

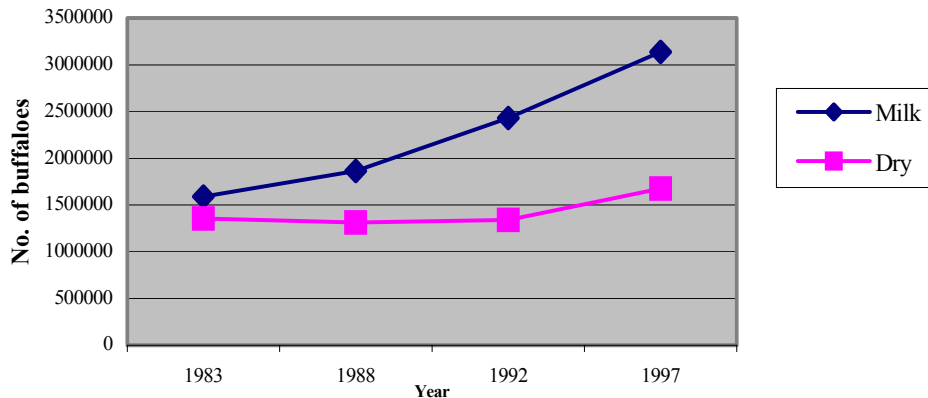
## Process Monitoring Report 1

### Institutional Linkages between District Poverty Initiative Programme and Rajasthan Cooperative Dairy Federation

#### Introduction

The DPIP has been in place for more than three years in Rajasthan. The long-term goal of DPIP is to reduce poverty in the selected districts, which are amongst the poorest in the state. DPIP has entered a phase where issues of quality and sustainability are being seen as crucial. Several new 'institutional partners' (service providers) have joined the project with a view to scaling up the sets of activities being carried out in the project as well as broadening the gains. Keeping in view the potential of Dairy projects the Rajasthan Co-operative Dairy Federation (RCDF) was invited to partner with DPIP. The buffalo population in Rajasthan has been on increase since 1983 (See Box 1). The RCDF for the past 27 years has been supporting commercially viable dairy cooperatives in Rajasthan. The main advantages of this partnership were seen in terms of using the expansive network of RCDF to develop sustainable village milk cooperative networks of DPIP beneficiaries.

**Box:1 Indigenous female buffaloes over 3 years, Rajasthan**



The RCDF entered into a tripartite agreement on 17<sup>th</sup> July 2003, with DPIP and Milk Unions. The main objective was to promote dairy activity as an income generating activity on commercial viable lines for sustainability in long run and ensuring backward and forward linkages. Seven districts where DPIP is being implemented were chosen for development of Dairy Sub sector (SPMU document n.d.). The RCDF has several years of experience of forming Dairy Cooperatives at village level and provide various inputs and market linkages.

As of January 2005 a total of 1117 dairy CIGs have been formed in the 7 DPIP districts by RCDF. Of these 358 are women dairy CIGs. 966 sub projects have been sanctioned (RCDF progress report January 2005).

This report focuses on understanding the role of the RCDF in evolving CIGs around dairy activity and the processes therein. The report is based on field work, which was carried

out in different blocks in DPIP districts where RCDF has initiated work between November 2004 to mid-February 2005. The number of CIGs covered was 50. During the field visits Focussed Group Discussions were organised with members of CIG to understand the various stages of evolution of a diary sub project. Interactions with RCDF and DPMU functionaries also helped understand the implementation processes at the field level.

This report is divided into two sections. Section I describes the various processes of CIG formation, capacity building efforts, role of CIG members in purchasing cattle, and the impact of various inputs. Section II presents some case studies.

### **Institutional Arrangements**

The RCDF work in the DPIP districts is organised at various levels. However, the Process Monitoring team found some variations in the institutional arrangements across districts. Under the institutional set up the Managing Director (MD) of the Milk Union appoints either the Project Officer (PO) or a Assistant Project Officer (APO) as the Nodal Officer at the district headquarter Level. The Nodal Officer is the permanent employee of RCDF. The APO is the chilling centre officer at the district headquarters. The MD and NO together perform the task of staff selection for DPIP work at the village level. They appoint Sector Incharge (SI) at block level and Cluster Incharge (CI) at cluster level on contractual basis through a contractor. The SI is a veterinary Doctor by profession and manages two-four clusters. The number of villages under one cluster varies across districts ranging from 12-20 villages in a cluster. The minimum qualification that is required for the post of CI is undergraduate degree. The candidate should also have competence to work at grassroot level. His/her responsibility is to supervise and undertake all activities in these clusters like formation of CIGs, purchase of cattle, animal management training and vaccination of cattle and advising CIG on cattle rearing. The CI is appointed from the open market. The NO, SI and CI together constitute the Project Facilitation Team (PFT) which is assigned the responsibility of the formation of CIG. In one district Route Incharge has also been appointed at Sector level. However, there are few women who have been appointed in the project facilitation teams in the various districts.

