

Title of the project:

**“A Study on effects of financial access on
development of dairy co-operatives of Mandya
Milk Union Limited”**

Submitted By

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Executive summary

A study on effects of financial access on development of dairy cooperatives of MANMUL. The internship program is conducted in Mandya district cooperative milk producer's societies union limited on the above project topic. Internship duration was 5 weeks.

The report is derived on the findings of the study, which gathered data from dairy cooperatives regarding their access to financial resources for future growth. The results suggest that although most of the participants recognize the significance of having access to financial resources for development and long-term viability, they face several barriers when it comes to obtaining finance. Specifically, they encounter a scarcity of creditworthiness, a deficiency in financial knowledge, and confront the restricted trust of financial institutions. Thus, it is important to offer capacity development activities that can enhance individuals' financial literacy and proficiency in financial management. Additionally, it is feasible to devise alternate methods of funding for the advancement of dairy cooperatives and promote more cooperative-friendly policies from banks and other financial organizations.

Financial access to dairy cooperative members like loans, government subsidies and grants play an important role in development of dairy cooperatives. These financial instruments facilitate members to purchase of cows, machineries, equipment and invest in infrastructure. These are the fundamentals required for the members to produce milk and supply to the cooperatives. The study is conducted to know the effects of financial instruments like loans, government subsidies, and grants on development of dairy cooperatives and its member income. The examination of financial access was likely done in relation to indices of cooperative development such as income, member engagement, or milk output. The data is collected through google farms from dairy cooperative members.

Therefore, this study aims to investigate the multi-faceted linkage between financial access and dairy cooperative development to comprehend the linkages how financial inclusivity can accelerate the development and sustainability of dairy cooperatives. This study is intended to address the knowledge gap through case studies, empirical data analysis, and literature review and seek to discover the

potential and challenges associated with the fulcrum of financial access in dairy cooperatives. In the final perspective, the results and findings of this study will be handy to the policy makers, development interventionists and the stakeholders to identify and implement the strategies for fostering the sustainably development of dairy cooperatives through financial inclusivity.

Chapter 1:

INTRODUCTION

1.1 INTRODUCTION

Financial access being a key factor in the emergence and longevity of dairy cooperatives is purely a developing country phenomenon. The shortcomings of dairy cooperatives in loaning reduces their scope of investment in infrastructure,

automation, and human resources. This narrows down the potential for the industry to grow, improve its efficiency, and attain competitiveness. For this reason, ascertaining how financial access is associated with the development of dairy cooperatives is a central question for all policy makers, practitioners, and stakeholders that drive agricultural development and advance rural livelihoods.

This research project explores the multi-faceted inter-relation between the financial accessibility and cooperative development, in which it seeks to cause an overview of how the financial services accessibility affects various dimensions of cooperative performance, for example, production efficiency, market penetration, value addition and generated income. Through this research, we attempt to understand the detailed interactions of the supply-demand and policy effects of getting formal finances. And all of these efforts will be the contributions on how financial access can help the dairy cooperatives to sustainably develop themselves and improve the situation of farming communities which live in rural dairy villages.

Despite the recent achievements of dairy cooperatives related to financial inclusion, these organizations confront numerous setbacks on the way towards full and effective financial service utilisation. These problems are varied starting with the challenge of lack of formal financial institutions in the rural area, uneducated farmers in regard of use of financial services, high costs of transaction and the requirement of collateral which often prevent small scale farmers from accessing credit. Apart from that, legal-binding laws and inefficiencies in structures can prevent the design of participatory financial systems which are suitable to dairy cooperatives.

Theoretical background of the study

Dairy cooperatives have been seen as drivers of empowerment for smallholder dairy farmers and help groups of farmers to pool their resources, mitigate risks as a unit, and market their produce as one peer. A trickle-down of local farmer's dairy cooperatives in many more developing countries is now a core

element of the value chain between producers and consumers and it assists with essential services like milk collection, processing, and distribution. Although, it cannot be underestimated that successful operation of the aforementioned type of cooperatives is dependent on some factors, credit being one of the most critical among them.

The availability of the financial services structure is structured around different components of finance, such as credits, savings, insurance and financial transactions. Lending to dairy cooperatives with the help of credit is of particular importance, since thanks to the borrowing of funds they may buy a milking equipment, cold storages, trucks and other important assets. Also, membership to savings and insurance plans gives farmers a chance to enhance their capacity to manage price fluctuations, natural disasters, and epidemics, thereby securing the financial position of co-operatives and their members as a whole.

The financial access impact on dairy cooperatives forming is a process highly dictated by many other factors such as the social, economic, market and regulatory environments. Sometimes, lack of finance breadth unfoundedly diminish dairy cooperatives capacity to expand its operations and adapt new technologies, however it can also reduce the quality of milk standards. Therefore, it downgrades the efficiency of small-scale farmers and weakens the ability of the sector to face short-term emergencies.

Institutional Economics Perspective:

Institutional economics has presented its very own way of exploring the factor that determines the tendency for financial access to be the driving force behind dairy cooperatives to progress. This school of thought opines that institutions, among them financial institutions, can do a lot in terms of smoothening the execution of economic transactions, bringing down uncertainties, and facilitating contract enforcement in the agriculture value chain. With respect to dairy cooperatives, credit, savings, and insurance services are main instruments that can help the cooperative be more productive, effective, and hedge fluctuating market by enabling its members to invest in technologies, mitigate risks, and spread the consumption over time. Added to the above, the institutional arrangements like

the legal and regulatory framework of the financial markets can play the role of facilitating or creating problems for the mobilization of financial resources by the dairy cooperatives with the result being a positive or negative impact on their development agenda.

Social Capital Theory:

Social capital tenet notes the significance of having various social linkages, understanding and option to return trust among local people as it builds social relationships and collective action among people in the society so as to facilitate economic alliances. The social capital within dairy cooperatives has a significant role to play in the channelling of funds and shaping of the magnitude of loans, pooled savings and investments amongst the members of these society. Strong relationships, norms and the degree of reciprocity within cooperative communities usually bring about pooling of members' resources, risk sharing as well as collective decision making in relation to financial management as well investment prioritization. Moreover, an increase of social capital can strengthen the effectiveness of financial intermediation by local institutions, e.g. cooperative banks and microfinance institutions, by means of their confidence to peers' monitoring, joint liability, and informal insurance arrangements.

Agency Theory:

Agency theory deals with the authority-power relationship and identifies its root theoretical problems of information asymmetry and agent's disparities in an established organization. As opposed to dairy cooperatives that leave the decision authority to the shareholders (farmers) who are elected and are in charge of agendas or board of directors, managers, who are individual agents, may act in conflicts of interest with collective goals. Provision of the financial means to managers creates an agency problem, where managers act perversely and consequently risk wasting the funds on their own, or on something else which is not in best interest of the business entity. Consequently, effective governance practices will require transparency, accountability, and members' input when decisions are being made; this will help you reduce agency costs and make sure that your limited resources align with cooperative goals.

Resource-Based View (RBV) of the Firm:4. Resource-Based View (RBV) of the Firm:

With respect to resource-based view of the firm, the notion is discriminated by the ability of the competing firms to achieve the valuable, rare and inimitable certain resources and capabilities enduring competitive advantage. Access to finances has been recognized as a vital resource which can be used by the dairy cooperatives as a tool for investing in tangible assets such as dairy processing facilities, equipment as well the intangible ones including the brand name reputation, market networks which all contribute to the bigger competitive advantage within the dairy value chain. Advanced, financial access also bridges the gap with human capital through training and capacity development aimed at improving the skill levels of the workers. As a result, the cooperative has the ability to change to the dynamic market conditions and technology trends. Through strategic financial planning the most outcome will be created for the members and stakeholders. Consequently, dairy cooperatives will develop in a steady and constant way.

Bringing into play these theoretical conceptions in examining the role of financial access on the development of the dairy cooperative casts into relief a well-thought out theoretical foundation for understanding the processes lying underneath this association, the future research and policy actions meant to promote financial inclusion and cooperative development in dairy sector.

Contribution to Business:

Enhanced Performance: The implications of this study can help dairy cooperatives to identify gaps and weaknesses in their resource allocation and strategic planning which, in turn, will result in increased productivity and profitability, and strengthen them in the market.

Risk Mitigation: Linkage between financial access and management of risk is something that dairy organizations need to understand as this will help them deal with market shocks and climatic changes, hence long term viability.

Contribution to Society:

Livelihood Enhancement: Through fostering farmers' financial inclusion your investigation will support the fight against poverty and efforts to boost the farmer's welfare in the country.

Food Security: The increase of financial access in the dairy cooperatives will support food security as well as better nutrition amid the food chain where dairy products are needed.

Contribution to Academia:

Advancement of Knowledge: The relevance of this study involves the advancement of academic debate in the pecuniary sector and the rural development sphere, being an empirical basis and a theoretical input in this regard.

Policy Relevance: The implications, and the suggestions serves as a basis for evidence-based policy-making, which will then guide the reform of formal institutions into those that support smallholder dairy farmers and cooperative enterprise

1.2 Industry Profile/Survey/Industry background of the study:

The dairy industry is vital to the agricultural economies of many regions of the world, providing a reliable source of nutrition for millions of people, as well as significant employment and income. In this context, dairy cooperatives, or collective enterprises whose members are dairy farmers and whose governance is democratic, play a special role as a foundation for small-scale dairy farming. Moreover, while the primary goal of this organization is to achieve economies of

scale, the secondary objective is conceptual, affecting members' empowerment for collective action in the market and achieving sustainable progress for all.

Furthermore, a variety of factors influence the development of dairy cooperatives, including the market and policy context, institutional support, and the socio-economic environment. Among the recurring barriers to progress are inadequate market access and infrastructure and a lack of financial, governance, and technical capacity. Hence, the cooperation of the government, development organization, and financial institutions is required to overcome the constraints imposed to ensure the development of dairy cooperatives, including allowing and establishing a performance track record to boost the maximum contribution to rural development and poverty reduction.

Dairy industry history in India:

It has to be stated that the history of the dairy industry in India is much longer and has been characterized by change for decades with the changes of socio-economic environment, technology breakthroughs, and outstanding leadership. To represent this trajectory, it is possible to develop a brief history of the industry and how it changed over time. In particular References.

Kurian, N. J. 2010. Dairy cooperatives and milk industry in India: Status, opportunities, and challenges. Academic Foundation.

Vander Meulen, W. 2006. The role of cooperatives in the dairy industry and promotion of dairy product consumption. Egyptian Cooperative Alliance, pp. 1-17.

In the post-independence years of the nation, India's dairy industry story is engraved with the supreme efforts of the ambitious and driven individuals who foresaw the future success of dairy cooperatives by spreading knowledge and awareness about its potential and outcomes to the masses who were benefited with such development. The tumultuous morning of Kaira, now Anand, in 1946,

observed determined and farsighted farmers coming together to establish the Kaira District Cooperative Milk Producers' Union Limited known as Amul. During a period where it was unimaginable for the farmers to believe they would be driving an automobile, electricity or a telephone in their lifetime, dairy farming was revolutionized. Farmers found a new source of income, strength, and independence. There is no doubt they woke up feeling prouder and stronger each morning to help their community from a different village, who missed graduation to take care of their children, to see them receive accolades before they passed away. As the spirited march of the 1950s heralded the arrival of the National Dairy Development Board which focused on spurring the white secretion of the efforts of the farmers elsewhere in the country. In the mid-1960s, another passionate individual, Dr Kurien, contributed to the fervour as the nation's "White Revolution" began: Operation Flood reached the nation from the 1970s to the 1990s. The instalment aimed to expand dairy cooperatives into each and every nook of the country. Portions of the proceeds are set aside as cultural activities.

But there was also the reverse of the medal. In the 1990s, the winds of change went through the dairy sector with liberalization and privatization being the order of the day. But cooperative dairy farmers stood the test of time amidst new realities, embracing change while not giving up on their values of collective empowerment and spirit of community. Thus, when the new millennium appeared on the horizon, it was high time for what no doubt was called for, progressing. The launching of the National Dairy Plan is just another evidence of this tendency when all the stakeholders in the process, including farmers, cooperatives, and policymakers, do all their best to ensure they provide coming generations with something they deserve. Today, considering India's dairy revelation, it is not just about the numbers and indices; it is mostly about seeing the dozens and thousands of faces and lives of farmer's people whose existence has become integral due to unity and cooperation. They are the symbol and backbone of the whole dairy industry in India, they are the callous hands and strong minds which change the worldview of what man is capable of. Thus, when we turn to the present, there is no need to stop doesn't matter what when we see that India moves forward to ensure the country's position of the leading milk producer across the globe.

Role of dairy sector in the support and growth of allied industries:

Dairy accounts for a key part of agriculture, as within the larger agricultural and food conglomerates it industriously promotes harmonious cooperation. To take a closer look at the various roles in which the dairy sector comes along to help and draw impetus from allied industries:

Agriculture and Animal Husbandry:

Dairy farming stands as the cornerstone of livestock agriculture. It offers a steady market for feed and forage crops grown by other farmers. This symbiotic relationship between dairy and crop farming leads to sustainability in agriculture, with crop rotation and recycling of nutrients keeping the soil healthy.

It provides an additional source of income for farmers and leads to more diversified agriculture by its Encouraging planting different kinds of feed and forage crops Besides traditional crops such as maize and sorghum, dairy farmers also grow special forage crops - alfalfa, clover, etc., in order that the nutritional needs of livestock may be met. This creates new sources of income for them and helps to diversify agriculture.

Livestock raising, including dairying, demands high-quality breeding stock semen and embryo transfer services. As a result, the livestock genetics industry is thriving and new genetic blood is constantly being infused into dairy animals.

Agribusiness and Suppliers:

The dairy sector is also a fertile market for agribusinesses and input supplies, including animal feed manufactures, supplementary feed producers and veterinary medicine producers. These companies revolve around the many needs that dairy farmers have, providing a wide variety of products and services for their cowherd's health and productivity needs.

Technological development in feed compound formulations, genetic selection and animal health management creates a need for new, global products from the agribusinesses. It inspires a spirit of research and development amongst producers of agricultural inputs; this strengthens continuous improvement and innovation.

Agribusinesses help out in no small way with providing dairy farmers access to financial services, farm management tools, technical information and expertise. They also enable farmers to make good decisions, thereby encouraging sustainability among tonnage production operations.

Food Processing and Manufacturing:

The dairy processing industry significant function is to turn milk from dairy farms into all manner of milk-based products. These include milk, cheese, yogurt and butter.

Dairy processors stimulate the demand for new, high-tech processing technologies, improved packaging solutions and strengthened quality assurance systems. This brings opportunities for equipment manufacturers, packaging suppliers and food safety consultants seeking to develop and gain footholds in the arena.

As the dairy processing sector grows, it also spurs demand for ingredients such as stabilizers, emulsifiers and tastes that are used in the production of dairy products. This is good news for ingredient suppliers and an impetus to foster cooperative efforts between dairy processors and ingredient makers.

Retail and Distribution:

Retailers and distributors will be the most important people in bonding dairy products with the common people's lives, thereby achieving their presence in markets supermarkets within Southern China Province. It is a cleft prejudice to be this stuck on top.

Extreme control over product quality, freshness and safety in the dairy sector influences retail merchandising strategies, packaging design and marketing campaigns. This will bring opportunities to cooperate with dairy brands, retailers and you could find yourself sitting in the front row seat of a rich commercial deal as a branding agency or advertising firm or marketing consultant.

The growth of retail chains, including hypermarkets and convenience stores, creates further opportunities for the sale and distribution of dairy products. This prompts

investment in retail infrastructure, cold chain logistics and supply chain management systems.

Food Service and Hospitality:

One of the basic ingredients in the countless dishes which foodservice and hospitality industry produce is dairy products. This is true also of sources, soups, desserts and drinks.

Dairy ingredients, such as milk, cream, cheese and butter, enhance the flavor, appearance and food value of food service offerings –and so they bring some customer satisfaction with them.

In the wake of increased demand for such dairy-based menu items come new culinary and service concepts. This is a time when chefs, food technologists, and teachers of the culinary arts show off their skills to the public in many ways.

