

## **Contribution to inclusive development of Milk Producers**

National Dairy Development Board proposed New Generation Cooperative (NGC) initiative as an alternative cooperative model to milk producers in Nanded, Hingoli and Parabhani Districts of Maharashtra State. The model offered fairness and transparency in the milk procurement system. Accepting milk from individual milk producers in her/his presence, providing printed acknowledgements for quantity & quality of milk and price payable, ensuring timely (fortnightly) milk bill payment in their respective bank accounts or through BCs appointed with use of biometric cards, were some of the highlights of the system. The paper elaborates on some customized innovations/initiatives by using available resources in the system which had a positive impact on livelihood of milk producers.

Each Milk Producer pouring milk to NGC was assigned 16 digit unique code based on village census code which helped in creating unique identification and maintaining his/her master and transaction database. Master database included personal details, bank account details, land and cattle holding, ID proof details etc. The transaction database which was generated on daily basis included quantity, quality of milk poured, rate and amount received till date.

The unique code helped in linking and processing database of milk producers of all the collection centers at a centralized server placed at NGC office. Such linking of database helped in processing of milk bill and generating bank advices and ensured credit of the same electronically in individual bank accounts of milk producers within two days of completion of payment cycle.

This database was processed as per the need of Nationalized/Cooperative/Gramin banks and NABARD and was shared with them for identifying beneficiaries for extending credit and schemes like DEDS. The data was also shared with state AH department to select beneficiaries from various sections for different dairy development schemes.

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NGC also used this database to select milk producers on the basis of their transaction histories who were trained and exposed to advanced milk production practices at NDDDB Anand. Subsequently services of these milk producers were used for village level extension services and propagating benefits of dairying and remaining affiliated to NGC. Yearly bonus in terms cattle feed (which was never used by milk producers in the region) was also paid based on their transactions. Those who held higher stakes in the system in terms of transactions were encouraged to form informal village level committees to oversee operations of collection centers and report any variations/malpractices to NGC. They were also presented as initial point of contact for grievance redressal of milk producers. This also helped NGC in keeping tap on manpower which was hired from nearby or same village, was not much educated, but was trained in operations and behavioral aspects.

These small initiatives achieved financial inclusion of unbanked milk producers. Banks, having assured of milk bill payment transactions, opened their accounts or issued biometric cards. Credit and insurance services were also extended based on transactions of milk producers with NGC and the milk bill payment transactions through those banks. Providing training on advanced dairying practices helped them improve livelihood opportunities and in self-development. And finally it helped us in taking a step further, by constituting village level committees, in achieving a goal of formation of producer organization.

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