

# **MENDIPATHAR MULTIPURPOSE CO-OPERATIVE SOCIETY LTD.**

**Reg No – W-2 of 1998- 99**

## **GROWTH AND DEVELOPMENT**

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# **GROWTH & DEVELOPMENT OF MENDIPATHAR MULTIPURPOSE CO-OP.SOCIETY LTD.**

## **Introduction**

Poverty is a great concern in the world today. It is the direct consequences of an unequal distribution of wealth in an economic system where unjust structures of exploitation and oppression are institutionalized and enforced. Thus, these structures are taken for granted, internalized and practiced resulting in a denial of human rights to the majority of people. Globalization is a vested interest of the multinationals that are after high profits and capital accumulation. It cannot solve the problems poor countries of the South. Profit is the only motive and that goes against the poor. Globalization WTO and liberalization policies have great advantages on the rich nations and rich people in the developing countries. Development is possible only through empowerment and through a collective organization of people. This begets people's power, the power that comes from unity, Co-operation, organization and action. Development is building sustainable communities.

People in Garo hills are still very poor not because they do not work hard but they do not get a fair and reasonable price for their farm produce. Often their farm produce are 'sold in advance' to businessmen or moneylenders in order to take loan for their livelihood or at the time of sickness. Therefore they get only ¼ of the actual price for their farm produce at the time of harvest.

My firm belief is that improvement in human living condition is possible through a proper marketing system and empowerment of the grassroots population. The pure example is the Mendipathar Multipurpose Co-Operative Society. The work of the Society has ushered silent economic revolution in the Garo Hills. The Society has changed the lives of poverty stricken Garo's who, despite working hard, had been always at the receiving end. The middlemen and moneylenders deprived them of a fair and reasonable price for their farm produce due to exploitation.

My conviction was that poverty in Garo Hills could not be eradicated unless the people were provided a fair price for their farm produce. I had helped 500 families in 21 villages to plant rubber with the help of Rubber Board under the Ministry of Commerce, Government of India from 1986 to 1990. I did not want the rubber growers to be exploited by middleman. So, I started a rubber marketing society in May 1997, to liberate the rubber growers from the clutches of moneylenders and middlemen. Prior to this intervention, the rubber growers got less than Rs.15 per kg when the actual price was Rs 40/kg. At present we have provided Rs.100/ per kg to the growers by avoiding various levels of middlemen.

In Dec.1999 the Society was registered under Meghalaya Co-operative Societies act (1971) in the name of Mendipathar Multipurpose Co-operative Society Ltd, as per the advice of the Chairman Rubber Board, as the Board has provision to provide refundable share contribution up to Rs 3,00,000,for working capital. On registration the Rubber Board gave Rs.3, 00,000 and it facilitated the work of the society with out any difficulty. At present the Society has 220 members and a Share capital of Rs. 5,25,400 and a Thrift deposit from the members Rs.23, 21,749. The Society runs its business through the above-mentioned funds.

## **Our Vision.**

**Our vision is to bring life to its fullness where every person has equal opportunities to live with dignity and self-respect.**

### **Goals and objectives of the Society**

- **The main goal of the Society is to help people to become self reliant through integrated developments, and by providing market facilities for their agricultural produce, especially of the marginal farmers in rural tribal area.**
- Supply of farm inputs for rubber tapping and processing and other facilities needed for the cultivation of other crops.
- Encouraging **thrift savings, self-help groups** and mutual help among the people based on the co-operative principles.
- Marketing of agricultural products such as Rubber, Areca nut, Black pepper, Ginger, turmeric, maize etc.
- To stock and supply of essential commodities, provision goods, textiles, kerosene, etc at a fair price to the farmers.
- To impart technical guidance to the members of the Society by conducting training cum workshops, seminars by arranging field visits and exhibitions to improve their quality of products. To form Self-Help Groups in distant villages and club them together to form Co-Operatives.
- To conduct animation programmes on social analysis, women empowerment, as well as life guidance and technical assistance to the people.
- To encourage adult education and literacy.
- To educate on environmental protection and ecology.