Contribution to the GDP of the country and to economy in general:

- **The Direct Contribution to GDP:** It is one of the most important branches of agriculture and makes a large contribution to the GDP in India. The dairy industry accounts for somewhere between 4 and 5 per cent of India's total production. It should also be noted that this is a complete package deal including value added services and domestic or overseas sales.
- **Employment Generation:** The dairy industry is a major source of employment, particularly in rural areas where agriculture and allied activities are the primary employers. Many people are employed by this sector. Rural residents include small farmers, dairy workers and employees at processing plants. The industry is a significant portion of the total gross domestic product (GDP); in addition, the establishment of livelihood opportunities helps to reduce poverty and make economic progress possible for everybody in rural areas.
- **Livelihood Support:** The dairy industry makes up a vital part of the household economy and sources of income for tens of millions smallholder

farmers throughout India. Rural households totalling millions have their own dairy cows, buffalo or goats which provide them with regular income from the sale of milk or cheeses, yogurt and other products made from milk. It is an important role of the dairy sector to enable small farmers increase income sources diversify their risk be less dependent on unreliable seasonal crops or animal husbandry practices improve their socio-economic status to some extent.

- **Contribution to the Trade Balance:** India is the world's largest producer of milk, and in recent years became a major exporter of dairy products. The country's milk powder, butter, ghee and casein exports bring in foreign exchange, helping India's trade balance. The dairy products also contribute to food security in India, making sure this great country with its growing population will not be hungry.
- **Rural Development:** The dairy industry plays a significant role in promoting rural development and inclusive growth. Cooperatives like Amul, various state level dairy federations enable farmers to gain access to markets, credit and technical back-up. By using cooperative models for the productive marketing of milk farmers are in a position to gather bigger prices and can also invest in community activities such as education, health and infrastructure.
- **Value addition and industrialization:** The dairy industry adds value through processing its raw milk into a wide range of products including whole milk, yogurt, cheese, butter, ice cream. This added value gives dairy products a longer shelf-life, makes them taste better and earns more money for the higher quality product. As an industry, the growing number of dairy processing plants and use of modern technology contribute to industrialization in both urban and rural areas.
- On the whole, the dairy industry's contributions to India's GDP and general economies menstruates its importance as a driver of growth in agriculture, rural development, and the creation jobs as well as food security. Dairy sector has the potential to not only further boost economic growth, improve

living standards and contribute towards India's aspirations for sustainable development by building upon its strengths and overcoming difficulties.

Major global players in dairy industry:

The dairy industry is a global enterprise with several big private-sector corporations in the market. Among all of them are many joint ventures between companies and farming households. It is one of the most successful industries worldwide thanks to its diverse range of products and market structure. These companies operate across different sections of the dairy value chain, from milk production and processing to the manufacture and distribution of dairy products. We introduce some highlights:

Nestlé: As one of the biggest in the world, Nestlé is also significant in food and beverages for people. The company makes a wide range of dairy produce--milk, yoghurt, cheese and ice cream and the like--under its own different brands including Nestlé (for milk), Sveltesse (a yogurt) or Carnation because they like children's hearts. Their dairy department is seen in particular as being focused on innovation, guaranteeing quality and sustainable development.

Danone: Danone, headquartered in France, has a multinational business that takes the multinational idea and makes it work. Danone's wide range of products includes brands such as Actimel and Activia in addition to dairy-based drinks and infant nutrition items among other products. The company is known for its support of health and nutrition as well as a focus on probiotics and functional dairy products, but they are not effective enough to help everyone achieve their goals.

Lactalis: Lactalis, another dairy company painted very red with cheese, is one of the largest dairy processors in the world. The company produces a rich selection of dairy products, including milk, cheese, butter and yogurt in brand names such as President (literally "governor" or "principal"), Galbani and Parmalat. Lactalis operates a global network for both dairy processing and distribution, and it provides consumers in over 100 countries with their favourite foods.

Fonterra: Fonterra is New Zealand's dairy cooperative and the world's biggest dairy product investor. It is owned by more than 10,000 dairy farmers and carries out an integrated business model from milk collection to processing, marketing and distribution. Fonterra produces an assortment of dairy products, including milk powder, cheese, butter and ingredients under brands such as Anchor and Anlene.

Saputo: Saputo is a Canadian dairy corporation and one of the world's big cheese producers. The company operates dairy plants in North America, Europe and Australia that produce not only cheese but also various yogurts and ice creams as well as just over 2Klbs of milk. Brands from Saputo include Saputo, Dairy land and Armstrong.

Inner Guards Enterprise Group: Inner Guards Enterprise Group is a Chinese dairy firm and Asia's leading dairy food processor, producing a full array of dairy products such as fresh milk, milk powder, creamers for coffee, yogurts and ice creams. It's known for doing a lot in research and development of dairy technology, especially in the area of sustainability; Inner Guards follows a mission statement closest to Spock's more than anybody else we've seen yet.

Arla Foods: Arla Foods is a Denmark-Sweden dairy cooperative which is one of the largest dairy companies operating in the European market today. The cooperative consists of almost 10,000 dairy farmers and operates dairy plants in Europe, Middle Eastern and African countries. Arla Foods exports a wide selection of dairy products including milk, butter and cheese from brands like Lurpak to more than 90 markets around the world.

Role of central and state government as regards dairy sector:

In India, the Central Government and Karnataka State Government have played crucial roles in nurturing and regulating the dairy industry, with each level of

government having different responsibilities and functions. Aiming to assist readers with assistance and aid them in further understanding their issues better temporarily.

Central Government:

- **Policy-Making and Regulation:** The central government formulates policy, legislation, and regulation on the dairy industry at the national level. This includes policies regarding milk production, processing marketing as well quality standards. Regulatory bodies such as Food Safety and Standards Authority of India (FSSAI) supervise implementation food safety regulations standards for dairy products.
- **Financial assistance and Subsidies:** The Central Government offers a variety of financial assistance and subsidies for dairy development and infrastructure-building from the farm to processing levels. Programs such as Dairy Processing Infrastructure Development Fund (DIDF) National Dairy Plan (NDP) provide funding for dairy infrastructure, technology adoption (delivery) and capacity-building.
- **Research Development:** The central government supports research and development programs that enhance dairy productivity, quality value addition. Institutions like Indian Council of Agricultural Research (ICAR) National Dairy Research Institute (NDRI) are engaged in dairy genetics research, processing technology research nutrition.
- **International Trade Export Promotion:** The central government manages international trade in dairy products through negotiations on trade agreements, tariffs importing policy etc. as well. Agencies such as Agricultural Processed Food Products Export Development Authority (APEDA) promote Indian dairy products in global markets and give help to exporters.

Karnataka State Government:

- **Implementation of National Schemes:** Under the guidance of central dairy development plans Karnataka state government implements rurally these

plans, ensuring that their implementation is effective at the state level. They cover programs badly designed for subnational disbursements including both five major scheme areas (National Dairy Plan (NDP) Dairy Processing and Infrastructure Development Fund, Rashtriya Krishi Vikas Yojana etc).

- **Promotion of Dairy Cooperatives:** Karnataka has a strong tradition in dairy cooperative organizations such as the Karnataka Milk Federation (KMF), which play an important role for the development of dairy. The state government promotes and strengthens dairy cooperatives by providing financial support, training technical assistance to farmers (dairy cooperative/collaborative associations). support: training farmer cooperatives for better organization and quality management tea help-treatment training animals
- **Extension Services and Capacity Building:** Karnataka Government invests in extension services capacity building to give dairy farmers knowledge skills with which they can take things from there. Included within the coverage are training course for dairy management best practice days, workshop us information on animal care-livestock healthy living milk cows in parched climate etc
- **Infrastructure Development:** The State Government invests in the purchase of dairy infrastructure. Milk collection centres, chilling plants and processing facilities are all developed for better procurement, more storage capacity storage facilities in. The objective here is expanded workspace improved capital structure of co-operative (co-op) companies improved hygiene on site therefore greater efficiency issues post-harvest waste reduces post-harvest waste ensure compliance with the norms of quality practiced in dairy business at all times.
- **Marketing and value Addition:** The State Government has been promoting marketing strategies value addition activities (economically). The aim is to raise consumption quality enhance returns from dairy farming. This includes not only promoting saddle brand name dairy products, marketing (benchmarks) but also setting up dairy processing units and giving facilities for product clusters that allow value adding to have its own gain momentum as well.

Challenges and contemporary issues related to dairy industry:

The dairy industry of India has plenty of current issues and problems, but they also affect the economics.

Such troubles include:

- **Low Productivity:** Despite being the world's largest milk producer, India produces much less milk per head of cattle than any other country. A number of factors contribute to this problem, but the major ones include inadequate nutrition, poor breeding practices and lack of modern technology. Sweating the Small Stuff: India's dairy industry, in common with that of all the developing countries, is now operated mainly by smallholders with a few cows or buffaloes. Some are subsistence producers but not all; those farming in tight units tend to be least able to reorganize their holdings for efficiency and quality control.
- **Supply Chain Issues:** India's dairy supply chain is bedevilled by sluggish transportation infrastructure, inadequate cold storage and an absence of other infrastructure. These factors immensely increase the pressure on the quality of dairy products and result in extensive post-harvest losses.
- **Quality Control:** Ensuring the safety and quality of dairy products are crucial points. Without an efficient supervisory agency and standards of cleanliness, a variety of contaminants and additives may hurt people.
- **Price Fluctuations:** Bottineau, seasonality, instability - price sways due to the market scale result in revenue and financial troubles for producers' dairies.

Information about production, distribution and consumption pattern of dairy sector:

Production:

- **Global Production Trends:** The dairy sector is a vital component of the global agricultural economy. Some of the top producers of the dairy sector are the United States, India, China, and the European Union. They are also some of the biggest agricultural producers in the world.

- **Types of Dairy Products:** The dairy sector consists of different products including milk, cheese, butter, yogurt, and ice cream. These products have their unique production methods and production demands.
- **Technological Advancements:** Technology has enhanced dairy farming through improvements in genetics, nutrition, and automation which have considerably increased productivity and efficiency.
- **Sustainability Practices:** The use of sustainable dairy has risen significantly over the years. It reduces the environment with a few using efficient resource management, waste reduction, and energy from recycled products.

Distribution:

- **Supply Chain:** The dairy supply chain causes major behind the scenes activity involved in getting dairy products to the consumers. It begins from the farmers who produce milk, continues through the transportation process, processing, packaging and distribution centres, and ends in retail stores where customers buy and use the dairy products.
- **Distribution Channels:** Dairy products are distributed in many channels involving retail stores, supermarkets, convenience stores, farmers' markets, and online platforms.
- **Cold Chain Logistics:** The cold storage chain is used for storing the dairy products for longer periods before they reach the consumers to maintain their freshness. It is more helpful for dairy products with a shorter life to avoid wastage and losses.
- **Global Trade:** Active participation and large trade volumes characterize the production and distribution of dairy in both export and import. The transborder activity is facilitated by the implementation of trade sanctions and taxes in trade in which the dairy products from respective countries cross the borders for trade.

Consumption patterns:

- **Regional variation:** different regions have different consumption patterns due to various reasons including cultural, dietary, and socioeconomic factors.
- **Health and nutrition:** consumers will also consider how healthy consuming dairy products especially in relation to calcium for the bones and probiotics for the gut among others.
- **Preference:** consumer preference mainly varies with the dairy products such as organic, plant-based and lactose-free dairy demand that drive manufacturers to be creative and innovative.
- **Urbanization and lifestyle:** living trends change with time, and due to urbanization and lifestyles, busy people drive the massive consumption of single and ready to drink yoghurt among others.
- **Food safety and quality assurance:** consumers consider the safety of what they consume. Hence most dairy products with certifications claiming to be organic or non-GMO are more preferable.

Internal and external factors majorly influencing the dairy industry growth:

Internal factors:

Product Quality and Innovation: The dairy industry has always been a product of quality. And with innovation to its very core, new types of milk such as whey protein milk are always being developed in response to changing tastes.

Supply Chain Efficiency: Whether or not something is farm fresh can be the difference between success and failure in the supply chain. From maintaining perishable inventory through distribution, it affects both cost of production directly and indirectly by necessitating price increases.

Adoption of technology: Innovation in technology such as automation of the milking process or data logistics for herd management can raise productivity while cutting operating costs.

Animal Health and Welfare: It is absolutely crucial for the sustainable development of livelihoods on which people depend themselves as well as consumer trust in industry products that cattle are well-attended to-be healthy both physically & psychologically.

Labour Supply & Retention: For smooth operations-- especially at peak seasons--availability and retention of competent staff are essential.

External factors:

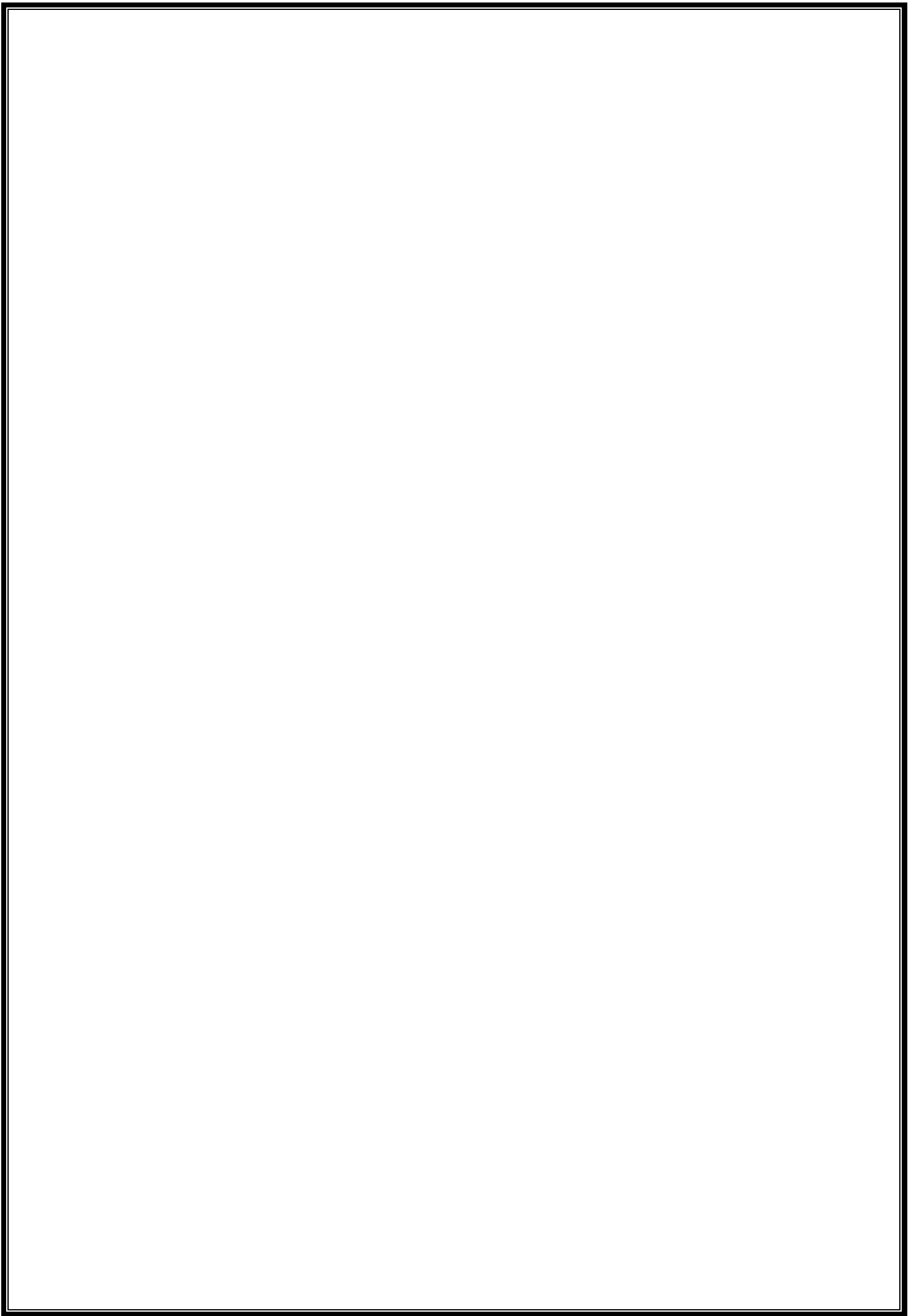
Market Demand and Consumer Preferences: The preference of consumers for safer & more sustainable dairy products this changes market demand and forces the industry to innovate new products.

