

## Women Entrepreneurship: A Successful Case Study of Mulkanoor Women's Cooperative Dairy (Swakrushi Dairy)

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### ABSTRACT

*In rural India, livestock plays a multifaceted role in providing draught power to the farm, manure for crops, energy for cooking and food for household consumption as well as creates rural employment and improves rural economy. Women play an important role in dairy farming sector. Look after the livestock farming practices besides their day-to-day household chores. So women must be paid their share from the income generated from livestock farming. Livestock sector provides employment to 18 million people of which nearly 70 per cent of them are women. Further, dairy sector is the major source of income for an estimated 27.6 million people<sup>8</sup>. Though women play a significant role in livestock management and production, they could not find appropriate place in decision making on livestock farming. In this background, the study on Mulkanoor Women Cooperative Dairy, community enterprise with wide range of customers, and working for the livelihood enhancement of large number of rural milk producers, has been carried out.*

**Key words:** Women Dairy cooperatives, Entrepreneurship, Empowerment

### INTRODUCTION

Women contribute 60 – 80% of rural agriculture labour and are extensively involved in various farm operations and agricultural activities. In animal husbandry, women have a multiple role and their activities vary widely ranging from care of animals, grass cutting, fodder collection, cleaning of animal sheds, processing of milk into products, to collecting and processing dung. In low rainfall, semi-arid and arid areas much of the work with regard to

animal management has to be looked after by women due to migration of males for work. Women undertake dung composting and carry farm yard manure to the fields. Women also prepare cooking fuel by mixing dung with twigs and crop residues. Rural women were found to devote 90 per cent of labor force in livestock farming. About 75 million women as against 15 million men are engaged in dairying in India<sup>2</sup>.

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Women accounted for 93percent of total employment in dairy production. Though women play a significant role in livestock management and production, women's control over livestock and its products is negligible. However, in many cases, the income generated from dairy animals does not reach the hands of women and neither does the decision regarding sale and purchase.

India has enormous potential for entrepreneurship development in terms of diversity of rural occupations. Livestock production is one of the promising sectors of entrepreneurship development in India. In dairy industry the role of rural women are inevitable. Development of entrepreneurship ensures optimal utilization of resources and facilities and value to products and services. Milk and milk products have cultural significance in the Indian diet and have become an important source of protein for rural poor. The socio-economic and demographic changes, rising income levels, urbanization and changing food habits and lifestyles are important factors which increase demands for dairy products. Further, on the supply side, technological progress in the production and processing sectors and institutional factors, played an important role. Today, women are not on the backend of dairying but they have become vanguard of dairy development. The statistics like total women producer which is 43.80 Lakh of which 3.29 Lakh management committee members (2013), 354 board members (2013) is very enthralling, also all women registered Dairy cooperative societies (DCS) currently is at 26,700 of 1.60 lakh village dairy cooperative society. The annual growth rate of all women DCS is about 10%. (NDDDB)

#### **Women Dairy Cooperatives (WDCs)**

NDDDB recognises the importance of "Support to Training and Employment Programme" (STEP), as a way to encourage the women's participation in dairy cooperatives. It provides financing for cooperative milk producers' unions. Under this programme, dairy cooperatives are formed with membership as well as the management entirely composed of

women milk producers. Co-operation is firmly rooted in Indian soil and it represents the finest qualities of our people, honesty, democratic consensus, mutual concern, and self-reliance. According to Sheela and Ramegowda<sup>7</sup> women's dairy co-operatives will perform better than men's because women are less political, more loyal to the cooperative concept, more inclined to co-operate with each other and to place their common interests and concerns above the superficial differences of religion, caste, and political affiliation. Women dairy cooperative members are almost uniform in their emphasis on the theme that, by becoming actively involved in the cooperatives, individual women have become aware of their own capabilities of the strength that can be achieved by working cooperatively with other women. The dairy cooperative movement has transformed the lives of rural women by providing some economic independence. Throughout the country, women from 11 million families, tend to rear their buffaloes and cows at home, while men toil in the fields. Income from dairying is mainly due to the contribution of women and thus to the total family income. No other means would effectively provide worthwhile employment to this vulnerable section of our population<sup>3,4</sup>. At present 2,476 women, dairy cooperative societies are functioning in the selected states of India with 1.63 million women membership (18%). However, women constitute less than 3per cent of total board members of the dairy cooperatives<sup>6</sup>.

