguard the interests of all milk producers. In India Dairy Cooperatives are successful because of their Empowerment, Labour Intensiveness and Cost Effectiveness.

**History of Co-operative Dairies in India:**
The Co-operative movement started in India in the last decade of the 19th Century with two objects in view, i.e. to protect the farmers from the hands of the private money lenders and to improve their economic condition. Madras province was the birth-place of this movement. With the setting up of an Agricultural Co-operative Banks there the movement took root in our Land and slowly gained strength. However, the growth of Co-operative movement in India during British rule was very slow and haphazard one. In most of the cases, the provincial governments took the lead. The foreign ruler had only made some committees or framed a few rules and regulations. But they did not take any wide-ranging programme to spread the movement all over the country. The golden era of Co-operative movement began after India had won freedom. Within two decades of independence the membership of primary societies had increased four times while the share capital and working capital increased 23 and 31 times respectively. The history of Dairy Development Movement in India is a new one. During the pre-independence period this movement was limited to a few pockets of Calcutta, Madras, Bangalore and Gujarat. The most notable of this venture was Kaira District Co-operative Milk Producers’ Union Limited of Anand, Gujarat. But after independence the National Government took great initiative in setting up new Dairy Co-operatives in many parts of the country. The National Dairy Development Board (NDDB) was set up to make the ambitious project a success.

**Development of Co-operative Milk Dairies in India**

Indian economy is agricultural and in agricultural India 65 to 70 percent people lives in rural area. Most off people are depend on agriculture and agricultural business. In supplementary business to farming is animal Husbandry, dairy-farming, fishery and poultry-farming. In Indian industry dairy farming has important role. More than eight lac villages in India. 72million villagers are involved in dairy farming. Indies Milk
production is 88 metric tones, which is 14 present of the world. India is first rank holder in the World.

First military dairy at Alhabad established on 1886 in India. First animal counting was done in 1919. First co-operative dairy was founded at Khetra, Allahabad in Uttar Pradesh. Later other milk co-operative dairies established at Baroda, Belgam, Hubali, Culcutta, and Bagalkot. Government consciously made attempts to develop dairy-farming, like other sectors of human are other economic business, principle of co-operative also adopted in dairy-farming. So this business developed in three sectors like Government, private and cooperative.

To develop co-operative dairy farming throughout India, "National Dairy Development Board" was founded on 1965. After foundation of 'National Dairy Development Board' 'Operation flood' scheme was started on 1970. So on Anand pattern stress was given on establishment of co-operative milk society. District milk producer’s federation on district level, Taluka milk producer’s federation on taluka level and primary co-operative milk society on village level was established. Similarly state federation was established on state level.

**Importance of Study**

Dairy farming is a supplementary business to agriculture. To develop this Business and co-operative dairies net; researcher have given some remedies for general development of co-operative milk dairies in Shahuwadi Tahasil. India is Nation of villagers, maximum people live in rural areas. Rural people face different problems due to illiteracy, mismanagement etc. It resulted in poverty moreover, due to underutilization of available resources. Alleviation of the rural poverty has been prime consideration of Indian planning, for alleviation of the poverty of govt. India launched specific programmes and is trying to improve the quality of rural people. Rural development involves raising the social and economic status of the rural population on a sustainable basis through optimum utilizing of local resources. Milk is a complete
food hence it has a special importance in human diet. This provides a golden opportunity to rural dairy milk producers and farmers to do the supplementary business in their own villages. Because of the milk farms general milk producers have changed their lives and economic status. At the same time urban peoples have got pure milk because of cooperative dairies in their native places.

Shahuwadi Taluka is one of the developing taluka in Kolhapur district of Maharashtra. Also much population is living in rural area; they have a lot of opportunities of employments in their villages through primary co-operative milk dairies. Now days this business is getting immense importance in this district. Although maximum numbers of farmers are doing this business, lack of complete knowledge, mismanangement, lack of facilities and lack of modern technology are some of major obstacles in front of this business.