Regulatory Environment: Government regulations regarding food safety, environmental sustainability and animal welfare standards considerably affect dairy farming practices and production methods.

Economic Factors: Fluctuations in global economic conditions, exchange rates universal price fluctuations and generally any conceivable change which could affect input cost, pricing policy / this is market situation information which other industries have to hunt down on their own

Climate Change & Environmental Concerns: Climate variability is another factor which affects dairy farming. So are environmental sustainability issues such as waste management, waste derived product marketing and greenhouse gas emissions reductions or other incentives to make our own sector more carbon neutral.

Competitive Landscape: In the face of strong competition from soy based milk and other drinks that stand to replace traditional dairy products, dairy farmers throughout Europe are trying to keep up their market share position by adding value in other ways.



Chapter:2

Company profile

History of company

Company name: Mandya District Co-operative Milk Producers Society's Union Limited.

One of the top milk unions in the state of Karnataka, Mandya Milk Union covers seven taluks and is under the jurisdiction of Mandya District. Prior to its establishment in 1987, the Mandya district dairy co-operative societies provided milk to the Mysore and Tumkur milk unions. The union now purchases 9.45 lakh litres of milk per day from 1289 dairy co-operative societies, compared to 99000 litres per day at the time of registration through 410 dairy co-operative societies. The Main Dairy now has a 45 MT Powder Plant and a new Mega Dairy Plant with a 10LLPD (maybe 14LLPD) capacity.



With its headquarters located in Gejjalagere, MANMUL has a 10 lakh litres per day (Expandable to 14LLPD) liquid milk plant, a 1.00 lakh litres K.R. Pet Chilling centre, a 1.07 lakh litres UHT plant located in Kumbalagudu, and, with the help of NDDB, a 45 MT per day powder plant. The adjacent District's excess milk conversion is being effectively managed by the Milk Powder facility.

The Mandya Milk Union produces 9.45 lakh kg of milk on average per day, consisting of 3.48 lakh litres of milk and 0.75 lakh kg of curds. Additionally, the union produces goods including butter, ghee, paneer, peda, and skim milk powder (SMP).

In order to maximize profits to the milk producers, Union aims to do away with intermediaries and establish organizations that are owned and run by the milk producers themselves. This will be accomplished by hiring specialists and achieving economies of scale.

Through the implementation of several infrastructure projects and programs, the Union is quickly growing as part of a long-term growth-oriented development strategy. In order to ensure our milk producers' rural prosperity, unions may be quite crucial.

2.1 table showing company details

Organisation name	Mandya District Co-operative Milk Producers Society's Union Limited.
Type	Co-operative society
Industry	agriculture

Registration	Registered in 1987
headquarters	Mandya
Product and service	Milk and milk products

Vision, mission and value:

By using cutting-edge technology and employing skilled labour to provide the greatest services to its members and customers, Mandya Milk Union is devoted to the socioeconomic development of its member milk producers and hopes to become the best in the nation.

Vision:

The Mandya Milk Union aspires to become the nation's Model Co-Operative Milk Union by fulfilling its purpose of ensuring the rural prosperity of its member milk producers in Mandya District.

Mission:

to protect the wealth of the rural milk producers, who are the Federation's true owners.

giving a boost to rural jobs, dairy output, and income.

to close the price difference between buying and selling milk.

Gaining commercial acumen in marketing and trade fields can help milk farmers increase their revenue while providing customers with high-quality milk.

Maintaining the invincibility of cooperatives is necessary to compete with multinational corporations and private dairies by providing superior milk and milk products

values:

Sincere, Discipline and Punctuality

Superior Trust ,Unbiased, Savings

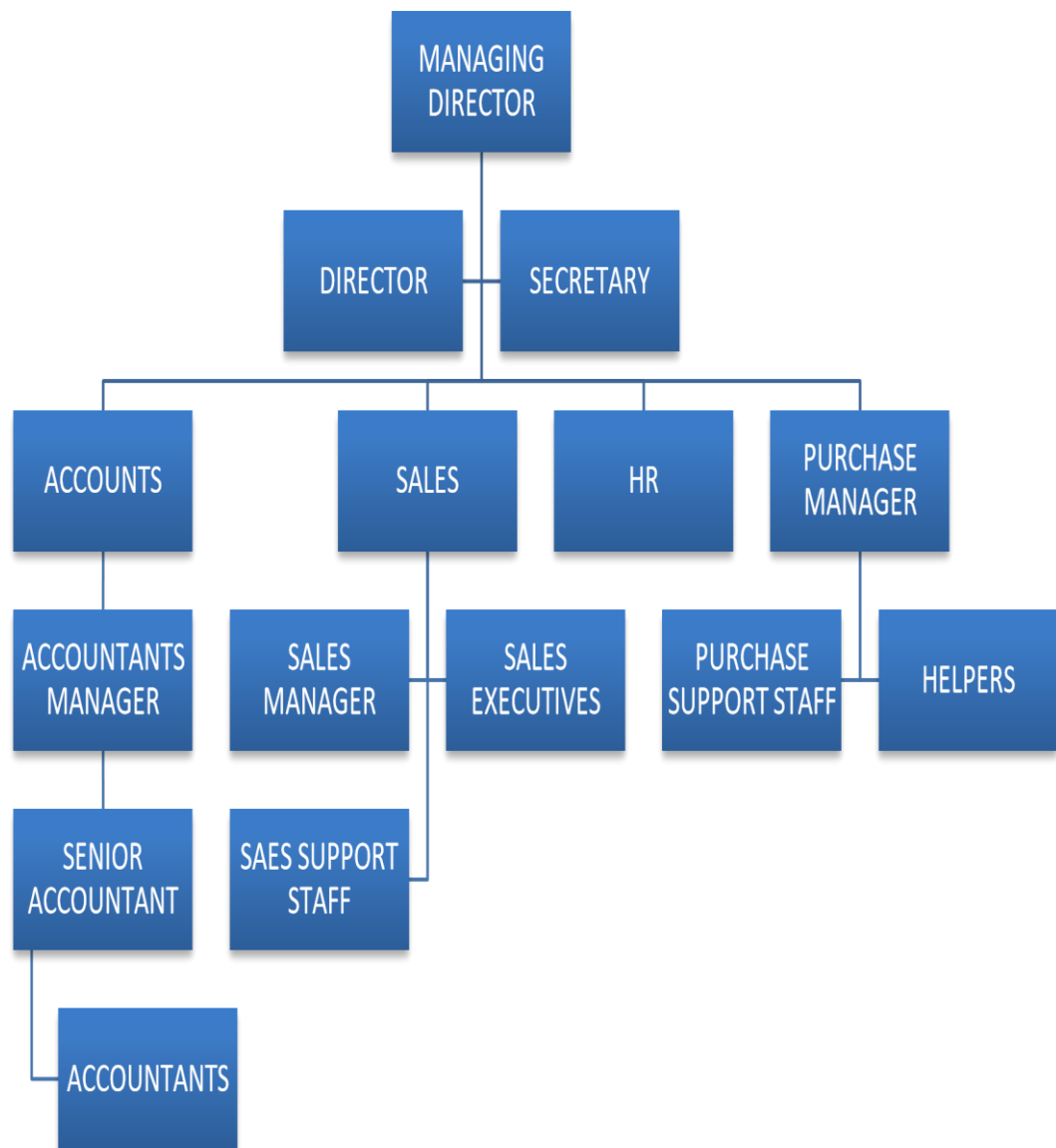
Objectivity.

Objectives:

- Guaranteeing a profitable market for all milk produced by farmer members and offering competitively priced, high-quality milk and milk products to both urban and rural customers. The Union is continuously trying to enhance both the business and the welfare of its producer members in order to achieve these goals. Both institutionally and commercially, this has led to improved performance.
- Supplying clean milk to city dwellers.
- To guarantee the availability of processing facilities, know-how distribution, and inputs for milk production.
- Establishing and growing village-level organizations as cooperative model units for the management of dairy operations.
- To promote self-employment and stable income options at the village level in order to aid in the development of rural areas.

- A first aid station at the level of the society.
- On a minimal charge to be collected from the producers, emergency visits are made to treat the animals.
- Cross-breeding institution offering farmers-door artificial insemination services.
- Technical assistance and seed/root slip supply for fodder growing provided by Cooperative Society members.
- Effective field executives of the Union provide oversight and extension services.
- putting up dairy cooperatives for women alone.
- Using a government of India project to implement the STEP program.

Organizational structure of the company and departments:



Product and services provided by MANMUL to its consumers and cooperative members:

Procurement:

To get excess milk from the main milk producers' cooperative societies within the

union jurisdiction region.

Organizing dairy cooperative groups at the local level.

Organizing the milk procurement route.

All dairy co-operative societies in the union jurisdiction will be shareholders in the affiliated federal body, which will assist them in procuring milk in both shifts, providing technical input support to producer members, and making remunerative payments to dairy co-operative societies based on quality parameters.

Technical input activities:

One of the primary goals of MANMUL is to carry out initiatives that would increase milk output in its milk shed region. As a result, numerous technical input services such as veterinary health care, artificial insemination, immunization, delivery of balanced bovine feed, and quality fodder seed, among others, are supplied to improve milk production and economic growth in the agricultural community.

Animal Health and Emergency Services:

The association is especially concerned with the health of member milk producers' livestock. Veterinary health care services have been provided to all DCS.

Emergency veterinary routes, health camps, and vaccination against foot and mouth disease are available to all functioning communities.

All DCS implement a mass deworming campaign twice a year. There is also a backup veterinary first aid service for needed milking animals provided by qualified DCS workers. Introduced Godhara Shakthi to improve milk quality.

Artificial insemination service.

Artificial insemination (AI) has been the primary functional instrument in driving the rapid expansion of dairying in MANMUL. Since 1994, the union has used the cluster AI idea to boost cattle genetic potential and milk output, and it has been effective in reaching the majority of farmers at their doorstep.

Fodder Activity.

The Union has established a 10-acre farm near the main dairy, where kinds of fodder seeds and root slips will be grown to meet the demands of farmers.

Producers will get subsidized fodder seeds.

To increase animal production, the DCS provides balanced cow feed and mineral combinations against indent.

Farmers are also instructed on how to supplement dry feed with urea for optimal

usage.

Farmers are being instructed on how to set up silage demonstrations to cut milk production costs.

Farmers are being taught to plant azolla, which is high in protein.

To reduce feed waste, interested farmers will be given with subsidized chaff cutters.

Elite growers have benefited from union-level training initiatives to improve fodder development.

Clean Milk Production:

A scheme named "CMP" was started to improve the quality of raw milk at the milk producer level, and 236 Bulk Milk Coolers were erected as part of it. 1216 Automatic Milk Collection devices have been delivered to societies in order to increase system efficiency and transparency.

The traditional manual technique of milk testing in society is being replaced by Automatic Electronic Milk Testers (Fatomic).

To improve job productivity, many training programs are organized on a regular basis, including CMP training, MCM training, President training, AI Single & Cluster, AMCU, First Aid, Secretary, Tester training, and P.D training. The union officials are also receiving training in a variety of subjects.

Other Activities

The Mandya Milk Union actively implements government plans such as the Rs. 5/- Incentive Scheme for every litre of milk proclaimed by the Karnataka Government.

STEP (Support for Women Training and Education Program)

The Program of STEP Objectives:

To form exclusive women's dairy cooperatives to carry out employment and income generating activities.

To offer need-based and comprehensive training for skill development.

Mobilizing women to create self-help organizations, which will allow them to engage in income-generating activities and have easy access to finance.

To offer support services, establish backward and forward connections, impart field training, and enhance women's job circumstances.

To raise awareness via specialized programs.

To undertake courses for strengthening confidence among women and fostering leadership qualities.

Quality policy:

- Milk from milking equipment is collected using Automatic Computerized Milk Collection Units and cooled directly in Bulk Milk Coolers.
- This chilled raw milk, undisturbed and untainted by human hands, has a very high microbial purity that meets worldwide standards.
- This high grade milk is used to produce top-quality value-added dairy products for markets across the globe.

Mandya District Milk Union is devoted to procuring and supplying healthy milk and milk products to customers' satisfaction by:

Adhering to the rules and regulations.

Maintain transparent interactions across the food chain and follow GHP, GMP, and HACCP standards.

Implementing scientific processing methodologies.

Training for staff in unions and dairy cooperatives.

This dedication is reinforced by quantifiable goals and leads to continuous progress.





Competitors profile:

Nandini milk products are well-known for their quality and variety. Any competitors planning to compete with Nandini need to pay close intermissions to product quality. It would also place in distribution network, price strategy, and

brand image. In a hypothetical scenario, the following profile depicts the potential competitors:

1. Heritage Foods: It could have a good presence in South India and have a range of dairy products such as milk, curd, butter, and ice cream. It would focus on quality and possess a solid distribution network. However, potential downsides could be lack of brand value compared to Nandini, less range of product portfolio, and less presence in states other than South.

2. Amul: It is a national brand with a range of products and has a huge distribution network. It would be known for quality and affordability. However, the competition would come from its local market where Nandini has the upper hand. Also, its pricing could compete with Nandini based on the state and distributor's negotiation.

3. Mother Dairy: It is an established and renowned brand with loads of products and quality. Its presence is strong in North India. It could have a range of a product which includes milk, yogurt, ice cream, and cheese. The negatives include competition from Nandini dominant states since its prices could vary.

4. Hatsun Agro Product Limited: It is a player in the industry with brand Arokyia and is significant in South India. It could have a range of products such as milk, ice cream, and beverage. However, it may not have markets in other regions of India, product variation, and brand value similarities to Nandini.

5. Vijaya Dairy: It is based in Andhra Pradesh and well-known for quality and service providing dairy products such as milk, curd, and Ghee. The negatives are confined target to a state; less range of varied products.

Milestone/achievements:

Achievements:

- The union is the first to feed ghee to the "Shri Thirumala Temple" via tankers.

- To Provide balanced cattle feed in sufficient quantity at a reasonable price.
- to improve milk productivity in cows, additional actions have been implemented, including enhancing AI coverage and reach, implementing biological safety measures to guarantee quality genetic resources, and defining diseases like Foot & Mouth and Brucellosis.
- The Union is expanding milk processing capabilities, including new plants and infrastructure, as needed. In 2015-16, the union was ISO 22000-2005 certified for processing fresh chilled milk and dairy products.
- In 2017-18, the union was also Quality Mark certified.
- In 2018-19, our union received the NDDDB INOVATION Award.

SWOT ANALYSIS:

Strengths:

- thriving Milk Producers' Cooperative Societies (MPCS) in the region where the initiative is being carried out.
- The availability of sufficient links both before and after the transaction.
- MANMUL is home to a District Milk Union that is quite active and is now in the process of developing and modernizing its dairy facility.
- Good network of Bank branches.

- A milk incentive program offered by the Government of Karnataka, which is ₹ 5 per litre.

Weakness:

- Less widespread use of scientific dairy farming methods.
- Second, there is insufficient feed available during droughts.
- Occasionally, there may be a summertime scarcity of green fodder.
- Banks are not being offered any collateral.

Opportunities:

- The rising income level of consumers in the region is causing an increase in the demand for milk from those customers.
- Capabilities and technologies that are sufficient to meet the requirements of milk-deficient areas throughout the nation.

Threats:

- It is possible that undesirable procurement prices may result from the withdrawal of the milk incentive plan or changes in government policy.
- The production of milk is negatively impacted by the weak monsoons that have been seen in recent years.
- Repayments made under high pressure under drought conditions and defaults made voluntarily in expectation of debt cancellation

PESTEL ANALYSIS:

Political factors:

Government Policies: Any changes in government policies regarding the areas of activity that concern agriculture, dairy farming, and, consequently, food processing, can affect MMUL's operation. In case the policies are set to encourage the development of the aforementioned sectors, MMUL will face more opportunities for growth. However, if the new policies impose new restrictions or increase the fees and taxes, MMUL will have other conditions to follow. Political Stability is another factor that may affect MMUL's operational processes. The more stable the political situation shines in the region where MMUL is located, grows, and operates, the more the company may thrive without any risks of being extorted. Regulations: Finally, MMUL has to comply with a lot of government regulations regarding food safety, labour laws, environmental regulations, animal welfare laws, etc.