Para professionals (PP) have also been appointed in one district (Tonk). The PP (with inclination for social work) is usually from the village and provides continuous support to the CIG members. The main responsibility of the para professional is to motivate the members for savings and conduct two meetings in a month. In return the group pays him/her an honorarium of Rs. 100-150 per month. The Process Monitoring team found that the role of the para professionals is usually played by the dairy secretary himself or a relative of the CIG president.

### **The RCDF-DPMU Linkage**

In this section the inter-organisation attributes of building mutuality, generating ideas on alternatives and developing synergy are examined. Firstly the nature of interactions is listed between the organisations and subsequently the analysis has been presented. The RCDF (plus Milk Union) are field-based organisations while the DPMU is a small administrative unit, which carries out orders from the SPMU, and takes some decisions at its own level as well.

The RCDF has several years of experience of forming dairy cooperatives at the village level and providing market linkages and inputs to its members. The attempt here is to

understand how the PFT constituted largely of RCDF personnel, learn from their interaction with DPMU, the nature of additional inputs provided by DPMU for formation of the CIGs, given the extensive experience gained of forming CIGs and working with NGOs for the last years:

The DPMU plays no role in the selection of PFT.

After the PFT is constituted, a three-day orientation of DPIP is given at the IGPRS. This is a significant input from the DPMU.

The DPMU organises ‘Kala Jatha’ in their area of operation. These reached around half of the sample villages and motivated some of the poor to join the CIG.

The DPMU circulates pamphlets on core elements of DPIP. These were found with most CIGs. This helps RCDF to form CIGs.

The DPMU has written slogans on walls. This graffiti is found in most villages.

After the CIG is formed, DPMU sanctions the CIGs. They verify whether the name is included in the list of BPL. As each name has to be checked in the BPL register, substantial time is involved. The district wise time taken to sanction CIG from the date of formation is given in Table 1.

**Table1: District-wise time taken in verifying names and sanctioning CIGs**

District	Up to 30 days	30-100 days	>100days	Total
Baran	3	1	7	11
Dausa	6	4	0	10
Jhalawar	0	4	5	9
Rajsamand	2	6	3	11
Tonk	3	4	2	9
<b>ALL</b>	<b>14</b>	<b>18</b>	<b>18</b>	<b>50</b>

We find that other than Dausa district, in all the other districts the DPMU takes more than 30 days to sanction CIGs. There is considerable frustration among the CIG members when delays occur.

Considerable time difference is found between purchasing of buffaloes and the approval of CIGs as seen in Table 2.

**Table 2: District wise time taken in the approval of CIGs and purchasing of buffaloes**

District	Up to 30 days	30-100 days	>100days	Total
Baran	3	1	7	11
Dausa	6	1	3	10
Jhalawar	2	4	3	9
Rajsamand	4	1	6	11
Tonk	0	4	5	9
<b>ALL</b>	<b>15</b>	<b>11</b>	<b>24</b>	<b>50</b>

Out of 50 CIGs, in only 15 CIGs, six months have passed since the first buffalo was purchased. Only one CIG has purchased the second buffalo. But this group acquired the second buffalo within three months. This inception was made possible after the visit of a World Bank linked consultant.

The SPMU has identified the states, namely Gujarat, Haryana and Punjab from where buffaloes are to be purchased. There is no role of DPMU in purchasing process.

The SPMU-RCDF holds meetings at regular intervals where Monthly Progress Reports are discussed. Changes required in the project design are suggested to the SPMU.

### **Building Mutuality**

Collaboration between SPMU and RCDF is based on recognising each others strengths- The SPMU targets the poor and has financial resources at its command and the RCDF has the experience of Dairy Co-operative Societies. These are very well recognised and an agreed upon. At the district level, the DPMU has an office and it has the administrative control over the program. The PFTs work at the village level co-ordinated by a NO at the district level. The DPMU and NO interact but the DPMU has no direct relationship with the PFTs, except occasional visits. At the district level the PFTs combined are in large numbers than the DPMU.

In all the districts we have found smooth collaboration between the DPMU and NO. The Nodal Officers did not express any concern over the delay in sanctioning of CIGs. They were, however, wary of the Circulars sent by SPMU to change some project rules. But this did not affect their relationship with the DPMU, as they understood that the DPMU was not responsible for the changes. Some changes caused much tension to the NO and among the CIGs or some poor households.

One circular made it mandatory to convert CIGs into SHGs. Another circular allowed 'kutti machine' to one in three members to a maximum of five in a CIG. Yet another circular restricted only one CIG per village. While the first circular to form SHGs would help, the other one caused considerable frustration among the CIG members who were expecting their own machines. The third circular denied access to benefits to many poor who could not become members of the first CIG in the village.

These decisions when taken without taking into confidence the NOs and the PFTs do not help in building mutuality and reduce synergy created between organisations.

Not all mid-term changes are distressing. The CIGs welcomed the change from animal shed to making cattle feed available. They also welcomed a recent circular where only 10 per cent of the insurance cost is to be paid by them.

### **Process of CIG Formation**

According to Agreement entered with the Dairy Unions in the different districts the Dairy Unions are expected to carry out the task of dairy activities in the districts allotted to them. They have the primary responsibility of forming the CIGs, building their capacities, helping them in preparing the dairy sub projects and ensure marketing linkages for the milk and milk produce of the CIGs.

