

Comparative analysis of key players in dairy industry – A study of Khamgaon region

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ABSTRACT :-

India is the highest milk producer in the whole global dairy industry. The study has made an attempt to analyse the solvency and profitability position of select dairy companies in Khamgaon region of Maharashtra State, India.

In this research paper an attempt has been made in order to understand the analysis of key players in dairy industry in Khamgaon region. The objective of this research is to compare products on the basis of price, promotion and distribution.

Descriptive research design and Non probability sampling technique have been used in order to conduct this research. In order to collect the primary data, questionnaire is used.

The result of the study revealed useful information about the key players in dairy industry. The data is collected of the major three companies AMUL, VIKAS and AMAR.

INTRODUCTION: -

A dairy is a business enterprise established for the harvesting or processing or both of animal milk – mostly from cows or buffaloes, but also from goats, sheep, horses or camels – for human consumption. A dairy is typically located on a dedicated dairy farm and milk or in a section of a multi-purpose farm that is concerned with the harvesting of milk.

The Indian dairy industry takes part in the production and processing of milk and cream. This industry is associated with the assembling of different dairy items like curd, yogurt and so on. The Indian dairy industry expertise in the procurement, production, processing, storage and

distribution of dairy items. India is a country stands first in its share of dairy production in the worldwide situation.

Amul

Anand Milk Union Limited (Amul) is an Indian dairy cooperative company. It is managed by Gujarat Cooperative Milk Marketing Federation Ltd. (GCMMF), which is controlled by 3.6 million milk producers within the city.

Tribhuvandas Kishibhai Patel founded the organisation in 1946 and served as its chairman until his retirement in the 1970s. He hired Verghese Kurien in 1949, initially as the general manager, where Kurien guided the technical and marketing efforts of the cooperative. Kurien briefly became the chairman of Amul following Patel's death in 1994 and is credited with the success of Amul's marketing.

Amul spurred India's White Revolution, which made the country the world's largest producer of milk and milk products, and has since ventured into overseas markets.

Vikas

Vikas established in 1971, 'JALGAON JILHA SAHAKARI DUDH UTPADAK SANGH MARYADIT, JALGAON' was a bold step taken to free the farmers and consumers alike from the clutches and unethical business practices of private vendors/traders in the district.

Very soon, 'VIKAS' as it is popularly known, embarked upon a journey of remarkable milestones. Clean and hygienic milk procurement and processing by means of latest technology and a wide distribution network have made 'VIKAS' a household brand name that is synonymous with quality. Our biggest asset is the trust of millions of households. Not only domestic consumers but also many other co-operatives and national level organizations throughout India are our regular patrons. The daily milk handling of 'VIKAS' is about 3 lakhs liters and is ever increasing. The various products of 'VIKAS' are in great demand.

Amar

Amar Dairy was incorporated in 1990 with an intention of providing an organized facility of milk collection to the village-level farmers situated in Jalgaon District. Amar Dairy started with milk collection of about 200 litre per day in the first year of operation. It has steadily grown and now has the capacity of the collection over a lakh litre. Today, Amar Dairy has a multi-crore turnover.

Our plant is equipped with modern Sweden make pasteurizer, Germany make homogenizer, cream separator, ghee processing, automatic packing of milk and milk products and other quality testing products and well-equipped labs. Dairy has an installed processing capacity of over 1 Lakh litre per day.

Dairy manufacturers / Distributors milk and milk products like Pasteurized / Homogenized cow milk, Gold Milk, Standardize Milk, Toned Milk, Buttermilk, Tadka Chhachh, Masala Tak

(Mattha), Dahi, Mishti Dahi, Lassi, Mango Lassi, Paneer, Butter, Cow Ghee, Buffalo Ghee, Amrakhand, Shrikhand, Malai Pedha, Flavoured milkChocolate, Flavoured Milk Rose, Flavoured Milk Kesar Badam, Flavoured Milk Energy Drink, and Flavoured Milk Elaichi.