Economic factors:

Economic Growth: The entire region's economic growth will affect the public's ability to buy products as well as this area's demand for dairy. When the economy goes south, even those who could afford it gladly must cut back on consuming high quality dairy products such as Royal King milk powder.

Inflation Rates: When inflation rates fluctuate, the cost of inputs - feed, labour and transportation - goes up and may affect our profitability. We would have to lower quality product price & our market share paid down.

Exchange Rates: For a company involved in exporting or importing, the changing exchange rate can affect both the cost of its raw materials and return from overseas sales.

Social factors:

culture and society are both included. The eating habits and purchasing decisions made by a consumer may be significantly impacted by the customer's social circle, including their friends, peer groups, families, and reference groups. Amul has effectively targeted women and children by

taking advantage of these aspects and using them to their advantage. Specifically, it has established a powerful and significant position in the dairy industry. A significant number of customers are adopting a vegan lifestyle, which is becoming more popular. Due to the fact that veganism does not enable the use of dairy products that are derived from animals, an increase in the number of vegans would have a detrimental impact on the dairy business. As a result of the fact that Indian homes are more acclimated to drinking morning tea and that people in general are more accustomed to drinking milk and milk products, the overall picture for the firm seems to be in a favourable position. Additionally, the popularity of eating fast food encourages a certain way of life that leads to a rise in the intake of ice creams.

Technological factors:

Automation: Example will be livelier, in automatic milking system, the top-of-the-line technologies, industrial IOT sensors for safeguarding animal health and dignified barn life, as well as for analysing harvest data so that it can bring on farm resources management. an increase in efficiency might lead eventually to higher productivity levels too!

Product Innovation: In milk processing technology and with advancements made in this aspects we have developed many kinds of milk products that cater to needs for today's modern consumers.

Environmental factors:

Climate Change: Changing climatic conditions can influence the supply and cost of water resources as well as feed for cattle in general production.

Sustainable Measures: With increased desire for environmentally friendly dairying systems by consumers who are concerned about global warming and air pollution, our products come out on top.

Waste Management: Strict laws related to disposal of material requires conformity, but it may mean that Mandya Milk Union Limited has to spend more doing business.

Legal factors:

Food Safety Regulations: In order that dairy products be up to quality and safety standards, it is necessary comply with food safety regulations and standards.

Conditions of Labour: Conformity to labour laws as regards pay, working conditions, and employees' rights is the factor that prevents them from repeatedly going to court or causing a corporation image to fall into ruins.

Patent Protection: Protection of exclusive product technologies or processes is a must for competing in the international market.

Chapter 3:

Research design

Title of the study:

A study on effects of financial access on development of dairy cooperatives of Mandya District Co-operative Milk Producers Society's Union Limited.

3.1 Statement of the problem

Dairy cooperatives play a significant role in promoting rural development and enhancing the livelihood of smallholder farmers. However, many of them find it difficult to secure adequate financial resources. As yet no systematic study has been conducted on the impact of financial access on the development of dairy cooperatives. Therefore, the effects of financial access in the development of dairy cooperatives such direct influence has not yet been clearly identified and specified. However, its productiveness and sustainability, as well as its market fight from major direction is also unknown how it serves overall growth in the industry. By filling this gap,

this study aims to provide much needed insight into how financial access affects the growth and sustainability of dairy cooperatives, contributing to inform policymakers, stakeholders and financial institutions on strategies that may support and enhance this vital sector. Thus the study hopes to help improve future development prospects for rural cooperative organizations.

3.2 Need of the study

Dairy industry is an essential component of agricultural economies all around the world, and dairy cooperatives are a lifeline for smallholder farmers in many rural communities, providing a means of market access, technical assistance, and collective bargaining. But, while they have the potential to improve farmers' living standards and promote economic growth, numerous dairy cooperatives struggle with issues related to financial access. Hence, there is a vital necessity for a detailed examination to determine how financial access affects dairy cooperatives' development. The present necessity for exploring challenges facing dairy cooperatives in financing stems from insights into addressing immediate hurdles. Understanding barriers and opportunities can empower stakeholders to enact temporary solutions to relieve monetary constraints and nourish cooperative expansion.

Gazing ahead, this research provides pivotal foresight into long-term endurance and elasticity of dairy cooperatives amid a swiftly transforming commercial landscape. By pinpointing tactics to amplify financial access and promote inclusive development, the study contributes to constructing more robust and resilient cooperative structures that withstand future upheavals and persist in playing an integral part in rural progress and food surety.

3.3 Scope of the study

Financial Landscape: The study will investigate the existing financial landscape concerning dairy cooperatives. Indicators of access to credit, investment opportunities, savings channels, insurance, and governmental support programs will shed more light on the type and quality of financial

services available to dairy cooperatives. It will delve into the extent that the financial services are specifically tailored to suit the cooperatives' needs and necessities.

The target population is Mandya district milk cooperative society's farmer members. The duration of the study is one month and the geographical location covered in the study is Mandya district of Karnataka.

3.4 Review of literature

"Gupta and Kumar's (2016) "The Role of Financial Access in Promoting Dairy Cooperative Development in Rural Areas": This article delves at the ways in which rural dairy cooperatives might expand with the help of financial services, allowing them to invest in technology and infrastructure.

Sharma and Patel's (2019) "Financial Inclusion and Dairy Cooperative Sustainability: A Case Study of Indian Dairy Cooperatives": This study looks at the connection between financial inclusion and the longevity of India's dairy cooperatives, finding that members who have access to loans and insurance are better able to weather economic storms.

"Impact of Financial Access on Smallholder Dairy Farmers' Participation in Cooperatives: Evidence from East Africa" (2017) by Mwangi et al. The purpose of this research was to determine if smallholder dairy farmers in East Africa were more likely to join cooperatives if they had easier access to savings and credit.

(Fernandez and Martinez, 2015) "Financial Services and the Performance of Dairy Cooperatives: A Comparative Study of Latin American Countries": Various Latin American nations have various levels of access to finance, which affects the growth of cooperatives. This comparative research looks at how financial services affect the success of dairy cooperatives in these countries.

Ndiaye and Diop's (2016) article "Financial Inclusion and the Viability of Dairy Cooperatives in Sub-Saharan Africa": This study delves at the possibilities and threats of expanding access to financial services for dairy

cooperatives in Sub-Saharan Africa, with an eye on finding novel ways to fund these organizations.

The article "Access to Finance and Dairy Cooperative Governance: A Case Study of Kenya" was written by **Ochieng and Mutua in 2017**. To demonstrate how financial empowerment boosts members' engagement and responsibility, this case study examines the connection between financial access and the governance systems of Kenyan dairy cooperatives.

Published in 2018 by Smith et al., "Financial Access and Dairy Cooperative Performance: Evidence from Developing Countries" states: This research looks at how financial access affects developing-world dairy cooperatives' performance and finds that better access to capital makes dairy cooperatives more efficient and productive

In their research on "the relationship between the income and behavioural biases." **Isidore and Rand (2019)** found that higher income was associated with better financial literacy. Decisions to invest in development initiatives were subsequently impacted by this. Income clearly affects investment choices and, by extension, development, within the framework of this research. Nevertheless, without more research like this one, it could be difficult to determine how much of this applies to dairy cooperatives.

In their study on "Coimbatore based salaried investors" knowledge, attitude, anticipation, and happiness with their investments,"

Umamaheswari and Kumar (2014) discovered that income was a predictor of investment decisions in the region under consideration. People took a lot of factors into account before deciding to invest in this area. Their income and savings strategies were crucial factors in this. A third of people in the survey, however, didn't know enough about investments to choose the right plan. This research aims to fill that knowledge gap by analysing the relationship between disposable income and the growth of dairy cooperatives in Kiambu, Kenya.

The purpose of the research by **Velmurugan, Selvam, and Nazar (2015)**, titled "an empirical analysis on perception of investors" towards various

investment outlets," was to determine how people with varying income levels view different investment options. It was found that those with more disposable money tended to invest in safer areas, whereas those with less favoured riskier ones. Evidence like this suggests that risk aversion, which was generally associated with higher incomes, had a significant role in influencing investment choices and, by extension, advancement. The purpose of this up-to-date research was to find out how long this pattern has been going on at Kiambu Dairy Cooperative in Kenya.

"The effects of financial resource mobilization by Ainabkoi Rural Cooperative Societies in Ainabkoi Division Uasin Gishu County" was the subject of Cherogony's (2013) evaluation. According to the results, the execution of development initiatives was dependent on the availability of funds. With this knowledge in hand, cooperatives were able to get enough funding for their development programs. But the anticipated profits for these investments were the lynchpins that allowed cooperatives to attract enough finance. Given that other important aspects, such as the cost of those funds, were not included in this research, which highlights the significance of the present investigation.

According to Onugu (2005), who studied the financial performance of cooperative societies in Nigeria's Enugu state, the first factor that organizations evaluate when choosing a capital source for development initiatives is the cost of financing. Managers need to take the costs of financing into consideration in order to make educated choices, as the value of investments and projects done by cooperative societies is closely tied to them. When it comes to investing, cooperative societies have a hard time gauging how much of an effect financing costs have on their capital structure choices.

The research did not, however, include every facet of financing costs that affects cooperative organizations' bottom lines.

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Researchers Cherogony (2013) looked at "the effects of financial resource mobilization by Ainabkoi Rural Cooperative Societies in Ainabkoi Division Uasin Gishu County."

According to the results, the availability of funds was the determining factor in the success or failure of development project execution. With this knowledge in hand, cooperatives were able to get enough funding for their development programs. Cooperatives could only raise enough money if they could guarantee a certain rate of return on the investments they made. The significance of this research is highlighted by the fact that it did not examine all relevant elements, such as the cost of those funds, which means that it was not thorough.

The relationship between financial leverage and the financial performance of Pakistan's energy industry was investigated by **Akhtar et al. (2012)**.

According to the study's findings, companies that don't have enough investment possibilities tend to take on too many projects with too much risk, driving up financing prices. Financing costs were based on the company's size. Larger companies were able to negotiate better terms and reduce average borrowing costs because of this. They go on to say that in order to keep their capital expenditures in check, most big institutions diversify their holdings. In order to find out how financial leverage affects organizational growth, this research didn't investigate the risks involved or how to handle them.

The vast majority of the management skills issues impacting various industries originated from small and medium-sized businesses, according to **Riggio's (2005)** research on "The Role of Informal Microfinance Institutions in Savings Mobilization, Investment and Poverty Reduction." This is mainly because of capital constraints and the fact that these businesses are owned by families. Because of this, there is a dearth of information, and new ideas are difficult to comprehend and implement because of the absence of knowledge management. Human resource management is one internal component that has demonstrated to be crucial in firms, according to the literature on effective management. Nevertheless,

the impact of management abilities on the expansion of organizations, particularly cooperative societies, has not been well addressed in these research. Filling this research gap is the goal of this project.

According to Selvaraj (2000), who wrote a book on cooperatives in the new millennium, the cooperative movement can only thrive with members who are willing to think for themselves. These members have extensive knowledge of the idea and principles of cooperatives. These members are cognizant of the issues and willing to contribute to the cooperatives' development. Being a member of a cooperative guarantees that you have a voice in running the organization and making decisions. In cooperatives, watchful members prevent financial misdeeds and the introduction of gifted interests. The progression of the cooperative is assured in the end. Conversely, members who are uninformed, lazy, sedentary, non-participating, and apathetic provide a challenge for the group. People who have converted to a certain faith might easily influence them (Vishwanathan, 2000).

Nguyen and Tran 's 2016 research "\ “The role of donor support in enhancing financial access for dairy cooperatives: Lessons from aid programs in developing countries\”” explores the impact of the donor-financed interventions on the ability for dairy cooperatives in developing countries to access financial support, as well as the advantages and disadvantages of aid reliance.

Arahman and Ali's (2018) "The Impact of Microfinance on Dairy Cooperatives: Evidence from Bangladesh": This research looks at how microfinance programs influenced the expansion of Bangladeshi dairy cooperatives, showing how having access to modest loans and other financial services helped them thrive.

3.5 Research questions:

3.6 hypothesis(optional)

3.7 Objectives of the study

- To assess the impact of access to finance on growth, productivity and sustainability of dairy cooperatives.
- To identify the barriers and challenges faced by dairy cooperatives in accessing financial resources.

3.8 Operational definition

- **Access to finance:** One definition of "access to finance" is the ease with which people or businesses may get their hands on a variety of banking, investing, and insurance products and services.
- **Development of cooperative:** In co-operative development, members of an association work together toward a common goal—the satisfaction of members' social, economic, and cultural goals via the shared ownership of an organization.

3.9 Research methodology:

3.10 Data collection:

Primary data: data collected from questionnaire. Google form is used to collect the data.

Questionnaire: for collecting necessary information questionnaire would be prepared with close ended and open ended questions.

Secondary data: secondary data gathered by referring various books, company website, journals and articles.

3.11 Sampling design:

3.11.1 Sampling plan: target population is members of dairy cooperatives

3.11.2 Sampling method: convenience sampling

3.11.3 Sampling frame: The sampling frame is related to dairy co-operatives Mandya milk union limited.

3.11.4 Sampling unit: The unit will comprise of Farmer members of co-operative society of Mandya milk union limited.

3.11.5 Sampling size: 50

3.11.6 Plan of analysis:

various data visualization techniques (charts, graphs) are used to effectively communicate the findings. Descriptive statistics is used to analyse data and communicate the findings

3.11 Limitations of the study:

3.12 The chapter scheme:

Chapter 1: executive summary and industry profile

Chapter 2: company profile

Chapter 3: research methodology

Chapter 4: data analysis and interpretation

Chapter 5: findings and suggestions

CHAPTER 4:
DATA ANALYSIS AND INTERPRETATIONS

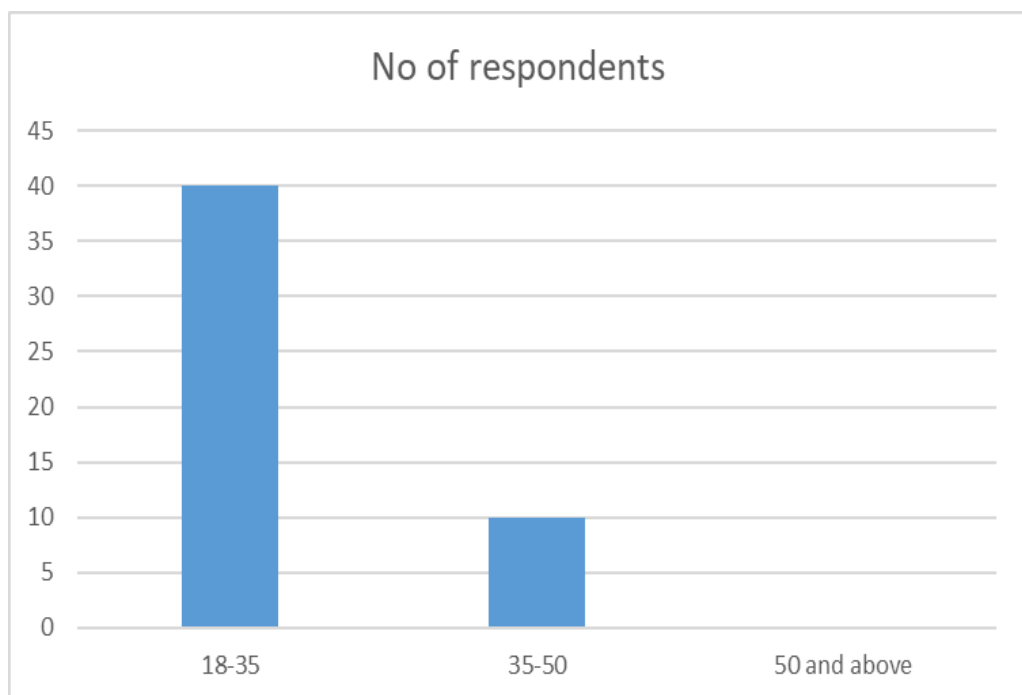
4.1 Table showing age of respondents

age	No of respondents	percentage
18-35	40	80%
35-50	10	20%
50 and above	0	0
total	50	100%

Data analysis:

The table displays the demographic breakdown of participants in a survey based on their age. Out of the total respondents, 80% (40) belong to the age bracket of 18-35, while the remaining 20% (10) are aged between 35 and 50. There are no participants aged over 50 years in this sample.