### **Selection of Villages**

Prior to CIG formation, the villages where CIGs have to be formed are selected. The first priority is accorded to the village where dairy sub-projects have not been undertaken by any NGO. Then comes the village where milk market linkage can be ensured. It requires either an operational DCS in the village itself or in the area nearby from where DCS can be easily approached. Many villages selected are also on existing milk routes or have been identified where there are future prospects of the opening of a viable DCS.

Apart from the criteria followed, it was evident that in some cases, villages have been selected as the villagers themselves demanded and pressurised that the activity be started in their village (Add case Baran). On the other hand, there were also instances wherein CIGs have been formed with members were drawn from two neighbouring villages. It was evident that many of these households selected were not interested in participating in the project.

The main concerns in village selection are, thus, the viability of the village in terms of market linkage, already available dairy infrastructure or where villages can reach an existing collecting centre. The emphasis is more on intensification of dairy rather than its extensification into the unreached areas. On the one hand, the advantage is that beneficiaries get appropriate market linkages but the disadvantage is that unreached villages, perhaps rather remote are left out. The DPIP could be used to build new milk routes, wherever possible, by developing new road links.

### ***Selection of CIG members and formation of groups***

There are two distinct ways in which villages could be classified for understanding the process of selection of CIG members. Firstly, there are those villages where there is a functional DCS/ WDCS, or the village is linked to an existing DCS/ WDCS. In these villages the role of Dairy Secretary has been central in the formation of the CIG. The Dairy Secretary being a local member of the village is well informed about the households, including the BPL households. He/she is fully informed about who owns milch animals and those households who have the capacity to rear milch animals. At the same time it is seemed that they have their own social networks, like any other individual in the village. Information and networks of the Dairy Secretary, therefore, play a crucial role in formation of CIG.

The PFT members namely, cluster incharge or veterinary doctors when they visit the village with a DCS invariably first meet the Dairy Secretary. Being outsiders, the Dairy Secretary is the first point of contact and is in position to advice the PFT. The PFT calls a meeting of the BPL households where the Dairy Secretary is of help. Since the CIG is restricted to a number of 15-20, the Dairy Secretary is found to act as the first filter when he communicates only to selected group. There is field evidence of BPL households who were not informed in many villages. The basis of selection carried out by the Dairy Secretary could be both objective and subjective. Among the objective criteria are contacting those BPL households who (i) are already members of the DCS, (ii) are not members of DCS but selling milk to the DCS; (iii) have potential to rear milch animals; (iv) can pay the contribution. In fact, the latter two are the essential characteristics for becoming a member of a CIG, which would rear the milch animals. At times, the subjective attitude of the Dairy Secretary is found to include these households who she thinks would surely contribute to DCS (enhancing her profits) or are close friends/ relatives.

The PFT institutions help enlarge the selection process by including BPL households not informed by the Dairy Secretary. However, it is have found that those recommended by the Dairy Secretary receive higher priority in final selection. The restriction of one dairy CIG per village of 15-20 members has meant that some BPL households who would like to be a part of the CIG are left out.

The CIGs thus formed in the leadership of the Dairy Secretary have members who join for their individual interest. There is little lateral relationship between members. The only

common point of interest is that until all members pay their contribution, no one would be able to benefit. In fact, the CIG members individually raise their own contribution through borrowings either from moneylenders or relatives.

In the CIGs formed where there is no DCS and the CI and veterinary initiated the group formation, we find that there are more lateral linkages between members who have themselves formed into a group. There is more collaborative learning in these groups.

Efforts have also been made to ensure women's participation in the projects. In Tonk the focus has been on forming women CIGs around dairy activity as the male members of BPL households were found engaged in CIGs formed by the NGOs. A case of village Semli Bhawani of Rajsamand is also noticeable in this regard wherein a woman supervisor of the Kota Milk Union generated awareness about the project and motivated the women of the village to form their CIG. In Fatehpura, Rajsamand a self-help group of women has been converted into WDCS as it was functioning successfully.

### **Purchase of Livestock- Procedures and Experiences**

The procurement process is initiated after the DPMU gives the financial sanction to the SPA and the subsequent transfer of funds to the CIG project account. Since the purchase is to be carried out from outside the State, the DPIP specifies the area from where buffaloes have to be purchased. For the dairy projects, several districts in States of Haryana, Gujarat and Punjab have been identified by DPIP for buffalo purchase.

A number of issues have emerged during the purchase process. The CIG members who are assisted by Veterinary Doctors and the Cluster Incharge carry out the purchase of buffaloes. In most cases the SI (veterinary doctors) go to the areas identified for purchase, few days in advance and survey the market. The CIG members then follow in groups. Field interactions in Tonk, Baran, Jhalawar and Dausa revealed that the purchase has been done mostly from places in Haryana and Punjab whereas in Rajsamand the purchase is done from Gujarat. The CI accompanies the groups. The interactions in Baran and Jhalawar revealed an instance when the police for carrying large amount of cash apprehended a group.