## **Significant Developments of the Society.**

### **1. Rubber Marketing (started 1997)**

Through rubber marketing many marginal rubber growers have been liberated from moneylenders and “advance sale” of rubber. Prior to our intervention, the rubber growers got less than Rs.15 per kg. It is a joy to mention that the Society was able to provide up to Rs 100/ per kg of rubber to the farmers by avoiding various levels of middlemen. The Society purchases rubber not only from East Garo Hills but also south and west Garo Hills. Hence the rubber growers have improved their economic condition remarkably.

## **2. Share Deposits (Started in 1998)**

In order to raise working capital, share deposits were encouraged from the members as well as new members were encouraged to join the Society. At present the Society has 220 members and a Share capital of Rs. 5, 25,400

## **3. Thrift Saving (started in 1998)**

In order to encourage saving habits of the people, as well as to avoid moneylenders thrift saving scheme was started in 1998 for members .It has helped people to become self-reliable and self sustainable and brought about the desired improvement in living condition. At present the thrift deposit from the members have gone up to Rs.23,21,749

## **4. Sale of farm inputs (started in 1998)**

The Rubber tapping materials and accessories are not available in Garo Hills. Hence it was a great need to start sale of Rubber tapping and processing material such as Acid, Aluminum dishes, Tapping knives, cups and other farm inputs at a cheaper rate.

## **5. Sale of Textiles (Started in 1999)**

During Puja and Christmas, all the people purchased new clothes. At that time the unscrupulous merchants raised the price of clothes up to 300%. Based on the rising need, the Society started the sale of clothes on Dec.1999. The cloth, which is bought from wholesale shops in Guwahati, was sold at a very cheap price, thereby preventing people from exploitation. This move was greatly welcomed by the people.

## **6. Training Programs for the farmers. (Started in 1999)**

Empowering the grassroots population through information, awareness, value education, capacity and skills building programmes are done through formal and informal classes in different villages. Trainings are conducted for various groups of rubber growers for tapping and processing of rubber. Hence they are able to produce quality rubber sheets.

## **7. Sale of Consumer Goods (Started in 2000)**

The Society also began a consumer shop, as price of the essential commodities were very high in the market. Most of the household items are sold at a cheaper price than the market. It is greatly appreciated by the general public as they could save some money on marketing.

## **8. Pick- up Jeep (in 2000)**

The Society acquired a pick up Jeep with Society's own resource. It facilitated the transportation of clothes and consumer goods from wholesale shops in Guwahati, as well as for the farmers to carry the farm produce. The Society also procured some furniture and equipments for the office use.

## **9. Staff- Formation (2000)**

In Oct 2000, three staffs of the Society were sent to Shillong for Co-operative training which equipped them to function better. They were also sent for other short courses, such as Capacity building, Social analysis, Co-operative management etc. Three of the staffs were given exposure to various co-operatives in Kerala. Weekly staff meeting and input session are conducted to empower the staff.

## **10. Purchase of Society's own land and building. (2001)**

On Nov.17<sup>th</sup> 2001, the Society was able to acquire its land and building in the town of Mendipathar. It was a great joy for the members and staff as the long cherished dream was fulfilled. On 8<sup>th</sup> Dec.2001 inauguration was done and the shop and Godown was shifted to the new venue.

## **11. Youth guidance and vocational training.(2001)**

One of the great fears of the youth today is unemployment and hence insecurity in life. In order to provide a "NEW VISION" in life and "HOPE" for the future, youth are guided and helped in vocational training and to begin self-employed programmes such as crafts, tailoring, poultry, farming, horticulture etc. This has helped a few youth to begin self-employment programme.

## **12. Xeroxing and lamination. (Started in 2002)**

The only Xeroxing center in Mendipathar was charging Rs 2-5 / copy. Rs.1, 00,000 was given by Registrar of Co-operatives, Meghalaya, on special request of Sr.Rose to purchase a Xerox Machine for the use of the Society as well as for the public . The Society does the Xeroxing at the rate of Rs.1/page. This has challenged others to bring down the charges to Rs.1.25 - Rs.2/pg.