4.1 Graph representing age of respondents



Interpretation:

The graph displays the demographic breakdown of participants in a survey based on their age. 80% of the responders belong to the age range of 18-35. There are no participants aged over 50 years in this sample. It is crucial to assess if this is indicative of the target demographic.

Ultimately, the data indicates that the individuals who participated in the survey were mostly young people. If the target group includes a broader age range, it is

possible that the results may not be applicable to the whole population, thereby limiting their generalizability.

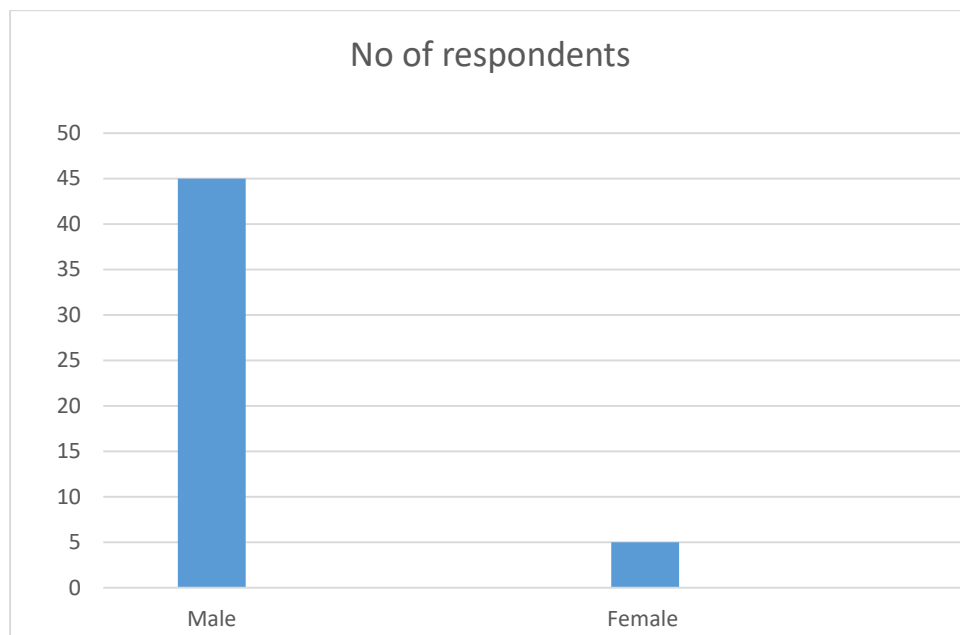
4.2 Table showing gender of respondents

Gender	No of respondents	percentage
Male	45	90%
Female	5	10%
Total	50	100%

Data analysis:

The data shows a significant skew towards males in the survey respondents. There are 45 males which is 90% of the total respondents. In contrast, there are only 5 females which is 10% of the total respondents.

4.2 Graph representing gender of respondents



Interpretation:

The data analysis confirms a significant skew towards males in the survey respondents. There is a 90% representation of males compared to only 10% females. It is important to consider the limitations of this data when drawing

conclusions about the gender distribution of the target population. The sample size is relatively small, and the data may not be representative of the larger population.

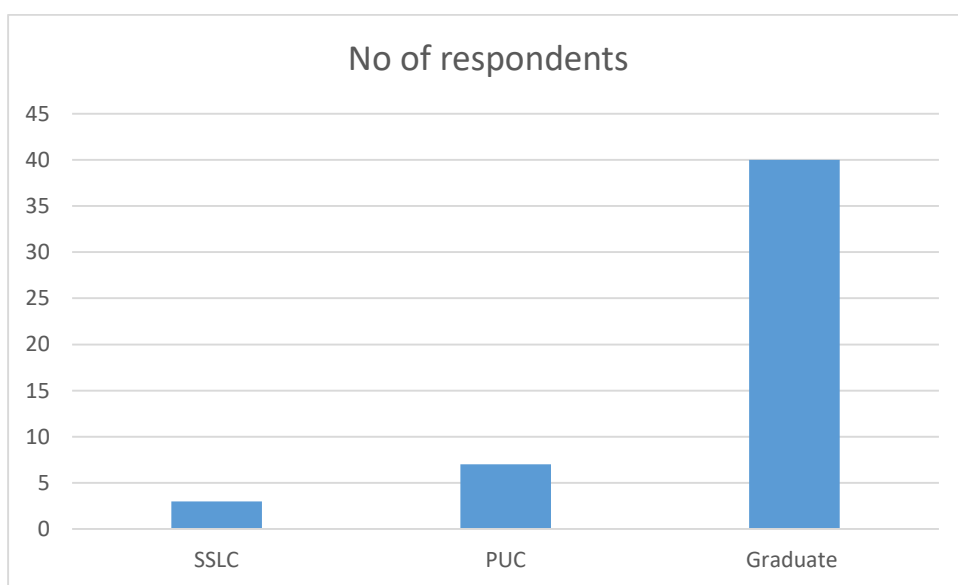
4.3 Table showing education level of respondents

Particulars	No of respondents	percentage
SSLC	3	6%
PUC	7	16%
Graduate	40	76%
Total	50	100

Data analysis:

The data indicates a significant degree of education among the participants of the study. 76% of the individuals possess a graduate degree, whilst 16% have a PUC qualification and a mere 6% have an SSLC certificate.

4.3 Graph showing education level of respondents



Interpretation:

The data indicates that a substantial proportion of the respondents are graduates, accounting for 76% of the questioned population. This indicates a mostly well-educated sample. Although SSLC and PUC holders make up a lesser percentage, their opinions are nevertheless significant. Comprehending perspectives from different educational levels is essential for comprehending the intricate connection between education and how people see the influence of financial access on the growth of dairy cooperatives.

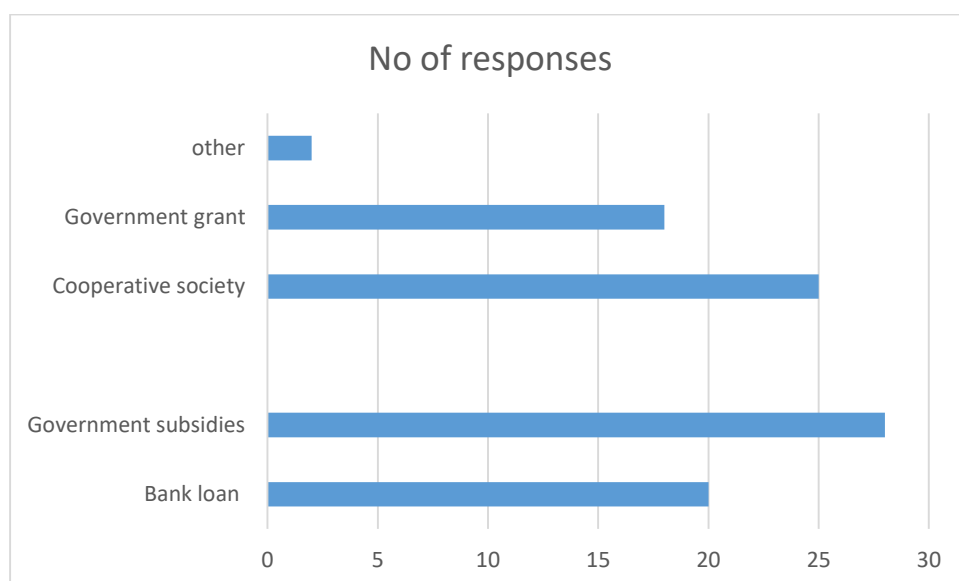
4.4 Table showing sources of finance available to dairy cooperatives

particulars	No of responses	percentage
Bank loan	20	21.5%
Government subsidies	28	30.1%
Cooperative society	25	26.88%
Government grant	18	19.35%
other	02	2.15%
total	93	100%

Data analysis:

This table provides insight into the different financial mechanisms used by the respondents to get finance. Notably, there is no one source that has a dominant position, which highlights a varied financial environment. Government subsidies are the leading factor, making up 30.1% (28 replies) of the total. The cooperative society finance is closely following at a rate of 26.88% based on 25 replies. Bank loans rank third with a percentage of 21.5% based on 20 replies, while government grants rank second with a percentage of 19.35% based on 18 responses. The proportion of money from sources other than the ones specified is small, accounting for just 2.15% or 2 answers.

4.4 Graph showing sources of finance available to dairy cooperative



Interpretation:

The data indicates that the respondents have used a diverse and complex strategy to get financial access. Government assistance is crucial, with subsidies accounting for 30.1% and grants for 19.35% of the financing. This implies possible government measures intended to assist this specific demographic. In addition, the use of cooperative societies, which accounts for 26.88% of the total, underscores the potential significance of financial institutions that are built on community collaboration. Although bank loans make up 21.5% of the financing sources, they are not the dominant option, suggesting that this group may find alternate funding routes more accessible or preferable. Due to a restricted "other" category, it is difficult to accurately identify the whole range of financing sources used. Nevertheless, the data highlights the varied and wide-ranging financial access experienced by these respondents.

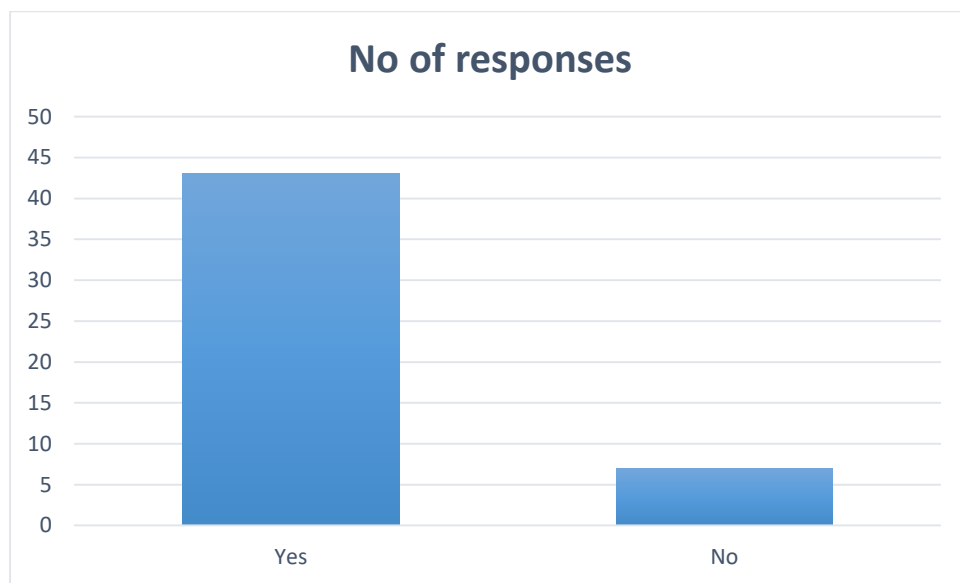
4.5 Table showing response for the question do you receive adequate support from government programs to meet the financial needs of your dairy cooperative?

particulars	No of responses	percentage
Yes	43	86%
No	07	14%
Total	50	100%

Data analysis:

This table analyses the respondents' view of the level of government program help for meeting the financial requirements of their dairy cooperatives. The overwhelming majority of respondents (86%, or 43 individuals) believe that they get sufficient help. Just 14% of the respondents, or 7 individuals, said that they do not get sufficient help.

4.5 Graph showing response for the question do you receive adequate support from government programs to meet the financial needs of your dairy cooperative?



Interpretation:

The research indicates a generally good attitude toward government program assistance. The vast majority (86%) believe that these initiatives properly meet the financial needs of their cooperative. This might imply that government programs are efficiently meeting the financial needs of dairy cooperatives, at least according to poll respondents. However, the presence of a minority (14%) who feel unsupported underlines the possible need for additional program changes or outreach to ensure that all cooperatives have adequate resources. It is crucial to note that these replies may be impacted by specific programs or locations represented in the survey sample.

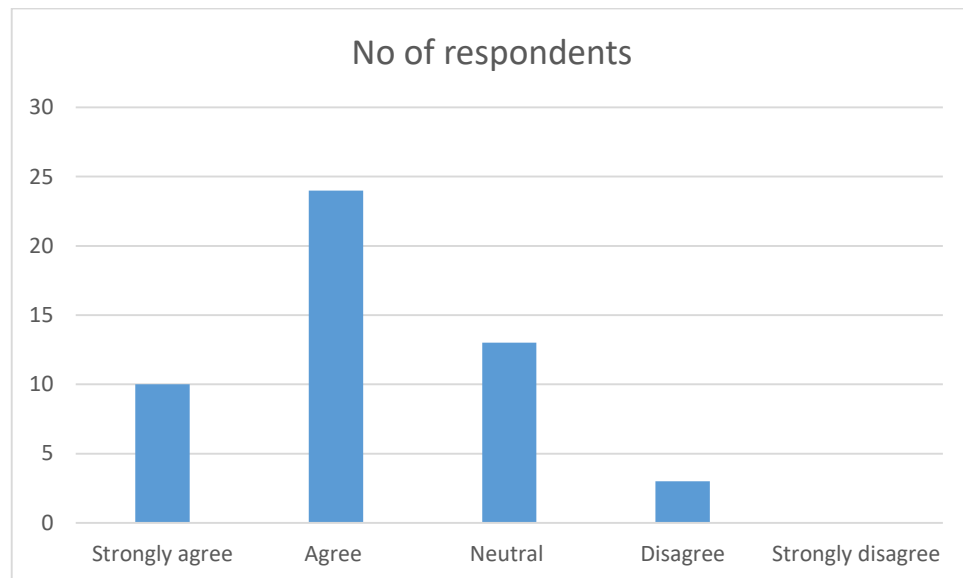
4.6 Table showing responses of respondents for the statement government subsidies helps to invest infrastructure

particulars	No of respondents	percentage
Strongly agree	10	20%
Agree	24	48%
Neutral	13	26%
Disagree	03	06%
Strongly disagree	00	00
Total	50	100%

Data analysis:

Data shows that responses on government subsidies and infrastructure investment reveals a positive sentiment. A combined 68% (10 agreeing strongly + 24 agreeing) of respondents endorse the idea. Neutrality is present at 26% (13 respondents), while only 6% (3 respondents) disagree.

4.6 Graph showing responses of respondents for the statement government subsidies helps to invest infrastructure



Interpretation:

The investigation uncovers a contrasting viewpoint about the impact of government subsidies on infrastructure. Although a substantial majority (68%) agrees to some extent, there is no clear agreement. The support for subsidies may stem from the belief that they address financial shortfalls in vital infrastructure projects or encourage participation from the private sector. The ambivalent replies (26%) might suggest a sense of ambiguity about the efficacy of subsidies or a limited understanding of their precise use. The discrepancy (6%) may arise due to apprehensions of inefficiency, corruption, or the possibility of misdirected focus in government-funded initiatives.

