

FARMER PRODUCER ORGANISATIONS IN INDIA

Case Study Compendium

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- d. Satpuda Farmers Producer Limited, Jamai, Madhya Pradesh
- e. Sittilingi Farmers Producer Limited, Sittilingi, Tamil Nadu
- f. Paddukkotai Farmers Producer Limited, Pukkukkotai, Tamil Nadu

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List of Abbreviations

CSIS	Common Size Income Statement
DA	Development Alternatives
DAC	Department of Agriculture and Cooperation
FIG	Farmer Interest Groups
FPC	Farmer Producer Company
FPO	Farmer Producer Organizations
MIDH	Mission for Integrated Development of Horticulture
MSP	Minimum Support Price
NCDEX	National Commodity and Derivative Exchange
NFSM	National Food Security Mission
PCR	Producer Company Representative
RF	Reliance Foundation
RKVY	Rashtriya Krishi Vikas Yojana
ROSE	Rural Organization for Social Education
SFAC	Small Farmers Agri-business Consortium
SHG	Self Help Group
SOFA	Sittilingi Organic Farmers Association
SWOT	Strengths, weaknesses, opportunities and threats
THI	Tribal Health Initiative
VDA	Village Development Association
VDF	Village Development Fund
VIUC	Vegetable Initiative for Urban Clusters
WADI	Wasteland Agriculture Development initiative

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CASE STUDIES

CASE STUDY I



Ajaymeru Kishan
Samruddhi Producer
Company Limited

**An SFAC's initiative for
market strengthening for
small farmers in Ajmer,
Rajasthan**

Background

About Rajasthan

Rajasthan is the largest state in terms of size in the country. Nearly 65 per cent of the Rajasthan population is dependent on agriculture for their livelihoods. Scanty rainfall, scarcity of water and inefficient water management practices constitute some of the major challenges of the state's agriculture systems. The average surface water is only 1 per cent of the total country's surface water resource (Department of Agriculture, Rajasthan, 2013)

The district of Ajmer falls under Western Dry Region of the agro-climatic zones of the country (Department of Agriculture, 2011). It lies in the transitional plain of the inland-drainage zone. Approximately 50 per cent of the land in Ajmer district is under agriculture (4,22,000 hectares out of total 8,43,600 hectares). More than 85 per cent of the agriculture land in Ajmer district is rain-fed (Department of Agriculture, 2011). Of the 67000 hectares of land that is under irrigation, the primary source of irrigation is open wells. According to the State Ground Water Department, out of the 8 blocks in Ajmer District, the state of ground water is over-exploited in 7 blocks and critical in 1 block. The major field crops cultivated in Ajmer District include Sorghum, Pulses, Mustard, Gram, Wheat, Barley and Cotton. The Land under cultivation of these crops is summarised in Table 1. Agriculture in the district is prone to regular drought and

occasional heat and cold wave, frost and pests outbreak.

Table 1: Major Field Crops in Ajmer District

Major Field Crops cultivated	Total Area under cultivation ('000 hectares)
Sorghum	143.4
Pulses	86.7
Mustard	21.7
Gram	20.8
Wheat	16.6
Barley	7.9
Cotton	6.4

Source: Ajmer Agriculture Contingency Plan, 2011

About SFAC's Initiative

Small Farmers Agri-business Consortium (SFAC) was mandated by Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India, to support the state governments in the formation of Farmer Producer Organisations (FPOs). The initiative which started in 2011-12 under the two Central Sector Schemes of Vegetable Initiative for Urban Clusters (VIUC) and Integrated Development of 60,000 Pulses Villages in rainfed areas has expanded its scope and covers special FPO projects taken up by some state governments under general Rashtriya Krishi Vikas Yojana (RKVY) funds

as well as under the National Demonstration Project under the National Food Security Mission (NFSM) and Mission for Integrated Development of Horticulture (MIDH). (Press Information Bureau, 2014)

Under the funds from Rashtriya Krishi Vikas Yojana (RKVY), one of the FPO established, is in the Kekri town of Ajmer district, registered as “Ajaymeru Kishan Samruddhi Producer Company Limited”.

Details of support and assistance provided to Ajaymeru for its establishment is the following:

- The Ajaymeru Kishan Samruddhi Producer Company Limited was provided with equity grant of INR 10 lakhs. Equity grant is a cash infusion equivalent to the amount of shareholder equity in the Farmer Producer Company (FPC) subject to a capital of INR 10 lakh per FPC. As per the grant scheme, 50 per cent of amount was collected through contribution by farmers in the form of shared capital.
- The SFAC, empanelled BASIX as the resource organisation for community mobilisation to identify and form farmer groups that will constitute as members of the Ajaymeru Kishan Samruddhi Producer Company Limited. SFAC also provided their expertise for supporting the mobilisation.
- Ajaymeru was registered by SFAC under the National Commodity and Derivative Exchange (NCDEX). It supported in facilitating the procurement possibilities for the Producer Company Limited.

Overview of Ajaymeru Kishan Samruddhi Producer Company Limited

The Ajaymeru Kishan Samruddhi Producer Company Limited was established on 27th February 2013 and registered under article 581a of Companies Act 1956. The total farmer interest groups that were part of the company were approximately 82 in the beginning, comprising of about 1248 farmers in total. Over the last two years, it has expanded to form 164 farmer interest groups, reaching out to about 2348 farmers in 43 villages (Source: Ajaymeru).

Each farmer interest group, comprising of 10-20 farmers nominates their president, secretary and a treasurer. The president of each farmer interest groups represents their group at the Block level committee. The Block level committee elects the Board of Directors of the Ajaymeru Kishan Samruddhi PCL, who reviews the performance and takes strategic decisions for future work of the Producer Company Limited. Ajaymeru currently has 11 elected Board of Directors.. The Board of Directors also has two professional members, who are not representatives of the farmer but mentors the management and business generation for the FPO.

The eleven members currently adhere to the reservation policy of the FPO and have directors from SCs, STs, OBC category including one woman, as the directors, at present. The elections for Board of Directors, that were conducted last year

were held under the surveillance of a five member external committee – 1 block development officer, 1 representative each from BASIX and UCO bank and 2 representatives of State Agriculture Department for the appointment of board of directors following the reservation policy.

The Board of Directors meets once a month to review the performance and to make decisions for the future of Ajaymeru Kishan Samruddhi Producer Company Limited. All the administrative and strategic decisions are taken by the Board of Directors through both, voting and oral consensus building.

Ajaymeru Kishan Samruddhi PCL, like other companies, has a Chief Executive Officer, Mr. O N Sharma. The CEO is a nominated professional member on the Board of Directors. He presents review and proposes plan for the future. He also guides the Board of Director, from his networks of agriculture experts on new technologies or inputs that can be adopted or promoted by the Producer Company Limited. The CEO is also a point of contact between government agencies, procurement agencies and the Producer Company limited.

OBJECTIVE

- **Reduce the current farmers' costs of agriculture inputs:** Ajaymeru Kishan Samruddhi PCL aimed at reducing the hoarding and black marketing of agriculture inputs, and thus, allowing access of agriculture inputs at MSP to member farmers.

- **Trusted brand to farmers for technical assistance:** Ajaymeru Kishan Samruddhi PCL project themselves to be a brand of trust with the quality of agriculture inputs they are selling. Also, in case of an injustice due to use of a company's input, Ajaymeru Kishan Samruddhi PCL assured to support the farmer in claiming compensation.
- **Strong business sustainability:** Ajaymeru Kishan Samruddhi PCL aims to build a strong balance sheet, i.e. net profits for the company. Also, it focuses at building credit in its bank account to increment liquid assets for procurement and buying functions, that PCL has to perform.

ACTION

Each farmer member contributes upto INR 1000 once while applying for membership of Farmer Producer Company¹. The amount of share capital can increase over time if number of members' increases and FPO needs to incur more expenditure in order to meet the demand of farmers. Ajaymeru Kishan Samruddhi Producer Company Limited, in return provides following services to the member farmers:

- **Availability of agriculture inputs at Minimum Retail Price:** Ajaymeru Kishan Samruddhi PCL, availed agriculture inputs from various government

¹The share capital by approximately 1250 farmers is of INR 1000 each. Other farmers have contributed lesser than that ranging from INR 300- INR 800. The per person share capital can increase in future, if the decision is passed in the Annual General Meeting of the Producer Company Limited.

fertilizer and seed companies, and other private companies of seeds and fertilisers. Ajaymeru Kishan Samruddhi PCL sold the fertilizer on MRP, seeds at the minimum profit margin (4%) and pesticides at margin of 7% the product. Demand mapping is conducted by the Ajaymeru Kishan Samruddhi PCL by collecting information from all farmer groups. Accordingly, they aim for purchase of the inputs.