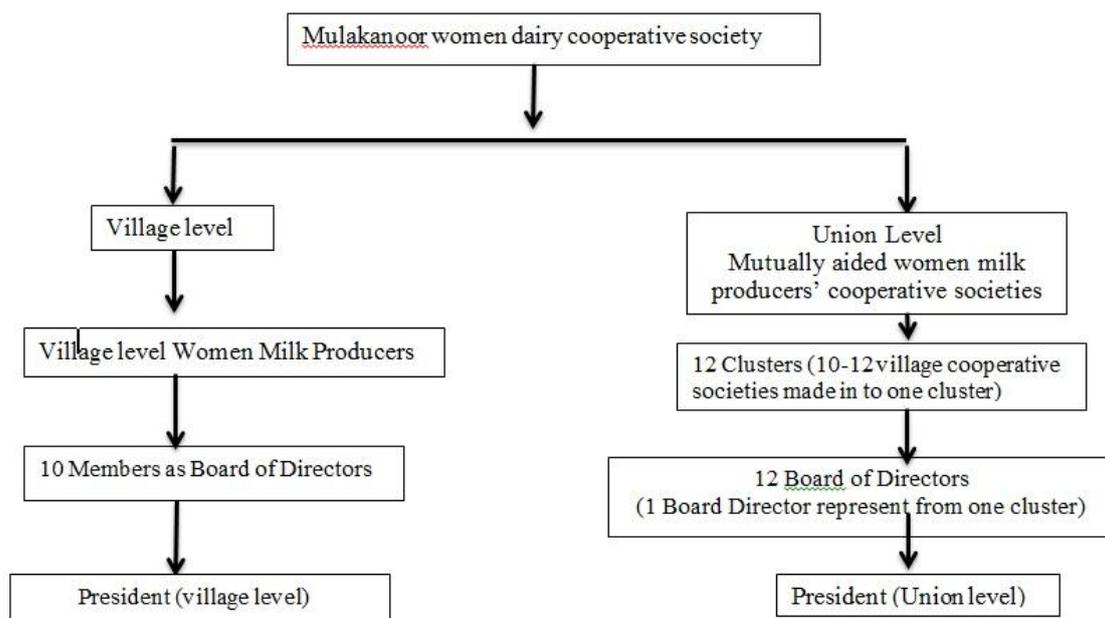
Mulukanoor Women Cooperative Dairy (MWCD) is one of the examples of a community enterprise with wide range of customers, and working for the livelihood enhancement of large number of rural milk producers. It started operation in 2002 providing services to more than 107 societies with 19616 memberships in an area of 30 km around the Mulukanoor village in Karimnagar district of Telangana State. It has Rs. 368.90 lakh cumulative deposits, Rs. 110.14 lakh share capital and generated net profit of Rs. 11.32 lakh<sup>1</sup>.

## Evolution of MWCD

Mulkanoor Cooperative Rural Bank and Marketing Society is a landmark of successful model of a multi-purpose co-operative society which meets all the needs of the farming community under one umbrella and serves this area for the last 50 years. This bank has promoted women thrift groups and micro-enterprises in its jurisdiction under the aegis of Cooperative Development Federation (CDF) to create additional sources of income to the families. Over a period, the thrift group has accumulated savings more than Rs. 3 crores as savings with huge accumulated savings MCRB and CDF they started exploring ways of investment which would benefit a large section of people. After lot of brain-storming, they realized that many women members had milch cattle with good dairy farming experience and were already selling milk.

Thus, the idea of promoting dairy on cooperative basis was emerged.