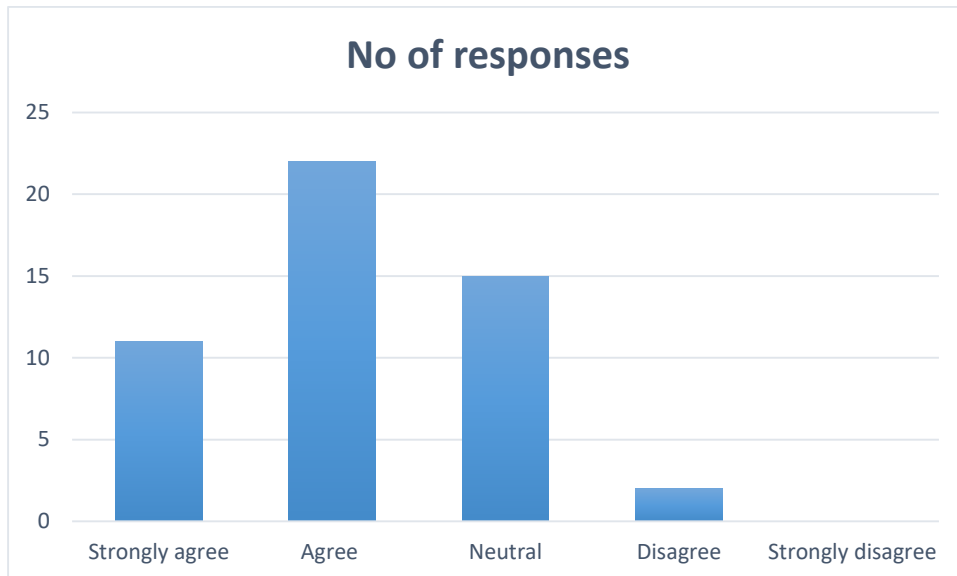
4.7 Table showing responses of Access to finance has a significant impact on the growth of dairy cooperatives.

Particulars	No of responses	Percentage
Strongly agree	11	22%
Agree	22	44%
Neutral	15	30%
Disagree	02	4%
Strongly disagree	00	00
total	50	100%

Data analysis:

The table examines the perceived influence of financial availability on the expansion of dairy cooperatives. Approximately two-thirds of the participants (66%, or 11 strongly agreeing + 22 agreeing) hold the belief that access to money has a substantial influence on growth. Approximately 30% of the responses, which is equivalent to 15 individuals, have a neutral stance on the matter. Only a small percentage (4%, or 2 respondents) expressed disagreement, and none of the respondents strongly disagreed with the assertion.

4.7 Graph showing responses of Access to finance has a significant impact on the growth of dairy cooperatives.



Interpretation:

The research indicates a strong conviction among respondents that financial access is vital for the expansion of dairy cooperatives. A majority of respondents (66%) agree, with a substantial proportion (22%) strongly agreeing. This emphasizes the anticipated significance of financial resources in allowing cooperatives to make investments, grow, and prosper. The existence of a neutral faction (30%) suggests that some participants may see the influence as multifaceted, maybe contingent on other variables in conjunction with financial accessibility. The low level of disagreement (4%) indicates a widely recognized belief that financial resources have a beneficial impact on the expansion of cooperatives. The sheer lack of responders expressing significant disagreement further reinforces this conclusion. In general, the evidence suggests a robust association between financial availability and the expansion of dairy cooperatives, as reported by the survey participants.

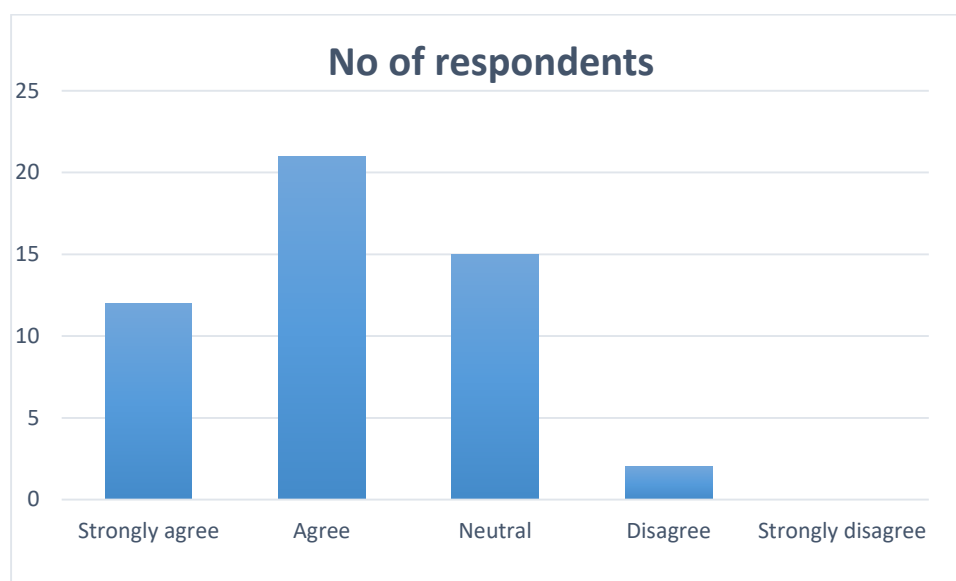
4.8 Table showing responses for the question financially accessible dairy cooperatives demonstrate higher levels of productivity compared to those with limited access to finance.

Particulars	No of respondents	Percentage
Strongly agree	12	24%
Agree	21	42%
Neutral	15	30%
Disagree	02	04%
Strongly disagree	00	00
Total	50	100

Data analysis:

This table examines the perceived correlation between financial accessibility and the production of dairy cooperatives. A significant majority (66%, consisting of 12 strongly agreeing + 21 agreeing) of respondents hold the belief that financially accessible cooperatives exhibit superior productivity. Approximately 30% of the respondents, or 15 individuals, maintain a neutral stance on the matter. Only a small percentage (4%, or 2 respondents) expressed dissent, and none of the respondents strongly disagreed.

4.8 Graph showing responses for the question financially accessible dairy cooperatives demonstrate higher levels of productivity compared to those with limited access to finance.



Interpretation:

According to the findings, most respondents believe that financial access leads to higher output for dairy cooperatives. The combined 66% agreement suggests a substantial relationship between financial resources and cooperative performance. This is consistent with the prior research, which found that financial access is critical for growth. Access to funding will most likely enable cooperatives to invest in improved milk production equipment, technology, and resources, resulting in increased output. The inclusion of a neutral group (30%) indicates that some respondents may perceive the impact as indirect or affected by factors other than finances. The fact that there is only 4% disagreement suggests that financial resources contribute to increased productivity. The utter lack of individuals who strongly disagree only confirms this perspective. Overall, the statistics indicate a robust relationship between financial availability and dairy cooperative production, as reported by survey respondents.

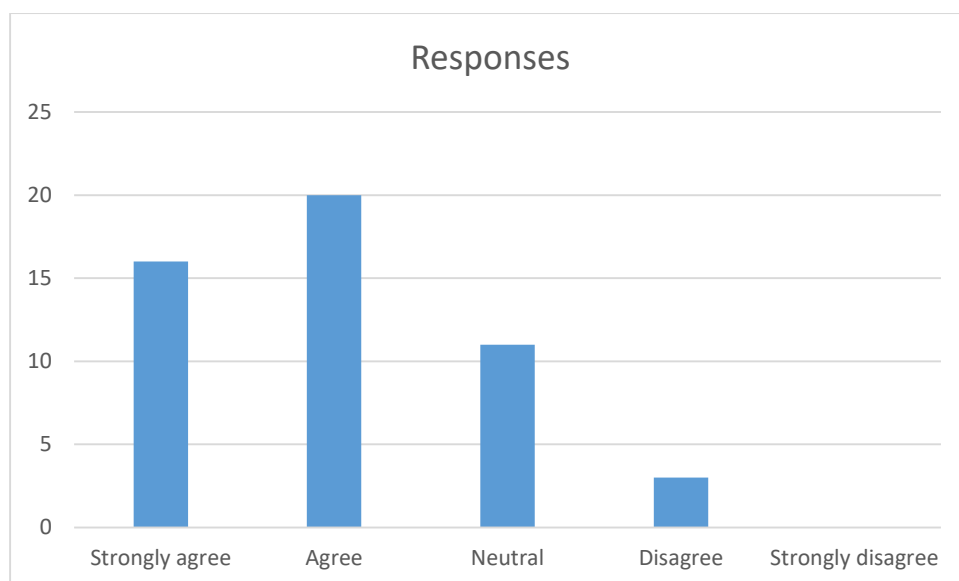
4.9 Table showing responses of Adequate access to finance is essential for the sustainability of dairy cooperatives

Particulars	Responses	percentage
Strongly agree	16	32%
Agree	20	40%
Neutral	11	22%
Disagree	03	06%
Strongly disagree	00	00
total	50	100%

Data analysis:

The table examines the perceived significance of financial access for the long-term sustainability of dairy cooperatives. Approximately 72% of the respondents, consisting of 16 strongly agreeing and 20 agreeing, felt that having sufficient access to financing is crucial. There is a significant portion of responses (22%, or 11 individuals) who are indifferent, and a small number of respondents (6%, or 3 individuals) who disagree, with no one expressing extreme opposition.

4.9 Graph showing responses of Adequate access to finance is essential for the sustainability of dairy cooperatives



Interpretation:

The poll found that respondents believed dairy cooperatives needed financial resources to survive. Financial access is strongly linked to cooperative sustainability, as shown by the 72% agreement. This supports previous results that financial resources are necessary for development and productivity. Insufficient money for infrastructure, technology, and member support may hinder a cooperative's ability to compete and survive. The neutral group (22%), implies that some respondents may perceive the issue's importance to rely on factors other than economics. A low degree of disagreement (6%) shows a widespread conviction that financial resources affect cooperative long-term sustainability. The absence of major disagrees supports this view. The survey indicated a strong correlation between financial access and dairy cooperative longevity.

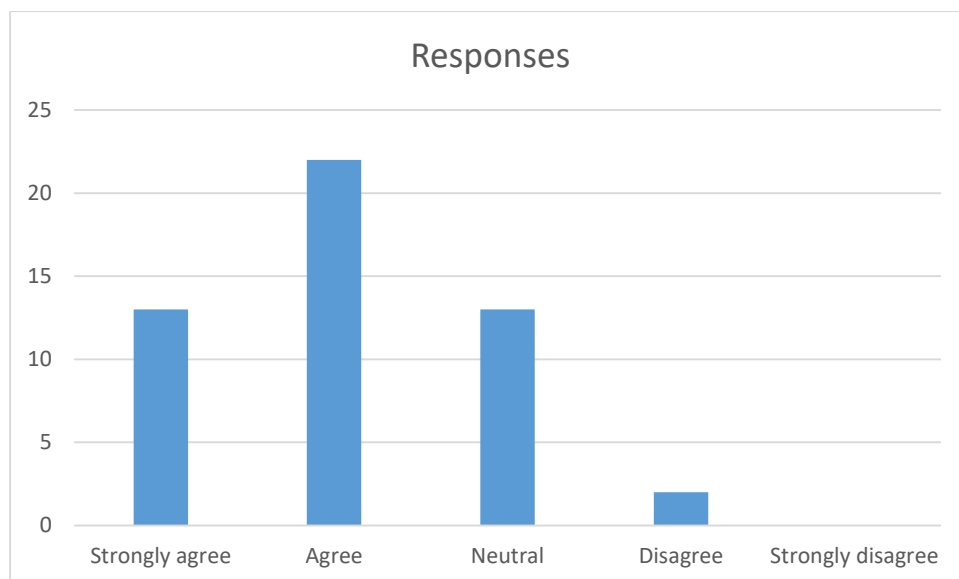
4.10 Table showing responses for Dairy cooperatives with better access to finance are more likely to invest in modern technology and infrastructure

Particulars	Responses	Percentage
Strongly agree	13	26%
Agree	22	44%
Neutral	13	26%
Disagree	02	04%
Strongly disagree	00	00
total	50	100%

Data analysis:

This table analyses the perceived correlation between financial accessibility and investment in contemporary technology and infrastructure for dairy cooperatives. The data reveals that a substantial majority of respondents (70%, specifically 13 strongly agreeing + 22 agreeing) hold the belief that cooperatives with improved access to financing are more inclined to engage in these improvements. A significant proportion (26%, or 13 respondents) maintain a neutral stance on the topic. Only a small percentage (4%, or 2 respondents) expressed dissent, and none of the respondents strongly disagreed.

4.10 Graph representing responses for Dairy cooperatives with better access to finance are more likely to invest in modern technology and infrastructure



Interpretation:

The graph data suggests a widespread belief among respondents that financial resources are crucial for dairy cooperatives to invest in modern technology and infrastructure. The combined 70% agreement indicates a strong association between financial access and these advancements. Modernization often requires significant upfront costs for equipment, facilities, and potentially retraining for members. Financial resources allow cooperatives to overcome these hurdles and adopt technology that can improve efficiency, product quality, and overall competitiveness. The presence of a neutral group (26%) suggests some respondents might view the impact as indirect or influenced by other factors besides finances. Minimal disagreement (4%) implies a generally accepted notion that financial resources contribute to technology and infrastructure investment. The complete absence of those strongly disagreeing further strengthens this interpretation. Overall, the data suggests a strong correlation between financial access and investment in modern technology and infrastructure for dairy cooperatives, as perceived by the survey participants.

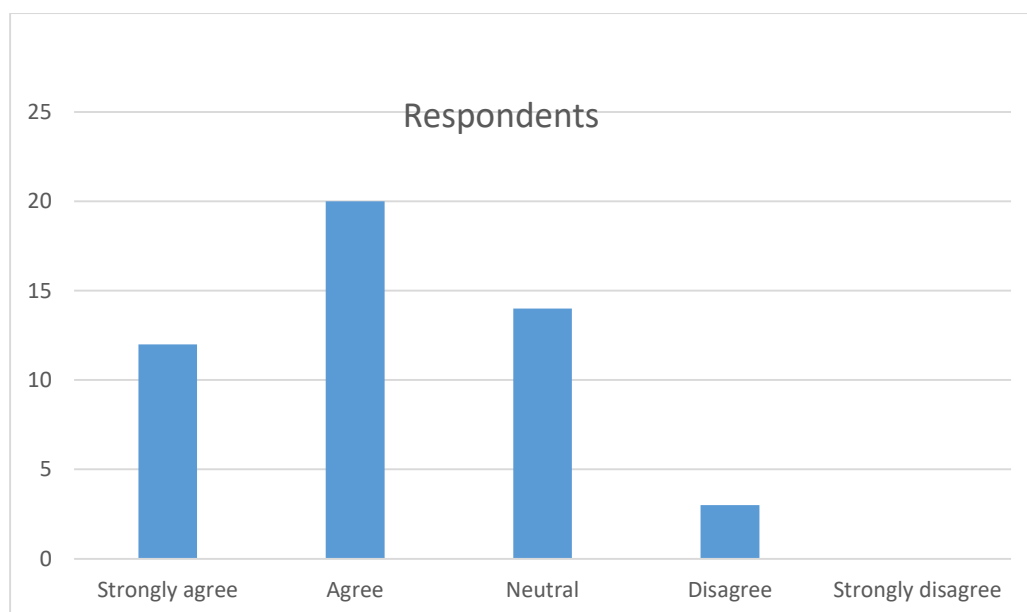
4.11 Table showing responses of respondents for Limited access to finance is a significant barrier to the growth of dairy cooperatives

Particulars	Respondents	Percentage
Strongly agree	12	24%
Agree	20	40%
Neutral	14	28%
Disagree	03	06%
Strongly disagree	00	00
Total	50	100%

Data analysis:

This table examines the perceived influence of restricted financial access on the expansion of dairy cooperatives. A substantial majority (64%, comprising of 12 respondents strongly agreeing and 20 respondents agreeing) consider that restricted access poses a significant obstacle. There is a significant proportion of respondents (28%) who identify as neutral, and a small number (6%) who disagree, with no one expressing severe opposition.

4.11 Graph representing responses of respondents for Limited access to finance is a significant barrier to the growth of dairy cooperatives



Interpretation:

The results indicate a prevalent perception among participants that restricted availability of financial resources poses a significant obstacle for dairy cooperatives. The 64% agreement indicates a robust association between financial cooperatives to extend their operations, recruit new members, and engage in initiatives that can improve efficiency and market reach. Restricted access might impede these endeavours, perhaps causing a halt or even a regression in progress. Approximately 28% of the respondents had a neutral viewpoint, suggesting that their perception of the influence may vary based on the individual conditions and growth objectives of each cooperative. A low level of disagreement (6%) indicates a widely accepted belief that financial limitations are a substantial obstacle to the expansion of cooperatives. This perspective is further reinforced by the utter absence of individuals who strongly disagree. According to the survey participants, the data indicates that a lack of financial access is a major obstacle to the expansion of dairy cooperatives.