- **Technical Assistance service:** Ajaymeru Kishan Samruddhi Producer Company Limited aims to ensure quality inputs to be availed by the farmers. For this, the FPO validates the products available in the market, utilising the network of experts from the local agriculture universities. Some of the agriculture experts that Ajaymeru Kishan Samruddhi Producer Company Limited is connected with are, Dr R S Rathore, Udaipur Agriculture University and Dr Ram Gopal Sharma from State Agriculture Department, Rajasthan.
- **Procurement of pulses at Minimum Support Price:** Ajaymeru Kishan Samruddhi PCL carried out procurement for state government as well as for private retailers in the last three years of its existence. The most promising client for pulses procurement is the State's pulses inventory. Ajaymeru Kishan Samruddhi PCL sets up units for procurement, and based on standard quality benchmarks procure from the villages with FPO member farmers. It may be noted here that it is not necessary for the FPO to provide

assurance to its member farmers of procurement of their produce. The quality of the produce is the first criteria for selecting the supplier; member farmers are preferred in procurement, if they pass the criteria.

APPROACH/STRATEGY

The supply of agriculture inputs and procurement function by the Ajaymeru Kishan Samruddhi PCL is governed by building relationship with government and private agencies, in addition to partnership with research institutes to comply with quality standards of the goods supplied and procured. The company's strategy is strengthening business by maintaining strong balance sheets. Some of the strategic approaches are:

- Ajaymeru Kishan Samruddhi PCL identified that the salary/personnel costs of managerial and technical staff is higher and reduces the gross profit of the FPO. The CEO Mr. O.N Sharma devised a strategy to explore a revenue source by conducting trainings of other FPOs, and utilised his managerial skills in training and capacity building of other FPOs in the state, especially the ones that are developed by government agencies like SFAC and NABARD. In this way, the salaries of CEO was not borne by the core operations of the FPO, and it supported in strengthening the capacities and core business operations of the FPO.

- The FPO in its initial three years of establishment is restricted with limited working capital availability, required for operations of procurement, and buying agriculture inputs in bulk. In order to create an internal corpus of funds for the FPO, a strategy of no dividend for the first three years, and thus, not sharing the net profits of the three years with the member farmers was devised. This enabled the profits to be available as working capital for the business operations of FPO.

The long term strategy for profits is dependent on procurement function, whereby 1% commission on the total value of procurement is the practice in procuring for state government by Ajaymeru Kishan Samruddhi PCL.

Process of Formation

BASIX conducted various exercises (like focused group discussions) for social mapping of farmers. In this process, it also mobilised them into Farmer Interest Groups. BASIX mobilised farmers from 22 villages in Kekri, Ajmer District. The farmers under these initiatives belonged to following classification:

One of the concerns identified by BASIX exercise of social mapping was the non-profitability of agriculture as an economic activity. Farmers identified low/negative profits from current agriculture practices. Some of the causes of low profits identified by farmers were as follows:

- **Increasing costs of agriculture inputs:** The farmers in this area were buying seeds, fertilizers and pesticides from the market which had high costs bearing for the farmer. Additionally, the farmers identified hoarding and black marketing of agriculture inputs in the local markets. This led to prices higher than the Minimum Retail Price² (approximately 50 per cent higher than the MRP) that the farmer had to bear for buying the required agriculture inputs. The limited or no access to other than the local markets for the farmers built a strong lobby of market sellers manipulating MRPs.
- **Fluctuation/low prices for agriculture produce:** The farmers identified dependence on local *mandis* for sale of their agriculture produce as a problem. The *mandis*, according to the farmers, does not guarantee Minimum Support Price and usually result in losses over profits for the farmers.

It needs to be noted here that the condition of water resource in the district is more than critical in 90 percent of the district. Farmers face agriculture drought once in three years on an average according to the Agriculture Contingency Plan of Ajmer. But it was not identified by the social mapping exercise, as reported by Ajaymeru Kishan Samruddhi Producer Company Limited. It

² As cited a fertilizer with MRP of INR 285 per 50 kg was sold at INR 350 per 50 kg on an average as reported by the Ajaymeru Kishan Samruddhi Farmer Producer Company Ajaymeru Kishan Samruddhi Farmer Producer Company FPO team

may be noted that this could be informed by the SFAC's guideline and structure of Farmer Producer Companies (elaborated in Figure 1) that does not include interventions of watershed or water sensitivity incorporation in the production practices or marketing decisions.

BUSINESS PERFORMANCE

This section will analyse the current situation of business strength of Ajaymeru Kishan Samruddhi PCL. This will be informed by the business growth of the three years of operations of Ajaymeru Kishan Samruddhi PCL as well as their absolute condition currently. After the analysis of business strength, this section will identify strengths, weaknesses, opportunities and threats (SWOT) that the FPO is currently endowed with. While total revenues, total costs and profits have increased in absolute numbers in case of Ajaymeru Kishan Samruddhi PCL, following are some important analysis using data from CSIS:

- The total costs as a percentage of revenue has decreased from 99% to around 97% in the next two years. This shows a greater percentage of profit from the revenues of the business.
- A substantial increase in the direct income that includes discounts received on pesticides, seeds from retail companies from only 0.32% to 3% percent in three years reflects on greater partnerships and discount accessibility with network of retail companies, and hence, a healthy sign for business.

- Indirect incomes sourced from interests on security deposits or SFAC commission, *Godown* (warehouse) rent fee collection, exposure visit fee has reduced tremendously from 8% to 0.25% in three years. This may be reflected in the initial investment and incomes due to SFAC project that was removed after the first two years of operation. A consistency in interest rates and opportunities for income by exposure visits and other sources needs to be explored for enhancing indirect incomes for the FPO.
- The costs of goods, that is, the purchase account has increased as a percentage of total revenue from 87% to 91% in three years. This reflects the inefficiency in costs incurred in purchasing of raw goods. It needs to be studied with a caveat that for the first two years, only fertilisers were purchased, however, cattle feed, seeds and pesticides were added in the purchase account which have higher costs requirements in the initial development of retailers and company partnerships for purchase.
- The total profit has reduced in absolute numbers, but as a percentage of revenue has moved from 0.6% of the revenue to between 2-3% in the next two years. This is a healthy sign for the business performance as the margins out of your revenue are resulting in higher profits.

Table 2: Overview: CSIS calculation for Ajaymeru Kishan Samruddhi PCL
Table 2A: Revenue Statement of Ajaymeru Kishan Samruddhi PCL for three financial Years

REVENUE STATEMENT	FY 2013		FY 2014		FY 2015	
	INR	%*	INR	%*	INR	%*
Sales Account	56,69,614	89.9	1,38,58,157	87.5	1,74,58,734	72.519
Direct Incomes	20,370	0.323	92,421	0.58	7,52,608	3.1261
Closing Stock	87,695	1.391	6,78,374	4.28	58,03,193	24.105
Indirect Incomes	5,28,658	8.383	12,12,196	7.65	60,300	0.2505
TOTAL	63,06,336	100	1,58,41,148	100	2,40,74,834	100

*This is percentage of the component with respect to total revenue statement

Table 2B : Expenses Statement of Ajaymeru Kishan Samruddhi PCL for three financial Years

COSTS/EXPENSES	FY 2013		FY 2014		FY 2015	
	INR	%#	INR	%#	INR	%#
Opening Stock	0	0	87,693	0.55	6,78,374	2.82
Purchase Account	55,18,499	87.51	1,40,21,288	88.51	2,19,74,273	91.27
Direct Expenses	1,55,726	2.469	2,58,639	1.63	2,03,313	0.84
Indirect Expenses	5,91,501	9.379	9,46,676	5.98	7,26,453	3.02
TOTAL	62,65,726	99.36	1,53,14,296	96.67	2,35,82,413	97.95

Net Profit	FY 2013		FY 2014		FY 2015	
	INR	%#	INR	%#	INR	%#
	40,610	0.644	5,26,852	3.33	4,92,422	2.05

This is percentage of the component with respect to the total Revenue statement.

Source: Author using Profit-Loss Account of Ajaymeru Kishan Samruddhi PCL

The current ratio of Ajaymeru Kishan Samruddhi PCL ranges from 1.65 to 2.33. While the third year saw a decrease in the working capital of the Ajaymeru Kishan Samruddhi PCL, it still runs the operation with liquid assets. Liquidity directly relates to the flexibility of expansion of operations for business, as it allows liquid assets to investment and expand market base. A ratio above 2 usually provides a decent level of comfort in operation, and therefore, Ajaymeru Kishan Samruddhi PCL seems strong in having liquid assets, in its current operation. The return to investment in Ajaymeru Kishan Samruddhi PCL has

tremendously fallen from 785 to approximately half to 361. This reflects on how well a company is utilising its current assets. It shows high asset increase with not substantial increase in the income from operations. This may reflect on under-utilised assets like office, hard assets, *godown*, and personnel. Low return on investment can also be due to the phase of expansion where these growing assets are going to set base to large scale operations for income in future and should therefore be seen with caution.