## **13. Sale of Kerosene. (Started in 2002)**

The PDS kerosene was sold in the market (black) at the rate of Rs 20-40 per liter. The Society started to sell the kerosene at the actual PDS rate and it was a great relief for the poor. The poor are very grateful for this great service.

## **14. Formation of Self Help Groups (SHGs) (started in 2003)**

1. The main objective was to form 100 sustainable self-help groups, to become economically viable and by averting moneylenders and middlemen and to encourage participatory mode of decision-making.
2. To build peace and justice
3. Eradication of the illiteracy among the members and build leadership among them.
4. To help them to prevent malaria and other health problems through health education and to encourage the use of herbal medicines
5. Make people aware of the environmental degradation and the need for its protection.

6. To open consumer shops in the villages so as to provide self-employment opportunities and also to provide market facilities for their farm produce through the Mendipathar Multipurpose Co-operative Society.

SHGs are micro non-formal socio-economic institutions for promoting thrift and mutual help for economic and social development. At present, we have formed 109 SHGs in 40 interior villages. These groups have been introduced to the Banks, Blocks, Rubber Board and Horticulture departments. Training on economic activities such as mushroom cultivation, animal husbandry, rubber plantations, horticulture etc is given to the groups. These groups are looking forward for the help and guidance from the Society for dairy and poultry farm.

#### **15. Training for Chicken rearing and Mushroom cultivation. (Started in 2003)**

To improve the food habits as well as to provide better income, chicken rearing and mushroom cultivation trainings are given to the people regularly. Kuroiler and Broiler chicks and Mushroom spawn are distributed to farmers. This has not only improved food habits but also generated additional income for the people

#### **16. Exposure cum training Programmes from other agencies.**

During this short period, the Mendipathar Multipurpose Co-Op. Society has become a model for other NGOs, SHGs and Co-Operatives. Many groups from different parts of Assam, Nagaland, Arunachal, Tripura and Meghalaya, have come to the Society to get better ideas and to learn about formation and function of Co-op. Society. The MMCS helped to organize a Women's Multipurpose Co-Op Society at Rabhagre in West Garo Hills in 2001, and a Rubber grower's multipurpose co-op society at Rongara in South Garo Hills.

#### **17. Sale of School textbooks and notebooks. (Started in 2003)**

The sales of School textbooks and notebooks have been started during the year. It was a great relief for the students that the Society began to sell School items, as most of it was charged quite high in the market and other shops.

#### **18. New Branch at Dandakol Village. (Opened on 1<sup>st</sup> May 2003).**

It was a matter of great joy for the people of Dandakol and surrounding villages, on 1<sup>st</sup> May 2003, when a new a branch of Mendipathar Multipurpose Co-operative Society was inaugurated. It saves people from traveling long distance of 25-40 k.m. to purchase domestic and other consumer goods. Collection of rubber and other farm produce also are done there.

#### **19. Second Branch at Pangsudam Village (Opened on 19<sup>th</sup> June 2004)**

On 19<sup>th</sup> June 2004 another branch of Mendipathar Multipurpose Co-Operative Society Ltd was opened near Dainadubi 25 Km away from Head Office in order to reach out to the interior villages. It was greatly appreciated by the people, as they have to walk many kilometers to purchase their daily necessities.

## **20. Poultry Farm (started in 2004)**

Scarcity of eggs and chicken has been a great concern for the entire Garo Hills as well as in North East India. Hence the Co-operative started poultry farm. One-day old kuroiler (layer) and colour broiler chicks were brought from Kolkata. After giving vaccination twice and when the chicks are 4 weeks old, these are sold out to the people. This has been a great help for the people as there was no access to these facilities for the rural population. They have improved in socio economic condition by selling eggs and chicken. It also provided better nutrition for the people. The demand for chicken and eggs is great and the Society is not able to meet the needs. **Hence there is a need to start poultry in a large scale.**

## **21. Sale of Areca nut and Coconut seedlings (Started in 2004)**

In 2004 Meghalaya Government Co-Op. Dept gave the Society Rs.1, 00,000 for Micro-Agri project. This money is used as revolving fund for the purchase and sale of coconut and areca nut seedlings, mushroom spawn and chicks. And people are benefiting much out of it.