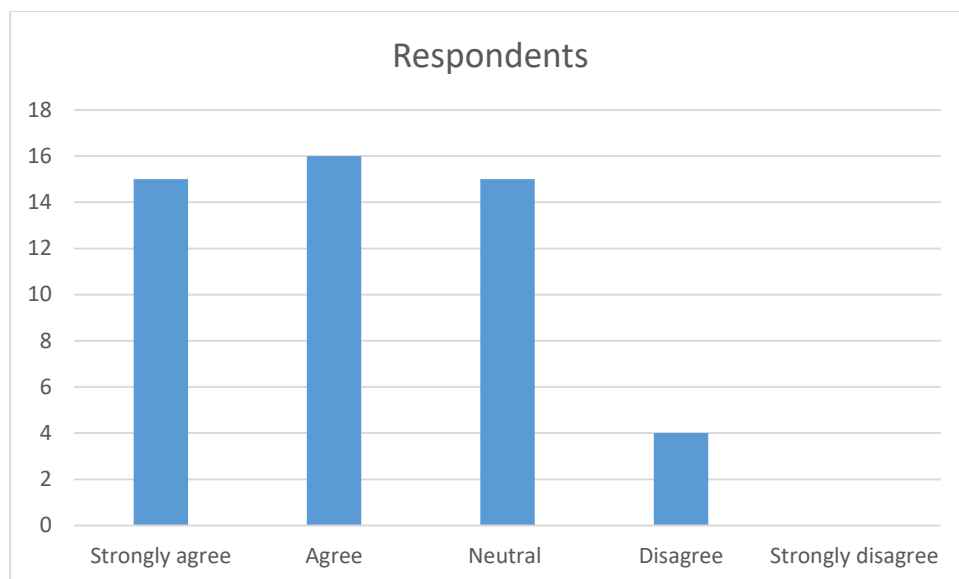
4.12 Table showing respondents view point of to what extent do you agree that access to finance has contributed to the growth of your dairy cooperative?

Particulars	Respondents	percentage
Strongly agree	15	30%
Agree	16	32%
Neutral	15	30%
Disagree	04	08%
Strongly disagree	00	00
Total	50	100%

Data analysis:

The table examines the perspective of respondents from the dairy cooperative about the influence of financial access on the growth of their cooperative. There is a lack of agreement, with a fairly equal distribution among the choices. The most significant cohort (30%, or 15 participants) firmly concurs that access to money has played a vital role in fostering growth. Another substantial cohort (32%, or 16 participants) concurs. Approximately 30% of the respondents, or 15 individuals, hold a neutral stance on the matter. There is a little amount of dissent, with only 8% (or 4 people) expressing disagreement, and no one expressing significant disagreement.

4.12 Graph representing respondents view point of to what extent do you agree that access to finance has contributed to the growth of your dairy cooperative



Interpretation:

The data indicates that respondents have varying opinions on the degree to which financial access contributes to growth. A substantial proportion (62%, namely 15 strongly agreeing + 16 agreeing) recognizes a favourable influence. This implies that the cooperative's expansion has been influenced by its financial resources. Nevertheless, the existence of a substantial neutral faction (30%) suggests that certain participants may see the influence as modest or contingent on several factors in addition to economics. The low level of disagreement (8%) indicates that the majority of respondents see the favourable impact of financial access to some extent. This point is further reinforced by the utter absence of those who strongly disagree. In general, the data indicates that having access to financial resources has probably influenced the development of these dairy cooperatives. However, the degree of influence may differ based on the individual experiences and viewpoints of the respondents.

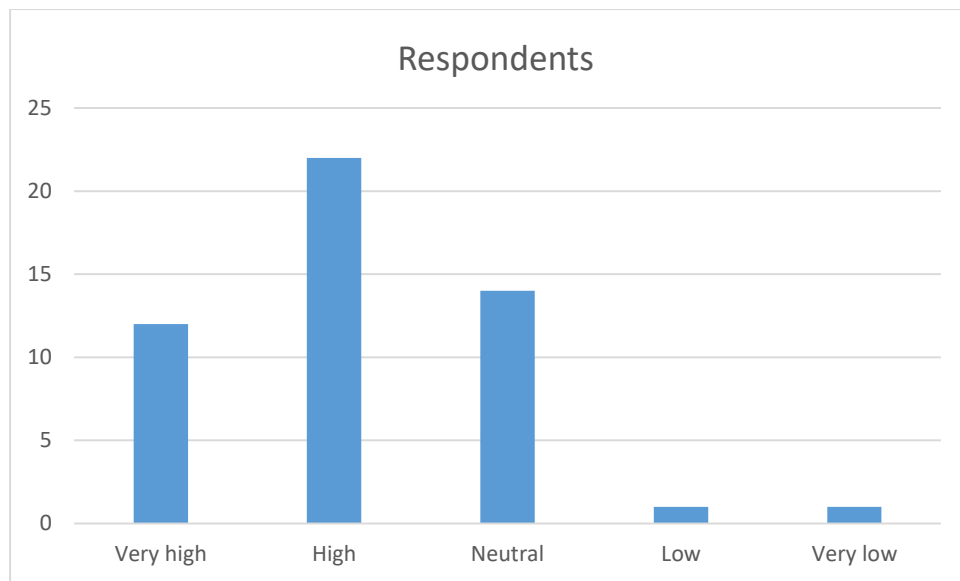
4.13 Table showing responders view point on the impact of financial access on increasing member income and participation within dairy cooperative.

Particulars	Respondents	Percentage
Very high	12	24%
High	22	44%
Neutral	14	28%
Low	01	02%
Very low	01	02%
Total	50	100%

Data analysis:

This table examines the respondents' perception of how financial access affects the increase in member income and engagement in their dairy cooperatives. The data indicates an overall favourable mood, with most respondents suggesting a substantial effect. The majority (44%, or 22 respondents) holds the view that the impact is significant. A significant proportion (24%, or 12 respondents) regards it as quite high. Out of the total respondents, a considerable proportion (68%, or 12 + 22) see the impact as major. However, there is also a presence of neutrality (28%, or 14 respondents) and a small number of remarks of low impact (4%, or 2 respondents).

4.13 Graph representing responders view point on the impact of financial access on increasing member income and participation within dairy cooperative.



Interpretation:

The data show that many respondents feel money boosts member income and dairy cooperative involvement. Financial resources improve member well-being and engagement, as 68% of members rate the impact as high or very high. Increased financial resources may allow the cooperative to offer better milk prices, increasing income. Financial resources may also enable member training or incentives to boost involvement and satisfaction. A neutral group (28%), suggests that some participants may view the cooperative's impact as depending on its effective use of financial resources and its members' specific needs. The few mentions to minimal effect (4%) show that most respondents think financial access is desirable. The absence of "very low" votes supports this claim. Survey participants found that financial access significantly affects member income and dairy cooperative engagement.

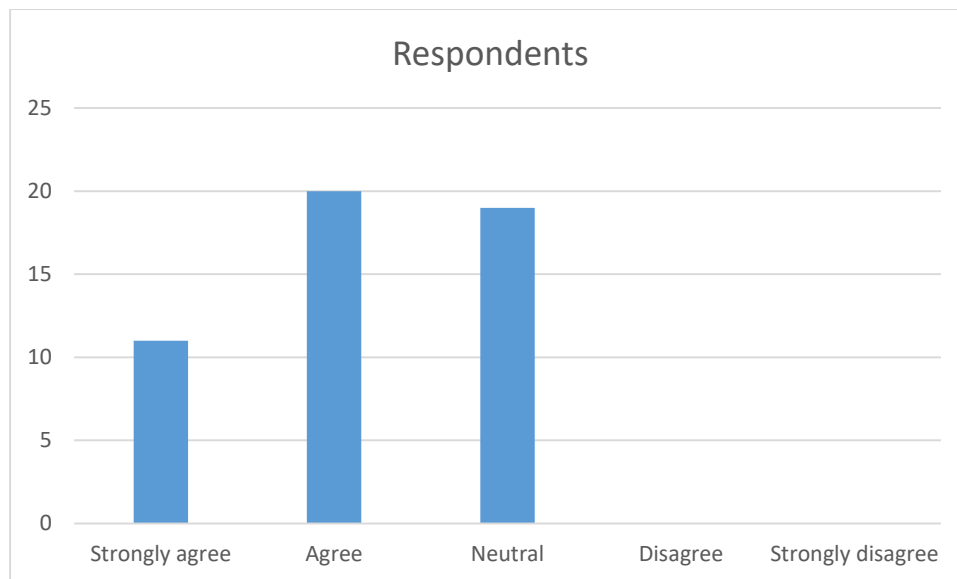
4.14 table showing responders view point on Access to finances has allowed your cooperative to improve the quality of its dairy products

Particulars	Respondents	Percentage
Strongly agree	11	22%
Agree	20	40%
Neutral	19	38%
Disagree	00	00
Strongly disagree	00	00
Total	50	100%

Data analysis:

This table examines the respondents' perception of how financial access affects the quality of the goods produced by their dairy cooperative. The feeling is predominantly favourable, yet there is also a notable amount of indifference. According to the survey, the majority (40%, or 20 respondents) believe that access to financial resources has facilitated the enhancement of product quality. Another substantial proportion (22%, or 11 respondents) expresses strong agreement. Nevertheless, a roughly equivalent proportion (38%, or 19 participants) maintains a neutral stance on the matter. There is a total lack of dissent, with a 0% response rate for both "Disagree" and "Strongly Disagree".

4.14 Graph representing responders view point on Access to finances has allowed your cooperative to improve the quality of its dairy products.



Interpretation:

The graph data reveals different views on how financial access improves product quality. Although 62% of individuals (11 extremely agreeing + 20 agreeing) perceive a positive impact, 38% are indifferent, suggesting that others may not see a direct or substantial association. Financial resources can be used to improve quality control, processing, or ingredient quality, resulting in better goods. The lack of disagreement suggests that even neutral people may perceive financial access as a factor in quality improvement, but not the sole or most important. The lack of strong opposition supports this claim. Overall, the evidence suggests that financial resources may improve these cooperatives' dairy goods. The impact may vary based on how these resources are used and other product quality considerations in each cooperative.

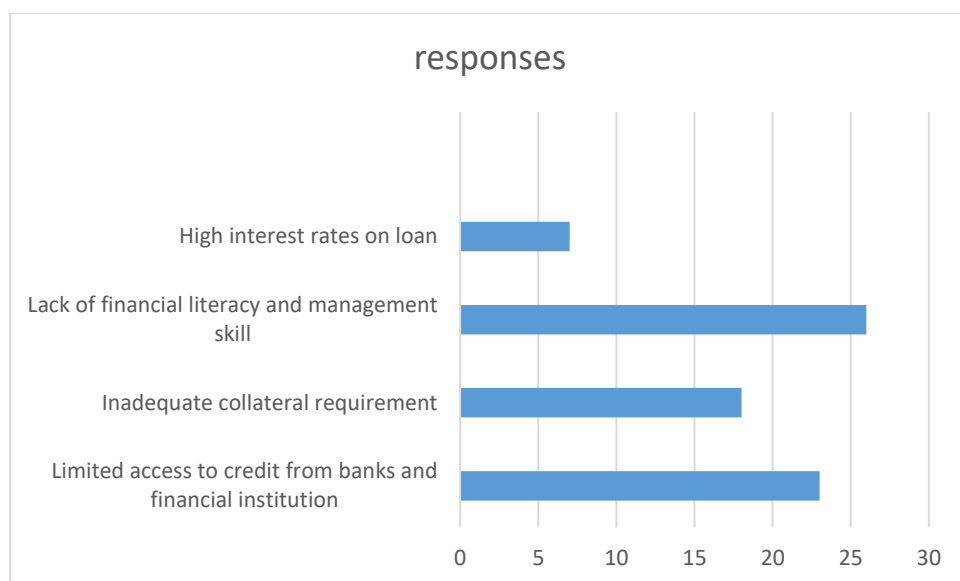
4.15 Table showing barriers that dairy cooperative faces in accessing financial resources

Particulars	responses	Percentage
Limited access to credit from banks and financial institution	23	31.1
Inadequate collateral requirement	18	24.3
Lack of financial literacy and management skill	26	35.1
High interest rates on loan	07	9.5
Total	74	100

Data analysis:

This table shows dairy cooperatives' financial challenges. "Lack of financial literacy and management skills" is the biggest difficulty, with 26 replies (35.1%). This shows that cooperatives may need capacity training to acquire financial and managerial abilities to seek funding. "Limited access to credit" ranks second at 31.1% (23 replies), reflecting cooperatives' difficulties getting bank loans. It may be owing to tight financing standards or a perception of increased cooperation risk. "Inadequate collateral requirements" (24.3%, 18 replies) further restrict financing. Finally, "High interest rates on loans" (9.5%, or 7 replies) may make cooperative loans less appealing.

4.15 Graph represents showing barriers that dairy cooperative faces in accessing financial resources



Interpretation:

The graph data shows dairy cooperatives seeking funding confront many challenges. Lack of financial literacy is the biggest hurdle, emphasizing the need to teach cooperatives financial management. This might help individuals comprehend financing possibilities, write great loan applications, and manage funds. Traditional bank loans may be difficult due to credit restrictions and collateral requirements. High interest rates hamper joint decision-making. The evidence recommends a multifaceted strategy to overcoming hurdles. This might entail skills training, alternative funding, and advocacy for more cooperative lending practices from financial institutions.

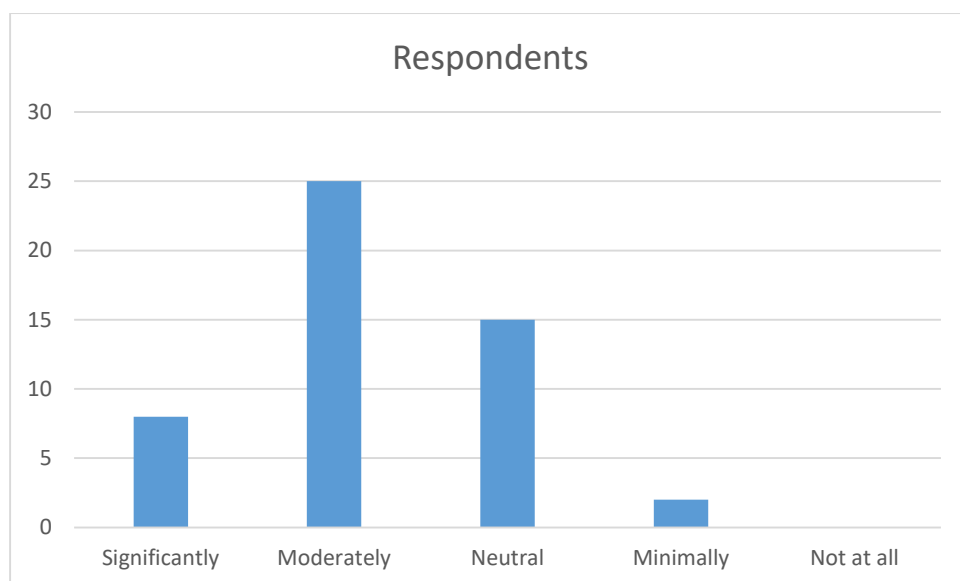
4.16 Table showing to what extent do you believe that lack of awareness about available financial services and products hinders financial access for dairy cooperatives?

Particulars	Respondents	Percentage
Significantly	08	16%
Moderately	25	50%
Neutral	15	30%
Minimally	02	04%
Not at all	00	00
Total	50	100%

Data analysis:

This table examines the respondents' perception of how inadequate awareness affects financial access for dairy cooperatives. Two-thirds (66%, or 25 somewhat + 8 substantially) of the participants felt that a lack of awareness is a hindrance to access, to some extent. Approximately 30% of the respondents, or 15 individuals, have a neutral stance on the topic. Only a small percentage of responders (4%, or 2 individuals) mentioned low influence, and no one chose the option "Not at all."

4.16 Graph representing to what extent do you believe that lack of awareness about available financial services and products hinders financial access for dairy cooperatives?



