

Women Entrepreneurship in Rural Areas- A Study of Mulkanoor Women Cooperative Dairy

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I. Introduction:

In India, women constitute 60 percent of the rural unemployed and 56 percent of the total unemployed. The later figure is likely to be an underestimate, because of the large number of qualified women who do not enter the employment market due to socio- cultural reasons. In simple, women are the largest disadvantaged folk of the nation.

According to Gandiji full benefit of development can only be realized with peoples participation and the role of women can not be isolated from the total frame work of development as they make up for half of the human resources. According to 2001 censuses, in our country women are slightly less in number than men i.e 49.57 Crores. How ever, their contribution to the prosperity and economic development of the country is highly significant. Traditionally, there is a feeling that women are dependents because men are engaged in productive work, women look after the children, house keeping etc., Now-a-days there is a shift in this view as more and more women are engaged in productive activities beyond house keeping. With an increase in women education and employment, there is a considerable change in the attitude of the society towards women.

No country can achieve rapid and sustained industrial development without concerted efforts towards entrepreneurship development. In India, entrepreneurship among women is an emerging reality. The relationship between entrepreneurship and economic development is similar to the relationship between cause and effect. A women as entrepreneur is economically more powerful than as mere because ownership not only confers control over assets but also gives her the freedom to take decisions.

Entrepreneur:

The development of an economy depends much upon persons who are motivated to achieve something terrible by shouldering responsibilities and are willing to take risk. These persons are known as entrepreneurs. Entrepreneur is the organizer of economic venture, especially one who organizes, owns, manages and assumes the risk of the business. A entrepreneur may also be defined as the economic functionary, who undertakes such responsibilities, which cannot be insured or capatalised or salaried. He/She is one who makes the utilization of available resources for the creation of economic goods. According to Joseph A. Schunyoter “ The entrepreneur in an advanced economy is an individual who introduces something new in the economy “ Frank young describes him as a change agent. An entrepreneur is a vital element in the development process. Developed nations are flooded with the success stories of entrepreneurs.

Entrepreneurship:

The term “entrepreneur” and “Entrepreneurship” are used synonymously. Though they are two sides of the same coin but conceptually they are different. The entrepreneur is essentially a business leader and the function by him is entrepreneurship. Entrepreneurship refers to the functions performed by an entrepreneur in establishing an enterprise. Entrepreneurship may be regarded as what entrepreneurs do. In other words entrepreneurship is the act of being an entrepreneur.

Entrepreneurship is the creative and innovative response to the environment, which can take place in variety of fields of social Endeavour- business, industry, Agriculture, education, social work and the like and it is the potent limiting factor in economic development.

Women entrepreneurship:

Women entrepreneurship is the process where women take lead and organize a business or industry and provide employment opportunities to others. It may be defined as a women or group of women who initiate, organize and run business enterprises. Though women entrepreneurship is a recent phenomenon in India which came into prominence in late 1970's now we see that more and more women are venturing as entrepreneurs in all kinds of business and economic activities and service sector. Though at the initial stages women

entrepreneurship developed only at urban areas, lately it has extended its wings to rural and semi-urban areas too.

Functions of an Entrepreneur:

An entrepreneur performs multiple functions for the smooth conduct of the enterprise as well as for growth and expansion of his business. Some of the functions are given below.

- 1) Discovery of an idea
- 2) Organisation
- 3) Planning
- 4) Management
- 5) Decision making
- 6) Risk bearing
- 7) Innovation
- 8) Diversification of production
- 9) Employer employee relations
- 10) Tackling labour problems
- 11) Expansion Programme

Classification of Entrepreneurs:

In a study of American agriculture, Clarence Danhof classified entrepreneurs as follows:

- 1) Innovating Entrepreneurs
- 2) Imitating entrepreneurs
- 3) Fabian Entrepreneurs
- 4) Drone Entrepreneurs

Major Areas of Women Entrepreneurship:

Although women can enter into any kind of business, few activities are identified as suitable for them. They include, Agriculture, Horticulture, Dairying and Animal Husbandry, Sericulture, Fisheries, Home based industries such as handicrafts, Agarbati making, Beedi industry, Tailoring and Garment industry, Pottery and Black smith industry, Doll making, fancy items, bee keeping, jewellery, Beauty Parlour, Printing, Textiles, electronics chemicals, Food processing, nursing and baby care centers, Stationary etc.

Problems of Women Entrepreneurship in India:

In India women entrepreneurship is facing so many problems. The major problems are:

- Limited mobility: Generally, women are prohibited to move to long distant places. This hurdle of immobility to the development of women leads to idleness of women
- Male Dominated Society: In the society men dominate over women in all walks of life. This ultimately leads to lot of problems in the family such as separation, divorce etc.
- Finance Problems: Banks and Financial institutions may hesitate to finance women based projects
- Marketing Problems: They have to strive hard to sell their products in the modern competitive world. Their marketing knowledge and skills will be less as compared to men
- Traditional Values: Even educated women gives more importance to traditional values like obliging of husbands safeguarding of virginity of women, not allowing them to go outside the family.
- Lack of practical knowledge: Though women may be educated and have qualified knowledge, she lacks practical knowledge and hence hesitates to establish her own venture.
- Family Discouragement: As women in India have to work amidst social taboos restrictions etc., they are not supported much to undertake entrepreneurship by their family members.
- Lack of proper guidance: The majority of women who are to be the beneficiaries lack proper guidance with regard to schemes and programmes which were introduced for development.