CDF has conducted a series of feasibility surveys in the villages and nearby cities with the technical help of *National Dairy Development Board* (NDDB) and they found that there are 72 villages around Mulkanoor with at least 14,000 liters per day marketable surplus. The demand in Greater Warangal city which is 25 km distant from Mulkanoor village was about 30,000 liters per day. Demand supply gap strongly recommends to establish a dairy union with a capacity of 25 TLPD expandable to 50 TLPD. Accordingly, a dairy union was established initially and in the subsequent period, it was enhanced to its full capacity. With great efforts of MCRB, CDF and NDDB, dairy plant was later inaugurated on 17-8-2002.



**Fig. 1: Organogram of Mulkanoor Women Cooperative Dairy**

The Union works within the rule framework of MMPO and the by-laws of the society. At village level, primary women dairy cooperatives (WDCS) and union level dairy union is functioning. Each village has a society which is governed by 10 elected board members. Total jurisdiction of dairy union has been divided into 12 Clusters One Director is selected by presidents of village cooperatives

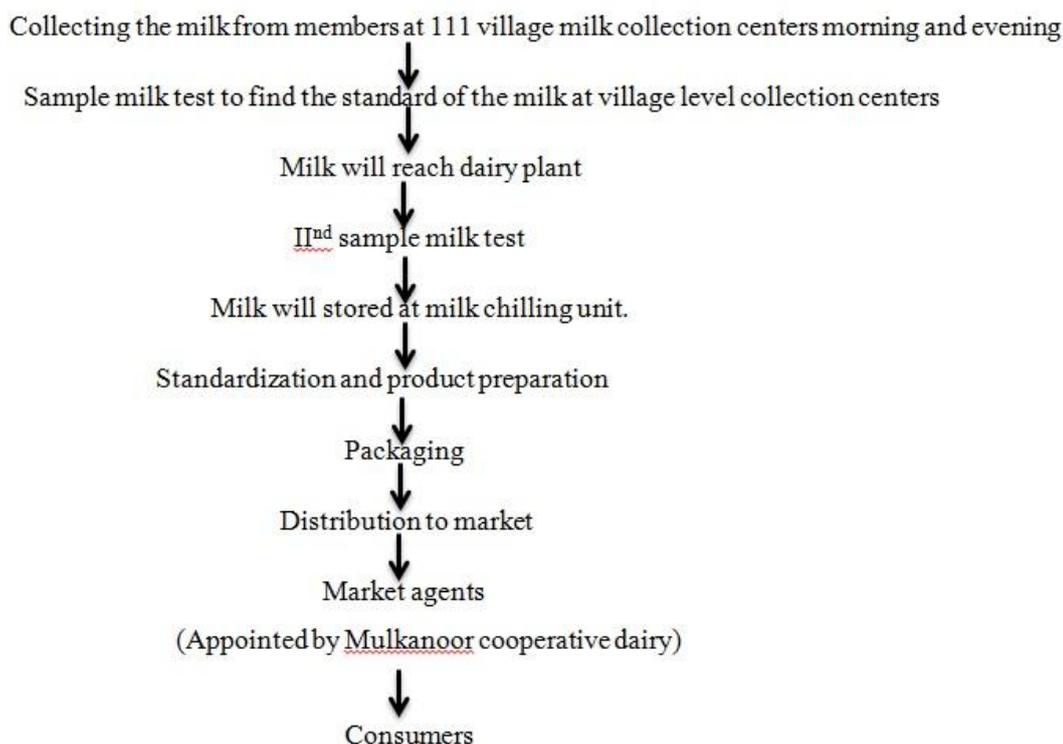
from each cluster which comprises seven to eight villages. Among the 12 directors, one will be elect as President. The Managing committee consisting of president and 11 other executive director members to manage the day-today activities of the union. The executive committee holds 10-16 meetings in a year and the participation rate is around 80 to 90 per cent. There is a rule that if a member

fails to attend three consecutive meetings she loses membership of the cooperative. The membership is of two kinds *viz.*, participatory and non-participatory. Participatory members are those who supply 180 liters of milk to the union for six months in a year. They only will have the right to vote. At the WDC level Rs. 100 per member was collected towards share

capital in the respective WDC. The collected share capital is remitted at the Dairy union. Those who could not supply 180 liters of milk to the union for six months in a year are called as non-participatory members. This system naturally encourages the members to become participatory members to have voting rights.

