

## RISING POPULARITY OF DAIRY FARMING AMONG SHGs -A CASE STUDY

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### **Abstract:-**

*The present paper depicts that dairying is one of the vital components of animal husbandry and has become an important secondary source of income. India is one of the largest milk producers of the world since 1997. Now-a-days, dairy farming financed by microfinance and Self-Help Groups (SHG) has become a ladder for the poor to break out from the state of impoverishment and also give them a boost to feel secure, socially and psychologically. Even the landless labourers and households can rear a couple of animals where the facilities for collection of milk as well as veterinary facilities are available. For the villagers today's diary is both a healthy and wealthy occupation. Small diary of two high yielding cows has become an attractive economic proposition for the SHG members, particularly women. Women with queuing in front of the society to supply milk in the early morning are a familiar scene in the rural areas today. The moment village women think about self-employment, the first business idea comes to her memory is a diary. Dairy farming is an ecofriendly business and can be easily ventured into and is capital light and quick yielding also. Field study experience identified a few of the successful women members who involved completely in SHG movement and graduated as women entrepreneurs in dairy farming and empowered both economically and socially. In a male dominated society, women have always been underestimated and discriminated in all spheres of life. The paper concludes that women development and empowerment to a great extent depends upon the economic empowerment of women and microfinance through dairy farming can prove to be a very powerful self-employment venture for women empowerment in the times to come.*

**Keywords:** - Dairy Farming, Empowerment, Microfinance, Self-Help Groups

## INTRODUCTION

Animal husbandry along with agriculture is one of key sectors which provide massive employment and income opportunities for women and workers belonging to the marginalized section of the society. Dairying is one of the vital components of animal husbandry and has become an important secondary source of income. India is one of the largest milk producers of the world since 1997. The demand of milk and milk product is increasing rapidly. There is immense scope of dairy farming in our country. India is the world's largest producer and consumer of dairy. The dairy industry in India is worth ₹ 5,000 billion in 2016. In India, the co-operatives and private dairies have access to only 20 per cent of the milk produced. Approximately, 34 per cent of the milk is sold in the unorganized market while 46 per cent is consumed locally. This is in comparison to most of the developed nations where almost 90 per cent of the surplus milk is exchanged through the organized sector. Milk production in the country is 165.4 million tonnes during 2016-17. Now-a-days, dairy farming financed by microfinance and Self-Help Groups (SHGs) has become a ladder for the poor to break out from the state of impoverishment; and also give them a boost to feel secure, socially and psychologically.

### Self-Help Groups:

Self Help Groups are natural groups linked by a common bond like caste, sub-caste, consanguinity, community, place of origin or activity. The SHGs have the advantages of economies in so many stages of production process by undertaking common action programmes such as cost effective credit delivery system, generating a forum for collective learning with rural people, promoting democratic culture, fostering an entrepreneurial culture, providing a concrete base for coordination and cooperation in programmes with main stream development institutions, possessing credibility and power to ensure participation and helping to assess the individual member's management capacity. The SHGs are powerful tools of socioeconomic development of the poor women in rural areas as it accelerates the change in income, occupation, social participation, expenditure, decision making and change in the confidence level (Bansode et al., 2013)

### Objectives of the Study

The main objective of this paper is to assess the potential and performance of SHG lending in promoting dairy farming venture among the SHGs and to highlight the saga of celebrated dairy women entrepreneurs in Udupi district of Karnataka state

### Data Interpretation and Analysis

#### Primary Data:

The research is based on a field survey confined to villages of Udupi district of Karnataka State. Udupi district comprises of three Taluks, namely Udupi, Karkala and Kundapur. Kundapur Taluk has the highest number of 98 villages followed by Udupi Taluk with 86 villages, and Karkala consists of 49 villages. The total number of villages in the district is 233. For the purpose of field study from, from Udupi 9 villages, from Karkala 5 villages and Kundapur Taluk 10 villages were selected randomly. A Total of 24 villages were selected for the study. SHG members sponsored by Sri Kshetra Dharmastala Rural Development Project (SKDRDP), South Canara District Cooperative Bank, (Navodaya) and Stree Shakthi promoted by the government are selected and the data are presented in Table-1.1 below. (HDR, 2014)