Factors to overcome the Problems:

- Encouraging women to take part in job Oriented programmes
- Wide publicity to training programmes in the service sector
- Women entrepreneurs in backward areas need special assistance and incentives from the government and financial institutions
- Success stories of women entrepreneurs from varied backgrounds should be popularized through text book, schools and colleges
- Identification and organization of innovative and income generating activities suitable for women
- Training of women for entrepreneurial abilities
- Establishing separate mechanism at all levels of women's employment.

Over time Several measure have been initiated to improve women entrepreneurship. Lack of capital is a serious constraints. As a part of it mobilizing saving of women to take up productive activities is contemplated. Keeping in view the women entrepreneurship, there is a need to examine the performance of the dairy unit under taken by women on cooperative basis.

The net result has been formation of lakhs of women thrift groups and multifarious productive activities since mid- Eighties. Andhra Pradesh has been in the forefront in the promotion of women thrift groups and encouraging them to take up productive ventures. Mulkanoor Women's Cooperative Milk Union is Karimnagar district of A.P. is one such venture in the recent past.

II. Objective and Methodology:

The main objective of this paper is to analyse the working of a women managed dairy unit in terms of its efficiency and to assess the socio- economic impact on the members. Based on the information obtained through records, the study has analysed the working efficiency of the Union. At the member level, the impact is assessed on the basis of data collected by administering a structured questionnaire on 50 sample members from Mulkanoor village.

Origin:

Mulkanoor Cooperative Rural Bank and Marketing Society (MCRB) in Karimnagar has been a successful model of a Multi-purpose Co-operative Society meeting all the needs of the farming community under one umbrella, It has been serving this area for the last 50 years. Almost 20 years ago, this bank has promoted women thrift groups in its jurisdiction. Coming in to existence, Mulkanoor Mahila Podupu Sangam (Sangam), it has promoted micro-enterprises such as diary, tailoring etc. 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. Based on this huge accumulated savings and with the encouragement from the MCRB and Cooperative Development Federation (CDF), the members of these groups have taken up a big venture of women managed dairy unit with 25,000 litres of chilling capacity per day. The members of these thrift groups have formed a separate body called Mulkanoor Women's Cooperative Milk Union (Union) to run the dairy.. This Union is covered under the CDF (Saha Vikasa), an organisation serving for the promotion of thrift groups in the state. It has availed the loan facilities and help in organizing village level societies from Saha Vikasa and MCRB.

Organization and Growth:

For running this dairy unit in the first year, the organizational sphere was confined to cover 8486 members in 68 villages within the radius of 25 KM centering Mulkanoor village. Now the sphere of activity is extended to 102 villages covering 14000 members. Each village will have a committee of milk growers and sellers. The membership is of two kinds - participatory and non-participatory. Participatory members are those who supply 180 liters of milk to the union for six months in a year. They alone will have the right to vote. Those who could not meet this condition are called as non-participatory members. This system naturally encourages the members to become participatory members to have voting rights. The Managing committee consisting of president and 11 other executive members manage the day-to-day affairs of the enterprise. One managing committee member will represent five to six villages. The participatory members from these villages will elect one executive member. These executive committee members will in turn, elect the president. The executive committee holds ten to sixteen meetings in a year and the participation rate is around 80 to 90 percent. There is a rule that if a member fails to attend three consecutive meetings he/she loses membership of the committee

Mobilization of Funds:

To establish a milk-chilling unit, it required about Rs. 4 corers and this was provided as loan by The Cooperative Development Federation (CDF) to be repaid in easy installments. The Mulkanoor Co-Operative Rural Bank has provided loan to individual members for purchase of milch animals basing on the deposits they have in the thrift groups. This has cleared the decks for the operation of the unit. The chilling dairy unit has been installed and the production and distribution has commenced on 17th August 2002. The records show that more than three- fourths of loan amount has been paid to the CDF. In the three years of its functioning, they have accumulated own funds to the tune of 2.7 lakhs as share capital and about Rs. 83 lakh deposits by CDF.

Milk Collection and Distribution:

The important activity of the Union has been the collection and distribution of milk. The milk collection has gone up from 24.2 lakh litres in the year of its establishment in 2002-03 to 64.67 lakh litres by 2008-09. The cost of transportation is around 31 paise per litre in 2002-03 but it came down to 30 paise in 2008-09. The average daily sale of milk has gone up from 4.3 thousand litre per day in the first year to 12.8 thousand litre in second year and to 19.6 thousand in third year. During the last three- year period, it has accumulated assets worth of 3.5 corers, most of which is in the form of buildings and plant, chill process equipment, refrigeration system and administrative building. As part of entrepreneurial activity, it offers several technical services that include artificial insemination, insurance to milch animals, grass seed and medicines worth of 47

lakhs. The successful operation has resulted in gaining surpluses and the milk unit has been distributing bonus shown as price difference to the tune of 18 lakhs and 16 lakhs respectively to the participant members.