## **22. NCDC assistance through ICDP programme launched in 2004.**

Under this scheme various activities were started.

1. **Purchase of a mini truck** for the use of Society to carry rubber from other parts of Garo Hills as well as rice and other commodities from Guwahati, Goalpara etc. It was also rented out to the members at a cheaper rate.
2. **Water pump.** 3 nos of water pump set were purchased under this scheme for the use of the members providing irrigation facilities.
3. **Atta Chacki/ Rice Mill.** People in Garohills cultivate lots of turmeric and sell it at the rate of Rs 3-4/ kg. The same turmeric is bought back after processing from Kolkata at the rate of Rs 100 /kg. So the bulk profit goes to the traders. Hence the Society motivated the people especially Self-Help Groups to process turmeric. The Society started to purchase the dry turmeric at the rate of Rs.55/kg after powdering; it is sold out locally at a reasonable price. So it has double benefit for the people.
4. **Smoke house.** A smoke house is built for the training in rubber processing in order to produce quality rubber, so that members may get better price.
5. **New Co-operative building for consumer shop cum office.** The Society grew rapidly in its volume of business and work. Hence it was a great need to have bigger building. With the assistance of NCDC through ICDP scheme a consumer shop cum office was built.
6. **Banking counter.** In order to encourage saving habit, thrift saving was started. To strengthen this NCDC provided banking counter.

## **23. Purchase of Bolero Camper Jeep (2005)**

The Society acquired one bolero camper jeep with its own fund **to** facilitate work of the Society. It is also rented out to the member's for various purposes.

|   | <b>Significant Development</b>   | <b>Why this was done</b>  | <b>Constraints</b>  | <b>Opportunities</b>   | <b>Lessons learned</b>  | <b>Comments / Observation.</b>   |
|---|--|---|---|--|---|--|
| 1 | May 1997<br>beginning of Rubber Growers society.<br>On 16 th May started to purchase the Rubber from the growers in a rented building. | To liberate the marginalized farmers from market exploitation.<br>To provide a fair and reasonable price for the agricultural produce.<br>To counter-balance the monopoly of market structure | To get the people organized.<br>Uncertainty of people's response.<br>Ignorance of the people about the middleman's exploitation.<br>Lack of finance.<br>Suspicion and negative criticism. | To reach out to the poor and the marginalized.<br>To educate them about the exploitation and injustices. | We have become very sensitive about the injustices and market exploitation<br>Needs patience and time to make the people understand.<br>Move at the pace of people. | Pioneering work in this field.   |
| 2 | Dece. 1998<br>Registration of the society under Meghalaya Co-Operative societies Act (1971)  | To have a legal status<br>To make people partners in grass-root movement.<br>To get the government support and finance.   | More records and paper work.<br>Lack of trained and committed personnel.<br>Government restrictions on co-operatives.   | MMS support and encouragement<br>Extension of work to other areas.                                       | Became aware that one of the root causes for poverty is <b>market exploitation</b> .<br>Availability of government resources.                                       | Bargaining power of the people increased.<br>Better price for the rubber.<br>Economic empowerment, hence quality of life improved.<br>Began to educate their children. |
| 3 | Began 'share deposits and thrift savings' by the members began in 1998   | To encourage saving habit of people.<br>To raise fund for the function of the society.  | No saving habit.<br>Unwilling to purchase share   | Deposit scheme was simple & easy for the illiterate.<br>Opportunity to get the dividends of the profit.  | Much time was needed to educate people  | Needed patience and tolerance  |
| 4 | Dec.1999<br>Began the sale of clothes.   | To provide clothes at cheaper price as the market price was high  | Wholesale shops were far away.<br>Transportation of goods was difficult.  | Availability of things at a cheaper price for the people.<br>Better choices.                             | People are becoming aware of the unjust market system   | People's gratitude and appreciation.   |