Table 3: SWOT of Ajay Meru FPCL

SWOT	Analysis
Strength	<ul style="list-style-type: none"> Diversified portfolio from only fertilizer as an agriculture input to seeds and pesticides increases the market share of the company. Procurement of agriculture produce by SFAC for Government of India from Ajaymeru PCL is an additional service, resulting in 1% commission from the total value procured. Ajaymeru Kishan Samruddhi PCL provides foundation seeds to its member farmers under seed production program launched by National Seed Corporation which provide assured buy back of seeds from farmers above INR 1000 on prevailing market price.
Weakness	<ul style="list-style-type: none"> Ajaymeru Kishan Samruddhi PCL identified lack of managerial and technical support to understand agri-business models. This may be reflected in the crunch of indirect expenses and hence limited expenditure on salaries of professionals that Ajaymeru Kishan Samruddhi PCL charges. The indirect expenses (Refer table 4) in the business profile of Ajaymeru Kishan Samruddhi PCL have remained low, despite the expansion of operations and diversification of business from fertilizer to seeds, pesticides and procurement service.
Opportunity	<ul style="list-style-type: none"> Ajaymeru Kishan Samruddhi Producer Company Limited, is only procuring 10-15% of the farmer producer demand for agriculture inputs and is therefore sees a huge potential in scaling up its operational capital. Ajaymeru Kishan Samruddhi PCL also identified to explore the niche market of organic agriculture produce, to enhance their revenues with higher prices. This will however be dependent on the support by government or other entity for farmers to transform into organic farming. This could also mean reduction in the current operations which is dependent on supply of fertilizer and company seeds to the farmers.
Threats	<ul style="list-style-type: none"> Other private market players that were selling agriculture inputs at higher MRP prices have formed lobby to control the supply of agri-inputs to the Ajaymeru Kishan Samruddhi PCL. Ajaymeru Kishan Samruddhi PCL, selling agriculture inputs at MRP in a market where other players were selling at higher rates takes away margin of other market players. The private players are careful and are grouping together to increase the market share of Ajaymeru Kishan Samruddhi PCL substantially.

LIVELIHOOD IMPACT OF FARMERS

Ajaymeru, as a Farmer Producer Company Limited, is not tracking its impact numbers on the above mentioned indicators. However, for the purpose of understanding impact of Ajaymeru on livelihoods of farmers, we assessed the scope of Ajaymeru's work and its impact on the basis of farmer interviews conducted. Following is the analysis:

Natural Capital: Ajaymeru is currently not focusing its work on land size constraints. Water availability to farmers is also not its focus. Ajaymeru sees natural capital enhancement out of the purview of their business domain. The choice of pulse procurement from this region by SFAC is appropriate for the agro-climatic regions it belongs to. It also promotes food and nutrition security by promoting diversification and promotion of pulses, an important source of protein in a vegetarian

also factored by the usage of fertilizer and pesticide. Ajaymeru does not sell red pesticides, which are banned for being harmful. However, enhancing soil quality is a factor of choice of crop, prevention of soil erosion, choice of fertilizer, pesticides and rotational mechanisms. Farmer community groups, informal and formal, across the country have shown examples of water conservation, productive land use. Pricing mechanism that incentivises sowing and procurement of crops that are water sensitive in accordance to the agro-climatic zones is also another way of promoting good agriculture practices that enhances natural capital. A strategy is yet to be devised for enhancing natural capital of the farmer. This may require revisions in the SFAC's activities mandate (See Figure 1).

- **Human Capital:** Ajaymeru connects

Table 4: Impact of Ajay Meru FPCL on Farmer members' capital

CAPITAL	INDICATOR		STATUS
NATURAL	Land size		
	Water availability		
	Soil quality		
HUMAN	Knowledge of practice		
	Weather information		
	Mandi/market prices knowledge		
FINANCIAL	Increase in incomes by reducing costs		
	Increase in incomes by price rise		
	Credit availability		
PHYSICAL	Agriculture equipment's		
	Electricity		
SOCIAL	Membership of community institutions		
	Activities undertaken		
	Not under the mandate of Ajaymeru FPCL		Under the mandate of Ajaymeru FPCL

diet. The soil quality of the area however, is

the member farmers to agriculture

experts in the state universities and state government departments. In this way, they seek solutions to problems identified by farmers, in terms of choice of seeds and other inputs and decision of nature of agriculture practice. It needs to be evaluated however, whether the information is regarding the choice of seeds and inputs or extends towards, choice of crops, choice of agriculture practices and water conservation solutions, etc. Weather information and forecast is not under the purview of the services provided by the FPCL yet. Ajaymeru informs the farmer members of the *mandi* prices and offers to pay at the Minimum Support Price to the farmers or higher. In this way, it prevents loss of farmer's income due to market fluctuations.

- **Financial Capital:** The three primary classifications of enhancing financial capital include increase in income of farmers due to reduction in inputs costs or increase in prices of the goods. The third component is access of credit to the farmers for expanding their business. While Ajaymeru has marginally supported the increase in income due to reducing costs of seeds and inputs that used to be sold in black markets earlier. Also, it increased the income of the farmers marginally again, by procuring at Minimum Support Price, which otherwise was sold in fluctuating prices in the market, usually rendering losses to the farmers. The scope of reducing costs by lowering dependence on markets for inputs and moving to

packaging and value addition for higher prices is yet to be explored by the Ajaymeru FPCL. In terms of credit availability to farmers, Ajaymeru has not worked on bank linkages for its farmer members.

- **Physical Capital:** It includes access and availability of hard assets like agriculture equipment, electricity to the farmers, is not in the purview of the Ajaymeru FPCL in its current operations.
- **Social Capital:** It includes initiatives where community has come together for mutual benefits for all. Membership to community institutions and activities undertaken by various community groups for collective prosperity are included. Though the farmers have formed groups under the Ajaymeru FPCL, but they have limited influence in mobilizing other activities

CASE STUDY II

Bhoomitra Farmers Producer Company Ltd.

An initiative of Reliance
Foundation



Background

About Yavatmal District

Yavatmal district is bounded on the north by Amravati District, to the northeast by Wardha District, to the east by Chandrapur District, to the south by Telangana state and Nanded District, to the southwest by Hingoli District, and to the west by Washim District. Cotton and wheat are the predominant crops grown in the district. The chief rivers flowing through the district are the Wardha and the Penganga.

Yavatmal lies in the central Vidarbha zone, which witnesses moderate rainfall. Maximum temperature is between 33 and 38° C while minimum temperature lies between 16 and 26° C. Average daily humidity is 72 % in rainy season, 53 % in winter & 35% in summer. Yavatmal district has an average rainfall of 1130 mm. The soil type of Yavatmal district is mostly black soils derived from basalt rock (Government of Maharashtra, 2016). The parent material all over the district is Deccan trap. The soils which are derived from the Deccan trap vary in their characteristics according to their location in the respective catchments. While the deep black soils occupy the low lying areas, the brownish soils, comparatively coarser in texture occur on the higher elements of relief. The reddish brown coarse textured soils locally known as barad or murmad occur at still higher altitudes. Generally cotton, soyabean, groundnut, sugarcane are grown as commercial crops and sorghum, wheat and

pulses are grown as food crops in the district. (Shodhganga, 2011)

Yavatmal had earned the tag of the 'farmer suicide capital' (Khapre, 2016). A census conducted in four villages of the district worst affected areas by the unseasonal rains says that 67 per cent of the farmers in the areas were suffering from depression (Mehta, 2015). This indicates the vulnerabilities of farmers of this belt due to crop failures, etc.

About Reliance Foundation

Over the five years of Reliance Foundation's (RF) engagement at Yavatmal district, has reached to approximately 2500 farmers in 24 villages. Reliance Foundation's flagship programme, Bharat-India-Jodo (RF BIJ), works to bridge the development gap between rural and urban India. Programme's key objectives are Institutional building, food and nutrition security, water security and ecological sustainability.

The programme works with small and marginal farmers and helps farming households that have limited livelihood options. The programme organises farmers in collectives, to leverage the power of unity. These models of social and economic development are owned, controlled and managed by communities themselves; for the larger development of their members, the village, and the region.

Overview of Bhoomitra Farmers' Producer Limited

Bhoomitra Producer Company was launched in 2011 with the objective of collectivising farmers for better economies of scale in agri-marketing and support low cost efficient means of production.

Geographical scope of farmer members

The Cooperative had 2500 families as farmer members in 24 villages between 2011 and 2016. The major crops that Bhoomitra does business in are soyabean and *tuar*. The case study captures the process and impacts of the FPO in Tapalheti village, Yavatmal District.

Key achievement

The Company represents a strong community institution as a foundation base. By building a strong Village Development Association, Reliance Foundation has been able to develop an inclusive, accountable and empowered community institution that can become an engine to development in various forms, one of it being the Bhoomitra Producer Company.

Process of formation of Bhoomitra Producer Company Ltd

Need Identification of Farmer producer organisation

Reliance Foundation (RF) took the ridge to valley approach of watershed management to choose villages for action. Tapalheti village, in the process was identified for action. RF mobilised the village community and proposed its support in development issues – identified by the local communities, largely on issues of food and nutrition security, water and economical sustainability. Community initially felt a fear of land acquisition and vested interests of RF during the initial phase of mobilisation.

With support from RF professionals, issues were identified by Tapalheti households at the village level and individual level. At the village level, lack of drinking water facility, lack of proper road and basic infrastructure issues and no reliable source of income from farming were major issues. At the household level, tools and labour for soil tilling, and other expenses in agriculture were identified as inhibiting factors for practicing profitable agriculture. Poor nutritional outcomes of the households in

Value chain →	Backward Channel	Forward Channel
Scope of work of Bhoomitra	<ul style="list-style-type: none"> • Crop planning at village level • Watershed management initiatives under Reliance Foundation 	<ul style="list-style-type: none"> • Grading and segregation • Sales and marketing

Tapalheti was another important issues identified by RF. Some of the key concerns

with agriculture included high risk in income generation in farming as profession. Expensive seeds and fertilisers due to narrow market reach and involvement of traders in selling produce, hindered good income benefits to the farmers. Crop failures due to untimely rainfall and lack of secured irrigation are some of the issues identified in agriculture production.