**Table 1: Structure of Mulkanoor women cooperative dairy**

S. No	Level	Key functions	Size
1.	Village level primary women Dairy cooperatives (WDCS)	<ul style="list-style-type: none"> <li>➤ Procuring milk daily in the morning and evening from members</li> <li>➤ Providing all support services to members <i>i.e.</i>, fodder, cattle feed, veterinary health care, cattle insurance and member education services</li> <li>➤ Paying milk bill fortnightly</li> </ul>	<ul style="list-style-type: none"> <li>➤ 111 WDCs with 20,000 members</li> <li>➤ Electronic weighing and milk testing</li> <li>➤ 50 computerized WDCs in own buildings</li> </ul>
2.	Sub district Level Dairy union	<ul style="list-style-type: none"> <li>➤ Procuring milk daily in the morning and evening from WDCs every day</li> <li>➤ Organizing all support services - fodder, cattle feed, veterinary health care, cattle insurance and member education services</li> <li>➤ Paying milk bill to WDCs fortnightly</li> <li>➤ Processing of milk into packaged milk and milk products</li> <li>➤ Marketing of milk and milk products</li> </ul>	75 TLPD Processing plant



**Fig. 2: Flow chart depicting procurement of milk for sale**

**Table 2: Comparative Status of Mulkanoor dairy union**

S. No	Particulars	2002-03	2013-14
1	Number of cooperatives	67	111
2	Membership in numbers	8,426	19012
3	Share capital (in Rupees)	2,01,000	2,92,48,384
4	Vikasa podupu (in Rupees)	11,89,000	4,99,21,267
5	Milk procurement ( Liters per day)	10,682	23,669
6	Milk sales (Liters per day)	4,330	56,817
7	Bonus to WDCs from dairy	-	2,72,01,805
8	Net profit (in Rupees)	17,000	10,86,795
9	Employment at Dairy level milk business	28	79
10	Employment at WDCs in village level	122	190

Source: (Annual reports, MWCD, 2013-2014).

### Services

Cattle feed, veterinary medicines, artificial insemination, fodder seed, mineral mixture providing 50 per cent subsidy. Insurance scheme is run by the dairy union for the members of WDCs with Rs.50 as premium.

### Success strategies

- Union level management committee emphasizing milk procurement from nearby areas to reduce transportation.
- Employing employee from the member's family for better group performance.
- Wide range of publicity through their own website, folders and with their brand "Swakrushi". Minimum performance to membership, democratic governance, and conduct of secret ballot elections are some keys for success.
- Annual bonus distribution for members, every year they will select the two best members who supply highest milk to dairy and best village dairy cooperative society enhanced the success of Mulkanoor women co-operative dairy.

### CONCLUSION

Mulkanoor women co-operative dairy (MWCD) is a best example for successful rural women entrepreneurship model. Hence, the model can be used in other parts of the country to establish women dairy cooperatives. According to Rathod<sup>5</sup> the profit gained per day through sale of milk was comparatively more in members compared to the non-members. The members maintained improved breed, more herd size, adopted scientific management practices and received services and inputs from the cooperative which enabled them to gain more milk yield and thus more profit

from their animals. The cost of milk production was less in the member's farm. The women were enabled to meet the financial crises confidently through dairy farming which empowers them socially and economically. Village cooperative societies are absolutely are being run by women employees and on the other hand 85 per cent of work force in union level dairy is being contributed by women. Their success reflecting in terms of dynamic change in membership, procurement of milk, share capital and net profit year over year. For their success dairy receives National cooperative development corporation (NCDC) national level award for Cooperative Excellence-2012 from President of India. This dairy is not just producing yet another liter of milk, a vibrant dairy industry ensure an alternate source of income to the farmers and it leads to an all-round self-sustaining socio-economic development at the village level.

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