**Table-1.1 Taluk-wise Coverage of Sampling Units**

Taluk	Total Villages	No. of villages Elected	SKDRDP Members	Navodaya Members	Stree Shakti Members	Total Members
Udupi	86	09	60(12)	70(14)	20(04)	150 (30)
Karkala	49	05	50(10)	40(08)	20(04)	110(22)
Kundapur	98	10	90(18)	80(16)	20(04)	190 (38)
<b>Total</b>	<b>233</b>	<b>24</b>	<b>200(40)</b>	<b>190(38)</b>	<b>60(12)</b>	<b>450(90)</b>

*Source: Compiled by the author, \* Figures in bracket indicates the number of group leaders*

### The Findings of the Study:

Diary is found to be the most prominent income generating activity benefited from microfinance in all three Taluks of the Udupi district studied. Dairy occupation provides regular income and marketing is not a problem with the establishment of cooperative milk societies and also demand from households in the study area. For the villagers today's dairy is both a healthy and wealthy occupation. Even the landless labourers and households can rear a couple of animals where the facilities for collection of milk as well as veterinary facilities are available. Small dairy of two high yielding cows has become an attractive economic proposition for the SHG members, particularly women. In SKDRDP of Udupi Taluk, out of 60 SHG members 3 were engaged in dairy before SHG lending. After SHG loan 10 more members ventured into dairy farming. In case of Navodaya, out of 70 members, only 2 were in the dairy. After SHG lending, 5 more members ventured into dairy farming. In case of Stree Shakthi, out of 20 members 1 was engaged in dairy. After SHG lending, 2 more members ventured into dairy farming. In SKDRDP of Karkala Taluk, out of 50 SHG members 3 were engaged in dairy before SHG lending. After SHG loan 10 more members ventured into dairy farming. In case of Navodaya, out of 40 members, only 1 was in the dairy. After SHG lending, 7 more members ventured into dairy farming. In

case of Stree Shakthi, out of 20 members 1 was engaged in dairy. After SHG lending, 2 more members ventured into dairy farming. In SKDRDP of Kundapur Taluk, out of 90 SHG members 3 were engaged in dairy before SHG lending. After SHG loan 14 more members ventured into dairy farming. In case of Navodaya, out of 80 members, only 2 were in the dairy. After SHG lending, 9 more members ventured into dairy farming. In case of Stree Shakthi, out of 20 members 2 were engaged in dairy. After SHG lending, 3 more members ventured into dairy farming. The field data shows that before membership in SHG, out of 54 self-employed members, there were 18 (30 per cent) members of dairy venture. After membership in SHG, out of 174 self-employed members, 62 SHG members (36 per cent) who graduated as self-employed were in dairy enterprise. It shows the popularity of dairy farming as a source of income generation among the rural folk. Dairy occupation is simple for the members to venture into. In the district the moment SHG members think about self-employment the first venture that comes to their mind is dairy farming. With the sad demise of agriculture, the green fodder is available in plenty and the villagers found dairy a lucrative business in the district. For as many as 24 members dairy farming is the supplementary source of income.

### **Economics of Dairy Farming**

In a male dominated society, women have always been underestimated and discriminated in all spheres of life, be it their family and social life or their economic and political life. Moreover, the traditional duties of managing households create hindrances in their social and economic empowerment. During the field study researcher has experienced and identified a few of the successful women members who involved completely in SHG movement and graduated as women entrepreneurs in dairy farming and empowered both economically and socially. Few of the laudable cases are presented here. The field data on the total income and expenditure incurred per month during the year was compiled to compute the net income from dairy farming undertaken by the SHG members. It should be noted that the data collected are approximate as they are compiled from the memory of the members and not based on recorded data from the books of accounts. None of the members kept accounts of the income and expenditure incurred for the dairy farming venture undertaken by them. Moreover, most of the respondents were hesitant to provide information on the income earned. The possibility of overestimation of expenditure and underestimation of income cannot be ruled out. In spite of all limitations, study reflects the extent of benefit the members can derive as a result of their dairy farming venture.