A body called Village Development Association (VDA) was formed by Reliance Foundation consisting representations from farmer households of the village. The objective of VDA was to promote collective ownership, decision making and common welfare of the community. Each member of VDA is expected to contribute INR 365 per year @Re 1 per day to the Village Development Fund (VDF). The role of Village Development Association is to decide on development choices of the village and of the households and allocate finance and resources in accordance to the priority needs established. Apart from the internal fund of the VDA, Reliance Foundation also supports infrastructure cost based on the priorities and needs demanded by the VDA. Some of the bye-laws of the Village Development Association, Tapalheti are following:

- One can become the member of VDA by submitting a membership fees of INR 200
- A weekly meeting of the members of VDA is scheduled for every Friday

- VDA has the final authority in taking decisions on expenditure of the Village Development Fund
- Main member from each household can be replaced or represented by another member from the household
- All members of the VDA have the right to raise an issue
- Regular attendance and record of meetings shall be maintained
- On topics related to development of the committee will be raised, focusing on farm related and economy related activities
- Members are not allowed to have tobacco or alcohol during the meetings
- The head of the farm needs to be present while any work is done on their farm
- Each member needs to contribute a certain amount to the Village Development Fund
- Village Development Association is the executive agency for any development work by RF

A proposal of starting a farmers' company was placed before the Village Development Association meeting. The idea of the company as communicated to the members of Tapalheti VDA, and it was proposed to have a company owned, run, managed by the farmers, for the profits to the farmers. Each member of the VDA was expected to contribute in cash or kind (soybean produce) for laying foundation of the company. This cash or kind contribution to the company accumulated the working capital for the producer company. In this

case, village development association is the shareholder of the Bhoomitra Producer Company and not individual farmer households. According to RF Professionals, there was no particular reason but ease of administration and to instigate community ownership that such a path was taken. The company is currently in the process of distributing its share to individual farmer households instead of the VDA.

The background of Village Development Association and development action related to water and nutrition in the village infused faith in Reliance Foundation, and attracted the households to trust and invest in the company. A total of 775 Quintals of soybean was collected from 2500 farmers in 24 villages to build a share capital of 28 lakhs for the company. Initiative of Reliance Foundation witnessed donations of land by farmers for building *godown* (store house), pulses mill and other needs of the company and the development objectives in general.

What was the process of addressing the need?

Using the share capital of 28 lakhs, Bhoomitra Producer Company started procurement of soybean and tuar daal. The godown built by the Reliance Foundation on the donated land was used for storage till appropriate price to Soybean was not accessed in markets. Village Development Association, at the start of every year developed their plan and budget based on priorities and need mapping of every member. Village level work on infrastructure is also planned. Once the budget allocation is decided at village level

and household allocations are made, the year tracks the progress of work as planned.

President of Village Development Association along with one member represent the shares of their VDA in the Bhoomitra Producer Company. All the shareholders collectively select 11 Board of Directors of the Company. The process is so far nominated and not elected. Board of Directors can be replaced based on the discretion of the shareholders. Shareholders meet along with Board of Directors every 15 days and Board of directors meet every 7 days. An annual General Body Meeting is also conducted that is attended by all individual members of the Bhoomitra Producer Company.

The agenda of the meeting is set up by the Board of Directors and is circulated to all Village Development Associations. Each Board of Director is responsible for 2-3 villages to communicate the agenda and other processes of the meeting. The shareholder representatives are supposed to lay down the expectations at the meeting with BoD every fortnight, based on discussions at their own VDA meetings.

Board of Directors is responsible to the shareholders and work in accordance to the needs and demands raised by them. Shareholder representatives are responsible to act as a link between proceedings of the monthly meetings and the individual members. BoDs are expected to attend meetings of the designated VDAs once a month for following up on the company's agenda. BoDs have divided

themselves as social committee, marketing committee and procurement committee, based on the needs and functions of the FPO.

qualitative factors studied with the Village Development Association of Tapalheti Village, a member of the Bhoomitra Producer Company: (List of attendees attached as Annexure I)

Strength of the Farmer Institution

The institutional strength of the FPO is assessed by the ownership, awareness and satisfaction of the stakeholders of the producer company that is the farmer members. Processes and protocols along with splurge of leadership are other parameters used to assess the strength of

Table 5: Strength of the Institution- Bhoomitra FPCL

PARAMETERS	FACTORS	STATUS	OBSERVATIONS
OWNERSHIP	Farmer members are the owners of the company		<ul style="list-style-type: none"> Members see themselves as shareholders of the company, will gain if company gains Donations of land to the Company for building <i>godown</i> and mills by members
	Farmer members on their own manage the company		<ul style="list-style-type: none"> The CEO of the company was a RF professional till 2011, replaced by farmer member post that.
	Frequency of and attendance in meetings		<ul style="list-style-type: none"> Meetings are held regularly with attendance more than the quorum (more than 50%)
	Accountability		<ul style="list-style-type: none"> The VDA office has all expenditures on each member painted on the wall over the years
AWARENESS ON ROLES AND FUNCTIONS OF FPOs	Members are aware of company's structure		<ul style="list-style-type: none"> Members are aware that shareholders represent their voice in the company
	Farmer members understand their role in running the company		<ul style="list-style-type: none"> Members can raise their demands through their representatives, final decision is on representatives & BoD
SATISFACTION	Level of satisfaction amongst farmer members		<ul style="list-style-type: none"> Members are positive about company making profits in future that will result in additional incomes to them
	Level of dissatisfaction amongst farmer members		<ul style="list-style-type: none"> Value addition services can result in employment in their VDA are members' future expectations
PROCESSES AND PROTOCOLS	Maintenance of records		<ul style="list-style-type: none"> Records of attendance and minutes of the meeting are duly maintained at all levels and shared with members
	By laws and its effective implementation		<ul style="list-style-type: none"> By laws on paper with process of expelling, in case on non-compliance, no case yet.
CAPITAL AVAILABLE	% of produce by farmer members sold to company		<ul style="list-style-type: none"> Only X persons sold, rest members never sold yet as they haven't got enough produce to sell at all
	Physical Capital		<ul style="list-style-type: none"> 1 <i>Godown</i>, 1 <i>Daal</i> mill, office owned by company
	Financial Capital		<ul style="list-style-type: none"> Working capital of INR XX lakhs available
	Factors considered achieved by RF and farmer members		Factors considered in progress and not fully achieved yet

the institution. Following are some of the

सभासदाचे नाव	खर्च			ग्राम विकास				
	2013-14	2014-15	2015-16	2016-17	2017-18	2013-14	2014-15	2015-16
पारभताबाई पंडीत लोणकर	30000	110				500	1500	
प्रकारा बापूराव साठे	16727	0						
प्रकारा देवराव कालीकर	0	110						
प्रकारा संभाजी टेकाम	14281	0						
राघोजी लालबाजी घाटोळ	61395	18520				1000	5000	
रामचंद्र चंद्रभान लोणसावडे	75744	20774				1000		
रामभाऊ भाऊरावजी साठे	67877	5391				2000		
राजु मारोती गाडेकर	56260	9328				1000		
रामजी तुकाराम आप्ताम	18840	110				1000		
रामचंद्र मारोतीराव गाडेकर	30871	31910				1000		
रमेशराव गोविंदराव घाटोळ	64941	27740				2000	5000	
रमंडा जयंतु मेधास	38339	7882				1000		
रामकृष्ण चंद्रभान गाडेकर	55567	15448				1000		
रघुबाई पुंजाराम चौके	32124	579				1000		
रविंद्र स्यामराव काकडे	34172	110				1500		
साहेबराव बापूरावजी साठे	360	0						
साहेबराव मारोती घोडाम	47497	43758				1000		
संभाजी भिमराजी टेकाम	86231	0						
संतोषराव चंपतराव काकडे	73332	1720				1000	10000	
सोकर सूर्यभान टेकाम	22980	695				1000		
सोनाबाई जिवराम मेधास	23958	220				1000	1400	
शशिंकला महादेव आप्ताम	23787	869				1000		
श्रीकांत दादाराव कालीकर	43330	44316				1000	3900	
सोनाबाजी केजावराव काप्रेकर	23151	834				1500		
सुभाष चंगल साठे	20045	0						
सुभाष देवराव कालीकर	0	110						
सुभाष सूर्यभान वाघमारे	45292	751				1000	2000	
सुधाकर मिर्जाजी घाटोळ	30000	0						
सुधाकर सूर्यभान वाघमारे	23929	110				1000		
सुधाबाई अरुण आप्ताम	20808	220				2000		
सुरेश सुकेनाथ टेकाम	23079	0				2000		
सुरेश बासणराव भट	34278	0				1500		
सूर्यभान आया टेकाम	17760	110				1000	1000	
सूर्यभान वाघु वाघमारे	24152	0						
तुकाराम रामकृष्ण रामपूर	35008	39554				1500		
उत्तम दादाराव दांडेकर	0	110						
उत्तमराव पांडु टेकाम	45655	21576				5000		
वज्रलाबाई राघोजी अरगडे	34030	110				1000		
वसंता वामनराव भट	34030	110				1500	1500	
वसंतराव जयंतुजी मेधास	33885	10460				1000		
वसंतराव सिताराम टेकाम	27156	38235				1000		
वज्रलाबाई महादेवराव रामगडे	61997	26853				1000		
विलासराव अमृतराव येवळे	36581	0						
विशाल सुकेनाथ टेकाम	60403	695				1000		
विष्णू नामदेवराव टेकाम	27559	8220						
वसोदाबाई प्रभाकर रेवडे	23401	819				1000		
सामंती सामुद्रिक खर्च	385708	174000						