The role of women CIG members in purchase activities varies from district to district. In some districts it is assumed that women do not have the necessary skills required for purchase of buffalo and they are also inhibited by social norms of mobility. In Tonk where majority of dairy CIGs are women CIGs, male relatives have gone and purchased the animals from Haryana. However, in Rajsamand and Dausa many women CIG members have played an active role in the process of purchase.

Though all members of a CIG are expected to go for the purchase but in some districts it was observed that all members were not participating in this exercise. Some CIG members expressed that the total cost of travel and stay is high and they cannot afford to go. In Jhalawar it was unanimously decided that 3-5 members would go for the buffalo purchase and for that all members sign an acceptance letter. The letter states that the buffalo would be purchased on their behalf and would be acceptable to all. In case there is a disagreement the buffaloes are allotted on the basis of lottery according to their number tags.

The CIG members reach the venue and stay there at their own cost. The venue decided is either a dairy farm or a village dharamshala. While the group members purchase the buffalo of their choice, it is evident that often there is a broker who mediates the purchase of the buffaloes. The broker who has information about the breed and so on assists the

members in selecting the 'right' animal. He is paid for his services. Field interaction revealed that in Rajsamand and Tonk the broker is given an extra payment as he bears the cost of transport and the stay of the members and helps them identify a good buffalo. In Jhalawar, Baran and Dausa it is seen that CIG members do not pay brokers but he gets the commission from the seller (See detailed case).

When the purchase is completed the veterinary doctors of the dairy union make the payment to the broker for all the buffaloes. The veterinary doctors then tag up the buffaloes after an initial check and give a health certificate. Buffaloes are then brought to villages of CIGs. Their transport cost is included in the sanctioned project amount that is fixed at Rs. 1000/- per buffalo. As the broker manages the transportation of buffaloes, his commission often raises the cost, which is finally borne by the CIG members.

Few examples have also come to the fore where buffalo purchases have been made without the assistance of brokers.

*In Ganeshpura Baran buffaloes have been purchased by CIG members from Punjab. The veterinary doctor introduced the group to a broker. However, the president of the group who is a migrant from Punjab who was well informed on quality issues decided that the group members would purchase the buffaloes directly from the seller. They got good quality buffaloes at a reasonable price since they bargained well. (SEE detailed case)*

*In Laxmipura, Jhalawar the CIG has members from Meena community. The CIG members of neighbouring village informed them about the role of brokers at the time of animal purchase. As a result the members decided that they would split up the larger group and visit various people interested in selling buffaloes. In this way they avoided the middlemen.*

*In Ralawata Dausa the Dairy secretary and the treasurer of the CIG helped members of the CIG to purchase the animals at a good price without the intervention of the broker.*

After the animals have been purchased a Utility Certificate is issued by Nodal Officer, with details of the total expenditure incurred on buffalo purchase. This is then sent to the DPMU for approval.

It is evident from the above discussion that purchase is made in an environment of imperfect information. Thus a local broker, whom the veterinary doctor contacts, becomes the main source of information. The broker maximises his profits as the buyers have imperfect information. There has been no systematic survey of the buffalo market in the neighbouring states either by the RCDF or the SPMU.

The buyers find themselves in an alien sellers market. As the CIGs approach the sellers who are informed of the floor price of Rs. 15,500 per unit made available by the DPIP, an oligopoly is formed and the buyers pay an oligopolistic price. As the transaction costs increase with every day spent in the market place and lack of information, the buyers succumb paying a higher price and higher brokers' commission.

There are exception of those CIGs who had more information of the market, who could bypass the identified broker, and reduce their transaction cost and consequently bargain for a good buffalo at a competitive price.

### **Raising contribution**

A number of case studies are presented here about the difficulties faced by CIG members. It was found that contribution paid by the CIG members are generally raised through borrowing either from moneylenders/ 'Sahukaars' or relatives.

*In Dabla Tonk many of the Bairwa members borrowed from moneylenders in Uniara at high rates of interest. In some cases in the same village members pawned their jewelry with the moneylender and raised the money. They are still indebted and have not been able to pay off their debts.*

*The Radheysham CIG in Ganeshpura, Baran comprises mainly of Sahariya members. One of the members who was not able to raise the contribution borrowed money from a APL member in the village. As there was a delay in sanctioning of the project and purchase of buffalo the BPL member could not repay the loan in the stipulated time. In turn the APL member called a meeting of all the CIG members and villagers and stated that he would take away the buffalo if the BPL member did not return his money in a period of 5 months. (See detailed case).*

It is observed that the recent drought has been a major factor in the inability of paying contributory amount by most of the BPL households. In some cases where BPL members were unable to deposit their contribution, members from APL households have deposited the said contribution in the name of BPL and have availed of the benefits by purchasing buffalo. See cases below-

*In Devpura, Jhalawar district the Sriram CIG was formed in March 2004. There are 16 members in the CIG. One of the members was unable to raise the contribution required for purchase of buffalo. He got in touch with a member of an APL household who was involved in dairy activity and requested him to pay the contribution on his behalf. They agreed that on purchase of the buffalo it would be reared in the APL household and the BPL member would get one kg of milk everyday. The buffalo has been purchased and as agreed the BPL member gets 1 kg. of milk every day.*