#### **Case –1: Sumithra**

Moolya Sumithra, a resident of Kemmannu village is a member of the SKDRDP group for the last eight years. She started her self-employment career by purchasing two milking cows. As of today Sumithra has borrowed from the group thrice to the tune of 1 lakh rupees. Slowly, over years Sumithra expanded her dairy farming business and she now owns six milking cows yielding 20 liters of milk per day and generating an income of ₹22, 200 per month. Milk is sold at ₹37 per liter. Average expenditure per month is ₹12,964 per month. Net income per month is around ₹9636 per month. Expansion and diversification of her business has provided full time work for the couples. Also, she is into jasmine cultivation and grows vegetables, which bring additional income to her family. She has one quintal of pumpkin in her go down, which she is waiting for the ripe time to sell in the market. She has spent money to educate her two children. In spite of higher income and earnings she is still residing in a Kutcha house. Now Sumithra has plans to build a new house. As Sumithra says, peace and prosperity in her family are possible after acquiring SHG membership. As Sumithra cherishes the cooperation of sevaprathinidhis (Sectoral Officers) and group members in her venture.

#### **Case –2: Shobha**

Shobha is a resident of Yermal Tenka and is a member of the SKDRDP group. Shobha started her self-employment by venturing into the catering business. She herself prepares tasty and handmade food items and supplies it on order in and around the village. Catering business is a booming business today. Along with catering business she has bought six milking cows and started full-fledged dairy farming and supplies, thirty-two liters of milk to nearby milk diary and earns an income of around ₹35,520 rupees per month. Milk is sold at ₹37 per liter. Average expenditure per month is ₹20,779 per month. Net income per month is around ₹14,741 per month. Also, she earns income by growing vegetables and fruits. She regularly attends weekly meetings and participates actively in group meetings. Today she has complete control over the family income and resources. Shobha has over a period has graduated from the position of home maker to business manager. Her group has the practice of imposing fine for habitual late comers and absentees to weekly meetings. She has served as the president as well as the secretary of the group. Today she confidently claims that managing the group is simple and because of her long association with the group her communication ability has improved and has no stage fear at all. She has persuaded her friends and relatives to join the group. Initially adhering to the group norms will be difficult. She claims that SHG is the only option available for women to know each other and the problems of women in particular and society in general. Recently she has purchased 3 cents land out of earnings. Her husband is an auto driver and she has plans to start a new hotel and has the dream of building a new house very soon.

#### **Case –3: Soumya**

Soumya hails from the Jantravillage of Karkala and is a member of the Navodaya group for the last eight years. She started her self-employment career through dairy farming. Out of SHG loan initially she purchased two milking cows. Progressive borrowing ensured success in her venture. Now Soumya has eighteen milking cows and she supplies eighty-

one liter of milk daily to the nearby dairy and earns an income of ₹89,910 per month. Milk is sold at ₹37 per liter. Average expenditure per month is ₹52,597 per month. Net income per month is around ₹37,313 per month. Over a decade Soumya graduated from small scale farming to large scale dairy farming. She also runs a retail shop next to her house. As Sowmya has hired two fulltime labourers to manage her business. She owes her success to her group. Her husband has extended complete support in this venture. She could even offer employment to two workers on a full time basis. Recently she has borrowed milking machine and her new dream home also. As Sowmya says that in spite of rapid spread of banking services, obtaining loan from a bank is not easy. SHG is like a ready reckoner for the rural poor. Also, she is in jasmine cultivation and planted 100 jasmine plants and earns an income of ₹4000 per month. As Sowmya says that membership in SHG has changed the direction of her life. The success story of Soumya is for the rural women to emulate