OBJECTIVES OF THE STUDY: -

The basic intent of the study is to have an overview of Indian Dairy Industry.

To understand the problem faced by the dairy sector units, the pros and cons of various issues.

The objective of this study is to compare the dairy products on the basis of product, price, promotion and distribution.

To examine significant difference in the efficiency ratio of three selected dairy companies.

To study the liquidity, solvency and profitability position of select dairy companies.

To examine the relationship between financial performance and profitability of select dairy companies.

LITERATURE REVIEW: -

Dairy is one of the important economic activities of the region under study. Therefore, some experts in different disciplines have already selected the theme dairy as their research topic.

1) Barot (2016) aims to analyse which companies' performance is better than the other one. For analyse secondary data for 10 years and ratio analysis technique has been used. Raymond company has no more rest from debtors in compared with Vardhaman. Inventory ratio indicated that Raymond limited has faster turnover of raw material than that of for the Vardhaman. Turnover ratio of Raymond limited has remained stable during the study, where Vardhaman Limited is showed mixed trend in relation to inventory ratio which indicated that Raymond limited has continuous production and sales of its product. It can be concluded that Raymond limited has sound and more effective working capital system then Vardhaman Limited. Raymond limited has maintained all ideal level of working capital and constant increase in sign of healthy position of business from the viewpoint of capital.

2) Ahire (1979) has studied the distribution pattern of milk was affected by large size families rather than small size families in villages around Mahatma Phule Krishi Vidyapeeth, Rahuri.

3) Sinha (1991) studied the socio – economic aspects of dairy activity. He observed that majority of the members of dairy co-operative (60%) belonged to medium size families followed by small and large families.

4) Lohokare (1973) in his work on the pattern of cattle raising and dairy farming in the area of Nagpur Milk Scheme, studied different characteristics of dairy operators.

5) Jamadar (1973) studied the impact of different factors on milk production in the area of Government Milk Scheme, Chiplun. He also studied the important characteristics of dairy operators related to the dairy activity.

6) Saprey (1960) studied different aspects of dairy industry in Pune city. Rao (1985) studied the profitability of dairy activity in different categories of farm size. He compared the income derived from dairy activity and income derived from other agricultural operations.

7) Godbole (1966) in his study of milk supply in Maharashtra, pointed out that it was possible to increase supply of milk by encouraging milk production in rural areas and marketing it in the cities.

8) S.M.Feroze and A.K.Chauhan NDRI, Karnal(2010) “Impact of Microcredit: An Empirical Study of Dairy Self Help Groups in Mewat District (Haryana)”

9) Viswanathan (1979) studied the role of co-operative in dairy development in India. He found that per capita availability of milk was less than 110 grams per head per day. Gopalkrishnan C.A. and Lal G.M. (1986) made an attempt to study livestock and poultry enterprise in relation to rural development. Ramanujan (1992) highlighted the role of dairy farming in rural development, especially dealing with the co-operative dairy in Maharashtra.

RESEARCH METHODOLOGY: -

Research design is a detail blueprint used to get the research study towards its objective. The research design for the study is descriptive analytical in nature that is conducted among the users of Amul, Vikas and Amar milk especially in Khamgaon region.