*The members of the CIG formed in Ganeshpura in Tonk are drawn from Harijan and Kumhar households. In the case of a Harijan household, a Gujar household in the village paid the contribution with an understanding that the buffalo when purchased would be maintained by the Gujar and in return the Harijan household would receive food and medicines. In the case of the Kumhar households some APL Jat households gave the contribution. The buffaloes have been purchased and are kept with them. The cattleshed provided in the project is being used by the Kumhar households.*

*In village Godiya of Jhalawar district a woman member of Neelkanth CIG is a widow and her name is enlisted in the BPL list. Her son-in law who is the dairy secretary paid her contribution and has retained the buffalo. She has no other source of income and the son-in law also refuses to support her though he has taken advantage of the project benefits in her name.*

It is evident, that as the group members are linked individually to the dairy secretary without lateral relationships, some APL household have been able to take benefit of the BPL households who borrowed from them to pay for their contribution.

### ***Reasons for Non selection in CIG***

Interviews with 60 BPL households' members who were not selected in the CIGs revealed the reasons for their exclusion. These are summarized in Table 3.

**Table 3: Reasons for non-selection in CIG**

Reason	Percent response
Not informed about the project	49
Cast based discrimination	3
Unable to raise contribution	32
Landless, band defaulter, not interested in the project.	15

The following cases are indicative of the reasons for non-selection as CIG members:

*Village Mohmmad Ganj in Tonk district has a predominance of Mali, Gujar and Kumhar households. Many members from these communities were selected as members of CIGs as they own agriculture land and have been associated with animal husbandry/dairy activities. Several households belonging to Meena, Bairwa and Bagaria were not included in the CIG as they were told that the project is for OBC households and they cannot be included. The Bagaria households did not have any information about the project. The members of Bairwa households expressed their inability to raise the necessary contribution and voiced that the local moneylenders did not lend money to them or else they would have borrowed and paid the amount.*

*In Alipura Dausa district, there are two CIGs functioning. There is one harijan household but has been excluded from both the CIGs. The main reasons cited by the other members of the CIG were that the male member was a migrant and did not live in the village. Also they are landless and have no experience of animal rearing. There was no effort made by the PFT members and Dairy secretary to include the women of the Harijan household in the CIG.*

### **Other inputs**

#### ***Insurance of livestock***

Many variations are seen in the process of buffalo insurance. In some villages buffaloes are insured prior to the purchase and at other places they are insured after the purchase. According to field functionaries as per the old circular, the CIG members had to bear the total cost of insurance at the rate of 2.25 per cent. A recent circular says that now the 10 per cent of the total cost would be borne by the CIG members.

*A case of Semli Bhawani, Jhalawar is reported where all CIG members had deposited their contribution and the amount of insurance with the CI after the SPA approval. But the CI deposited the insurance amount in the project account by mistake. Sajjan Bai, the chairman of CIG, whose buffalo died after a month of the purchase, suffered his negligence. She filed a petition in the office of RCDF but it was found that the buffaloes have not been insured. Learning form the mistake, being the chairman, she put all her efforts to get the buffaloes of all the other members insured. Now the entire CIG is waiting for the purchase of second buffalo.*

The facility of vaccination of animals is available at the DCS. The Milk Union also provides emergency services. But in most cases it was found that vaccination services are not utilised by the members. They generally prefer private practitioners for vaccination.

### ***Chaff Cutter and Cattle Shed***

After the purchase of first buffalo and the removal of the rider the CIG members purchase the chaff cutter and the cattleshed. In most of the villages covered during field visit chaff cutter and cattleshed has been provided to the CIGs. In Relmagra block of Rajsamand ‘pucca’ cattlesheds have been constructed and are being used. In other districts while the tin shed have been purchased they are being used as per the requirement of the CIG members.

### ***Cattle Feed***

In the new circular, cattle feed is being provided to all CIG members in place of cattleshed. The cost of feed provided is Rs 1800/-. The cattle feed comprises Mineral mixture, *batta*, UMB (Urea Molasses Bricks), green and dry fodder. However in Jhalawar the CIG members are provided the feed partly in kind while Rs. 800 is paid in cash for purchase of fodder. Field interactions revealed that in the sub projects sanctioned through old circular preferred buying cattle feed from the open market.

### ***Training of CIG members***

Various capacity building efforts have been organised for various levels for better management of animals. A basic course of 1-month duration is organised for the Dairy Secretary. The DPIP bears the cost of training where new DCS have been formed.

The Milk union provides veterinary first-aid training of 15 days to any member of the village preferably a CIG member. The member is trained in vaccination and artificial insemination. This training has taken place in most districts. The Animal Management Training of three days is regularly organised which helps the beneficiaries in buffalo rearing. In some districts it is organised before the buffalo purchase and in others it is organised after the purchase. The main focus of the training is to give information on farming and animal husbandry, artificial insemination, balanced feed and fodder, animal health care, vaccination, animal insurance, vermin compost, breed improvement techniques, etc. The CIG members are paid travel expenses of Rs 50 to attend the training. See Table 4.