Expenditure on individual members by Village Development Association on the walls on VDA office

PERFORMANCE ON BENEFITS TO THE FARMER MEMBERS

This section will analyse the current scope of work of Bhoomitra in relation to the livelihood benefits for the farmers. In order to assess this, we use indicators of sustainable livelihoods from sustainable agriculture framework. (Bhamra, Niazi, & Hajra, 2015). The sustainable livelihood

strategies of individuals and households depend on access, use and development of five different types of assets – natural capital (land, water, biodiversity), physical capital (infrastructure, machinery), human capital (labour, skills), financial capital (savings, disposable assets), and social capital (rights, support systems).

Table 6: Performance of Benefits to farmer members by Bhoomitra FPCL

CAPITAL	FACTOR	STATUS	OBSERVATIONS	
NATURAL	Average land size		• Land asset accumulation is not RF's approach	
	Water availability		• Water storage, bunding and other watershed activities were conducted by RF's initiative but any such clause is not within the scope of FPO	
	Soil quality		• VDA invests in tilling and other practices but no special focus is on soil quality of farm, no specific indicators tracked by members	
HUMAN	Knowledge of practice		• VDA, in support with RF conducts training on vermin-compost, other agri practices	
	Weather information		• No mandate or specific process identified	
	Mandi/market prices knowledge		• Producer company's office holders track market prices and circulate to the members	
FINANCIAL	Increase in incomes by reducing costs		• The Producer Company has not yet procured any produce from this VDA. The farmer members look forward to the dividends that they will receive from the company and opportunities of employment in processing and value addition centres in the village.	
	Increase in incomes by price rise			
	Credit availability			
PHYSICAL	Storage and Processing facilities		• Godown, daal mill are available for storage and processing in the company	
	Agriculture equipment		• Quality drip irrigation tools, other instruments are provided via VDA on need basis	
SOCIAL	Membership		• All the farmer households in this village are members of the VDA	
	Other development activities		• Various other activities like drinking water systems, education and health activities are conducted by the same VDA	
	No benefits observed		Benefits incurred via VDA & other supporting RF's initiatives	Provisions/benefits due to Bhoomitra Company

SWOT ON PERFORMANCE AND STRENGTH OF BHOOMITRA PRODUCER COMPANY LTD.

Table 7: SWOT on Performance of Bhoomitra FPCL

SWOT	Analysis
Strengths	<ul style="list-style-type: none"> • Strong awareness, involvement and ownership amongst farmer members, as indicated by regular attendance, donations of land and transparency and faith in communities regarding the producer company is an enabler to a strong institutional foundation for the producer company. • Institutional processes and protocols are well established. Bye-laws and protocols of frequency of meetings and the responsibilities of the shareholders and the Board of Directors are established and the designated officers are aware of the same. • Village Development Association is the vehicle for execution and link between the producer company and the member farmers. The same Village Development Association is an engine for other development initiatives (food, nutrition, health, ecological and infrastructure). This helps in completing the objectives of the producer company. It also helps in building faith of the community in the institution and the producer company.
Weaknesses	<ul style="list-style-type: none"> • The producer company is currently not using differential pricing mechanisms or other market tools to promote sustainable agriculture practices. Crop failure is a common phenomenon in the Tapalheti village, any action on climate proofing and ensuring basic income through diversification of crops and professions needs to be envisaged. • Farmer members in Tapalhati hope to earn dividends as profits from Producer Company. There is no specific vision on earning better by doing more business with the Producer Company.
Opportunities	<ul style="list-style-type: none"> • Value addition, rather than selling raw soyabean and daal can lead to more accumulation of profits at the farmer community level. There is only limited gains in selling the raw good at wholesale in the market. Opening a retail value chain of certain soya and daal good can increase the profit margins for the Producer Company. • More employment opportunities through processing, value addition of the farmer members can be a critical opportunity for diversifying incomes at the village level.

CASE STUDY III

Dharani Farmers' Cooperative Limited

**Timbaktu Collective's
initiative for promoting
sustainable agriculture
production**



Background

About Ananthapuramu District

The geographical position of the Indian Peninsula renders Ananthapuramu district, one of the driest districts and the second most drought-affected in the country. It is the most drought affected district of Andhra Pradesh with an average rainfall of 381 mm. With a population of 4 million, Ananthapuramu district is one of the poorest in the country, and has 45% rural indebtedness against a state wide 18%. A majority of the population here are marginal dry land farmers exploiting a fragile resource base. It has nearly 0.65 million agriculture families and off those, 66% farmers have less than 2 ha of land. More than 75% of the smallholder farmers are Dalits and OBCs. These farmers traditionally had a mixed cropping system with diverse crops, including millets. Severe rural debt, high seasonal migration, low literacy levels, rapid depletion of underground water resources, high number of farmer suicides, and the trafficking of women and children in certain areas of the districts are direct pointers to the economic, social and political backwardness of Ananthapuramu district and its people.

Ananthapuramu district is one of the highest groundnut producing districts in the country. 8.3 lakhs of the 11.7 lakh acres of farming land in Ananthapuramu is under groundnut. The advent of cash cropping subsidised by the State along with distribution of centrally procured rice and wheat through the Public Distribution System over the past 30 years, has pushed

the district from being a mixed cropped district, including millets to becoming the largest groundnut mono-cropped area. In the 4 mandals, which constitute the Collective's working area; the rainfall is less than the average of the district. 67% of the population of this area depends on agriculture.

About Timbaktu Collective

Over 25 years of its existence, Timbaktu Collective has its presence in clear operational area of 172 villages in four mandals of Ananthapuramu district, amongst 20,186 marginalised families. It has so far promoted 16 cooperative with various stakeholders and their federations all of which indicate viability.

Women's cooperatives are most important in this regard. Started in 1993, the work with women was designed to and set up to form autonomous and independent cooperatives. The Organic Agriculture Programme of Timbaktu Collective was started in 2006 in three mandals- Chennekothapalli, Ramagiri and Roddam. There are a total of 1632 farming families, from 44 villages, involved in the programme now, covering an area of almost 9000 acres. The objective of the programme is to increase income levels and improve food security of the reference families and promote sustainable and viable producer cooperatives at the mandal level. Under livestock programmes, Hallikar cows were given to organic farmers to facilitate timely ploughing and enhance availability of cow urine and dung for organic farming.

Overview of Dharani Farmers' Cooperative Limited

Dharani Farmers' Cooperative, registered under MACS act of 1995, was started in 2005 with the objective of giving control of the entire agri-value chain to the farmers.

Geographical scope of farmer members

The Cooperative had 1190 families as farmer members in 35 villages with 3570 acres of land under organic agriculture from 2006 – 2013. In the second phase from 2013 – 2015, the programme reached 1632 member farmers' households, 44 villages and 9000 acres. The farmer members belonged to the three mandals where Timbaktu Collective was implementing the Organic Agriculture Programme. These districts are – Chennethapalli, Ramagiri and Roddam of Andhra Pradesh.

Key achievements

Dharani Farmers' Cooperative has been able to show its achievements in all three spheres of development. Through shifting the conventional agriculture choices of ground nut cropping and fertilizer use towards a shift towards millet cropping and organic practices of agriculture, Dharani has been successful in having triple bottom-line benefits:

1. Ecological sustainability

Dharani has been able to maintain and further rejuvenate the **soil quality** in their area of action. Further, they have

balance and direct agriculture activities based on the suitability of water and soil conditions of the region, thus, actively maintaining the relation of agriculture choices and practices with ecological sustainability.

2. Social well-being (direct benefits to the small and marginal farmers)

Dharani has improved the **quality of life** of the farmers they are involved with. Out of every INR 100 worth business done by Dharani, approximately INR 56 reaches farmer members as **income** earned. Further, change in crop choices towards millets has reduced climate **vulnerabilities** and reduced **risks** of crop failure, given the congeniality of the crop production with adverse weather conditions, a common phenomenon in the area. It has also improved **nutrition intake** amongst the associated farmer households by including millets in the diets of the community.

3. Economic sustainability

Dharani has evolved as a strong institution that has developed the economy of the region and has evolved in higher end value addition resulting in profits from the production to be earned by the local communities against bigger entrepreneurs or businesses. Ownership of the institutions by the farmer members indicates strength of sustainability in the system.