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|---|---|--|---|---|--|---|
| 5 | Empowerment of people through trainings and awareness education                                     | Poor are ignorant about the causes of their poverty.   | Acceptance of fatalism .<br>Expectation to get something  | People began to see the cause of poverty.   | People expect trouble free life.   | Garos prefer peace rather than taking challenges and risks.   |
| 6 | Training for the Rubber growers in taping and processing of rubber.                                 | North-East rubber was considered as inferior quality by the traders,<br>ence to improve the quality. | Need for additional staff and payment was a constrain due to lack of fund.  | Readiness of the Rubber Board to help at any time.                                      | Improved the quality of rubber, hence better price was rewarded  | Market completion and bargaining power increased.   |
| 7 | .<br>Formation of SHG's   | To eradicate poverty and build self-sustainable groups.<br>To avoid money-lenders.                   | Lack of committed personnel to work in grass roots. <b>Society was not able to appoint full to animators due to lack of fund.</b> | SHG's kept the middle man and moneylenders away.<br>Began to take up issues.            | Need to give more education on the advantages of SHG.and the root causes of poverty and Social analysis. | Positive experiences Members have improved their self-image.<br>Visits by other NGOs and Rubber Board officers encouragement boosted us to go ahead with courage. |
| 8 | Small amount of dividends of the profit of the Society was distributed to the members (Un-official) | To encourage participation.<br>To increase share capital contribution.                               | -----   | More members joined the Society.<br>Share and thrift deposits increased rapidly.        | Creative ways of motivation is needed when we deal with poor and illiterate.                             | Rapid growth of the society in resources both members and finance.  |
| 9 | 2000.<br>Increased the number of staff.   | To facilitate the work   | Financial constraints.  | Employment facilities for the local people.<br>MMS supported for the payment of 4 staff | If properly guided people are able to take responsibilities  | Rubber Board's and Medical Mission Sister's support facilitated Society's rapid growth.   |

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|----|---|--|--|--|---|---|
| 10 | Exposure and training programs for the people from Assam, Nagaland, Arunachal and other parts of Meghalaya. | To learn from each others experience and mutual enrichment. For net working. | Lack of infrastructure and accommodation facilities. | Opportunities for networking with like-minded groups. To ensure better results through net working.                          | People are motivated in other parts of N.East. Learning from experience and relearning  | Organization and networking can become a powerful instrument for social change.   |
| 11 | Purchase of a pick up Jeep  | Hiring vehicle was very expensive  | Financial constraints                                | Facilitated travel and shopping. Society embers could hire the vehicle.  | Possibility for expansion of society's work   | Began to take control over the exploitative market system   |
| 12 | 2001 Sale of consumer goods and house hold items began.   | To bring down the market price of rice, dhal and other items.                | Fear of being attacked by other traders.             | Greatly welcomed this move by the people. Public began to challenge other shop keepers for selling things at a higher price. | Greediness of the traders are contrary to the tribal culture of sharing. To transform society we need to take risks and challenges. | Price of consumer goods came down remarkably in the market<br>People could save some money in as things are sold at less price. |
| 13 | Dec.2001 Purchase of land and building  | To promote growth and well-being of the organization                         | Financial Constrains.                                | Better storage and Working facilities<br>Possibility for expansion   | Organization needs its own infrastructure for its growth.   | God experience in every event.  |
| 14 | Organization of consumer shops in the villages and parishes through SHG's and Co-operatives                 | Empowerment of women. To make self sustained families and villages.          | Lack of unity and perseverance                       | Goods are available in their respective villages. Saves time and travel of women for shopping.                               | People gained bargaining power through SHG's and Co-operatives.   | Women developed positive attitudes<br>Income for the group.   |