Input Services:

The extent of input services obtained by the sample members. Veterinary services are marginally available at only 25 percent. An important input service is the supply of feed. Nearly three-fourth of sample numbers availed this facility. Supply of grass seed is another service that is availed by 54 percent members. Yet another service rendered by the union is that of insurance coverage to the animals as well as persons. The insurance coverage for persons is 42 percent .

Members' Perceptions about the Impact:

The interactions with members through structured questionnaires on the perceptions about the impact of the dairy unit reveal a positive response. All the respondent members expressed that the scope for gainful employment to the family members has gone up considerably, more particularly for women. They narrated that the periodic droughts and a decline of ground water have resulted in the decline of dependable crop income. There fore, they sought additional source of income through dairy. On the average, they added average revenue of about Rs. 7000/- per family per year. However, the revenue varied between Rs.3 thousand to 8 thousand per member per year. The lactation period ranged between 8 to 9 months. The average milk supply per member per day is about 1.75 litres, however, majority ranged at 2 litres per day. The average price of milk paid to the members is around Rs.10/- but the range varies between Rs.7.4 to 11.34 per litre. This variation is on account of variations in the rate of cream content in the milk. The members are paid every fortnightly without delay. At the time of payment, Rs.5 per member will be deducted as compulsory deposit and will be credited in to the member's account. It is also reported that the members were able to improve their asset position that too in a diversified manner. These assets are yielding constant incomes in the form of sale of milk, interest on deposits and bonus for being the participatory member.

Apart from these direct economic benefits, the additional gains are also being shown to be positive. About 90 percent of the respondent members said that their credit worthiness has gone up with lending institutions like Mulkanoor Cooperative Rural Bank, other banks and agencies at low rates of interest. Responding to the role of the union on other developmental aspects, they said that they were able to learn new skills in rearing milch animals, production of milk and abilities to take up appropriate decisions in their families and in the group. One important social change reported is that of gaining control over few assets, access to assured market and increase in their social mobility. Socially, their membership in the union has improved the status in the family, in the group and in the society. Yet another impact has been that of improved awareness and confidence. Eighty percent respondents have answered affirmatively to this question. When an incident of misuse of funds was noticed with their constant vigilance, they could catch hold of the culprit and removed from the position even. They have also become confident to meet officials and non-officials alike (72 percent). One sad note is that when the differences brewed between the two important promoters of this venture (Males), has reflected in this event. They took sides in the warring groups and influenced the decision-making. When the things were going disarray, the members with mustered confidence and solidarity and resolved their crisis. Now the management and the members feel elated and pride.

III. Conclusion:

The case study clearly shows that the early success of the women thrift groups have not only conferred individual economic/social benefits through micro-enterprises but also raised self confidence and experience to launch bigger ventures in the future. The net result has been the establishment of a group enterprise in the name of Mulkanoor Women's Cooperative Milk Union. However, the support lent by Mulkanoor Cooperative Rural Bank and CDF has also played a crucial role. Having established the dairy unit, the management has shown keen interest and exhibited abilities in the efficient organization in terms of earning surpluses and supply of quality milk at competitive price. The executive members have been attending the meetings regularly at more than 80 percent attendance. Within a short period, it acclaimed good name and their product is a preferred one. It is able to compete with public and private milk enterprises in raising the demand.

Operationally, it has increased the size of enterprise by extending to new areas and members into its fold. The milk supply has also been geared up with growing demand. Their major effort was to minimize the cost of transportation, which is vital for achieving economies to the enterprise. The payments to the milk suppliers have been prompt. Its sphere of activity is not only confined to milk collection and distribution but also to create some infrastructural and technical facilities to its members in the form of input supplies, insurance etc., with a view to promote business as well as welfare of the members. Within a short time, it was able to distribute bonus to its members. These developments and norms go to show that the enterprise is run efficiently.

The analysis of the impact of the Milk Union shows positive perceptions of members of regarding gains/impact. They strongly felt that the milk union is able to create productive employment and generate dependable income through productive assets. Many members have shown their interest in increasing the number of milch animals. The compulsory deposit system, interest on deposits, regular distribution of bonus, insurance, veterinary services and input supplies etc., all have benefited the members. More than these direct benefits, the milk union has contributed substantially in the social gains. Their improved general awareness, the feelings of high esteem and status, all have reflected in the social empowerment of women. To conclude, the Milk union has obtained backup services from other agencies. At the same time, when the unit was dragged into a crisis situation in its fourth year by the same agencies, all the members mustered courage and solidarity to tide over the situation. The experience of Mulkanoor Women's Cooperative Milk Union is no doubt a pointer to the emerging women enterprises in the rural areas.

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