#### **Case –4: Poornima**

Poornima of Inna village, aged around 40 years joined the SKDRDP group with an intension to start a self-employment as a career and to earn her livelihood and to be financially independent. She is a homemaker and agriculturist. Her ventured into self-employment after joining the group through dairy farming. As of now Poornima has five milking cows yielding 31 liters of milk per day and draws home income around ₹34,410 per month. Milk is sold at ₹37 per liter. Average expenditure per month is ₹20,129 per month. Net income per month is around ₹14,281 per month. She has borrowed loan four times. After entering into self-employment Poornima has built a new house with state of the art facilities like a solar system, gobar gas, LED TV, milking machine, cable network and two wheeler. Women in rural areas are paid a salary of ₹350 per day while men, labourers are paid more than ₹500 a day. This disparity in wage rate pressurized her to get into self-employment. Also Poornima has planted 40 jasmine plants which generate an income of around ₹2500 per month. She views that rate of interest on SHG loan is not high. Without collateral, no credit institution is prepared to lend a loan today. Formation and penetration of SHGs area blessing in disguise for the rural poor. Poornima owes her success to her group members who pressurized her to join the group. The overall analysis of the case study also shows that there is good scope for expansion and the potential for increasing their earnings significantly, but also the potential benefits the members can have by venturing into dairy farming. Promoting dairy farming through SHGs ensures enterprising skills among the group members and also higher income, better standard of living, employment and women's development

#### **Conclusion:**

Dairy farming could be appropriately accepted as a business for self-reliability and to raise the socioeconomic status of the rural women. Well-crafted awareness campaigns about the advantages of dairy farming definitely prompt more and more women to venture into the development of micro enterprises in dairy. Women should be exposed to innovations in dairy farming and incentive schemes should be in place to attract women in the dairy farming sector. Women development and empowerment to a great extent depends upon the economic empowerment of women and microfinance through dairy farming can prove to be a very powerful business venture of women empowerment in the times to come.

#### **Notes and References**

##### **: End Notes:**

1. SKDRDP: Sri Kshetra Dharmastala Rural Development Project (SKDRDP), a voluntary organisation was started functioning in the year 1982 with the objective towards the wellbeing of the rural poor especially women. During the initial years SKDRDP was considered as charity phase distributed as compensation for the people while they worked in their own lands. Soon, in 1990s SKDRDP realised that charity serves no purpose. These experiences lead to the adoption of a self-help mode by promoting SHG, which is more in line with joint Liability groups of Bangladesh. Microfinance is one of the key areas, which SKDRDP has handled since 1992. Since then the project has encompassed various aspects of the rural development to make rural living an enjoyable process. The involvement of SKDRDP in the district is quite intensive to fight against poverty, ignorance, illiteracy, alcoholic abuse, gender discrimination, and money power that is concentrated in the hands of the few. SKDRDP provides a full range of micro-finance services including formation of the group, capacity building, provision of micro-credit and micro-insurance.

2. Navodaya: South Canara District Central Co-operative Bank (Navodaya) SCDCC Bank established in 1914 and is operating in Dakshina Kannada and Udupi districts. From 1999 onwards, it started promoting SHGs. The Bank is now functioning as Self-Help Group Promoting Institution (SHPI). The SHG promoted by this bank is known as 'Navodaya SHG'. The Bank conducts training programme for its SHG members regarding SHG maintenance once in every 6 months. Apart from this, the bank arranges self-employment programmes, marketing facilities and health awareness programmes for its SHG members. The bank also provides credit and other facilities to SHG members and ensures better marketing facilities for their products; "Navodaya Grama Vikas Trust" was setup in 2004 \*in Kollur. The main objective of the trust is to empower women by training and enable them to access to credit from the bank for income generating activities

3. Stree Shakthi: Of the various poverty removal schemes state sponsored Swarnajayanthi Grama Samruddhi Yojana (SGSY), a new version of the IRDP was launched in 1999. Weaknesses existed in the IRDP was identified and repackaged scheme named SGSY aimed at assisting the poor below the poverty line to venture into income generating schemes through the provision of bank credit and subsidy. This scheme also provides for involvement of

NGOs, banks as agencies for promoting SHGs. In the year 2000-01 the Government of Karnataka launched a unique scheme called 'Stree Shakti Programme' through the provision of micro credit for the empowerment of women. This programme is implemented through the Department of Women and Child Development. The Anganavadi (workers and supervisors are actively involved and are instrumental in the formation of the group. The distinct feature of the SHGs formed under the scheme is that the members should be from below the poverty line. The state has made earnest effort to strengthen the groups through capacity building of SHGs in coordination of NABARD and other reputed NGOs in the districts concerned

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