Value chain →	Backward Channel	Forward Channel
Scope of work of Dharani	<ul style="list-style-type: none"> • Crop planning at village level • Support organic methods of agriculture • Procurement of crops on differential pricing system 	<ul style="list-style-type: none"> • Grading and value addition • Marketing and sales (Product, pricing, branding, promotion and retail)

also been able to maintain the **water**

Process of formation of the Dharani Farm Cooperative Limited

Need identification of farmer producer organisation

Dharani's formation has its base in Timbaktu Collective's work of women thrift cooperatives. This work resulted in building savings of the community, and brought popularity and trust in the organisation. A survey was conducted in 2006 of the members of thrift cooperative on the needs and aspirations of the community involved. Securing decent income from agriculture was identified as one of the key problem by the community. Some of the challenges identified in practicing agriculture were:

- **Production Risks:** High crop failures due to untimely rainfall and high investments as input costs of the seeds, fertilisers, pesticides in agriculture, have resulted in increasing debt on the farmers' along with marginal income benefits. Worsening soil quality and water crisis add to the production risks of the farmer, both in short and long run.
- **Market Risks:** False weighing measures

used by local traders resulted in loss of revenue to about 15-40% of the actual market price value. In the absence of access to larger markets, farmers have been restricted to sell their produce to local traders, hence, reducing the scope of hard bargain.

What was the process of addressing the need?

Timbaktu Collective introduced the idea of a farmers' cooperative with a mandate to enhance living standards of the farmer members by conserving and enhancing the natural, social, financial and human capital. Farmers were mobilised and introduced to the nature of the farmers' cooperative that Timbaktu Collective was envisioning. The design of the cooperative had a *sangam* at the village level, comprising of 10-15 farmer households. 2 leaders are identified from each *Sangam* that represented the Sangam at the constituency level which includes 3-4 villages. All the farmer members elect 12 directors for Dharani who handles decision making for daily operations and strategic alignment. Dharani Cooperative also has professional cadre that supports in action of Dharani and grievances of farmers at all

Portfolio	Composition	Work
Table 8: Composition of Dharani Farmers Cooperative		
Sangams	10-15 farmers	Crop planning and demand mapping
Bringham	5 farmer	Ensure guarantee of organic practice
Programme Coordinator	1 Professional	Coordinate business needs with farmer needs
Field coordinator	1 Professional	Coordinate procurement functions and facilitate knowledge (other) needs identified by sangams based on Dharani's capacity
Mandal coordinator	3 Professional	
Cadre (Field team)	15 Professional	<ul style="list-style-type: none"> • Ensure regular sangam meetings • Persuasion to follow complete PoPs • Geo tag crop plan – using Crop in software
Value addition team	2 Prof, 15-30 labours	Grading, Value addition
	Farmer members	Paid staff



levels of governance.

The **role of the cooperative** was identified as following:

- **Assistance in organic methods of cultivation:** This includes experimenting with locally available produce and farmer trainings for making organic manure, and its appropriate use and management.
- **Assured buy of all produce** from the member farmers after two years of practicing organic agriculture, on a pre-fixed rates (% higher than the market rate)
- **Processing and value addition:** It includes sorting, value addition, packaging and sales of the product to specialized markets.
- **Relative dividends from business:** Profits earned by the Cooperative will be distributed in the ratio of contribution of produce made to the Dharani by its members

Dharani had the **criteria** of only working with poor small and marginal farmers. Farmers had the option to become the member of the Cooperative, if they accept following **conditions**:

- Contribute INR 100 as a membership fee
- Practice purely organic methods of cultivation and participatory check of

organic practices in one's Bringham (group of 5 farmers)³

- Attend monthly meetings of the cooperative and engage in activities of Sangam
- Prioritise selling to Dharani instead of local traders.

The villages identified were initially based on the receptiveness of the community from the survey assessment. Expansion of the number of villages was driven by various factors. One of the sangams interviewed for this study from the village Dobarapalli recollected that they got aware of this farmers' cooperative initiative from one of the neighbouring villages. The leader of women thrift cooperative from this village, Sujata, explained that after learning about this initiative, she requested the Timbaktu team to also include their village in the initiative. The process of mobilisation and induction was initiated and *Sangams* were formed in the village.

Strength of the Farmer Institution

³ Crop-in software is a new technology used by Timbaktu to geo tag organic cultivation of different crops, enabling management and monitoring of the agriculture production.

The institutional strength of the FPO is assessed by the ownership, awareness and satisfaction of the stakeholders of the Producer Company. Processes and protocols along with splurge of leadership are other parameters used to assess the

the village Dobarapalli, a member of the Dharani Producer Company: (List of attendees as Annexure III)

Table 9: Strength of Farmers' Institution - Dharani Cooperative

IN MEMBERS	FACTORS	STATUS	OBSERVATIONS
OWNERSHIP	Farmer members are the owners of the company		<ul style="list-style-type: none"> • Farmers claim that the company is owned by them and any member can put forth their views on it business via their representatives
	Farmer members on their own manage the company		<ul style="list-style-type: none"> • Dharani is managed a technical and professional paid staff for marketing and sales. This is not even expected as a vision in this institution.
	Frequency of and attendance in meetings		<ul style="list-style-type: none"> • More than 70% attendance in Sanga meeting is witnessed as per records
	Accountability		<ul style="list-style-type: none"> • The business decisions and profit statements are shared with elected farmer representatives
AWARENESS ON ROLES AND FUNCTIONS OF FPOs	Members are aware of company's structure		<ul style="list-style-type: none"> • Farmer members are aware of the representative structure, role and responsibility of Board of Directors but not completely in tune with the management of the Company.
	Farmer members understand their role in running the company		<ul style="list-style-type: none"> • Farmers member are aware of responsible organic farming and regular active participation of all members in the processes of Company.
SATISFACTION	Satisfaction amongst farmer members		<ul style="list-style-type: none"> • Dharani has been effective in reducing costs and lowering investments and therefore a more and secure income to its farmer members.
PROCESSES AND PROTOCOLS	Maintenance of records		<ul style="list-style-type: none"> • Records of attendance, inputs used by farmer members for PGVS checking and transactions with Dharani are maintained at the village level.
	By laws and its effective implementation		<ul style="list-style-type: none"> • Each farmer in Bringham are responsible for effective implementation of all by-laws by his fellow farmers
CAPITAL AVAILABLE	% of produce by farmer members sold to company		<ul style="list-style-type: none"> • 100% of the produce is sold to Dharani
	Physical Capital		<ul style="list-style-type: none"> • Dharani has one advanced processing unit with machines for making oil, various grading machines, etc
	Financial Capital		<ul style="list-style-type: none"> • Dharani has not yet taken loan from formal financial institutions but attracts some crowd funders like RangDe.

strength of the institution. Following are some of the qualitative factors studied with

Business Performance

Some of the key observations based on business assessment:

- The business has grown at an average of 39 per cent every year since last five years increasing the business from INR 5 million in 2010 to INR 27 million in 2015. This is a steady and sustained growth, and high compared to other FPOs in the country at present.
- Current ratio of 11.39 reflects high liquidity in assets, and therefore, an opportunity to expand business operations. Return on investments lies below 10 mostly, as the producer company is not earning profits out of business. The revenue earned by value addition is usually accompanied with high cost price of the produce bought from the farmers for direct income benefits to the farmer members.
- The investor portfolio of Dharani Farmers' Cooperative is not a mainstream financial institution. Most of the investors are 'friends of Timbaktu', grant based funding as well as via crowd source platforms like Rang De. *The principle of business is not a financial return on investment to investors but a guarantee of social and environmental well-being by developing business that profits nature and small farmers.*
- The year 2014 saw a sudden drop in total cost against the total revenue. The reason stated by Dharani Team is that after a gap of any management professional in supporting the business for two years previous to 2014, the new team member raised the price of all final products by a certain margin, after a market study; thus, reduced the revenues collected in that year. This point out the importance of continuous market assessment by professionals to utilise the market opportunity available for the FPO.
- *Direct and indirect expenses of Dharani Farmers' Cooperative are approximately 30 per cent of the total revenue.* It includes salaries for the technical cadre of the FPO that extend production related support to the farmer members; it is one of the highest costs included. With expansion in business, the FPO is also able to support the salary of the CEO of Dharani Cooperative from its revenues. Timbaktu collective, through its grant funded projects have been supporting the personnel costs of Dharani professionals since its inception; but the proportion of support from Timbaktu reduced over time. It aims to zero it in coming future.