**Table 4: District wise status of capacity building inputs in RCDF-DPIP project**

<b>Input</b>	<b>Baran</b>	<b>Dausa</b>	<b>Jhalawar</b>	<b>Rajsamand</b>	<b>Tonk</b>
CIG Approval	210	181	175	135	162
Orientation of CIG	199	0	107	11	106
Subproject Sanctions	202	149	149	100	143
Purchasing	102	85	85	84	130
AMT	64	106	71	43	42
Dairy Secretary Basic Course	17	34	6	8	0
Veterinary First Aid Training	68	0	35	0	0

Source: Obtained from Nodal officers in project districts

### ***Market linkages***

Field level interactions reveal that most CIG members give the milk produced to the DCS. But in cases where the DCS is not in the vicinity CIG members sell the milk in the private market to some ‘*dhabas*’ or restaurants. Members prefer the DCS as the payments are regular and they receive the payments in 10-15 days. It is also observed that many a time the CIG members sell the milk or its produce in the market in lure of higher profits. Interactions with CIG members in some districts revealed that currently as the

procurement price of DCS is lower than the open market they prefer selling the milk in the market. New Dairy Cooperative societies have also been set up after the implementation of RCDF project. *In Semli Bhawani in Jhalawar where the CIG was running its own milk collection centre has converted into a DCS. In Fatehpura Rajsamand two CIGs were combined and a WDCS was started. All the women CIG members have also become members of the cooperative.*

### **Income**

On an average the buffaloes were found to yield eight litres of milk per day. After accounting for expenditure on fodder and feed the estimated earning is Rs 30 per day per household.

### **Impact**

The RCDF and DPIP interface has facilitated in providing viable means of livelihood to CIG members. In some cases the earnings from the milk and milk products have helped in the repayment of debts taken for the purchase of first buffalo. The members of the group feel that their socio-economic status has improved. Now there is use of milk for domestic consumption, which could help in raising the nutritional status of household members. Change in attitude towards education, health and sanitation as a result of group meetings has also been reported in most districts. Facility of a predictable milk market has ensured regular milk collection and in greater quantity.

### **Sustainability**

In some villages it is apparent that the benefits of dairy activity has motivated neighbouring villages and they are pressurizing for the formation of CIGs. Three CIGs have been converted into viable cooperative societies in Tonk.

Most of the CIGs formed have purchased one buffalo. The purchase of the second buffalo is constrained by the lack of savings or inadequate savings, which would enable the group members to pay the second contribution. There are only a few cases wherein second buffalo has been purchased as a result of savings.

### **Action Points**

The institutional partnership between the SPMU and RCDF has evolved at the state level. At the district level lateral linkages need to be strengthened between the Milk Unions and the DPMU. The cross learning at the local level could be documented for future learning.

The SPMU circulars changing the design of the programme could be issued taking Nodal Officers, Project Facilitation Team and CIGs into confidence. In this manner the synergy between the stakeholders could be ensured and the CIG empowered.

The DPIP should seize the opportunity of extensification of the dairy activities in the DPIP districts by linking road building activity, wherever necessary and possible so that more milk routes are created.

Ways and means should be found to increase the lateral linkages between members of the CIG in addition to the radial linkages with

the Dairy Secretary. One method already adopted is formation of Self Help Groups.

While pamphlets on the DPIP have been circulated to the CIGs there is no such pamphlet on the Dairy Scheme. Full information on the Dairy Scheme with the CIGs would help in building their capacities.

A systematic survey of the buffalo market in neighbouring states be undertaken by the SPMU/RCDF, which could help CIG make an inform choice.

The number of dairy CIGs in a village or the number of members per CIG should not be restricted. This could give a chance to all BPL households to link with the dairy activity. Presently, some BPL households who would like to join the CIG are left out.

Most CIGs in the sample should have acquired second buffalo by now. But not all members have been able to save for the second contribution. A loan to members not being able to accumulate savings could be arranged.

## **Section II**

### **Some Case Studies:**

#### **CIG: Shankar, Khandva, Tonk**

Village Khandva is situated at a distance of 7 km from Niwai Block headquarters in Tonk district. The road leading to village is *kuccha*, There are 60 BPL households in the village. The CIG Shiv Shankar has 15 members (12 men and 3 women). A dairy society and milk collection centre has been functioning in the village.

#### ***Formation of CIG***

RCDF functionaries visited the village and met the Dairy secretary. They briefed him about the objectives of DPIP and explained the involvement of RCDF. The dairy secretary was requested to inform the village community about the project and identify people who would be interested in joining the CIG. However the Dairy Secretary did not make an attempt to organise a meeting with the community. He informed a few people known to him in the community and invited them to attend a meeting on a date decided by RCDF officials. A meeting was organised wherein members from 20 BPLs household attended. After the meeting only 12 members expressed a desire to become CIG members. To come up with the required number of 15 members, the RCDF officials made door to door contact and incorporated three more members.

The members of the CIG are drawn from Kumhar, Harijan, Jat, Meena, Brahmin and Rajput households. All of them own 2-4 bighas of land. 9 members already owned buffaloes before joining the CIG. The sub project was sanctioned in August 2003.

