

The Elite Women Multipurpose Cooperative Society Ltd. – A Case Study

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Introduction

The success of the cooperative movement is essentially dependent on education in cooperative philosophy, principles and training in the working knowledge of the member. In this context, National Cooperative Union of India (NCUI) has the basic responsibility to plan, monitor and organize cooperative education in India.

Before the organisation of a cooperative society both the leaders and members should be well educated in cooperative principles and methods. The Women Cooperative Education Project (WCEP), Imphal East District of Manipur under NCUI promotes Self Help Groups and imparts cooperative education to the members. The project is taking the responsibility of capacity building of the SHG members. It enables the SHG members to understand the importance and potentiality of cooperative action, so that they are encouraged to make greater use of their cooperative and in turn lend their support to their institutions. In due course of its operation, when the SHG promoted by the projects gets sustained they are converted into cooperative societies by merging two or more SHGs which are closely located. These cooperatives become member-owned institutions that grow out of the social movement and have strong potential to expand.

Fifty percent of the world (49.60%) and Indian (48.45%) population comprises of women. It has become essential to financially empower women so as to enable them to make meaningful contributions towards the development of the economy. Rich by its culture and tradition, women of Manipur have a unique enterprising role in the socio-economic development of the state and is symbolized by "Ema Market"¹. Despite of its dual role in the family and society, women of Manipur plays a very important role in the development.

Profile of the Society:

The Elite Women Multi-Cooperative Society Ltd., Kontha Khabam Maning Leikai, Heingang of Imphal East District of Manipur was formed by 46 members. It was registered on 31st December, 2002 with the registration No. 61 of 2002. The type of the society is multi-industrial producers. The society charged a sum of Rs. 5 per member as admission/entrance fee. The society subscribed total amount of Rs. 11,500/- as share capital and @ Rs. 250/- per member was charged by the society.

Management of the Society:

The management of the society was found to have been entrusted to a board of management consisting of 8 executive members who have been elected by the general body.

Activities of the Society

The society was engaged in papad making at first, then they took up handloom production activities. Then finally, the activities for the production of Melei Aggarbatti were taken up.

Objectives:

The paper explores the performance of the society and also studies the problems and prospect of the society.

Methodology:

The performance of the cooperative society is examined in terms of sales, employment generation and income generation for a period of seven years i.e. from 2002-2003 to 2008-09. The members were interviewed to explore the problems faced by the society.

Performance:

Members-own institutions that grow out of social movement have strong potential to expand. Elite Women Multipurpose Cooperative Society Ltd. is one of the such institution, which is by origin member-driven and struggle for right to expand. The society produces aggarbatti - incense stick (dhoop) under the brand name "Melei". The product varieties of different fragrance leihao, jasmine, denim, rose and mekrup are produced. The society was conferred "Kangjam Lukhoi Best Cooperative Award" for the year 2009-2010 during the Cooperative Week Celebration on 20th Nov 2009 in Manipur.

The performance of the society may be examined in terms of sales, employment generation and income generation. Some of the parameters of the cooperative are examined for the period of seven years i.e. from 2002-03 to 2008-09. The change in the parameters during the reference period is set out in the Table - 1.

Table 1: Performance of The Elite Women Multipurpose Cooperative Society Ltd.

	(Rs. in Lakh)						
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Sales Proceed Value	32,425.00	2,51,100.00	5,00,756.00	5,60,800.00	6,42,700.00	7,25,500.00	7,90,500.00
Establishment Expenses	4,805.00	2,360.00	10,450.00	8,260.00	9,855.00	12,450.00	12,870.00
Trade Expenses	36,350.00	63,600.00	4,17,489.00	5,46,680.00	6,30,965.00	7,10,680.00	7,76,490.00
Gross Profit	5,375.00	6,450.00	81,167.00	28,720.00	24,735.00	28,820.00	27,010.00
Net Profit	800.00	3,790.00	16,967.00	5,390.00	3,067.00	5,219.00	4,564.00
Acc. Net Profit	800.00	4,590.00	21,587.00	26,947.00	30,014.00	35,233.00	39,797.00
Closing Stock	9,300.00	37,500.00	35,400.00	50,000.00	63,000.00	77,000.00	90,000.00

Source: Annual Report of the Society

From the table, it is clear that the sales value in 2002-03 was Rs. 32,425/-. A 7(seven) times increased of sale value in 2003-04 which amounts to Rs. 2,11,100/- and encouraging trend of growth of sales value of 99% increased in 2004-05. A marginal growth on sales value from the period 2005-06 to 2008-09 is observed.

During 2003-04, the society has constructed a workshed. The material for construction of the workshed was donated by zilla parishad members; the society members' husbands gather the other materials and bamboo chipping machineries during 2003-04. Accept perfumes of aggarbatti, the materials are locally available.

The societies' annual net profit was Rs. 800/-. Maximum annual net profit is found in 2004-05 with an annual net profit of Rs. 16,967/-. Stability and growth of net profit is found. The tempo of the members needs to be maintained by introducing value-based professional management.

Employment

The society has adopted a strategic business model since 2003-04 (Diagram-1). The society production of aggarbatti could not meet the market demand. The members of the society give training to SHG members located in Imphal East and West districts of Manipur. The knowledge and skill development in terms of aggarbatti production are imparted by the society members to 10 SHGs promoted by NCUI Women Cooperative Education Project, Imphal East which are located nearby the society. These SHGs collect the material for production of aggarbatti from the cooperative society. The cooperative society practice grading and standardization of the products produce by the SHGs. Perfuming is done by the society and marketed under the brand name "Melei". The society, in addition to 46 members, gives employment to 10 SHGs. It is surprising that a society borne out of SHGs promoted by NCUI Women Cooperative Education Project, Imphal East has given employment to other 10 SHG members also.

Marketing:

Every business has to increase its sales day-by-day to revolve its fund in the business and enhance its profits. Irrespective of caste, creed and religion, every family of Manipur uses 3 or more aggarbatti stick for its religions purpose. Thus the demand of aggarbatti is high. The brand name "Melei" has gained its image in the market of Manipur. The wholesaler collects the products from the society and sales to retail outlets. The society participates in various melas and exhibitions in Manipur organized by different agencies. This participation itself promotes the society's product in the market.

Problems:

1. **Raw Material:** The raw materials, except the perfumes ingredients are procured by the members. Perfumes ingredients are procured from outside state private agencies. Transportation problem is a bottleneck for supply of perfume ingredients timely.
2. **Power Supply:** Two machines (one bamboo chipping and one grinding machine) were purchased but could not operate because of electricity problem.
3. **Management:** As the members are not professionally trained, so in the competitive environment the society could not professionally manage the business. Thus, value-based professional management needs to be imparted to the society members.
4. **Marketing:** Lack of proper marketing facilities to sell the produce in time. As there is absence of organized institutional marketing infrastructure, the society finds it difficult to recover the dues.

Conclusion

Elite Women Multipurpose Cooperative Society Ltd. is by origin members-driven and has a strong potential to expand. The capacity building done through NCUI-Women Cooperative Education project, Imphal has made the members capitalized to uplift their economic condition. The business model adopted by the cooperative society has also created a huge employment generation. The society needs to have a structurally strong model. Leaders and members need to be oriented with value-based professional management. Development agencies and government should give support in terms of power supply which is one of the major constraints for sustainable development of this society. ■