Indicator	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Current assets	420,295	4,963,093	6,205,310	8,972,624	9,293,212	20,474,418
Current liabilities	168,157	57,023	1,028,275	1,940,024	1,817,299	1,797,079
Current Ratio	2.50	87.04	6.03	4.63	5.11	11.39
Working Capital	252,138	4,906,070	5,177,035	7,032,600	7,475,913	18,677,339
Total Assets	653,438	7,128,280	8,454,001	11,253,110	11,518,542	25,583,045
Return on Investment	7.16	3.12	0.08	1.07	13.44	2.22

Table 10: Overview: CSIS calculation for Dharani Farmers' Cooperative Limited

Table 1.A: Revenue Statement of Dharani Farmers' Cooperative Limited for the six financial years (INR)												
REVENUE STATEMENT	FY 2010		FY 2011		FY 2012		FY 2013		FY 2014		FY 2015	
	INR	%*	INR	%*	INR	%*	INR	%*	INR	%*	INR	%*
Sales Account	3,831,933	73.0	5,384,229	81.6	9,817,085	75.0	13,152,264	70.0	17,735,548	77.0	20,364,605	75.0
Direct Incomes	59,232	1.1	0	0.0	0	0.0		0.0		0.0	0	0.0
Closing Stock	1,083,927	20.7	1,214,481	18.4	3,178,455	24.0	5,413,266	29.0	5,292,301	23.0	6,107,212	22.0
Indirect Incomes	272,542	5.2	294,633	4.5	126,583	1.0	210,689	1.0	143,187	1.0	730,260	3.0
TOTAL	5,247,634	100.0	6,598,710	100.0	13,122,123	100.0	18,776,219	100.0	23,171,036	100	27,202,077	100

*This is percentage of the component with respect to the total revenue statement

Table 1.A: Expenses Statement of Dharani Farmers' Cooperative Limited for the six financial years (INR)												
COSTS/EXPENSES	FY 2010		FY 2011		FY 2012		FY 2013		FY 2014		FY 2015	
	INR	%*	INR	%*	INR	%*	INR	%*	INR	%*	INR	%*
Opening Stock	860,707	16.4	1,083,928	16.4	1,214,481	9.3	3,178,455	16.9	5,413,267	23.4	5,292,303	19.0
Purchase Account	2,607,917	49.7	3,631,579	55.0	8,825,174	67.3	10,827,300	57.7	10,004,126	43.2	13,244,854	49.0
Direct Expenses	567,985	10.8	732,598	11.1	1,256,152	9.6	2,203,502	11.7	3,137,782	13.5	4,039,711	15.0
Indirect Expenses	1164258	22.2	1,222,893	18.5	1,819,292	13.9	2,446,806	13.0	3,067,704	13.2	4,057,531	15.0
TOTAL	5,200,867	99.1	6,670,998	101.1	13,115,099	99.9	18,656,063	99.4	21,622,879	93.3	26,634,399	97.9

NET PROFIT	FY 2010		FY 2011		FY 2012		FY 2013		FY 2014		FY 2015	
	INR	%#	INR	%#	INR	%#	INR	%#	INR	%#	INR	%#
		46,768	0.90	222,346	3.37	7,024	0.05	120,156	0.64	1,548,157	6.68	567,677

#This is percentage of the component with respect to the total revenue statement

Source: Author using Profit-Loss Account of Dharani Farmers' Cooperative Limited

Assessment of benefits to the farmer members

This section will analyse the current scope of work of Dharani in relation to the livelihood benefits for the farmers. In order to assess this, we use indicators of sustainable livelihoods from sustainable agriculture framework. (Bhamra, Niazi, & Hajra, 2015).

The sustainable livelihood strategies of individuals and households depend on access, use and development of five different types of assets – natural capital (land, water, biodiversity), physical capital (infrastructure, machinery), human capital (labour, skills), financial capital (savings, disposable assets), and social capital (rights, support systems).

Table 11: Performance on benefits to farmer members by Dharani Farmers' Cooperative

CAPITAL	FACTOR	STATUS	OBSERVATIONS	
NATURAL	Average land size		• Land pooling is not an approach taken by Dharani and Timbaktu.	
	Water availability		• Choice of crops, especially shifting to millets is considered keeping in mind the water availability in the region	
	Soil quality		• Organic practices promoted by Dharani focuses in maintaining and nourishing nutrients of the soil.	
HUMAN	Knowledge of practice		• Support to farmers with regular trainings and cadre of dharani for technical expertise is always available	
	Weather information		• No specialized attempt is made in this direction	
	Mandi/market prices knowledge		• False weighing measures were commonly used by traders in the region leading to farmers getting lesser than market price.	
FINANCIAL	Increase in incomes by reducing costs		• Locally produced manure reduced the costs of inputs, also fixing MRP for each of the crop prior to the harvest helps in security of income	
	Increase in incomes by price rise		• Value addition, market linkages to urban markets of Bangalore, Chennai and Hyderabad lead to higher prices offered for the produce	
PHYSICAL	Storage and Processing facilities		• Owns a specialized processing unit and in the process of making the second one functional	
	Agriculture equipment		• Dharani cooperative is not providing any hard equipment to its members, except for programme on loan for cows.	
SOCIAL	Membership		• Member farmers are also involved in processing and other labour activities of Dharani. Various programmes on health are conducted with same group.	
	Other development activities			
	No benefits observed		Partial benefits without being the primary focus	Provisions/benefits due to Dharani Company

SWOT on Performance and Strength of Dharani Farmers' Cooperative Ltd

Table 12: SWOT on Performance of Dharani Farmers' Producer limited

SWOT	Analysis
Strengths	<ul style="list-style-type: none"> An integrated frame of looking at agriculture from all business, environment sustainability and livelihoods of the farmers is making the model of Dharani Cooperative a win-win in all dimensions of sustainable development. Strong awareness, involvement and ownership amongst farmer members, as indicated by regular attendance, transparency and faith in communities regarding the producer company are an enabler to a strong institutional foundation for the producer company. A conscious approach of not putting the responsibility of managing Dharani Cooperative has helped in two ways: It has not overburdened the farmers to understand competitions with market forces. It has also enabled bringing management expertise to put build Timbaktu utilizing the market opportunities of organic produce, produces, packaged and marketed to make it attractive to the consumers.
Weaknesses	<ul style="list-style-type: none"> "An FPO cannot run on one crop/year." For ensuring efficient use of its physical capital, any business needs a full cycle of production line across the year. High tax rates – 30% of the income is unethical on an organization that is aiming for farmers' livelihood and well-being. The sector already suffers with a lot of production and market risks, and an additional income tax rate is unjustified, keeping in mind that FPO is addressing concerns of one of the most critical sectors from livelihood and environment perspective. Market interest rates offered for FPOs is very high. NABARD offers loans at 14% while a crowd funding source like RangDe provides loan at 5%. There is a need to reduce interest rates in the mainstream financial markets for supporting FPOs. Due to shortage of storage options and fluctuations of the produce from the farmer members, there is a risk that Timbaktu collective takes every season of produce that limits its growth in the number of member farmers. As said by Bablu Ganguly, Head, Timbaktu Collective, "We are scared what if there is no crop failure, it rains on time and farmers have a full produce. In our mandate to buy all the produce from the farmer members, it may lead to higher quantity that or Godowns can accommodate, and hence a potential risk to the business" Availability of dedicated management professionals, for a continuous span of time is usually not available, resulting in taking benefits of market and making remunerative business at each time

CASE STUDY IV

Satpuda Farmers
Producer
Company
Limited

An Initiative of Reliance
Foundation

Background

Madhya Pradesh is the second largest state in terms of its land area in India and constitutes 9.38% of the total land area of the country (Department of Agriculture and Cooperation, Madhya Pradesh, 2012). According to the 2011 Census of the NSSO, its total population stands at 73.34 million, with roughly 70% of its people dependent on agriculture for their livelihood. The state has 11 agro-climatic zones with Chhindwara district coming under the Satpura Plateau which receives between 1000-1200 mm annual rainfalls (Madhya Pradesh Development Report, Planning Commission, Government of India, 2011).

Chhindwara, Madhya Pradesh

Chhindwara is one of the 51 districts of the state with a relatively larger forest and tree cover (33% of its total geographical area) and tribal populations. The district also boasts of the Pachmarhi Biosphere Reserve notified in 1999. The sex ratio of the district stands at 958 girls per 1000 males, slightly higher than the state's average sex ratio of 931. The total literacy rate of the district is 66%. The average per capita income of the district comes within the top ten per capita incomes of the state at Rs. 20,220. However, it is one of the two worst performing districts when it comes to deaths due to malaria and malnutrition along with Betul (Madhya Pradesh Development Report, Planning Commission, Government of India, 2011).

The participation of women in the agriculture labour force is one of the highest in the district. The net sown area in the district for the year 2004-05 was 41% with another 40% coming under forest land. Of the net sown area, 23.2% of the land is irrigated and 3,64,400 hectares of land comes as cropped area (food grains). Table 1 below specifies the cropping pattern of the district (Department of Farmer Welfare and Agriculture Development, Madhya Pradesh, 2008).

Table 13: Cropping pattern of Chhindwara

Sl No.	Crop	Area (Ha)
1	Soybean	1,40,000
2	Maize	85,000
3	Wheat	106,000
4	Jowar	44,000
5	Gram	35,000
6	Kodon	27,000
7	Cotton	31,000
8	Ground Nut	25,000
9	Paddy	21,000
10	Toor	18,000
11	Urad	15,000

(Source: Department of Farmer Welfare and Agriculture Development, Madhya Pradesh, 2008)

Reliance Foundation

Over the years of Reliance Foundation's (RF) engagement at Chhindwara district, it has reached 22 villages. Reliance Foundation's flagship programme, Bharat-India-Jodo (RF BIJ), works to bridge the development gap between rural and urban India. The key objectives of Reliance Foundation's initiative are Institutional

building, food and nutrition security, water security and ecological sustainability.