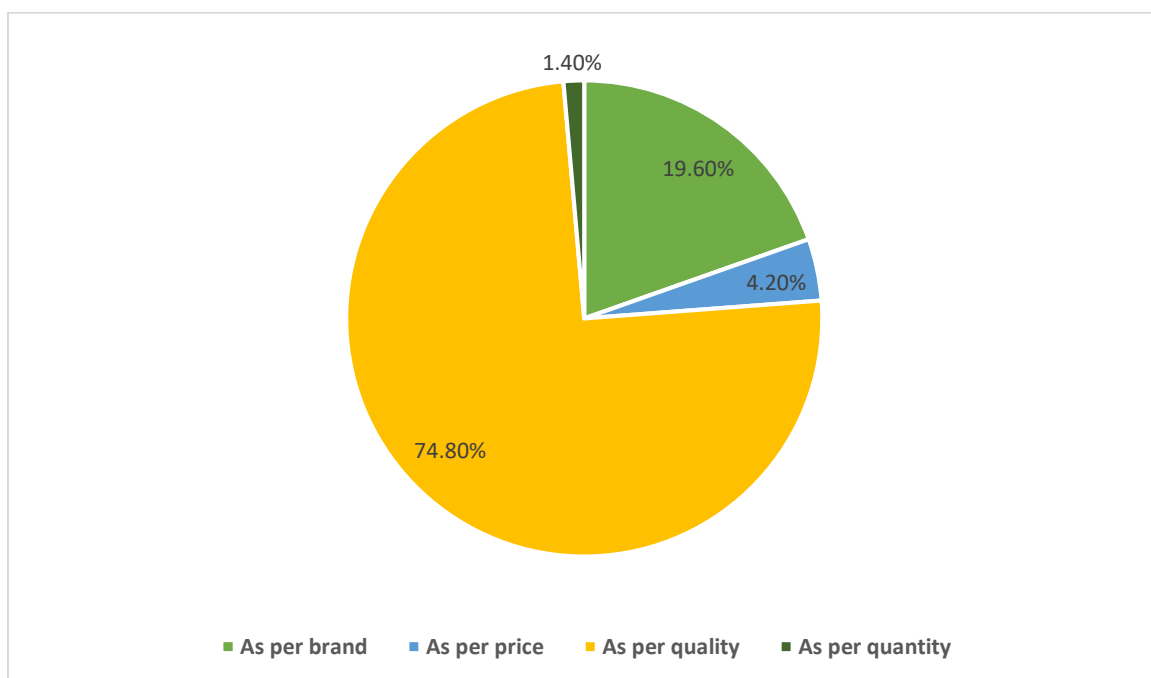
The study is based on available extracted from different database. The articles are gathered from different database like website, published materials and Google.

Data collection is the process of gathering and measuring information on variables. I did some survey for data collection. I create a Google form for collect data from customers of dairy product. I got 107 responses from customers.