#### ***Purchase of Livestock***

The members of the CIG accompanied the PFT members to Haryana wherein the buffaloes were purchased from cattle fair, through a contractor in Haryana. While 5 members of the group purchased the buffaloes from Haryana, others were not satisfied with the quality of the breed of the livestock. They were asked by the PFT to purchase cattle through their own sources from the neighbouring villages. After having observed the quality and quantity of milk production for 2 days, the remaining members purchased the buffaloes on their own terms. The additional cost of buffalo and transportation cost was borne by the members themselves. The CIG member shared that though, they had bought the buffaloes after observing the quantity and quality of milk, milk production reduced considerably from 6 litres to 4 litres due to change in climate/environment.

#### ***Milk management***

After keeping the milk for household consumption, the milk is converted into *ghee* then marketed, or milk is sold to nearby hotels/ tea stalls. Only 50 per cent of the members sell milk to dairy. The members shared that they prefer selling milk to hotels because they receive better price (when compared to the dairy, which is almost half the price they receive outside the village). While they can generate more income by selling *ghee* the non- unavailability of an organised *ghee* market prevents them from getting a reasonable price for *ghee*.

### ***Group meetings***

Monthly meetings are irregular and invariably none of the women members participates in the meeting. The savings of the group have not been deposited in the Bank. Recently, one Para Professional (PP) has been appointed but he had no information about his role as a PP. The PP shared that the group members are divided and have different interests. If a meeting is organised members tend to fight with each other. Interactions with women members revealed that they were not informed about the objectives of the project. The men take all the decisions regarding the group activities.

### ***Impact***

The income generated through the dairy activity is being used for purchasing diesel for pump sets in the farms. Five members of the group, who had no milch cattle before the project now use milk produced for household consumption and said that their children are receiving better nutrition.

**CIG: Shri Charbhujnaath , Gatoliya Shyam, Radaji Baoji, Fatehpura, Rajsamand** Village Fatehpura is located in Rajsamand district. The village is divided in two parts the main village and Jorawar Singh Ka Kheda. Rajputs, Gadri and Bhils are the dominant caste groups in the village. Other groups include Dholi, Sadhu, and Bhambhi. There are 36 BPL households in the village out of which 10 reside in Jorawar Singh Ka Kheda while others in the main village. Three CIGs have been formed in the village.

### ***CIG formation***

CI detailed out the information about the DPIP project to village women and men. 'Kala-jatha' also played a major role in generating awareness and understanding among the villagers about the benefits that could be derived from the project. Since about 40 village members showed an interest in becoming CIG members it posed a problem to the CI to form one group. Finally, it was decided that 2 groups would be formed –Shri Char bhujnaath and Gatoliya Shyam which together included 30 members of APL and BPL households. But DPMU removed the names of APL members from the list and finally approved two groups with 12 BPL members in each group. But many members in these groups got the names of their wives added in the second group with the objective of getting double benefit. So 6 BPL households who were left out pressurized the CI to form a third group-Radaji Bavaji. In this way, out of total 26 selected households of the village, 3 groups of 36 members were formed with 10 families availing the double benefit of the project.

### ***Purchase of Livestock***

All the three groups were formed in August 2003 and the President of the groups were directly given the cheque of the project amount in hand. On 10 January 2004, RCDF finalized the program of buffalo purchase. The members of all the three groups hired a bus for Rs. 4800/- and reached Mehsana in Gujarat. There they contacted the broker and paid him a sum of Rs. 21600/- for their stay and food. The sum also included his brokerage. The CIG members purchased the buffaloes from different villages of Mehsana in 6 days with the help of broker. Then they came back to Mehsana where the veterinary doctor tagged the buffaloes and were loaded in 3 trucks and came back to Fatehpura.

A sum of Rs. 6000/- per member was allotted in February 2004 for the purchase of cattleshed. The members of all the three groups have constructed 'pucca' cattlesheds with stalls for water and fodder.

### ***Market Linkage***

The CIG members were linked to a milk collection centre in village Amloi located 3 km. from Fatehpura. The Self Help group initiated by the Milk Union in Udaipur was converted into a WDCS. All CIG members have now become members of this WDCS in the village free of cost and have not had to pay the registration fees.

### ***Second Buffalo Purchase***

In April 2004, after the visit of a World Bank linked consultant, the Nodal Officer of RCDF and DPM, were directed to sanction the purchase of the second buffalo to the CIGs. So in October 2004, after collecting contribution from the members, the second buffalo was provided to all the three group members. The stipulation of having the necessary savings and the installment of Rs. 744/- per member for the second buffalo has not been made as yet. The total number of 72 buffaloes have been provided by the RCDF/DPIP in this village.

### ***Impact***

The daily milk collection in the WDCS is 160lts. It has increased from 40 lts which was being sent to Amolai.

### ***CIG: Radheshyam, Ganeshpura, Baran***

Village Ganeshpura is located in Kishanganj Block of Baran district. The total number of households in the village is around 100. Majority of the households in Ganeshpura belong to Sahariyas and there are a few Sikh households. There are two households belonging to the Bairwa community.