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|----|---|---|---|---|--|--|
| 15 | Empowerment and training of cooperative society staff     | In view of entrusting the full responsibility before Sr.Rose moves out.   | Lack of interest to learn something new. Change of old ideas are difficult              | Weekly inputs and reflection. Short courses Exposure programme are the means used   | Difficult job to train the uneducated. A certain degree of education is needed to grasp things easily      | Staff are hard working and committed. We feeling and team spirit. Hope for the future.   |
| 16 | March 2002. Purchase of Xerox machine                     | To be at the service of the people as well as to bring down the high charges of Xeroxing. The only existing Xerox shop charges Rs 2-5 /pg | Fear of being threatened by other shop keepers.   | People made use of the opportunity fully. Even the neighboring villages the charges of the Xeroxing came down                     | Challenging by alternate methods are needed for social change.   | Xeroxing charges came down to Rs 1 .25/pg.   |
| 17 | April 2002 Began building of godown for storage of Rubber | For better storage facilities. It was difficult to rent a place in the town.  | Lack of fund for building   | Purchased more share capital contribution by Rubber board.  | Better storage facilities. Self sustainable families.  | MMCS has taken control over the marketing system of Mendipathar.   |
| 18 | May 2002 Started Fair price shop for kerosene.            | Kerosene was sold in the market at a very high price including PDS kerosene.  | To make the government convinced of the market exploitation corruption from all levels. | Availability of kerosene for the poor at the rate Rs11.50/lit. The price of kerosene in the market came down from Rs 30 to 14 /15 | -How poor are powerless and exploited at all levels.<br>-The vicious circle of exploitation and injustices | God experience in all events<br>Readiness to risk will be rewarded.<br>Faith in God faith in people and faith in oneself has increased.<br>Awareness and awakening has created in the entire N.East.<br><b>HOPE FOR THE FUTURE</b> |

**The Society runs its business through the funds mentioned below: -**

|   |                   |
|---|-------------------|
| Share contribution from Rubber Board            | Rs.3, 00,000      |
| Individual members Share                        | Rs.5, 35,000/-,   |
| Share from Co-Op department, Govt. of Meghalaya | Rs.2, 35,000/-    |
| ICDP scheme (Govt.)                             | Rs 9,37,500/-     |
| Thrift Deposit from the members                 | Rs.24, 27,500/- . |

The Medical Mission Sisters has given Rs.3, 00,000/- for the staff salary at the initial stages of the Society. I express my sincere gratitude to them for the help and encouragement.

**Significant developments among the Cooperative and SHG members:**

- Members have improved in quality of life with better food, clothing and shelter
- They began to send their children to School.
- Many of them feel happy and proud, because they do not need to take loan from moneylenders.
- Members have got the idea of “save more” rather than spending lavishly
- They have grown in discipline, Self-confidence and Self-esteem.
- Wider vision and hope for the future.
- Literacy has improved among the members.
- Some of the SHG groups are able to discuss the social issues and want to start schools in the villages
- Groups are able to assist individual members with personal tension and conflicts at home.
- Men have reduced their drinking habit after their wives joined the SHG.
- Greater awareness of the environmental protection.
- Reduction of malaria among the SHG members through the use of Chirata and smoking the houses during evenings.
- The success stories of the SHGs, motivated others to form groups; hence more requests are coming for the formation of new groups.

The integrated approach has scripted the success story of Mendipathar Cooperative Society. However the road to success was not strewn with roses. “ It was a herculean task to change the mindset of the people, and make them accept new ideas. Without much knowledge we started the Society, by making mistakes we learned.”

22 dedicated staff under the guidance of Sr.Rose has been working relentlessly to bring life to its fullness where every individual can live with dignity. The Society, at present, has contact with 1,500 families through Co-Op. membership and SHGs.

**Conclusion**

Market system is key to economy, development and progress. Improvement in human living condition is possible only if there is a proper marketing system together with empowerment of grassroots population. It can be easily achieved through SHGs and Co-operative movement. SHGs are micro organizations, which need to be grouped together as

co-operatives to be more effective for social change and transformation. However, the concept of Co-operative movement is not understood properly, and people in grassroots are ignorant about it. NGOs and Christian missionaries are known for their innovative interventions in the field of Education, Health and various Developmental programmes. . However, in the NE India they have not entered in this field, perhaps for fear of being stigmatized as business people. Being pioneer in this field I am fully convinced that integral development is possible through the mobilization of people and use the resources within them, through participatory Co-operative movement.

The greatest challenge I face is to go to the level of people's thinking, and makes them to think higher and to understand the current reality. Often the poor people's response is very slow and poor.

**“Let us hope and pray that the Mendipathar Multipurpose Co-Operative may grow to its Fullness”**

**Sr.Rose Kayathinkara  
Chairman**

**Dated.17<sup>th</sup> October 2006.**