NALYSIS AND INTERPRETATION: -

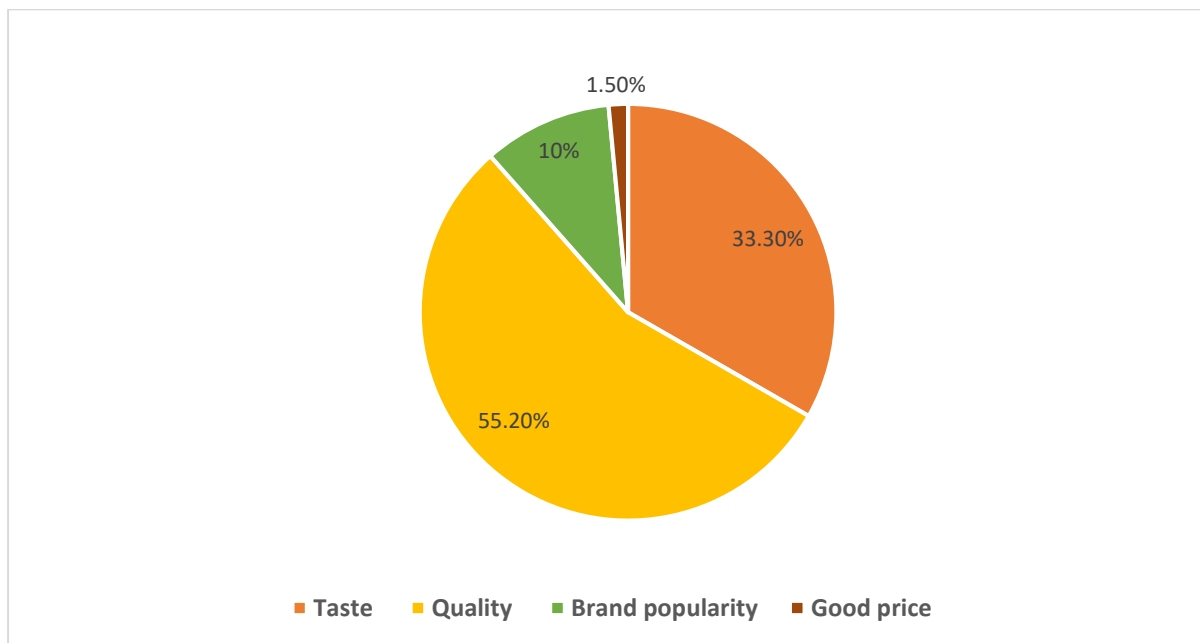
1] Basis of purchasing dairy product –

Customers were asked to respond about their basis purchasing a dairy product. There were 4 options given to them which included as per brand, as per price, as per quality, as per quantity. The data collected from the responded customers has been shown in the following graph. It is obvious from this graph that a maximum of 74.80% customers purchase dairy product on the basis of quality.



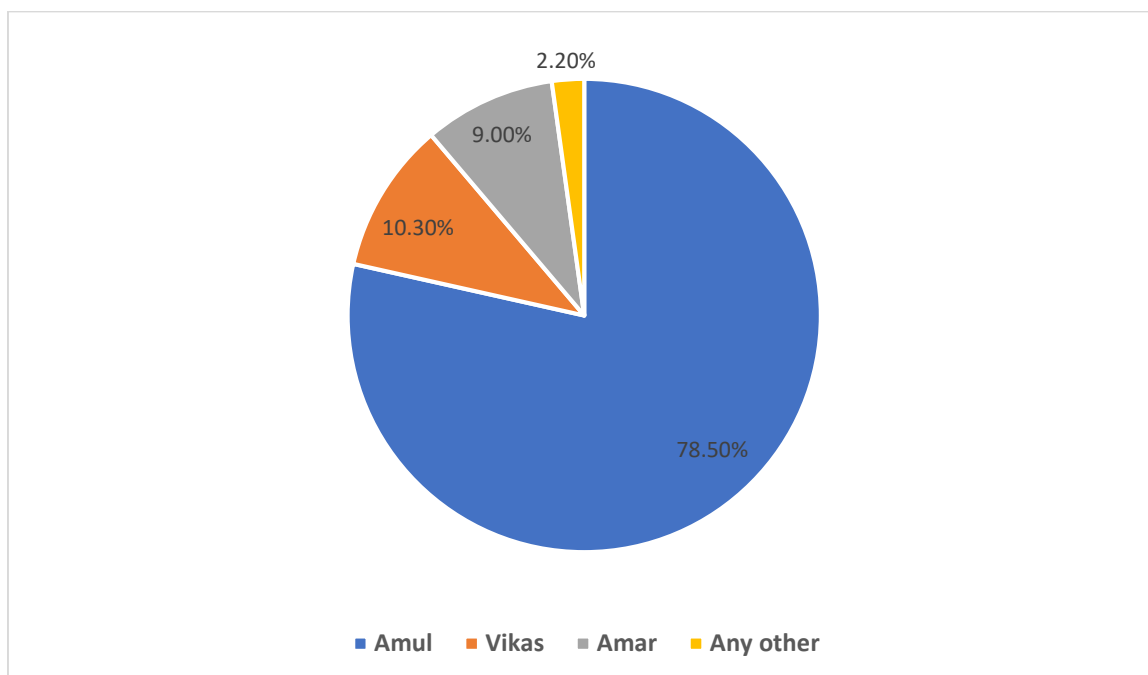
2] Motivation behind buying dairy product –

Customers were asked to respond about their basis purchasing a dairy product. There are 4 options given to them which include taste, quality, brand popularity, good price. The data collected from the customers has been shown in the following graph. It is clear from above graph the maximum of 55.20% customers purchase dairy product on the basis of quality and taste.