Interpretation:

Respondents generally believe dairy cooperatives face a lack of financial services and goods awareness. The combined 66% who assess the impact as large or moderate suggests that poor information can prevent financial access. Unaware cooperatives may overlook financing opportunities or struggle with financial products. The neutral group (30%) implies that the influence may be contextual, depending on each cooperative's circumstances and financial knowledge. Few instances of minimal effect (4%) suggest that most respondents accept some negative consequence from limited understanding. The lack of "Not at all" votes supports this. According to survey respondents, dairy cooperatives may struggle to acquire banking services and products due to a lack of information.

4.17 Table showing responses for the question, how responsive do you find financial institutions to the financial needs and requirements of dairy cooperatives in your area?

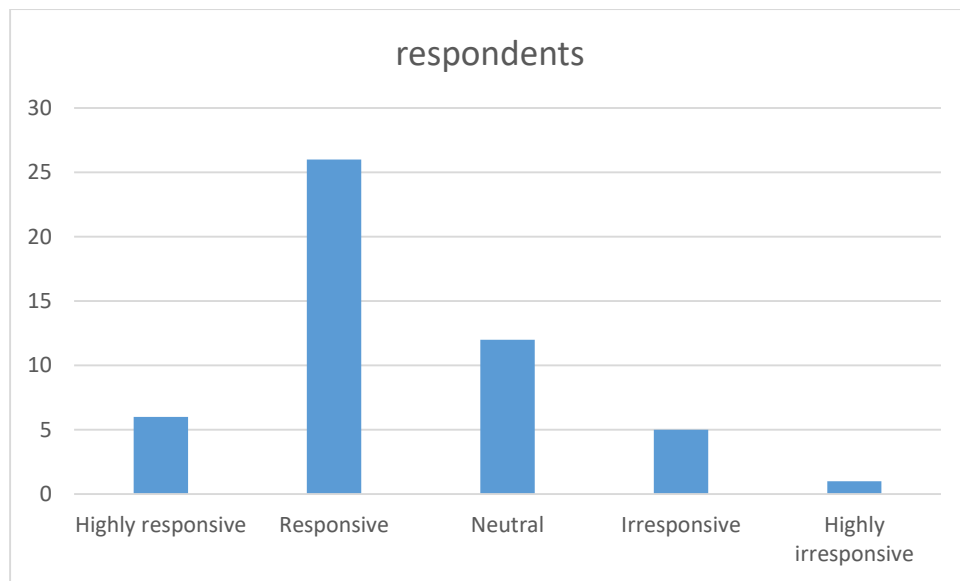
Particulars	respondents	Percentage

Highly responsive	06	12%
Responsive	26	52%
Neutral	12	24%
Irresponsive	05	10%
Highly irresponsible	01	02%
Total	50	100%

Data analysis:

This table examines the how financial institutions are perceived in terms of how well they meet the demands of dairy cooperatives in the region. The data indicates a combination of viewpoints. The survey results indicate that a majority of respondents (64%, or 26 responsive + 6 extremely responsive) see financial institutions as relatively receptive. However, there is also a significant proportion of respondents who feel neutral (24%, or 12 responders) or dissatisfied (12%, or 5 irresponsible + 1 highly irresponsible).

4.17 Graph represents responses for the question, how responsive do you find financial institutions to the financial needs and requirements of dairy cooperatives in your area?



Interpretation:

The data reveals there is no unanimity on how dairy cooperatives are served by banking institutions. The 64% who see some responsiveness suggest some cooperatives can get traditional lender financing. The large neutral category (24%), however, shows that several respondents had minimal financial institution experience or found the procedure difficult. The combined 12% who regard institutions as unresponsive or extremely irresponsible suggests improvement areas. Loan products or credit criteria suited to dairy cooperative demands and risk profiles may benefit financial institutions. The research shows that while some dairy cooperatives find banking institutions responsive, they might do better to meet their financial needs.

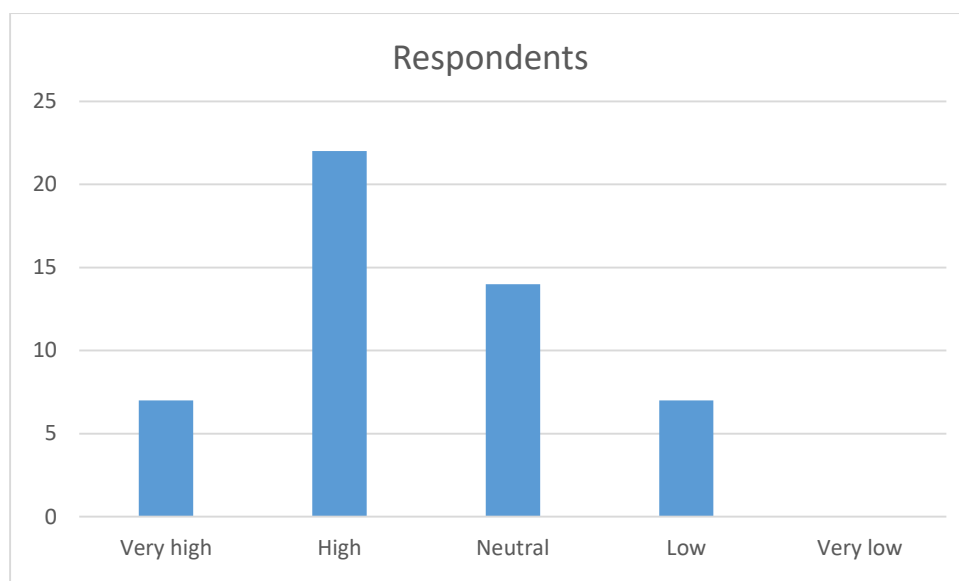
4.18 table showing the level of bureaucratic hurdles or regulatory constraints affecting your dairy cooperative's access to finance.

Particulars	Respondents	Percentage
Very high	07	14%
High	22	44%
Neutral	14	28%
Low	07	14%
Very low	00	00
total	50	100%

Data analysis:

This table examines the perceived extent of bureaucratic obstacles and regulatory limitations that impact the ability of dairy cooperatives to obtain financial resources. The data exhibits a variety of experiences, with no particular type prevailing. A substantial proportion (44%, or 22 respondents) perceive the obstacles to be considerable. Another substantial cohort (28%, or 14 participants) perceives them as neutral, while an additional 14% (7 participants) regards them as low. A lower proportion of cooperatives (14%, or 7 respondents) are encountering significant obstacles, whereas none are experiencing minimal limits.

4.18 Graph represents the level of bureaucratic hurdles or regulatory constraints affecting your dairy cooperative's access to finance.



Interpretation:

The evidence reveals dairy cooperatives have different experiences with bureaucratic barriers and laws affecting their finance. While 44% perceive them a heavy burden, 42% of cooperatives face neutral or low limitations. This may be attributable to variables like the lending programs or financial institutions various cooperatives pursue or the regional location and regulatory environment. A group encountering considerable barriers (14%), suggests an improvement area. Bureaucratic processes or dairy cooperative restrictions should be simplified to increase funding. The data reveals that bureaucratic and legal obstacles might hinder dairy cooperative financing, although the extent varies.

4.19 table showing response of question, do you encounter challenges in demonstrating creditworthiness or proving the financial viability of your dairy cooperative to lenders?

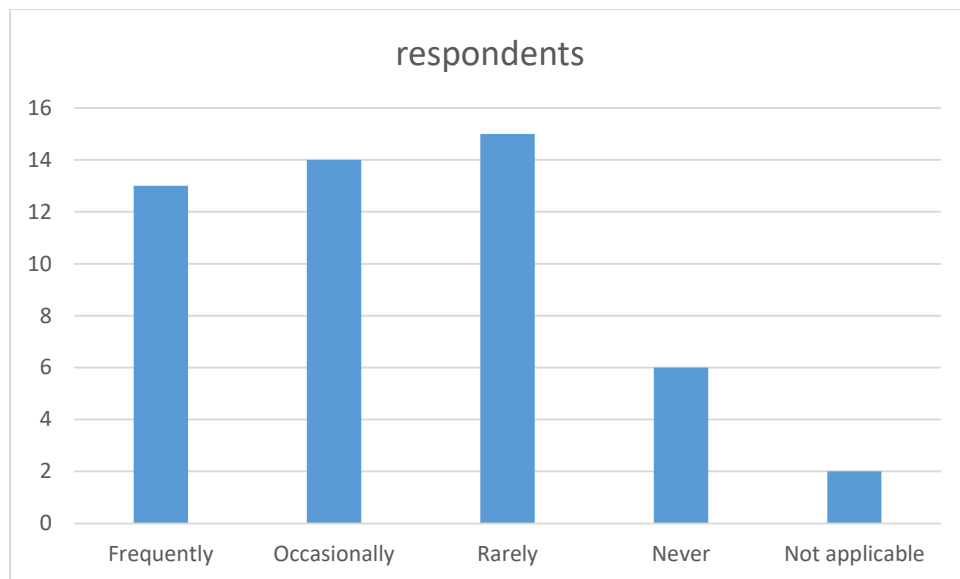
Particulars	respondents	Percentage

Frequently	13	26%
Occasionally	14	28%
Rarely	15	30%
Never	06	12%
Not applicable	02	04%
total	50	100%

Data analysis:

This table examines the difficulties encountered by dairy cooperatives in establishing their creditworthiness and financial sustainability to lenders. The data indicates a wide range of experiences. Approximately 54% of individuals, namely 13 who usually experience these obstacles and 14 who occasionally encounter them, face these difficulties at least occasionally. Nevertheless, a total of 42% (15 individuals seldom + 6 individuals never) indicate that they encounter these situations infrequently or never. Additionally, a small minority (4%, or 2 respondents) stated that this question did not apply to them.

4.19 Graph represents responses of question; do you encounter challenges in demonstrating creditworthiness or proving the financial viability of your dairy cooperative to lenders?



Interpretation:

Not all dairy cooperatives struggle to prove creditworthiness and financial sustainability to lenders, according to the research. The 54% who face these issues regularly or occasionally may make it difficult for cooperatives to get financing. Short financial history, lack of collateral, or poor financial management may cause this. However, 42% of cooperatives seldom or never face these obstacles, indicating that some can establish their financial status to lenders. This achievement may be due to good financial management, a good track record, or competent financial advice. The 4% that did not answer this question may be cooperatives that use alternative finance more than traditional lenders. The data reveals that some dairy cooperatives seeking loans may have trouble proving creditworthiness, although there are ways to overcome this.

CHAPTER 5:

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.1 Findings:

- **Demographics:** Ninety percent of the respondents were male and 80% of them were between the ages of 18 and 35. Seventy-six percent of the respondents held a graduate degree.
- **Financial Access:** The dairy cooperatives most frequently obtained funding from government subsidies (30.1%) and cooperative societies (26.88%). The vast majority of respondents (86%) said that the government programs provided them with sufficient assistance to address the financial demands of their cooperatives.
- **Impact of Financial Access:** A significant number of respondents (66%) and (66%) expressed the opinion that financial access positively affects the expansion and productivity of dairy cooperatives. Additionally, 72% of them said that these cooperatives' capacity to be sustainable depended on having sufficient financial access. Financial resources were considered essential for cooperatives to be able to invest in infrastructure and contemporary technologies (70%)
- **Obstacles to Financial Access:** The dairy cooperatives' main obstacles to obtaining financial resources were found to be their restricted access to bank and financial institution credit (31.1%) and their deficiency in financial management and literacy (35.1%).
- **Financial Institutions:** It was thought that financial institutions responded to the requirements of dairy cooperatives in a reasonable way. Sixty-four percent of the respondents thought the institutions were either very or moderately attentive.
- **Bureaucratic obstacles:** The degree to which regulatory restrictions and bureaucratic obstacles impeded the cooperatives' ability to get financing differed. A sizeable percentage (44%) thought these barriers were severe, while another sizeable number (28%) thought they were neutral.
- The survey's overall results emphasize how crucial financial access is to dairy cooperatives' expansion, productivity, and long-term viability. However, there are obstacles to obtaining financing, including a lack of financial awareness and restricted credit availability. Enhancement is also required in the way financial institutions respond to these cooperatives' requirements.

5.2 Suggestion:

1. Close the knowledge gap:

Training programs for financial literacy: Create and present courses to help cooperative members become more financially literate and capable managers. They will be better equipped to handle their money and make wise financial decisions as a result.

2. Working together to create better lending products:

Government and financial institutions: Encourage cooperation between the two groups to create loan solutions that are especially suited to the requirements of cooperative dairy farms. A few examples of these loan items should include herd size, milk output, and credit history.

3. Simplify procedures:

Lower administrative barriers: To make the loan application process for dairy cooperatives quicker and more effective, work on simplifying administrative processes and lowering regulatory restrictions.

4. Make use of technology

Online portals for loan applications: Create online portals for loan applications to streamline the application procedure and increase accessibility for cooperatives that are spread out geographically.

5. Encourage the use of alternate forms of financing:

Microfinance organizations and fintech businesses: Investigate joint ventures with microfinance organizations and fintech businesses to provide dairy

cooperatives additional financing choices in case they don't fit the conventional bank creditworthiness requirements.

6. Spread knowledge:

Workshops and success stories: Present inspiring tales of dairy cooperatives that have grown by skilfully utilizing their financial resources. Organize seminars to inform participants on the best ways to manage their finances and use loans.

Conclusion:

The research has shown a strong positive association between financial access and the growth of dairy cooperatives. Cooperatives with financial resources were able to enhance their farming operations, improve the sustainability of their producers, increase production levels, and achieve technical modernization. The enhanced monetary accessibility facilitated their investment in state-of-the-art gear and infrastructure, as well as their expansion into untapped areas. Nevertheless, there are certain impediments that hinder the funding process. One recurring issue is the limited availability of financing services, since traditional banks and financial institutions have become more selective in offering services to cooperatives.

Furthermore, the low level of financial knowledge among cooperative members' acts as a barrier to obtaining financing. Furthermore, the process of obtaining loans is hindered by excessive bureaucracy and red tape. Regrettably, there is a lack of collaboration between governmental bodies and financial institutions. To establish financial access for cooperatives, a comprehensive approach is necessary. Cooperation may be enhanced through the implementation of financial literacy initiatives, credit allocation strategies, streamlined loan application processes, and alternative forms of funding.

Ultimately, it is crucial to actively promote and disseminate the most effective strategies and exemplary instances of success to other cooperative organizations, in order to motivate and enable them. By addressing these challenges and facilitating financial inclusion, we will enable dairy cooperatives (COPs) to enhance their strength, productivity, and sustainability within the rural economy.

5.4 Management lessons learned:

The research on dairy cooperatives and financial access has yielded some insightful management insights. These are the most crucial lessons to remember, especially for those who deal with cooperative forms of organization and management:

- **Financial resources are crucial for growth:** because without them, a cooperative cannot extend its operations, invest in technology and infrastructure, or raise production—all of which reduce the cooperative's chances of succeeding and developing.
- **Financial literacy is essential:** Members of the cooperative who lack it may find it difficult to manage their resources wisely, make thoughtful financial decisions, and may find it more difficult to get financial institution goods.
- **Cooperation pays off:** banks, dairy cooperatives, and government agencies have created credit products and assistance programs that are most suited and efficient for the latter.
- **Simplifying is efficient:** it has been shown that the best way to increase cooperatives' chances of obtaining financial resources is to cut down on red tape and streamline the loan application procedure.
- **Alternative financial providers are feasible:** dairy cooperatives can collaborate with fintech firms and microfinance organizations to provide a less conventional but no less effective means of obtaining financial resources.

- **Sharing knowledge works:** It is possible to convince other cooperatives to organize and manage themselves in an efficient and effective manner by showcasing best practices in management and providing instances of distinct loan applications and use.
- **Member awareness is important;** management should make sure that members participate in decision-making about the use of their resources and recognize the value of responsible financial conduct.
- **Data counts:** Gathering, evaluating, and applying data on loan use, financial performance, and cooperative perspectives can assist reorder the priorities for additional financial resource provision.
- When combined, collaboration may often lead to improved operational efficiency, stronger financial situations, and ultimately, opportunities for long-term success. The most crucial lesson is realizing the necessity of an all-encompassing strategy that takes into consideration the larger agricultural backdrop in addition to the unique circumstances of a certain company.