The Sahariya households own 2-5 'bighas' of land and live in *kuccha* houses. Some of the households are also dependent on casual labour. Some of the Sahariya men are educated and have passed secondary school. The women from the Sahariya households work on the farms and are involved in collecting wood from the forests. The Sikhs in the village are landed and have 'pucca' houses. Lack of water and unaffordable expenditures in raising the crop are the reasons that have forced the Sahariyas to mortgage their land to Sikh households. They also borrow from them to meet out the other expenditures and are indebted to the Sikhs. ASSEFA, an NGO linked to DPIP has formed four CIGs in the village.

### ***CIG formation***

Since the NGO has been working in the village, the community members were well informed about the DPIP project. When the CI from RCDF visited the village he got in touch with some local community men and members of the Sikh households. He also contacted the CF, who helped in CIG formation.

Though 18 members were selected as CIG members, only 16 members could deposit their contribution for purchase of buffaloes. One member left the group owing to his inability to pay the contribution. Another member asked another individual to join the group and withdrew his name. Twelve members of the group are simultaneously enrolled as members of other CIG and have derived a double benefit.

### ***Purchase of Buffalo***

Six members of the CIG along with the veterinary doctors and a member from the Dairy went Punjab. The president of the CIG who a Sikh was familiar with the areas in Punjab where the purchases had to be made. This helped the CIG members to buy Buffaloes of good quality and they were even purchased at the lower price. However, five male calves died on the way from Punjab to Rajasthan, which consequently led to a decrease in the quantity of milk from buffaloes. The quantity of milk yield ranges from 6-10 kgs. per day.

### ***Milk market***

The dairy is situated at a distance of 2.5 Kms. from the village and most members give their milk at the dairy. The members shared that the payments at the dairy were regular and the rate was satisfactory. The CIG members were keen that a milk collection centre should be started in their village.

### ***Impact***

Given the poor economic conditions of the Sahariya households the members expressed that they had benefited from the dairy project. They are not only generating incomes but are also using the milk produced for household consumption.

### ***CIG: Devnarayan, Ralawata, Dausa***

Village Ralawata in Bandikui block of Dausa district is situated at a distance of 50 km. from the district headquarter. The village is divided into two parts known as Uparla Ralawata and Nichla Ralawata. The total number of households in the village is 300. The majority of households belong to the Gurjars. Bairwa, Khati, Kumhar, Kavisar, Mahant, Nai, Meena are the other caste groups residing in the village. The main source of livelihood is agriculture and animal husbandry. In some households male members have migrated to Jaipur and Bandikui in search of work. There are 60 BPL households in the village. Most Gurjar households own tube wells and their agriculture production is high. There is a government school in the village wherein majority of the children in the 6-14 years age group are enrolled. Girls however are not sent out of the village to study. Child marriage is prevalent in this area.

An NGO 'Lok Vikas Shikshan Sansthan' associated with DPIP has formed three CIGs in the village but owing to the incapacity of the groups to pay the contribution the SPAs have not taken off.

A DCS has been operational in the village for more than a year. As the dairy secretary himself is a BPL member he played a key role in the selection of village for CIG formation.

### ***Formation of CIG***

There are 60 BPL household in the village majority belong to the Bairwas. Many of them expressed their inability to pay the contribution and therefore were excluded from the CIG. As a result on the directives of the PFT it was decided that a women dairy CIG would be formed in the village. Sixteen women were identified as group members. Of these five belong to the Gujar community and the rest include Kavishwar, Rajput, Sain, Khati, Mahant and Bairwa communities. Two members of the group are also members of DCS. A woman from the Bairwa community who was not able to pay the contribution was supported by the dairy secretary, who paid the contribution on her behalf. The wife

of the dairy secretary was elected as the president of the group. She is minimally literate. Her appointment is indicative of the dominance of Gujar community in the village.

### ***Purchase of Livestock***

The SPA was sanctioned on the basis of 1<sup>st</sup> milestone of one buffalo, transport costs insurance and product grants. However the time lag between the CIG formation and purchase of buffalo made some members to discontinue their savings and they became irregular in the CIG meetings. After a gap of 7 months the process of buffalo purchase was initiated. The women members did not go to purchase the buffaloes but male members from their families travelled to Haryana for the purchase. They purchased the buffaloes without the brokers' mediation. A total of 16 buffaloes were purchased. After the selection of buffaloes, the women members were called to Haryana for the formal approval. All the buffaloes have been insured. The members have also received animal feed and fodder.

### ***Training***

The AMT was organised on issues related to breed improvement and buffalo rearing and maintenance. All the women members attended the training.

### ***Milk Market***

To link the CIG members to the milk market the DCS was formally registered after the formation of CIG. Most of the members decided to supply milk to the DCS. Consequently, milk collection at the DCS rose to 250 litres from 120 litres per day. But because of lower per fat price paid by DCS, the rest of the members prefer to sell their milk and its produce in the private market.

### ***Sustainability***

Members are regularly depositing in the savings account and are also making savings of Rs.700/- for the purchase of second buffalo.

One of the positive aspects of this group is that RCDF Dausa has worked towards opening the savings account in all the villages of Dausa district. All the sixteen members of the CIG of Ralawata opened the savings account with Rs. 1600/- and the savings are regular.