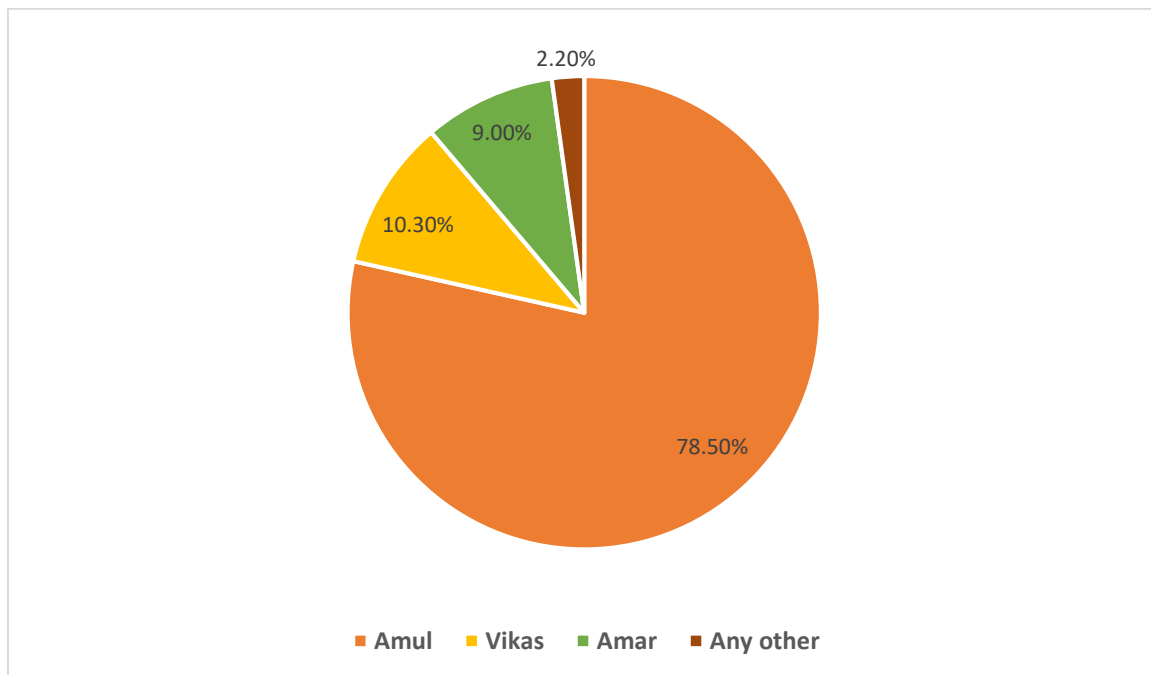
3] Preferences for dairy product –

Customers were asked to respond about their basis purchasing a dairy product. There were 4 options given to them that included Amul, Vikas, Amar and any other. The data collected from the responded customers has been shown in the following graph. It is obvious from this graph that a maximum of 78.50% customers purchase Amul milk.



4] Preferences for dairy company –

Customers were asked to respond about their basis purchasing a dairy product. There were 4 options given to them that included Amul, Vikas, Amar and any other. The data collected from the responded customers has been shown in the following graph. It is obvious from this graph that a maximum of 78.50% customers purchase Amul companies' milk.



CONCLUSION: -

In modern world people desired quality brand. They need quality and taste with reasonable price. The essence of marketing strategy is to understand the changing needs and preferences of the consumer and to create the opportunity to shape and fulfil them.

Amul is effectively understood those needs and formulated some strategies that were stable and would help them in the long run to strengthen the company's position.

SUGGESTIONS: -

Indian Dairy Industries must focus on their growing market opportunities and areas of product development. Dairy farms must revise its strategy of procurement of milk from farmers in regards to payment of prices.

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