The programme works with small and marginal farmers and helps farming households that have limited livelihood options. As a part of the programme, the foundation organises farmers in collectives, to leverage the power of unity. The model of social and economic development is owned, controlled and managed by communities themselves, for the larger development of their members, the village, and the region.

In addition to helping set up the farmers' producer company, Reliance Foundation (RF) has also initiated a version of the Wasteland Agriculture Development initiative (WADI) called Reliance Nutritional Garden (RNG) with 300 households in 15 villages in the district in and around Tamia tehsil. RNGs are kitchen gardens that promote pesticide free agriculture to supplement the nutritional needs of family members through green vegetables, fruits and useful herbs. RF provides the technical and knowledge support along with some financial support to make water tanks for irrigation. Along with RNGs they also help villagers in building dams for irrigation of fields. Additionally, it also trains a woman representative selected from roughly 20 villages to conduct screening for iron deficiency and basic health checkup.

Overview of Satpuda FPCL

The Satpura Self Reliant Farmers Producer Company Limited (Satpura PCL) was created

in 2012 by transferring a cooperative from Chhindwara to Jamai. It has been registered under the Companies Act of 1965 at Gwalior. Satpura PCL started with an initial membership of 25 farmers. Shareholding was started in 2013 at Rs. 100 per share after which 19 villages have become institutional shareholders in the company through funds from the Village Development Fund (*gram kosh*) in conjunction with individual member contribution. The company currently has roughly 2000 members with entire villages being shareholders as opposed to individual villagers.

Farmer members are spread across villages in Jamai and Tamia tehsils and consist mostly of people from the scheduled tribes. Currently, the PC aggregates fertiliser and seed grain, grades, stores; and packages the seed grain with plans to begin a value addition process chain soon. Their work also includes poultry farming through a Self Help Group (SHG) started in late 2014 as well as procuring and selling farming tools like irrigation pumps, pipes, sprinklers, motors etc. The consumer reach of crop grains is spread till the local *mandis* (markets); seed grains is limited to villages that are members of the PCL, although seeds are sometimes given on loan (*bhijai*) to farmers outside this scope (approximate range of 60km) with an agreement of returning seeds with interest (1.5x times). Eggs from the poultry branch, since it is not being generated at a large scale, are sold to local vendors in nearby markets.

Process of formation of Satpura Self Reliant Farmers Producer Company Limited

Methodology: Discussion with Management team, BoD and 3 FGDs with farmer members

Need of Farmer producer organisation

Reliance Foundation, during its work on village development in the area helped farmers perform a need assessment during which it was felt that irrigation, low yield and low selling price were some of the major issues that prevented better incomes for them. A 25 member committee was first formed (and later registered as a Farmer Producer Company) which, with technical and knowledge support from RF built dams to tackle their water scarcity that positively impacted crop yield. Once the yield increased, it was noticed that the *sahukar* (middle man) was not able to provide larger profits for their produce.

What was the process of addressing the need?

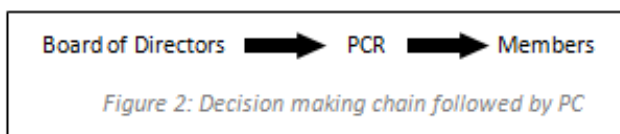
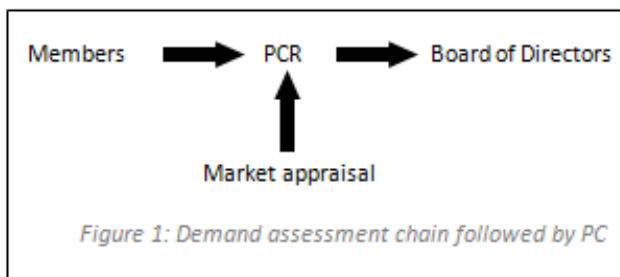
Low profits, lack of rain and water availability, low yield led to formation of the producer collective (PC) so that farmer produce can be sold directly in the local market with larger profits and water shortage for irrigation can be addressed by watershed and dam (lift irrigation) building. Further, since high transportation costs were being incurred by the PC, a local collection center was first created and later replicated in every shareholding village

where farmers could directly sell their produce.

Membership to the PC was done on the basis of interest of the farmers with the only condition being that the farmer member has to be a resident and a farmer of the member village. Farmers from non-shareholding villages can also be members of the PC but cannot avail any profits or dividends. Majority of the farmers belong to the ST with a few belonging to OBCs. Each shareholding village has different numbers of members in the PC. There are 7 Board of Directors (including one chairman) that meet monthly for a path setting meeting, the decisions of which are communicated to the Producer Company Representative (PCR) in a PCR meeting (in each village) who then communicates these to the village members (*as shown in figure 2*). Although processes are on-going to increase farmer member participation in decision making process, assent is required of 71% members for any major decision to be passed and 66% of the members have to present. The PCR also assesses and communicates demands and requirements to the board of directors in a separate meeting (*as shown in figure 1*). Dispute resolution, if needed, is done through dialogue, failing which the members have the liberty to not follow decisions made by the board of directors. Stringent minutes of the meetings are created for every meeting (General Meeting of Board of Directors, PCRs, and Committees) and open to access and scrutiny by any member to increase transparency within the company. A

separate register comments by members is also maintained in every meeting.

Currently, 7 members serve as the Board of Directors, the constitution of which is changed as when the need arises.⁴ The VFA chooses one nominee and presents its name to the PC. A total of 20 names can be nominated but only 5, 7 or 11 members board of directors can function. Voting to pick these names has not been required so far as some nominees haven't step down. Each board of director has been assigned an activity that they are responsible for, such as training workshops, exposure visits, aggregation and procurement, selling and marketing and management of records and overall management of the PC.



⁴ The Directors are not changed regularly or on a yearly basis. When there is a need felt by the PCL (or even the directors themselves) for a new Director, this need is presented in the meeting and taken forward if there is ascent.

Strength of the farmer institution

The institutional strength of the FPO is assessed by the ownership, awareness and satisfaction of the stakeholders of the FPO that is the farmer members. Methodology: 3 FGDs with the farmer member and discussion with BoD.

Ownership amongst stakeholders

As Reliance Foundation is the corporate social responsibility branch of a large and popular Indian company, it has been difficult to completely erase RF's fingerprint from the PC. However, because of greater withdrawal of RF from the day to day functioning of the PC, as well as, because of increased interest of the farmer members to manage the accounts, activities and future planning of the PC on their own, there has been a larger sense of ownership from the members. Additionally, funds have been collected by individual members in certain villages to buy individual shares in PC (as opposed to the current village shareholding) which is indicative of a rising sense of ownership. RF has now limited its involvement in the PC to providing technical support with legal work and knowledge support in the form of arranging training sessions and exposure visits for the members. Therefore, the path visioning exercise is run entirely by the farmer members and the board of directors. Business targets for the PC, expansion in products and objectives are also decided on according to the members' needs and aspirations. According to the members, as

the need assessment and its solution finding, during the initial phase of development was performed majorly by the farmers; it was felt that the company too has been formed for the social and economic development of the farmers.

Awareness about the role and functions of the FPO and their voice

One of the major causes that pushed farmer members towards forming a producer company was the lack of profits while dealing with the market through a middle man. This, coupled with other forms of income and profit loss (low yield due to poor water availability for irrigation, high input costs in fertilisers and seeds), drove the members towards an understanding of a farmer producer company as a collective to function on three levels,

- i. As a shared and support institution where members are able to ask for and help each other through the seed bank without being forced to access the formal and informal banking system
- ii. As a strengthening institution where farmers are collectively able to access the market and negate individual losses (lower selling price, high transportation costs)
- iii. As a profit making enterprise, within agriculture, where they are able to perform as a business which makes profits by serving other farmers through direct fertiliser and seed procurement

As members, the farmers realise that individual success is possible when they perform collectively as a business but that

contribution to the company (financial, managerial, produce) is necessary too.

Satisfaction amongst the farmer members

There has been a sense of satisfaction from the farmer members. It is true for some committees, as shown in Box 1, below, in the women run committee that works with poultry. Two of the primary reasons for this satisfaction are greater yield, along with higher incomes and profits. Additionally, a sense of fulfillment can be found amongst the members which, according to them, has been generated as a result of owning a company and running it.

Currently, although individual village committees have been able to generate profits, the producer company itself has not been. This has resulted in minute dissatisfaction but also, has provided members with scope and drive for greater success. As a result, members are looking at acquiring more licenses (in addition to the current manure, market and seed licenses) and opportunities for value addition to their products, especially maize.

Performance of the Farmer Producer Organisation

This section will assess the impact of the FPO on the need and objectives identified by the FPO on its inception. While the organisation will have its own way of tracking progress beyond the framework below, the study will aim to assess the performance on the following lines and additionally include information on tracking progress as per the understanding of the FPO.

Business Performance

This section will analyse the current situation of business strength of Satpura Self Reliant Farmers PCL. This will be informed by the business growth of the three years of operations of Satpura Self Reliant Farmers PCL as well as their absolute condition currently. In order to assess the current business performance of Satpura Self Reliant Farmers PCL, we use the Common Size Income Statement (CSIS) approach. A CSIS presents a company's income statement in percentages. Each line item is represented as a percentage of revenues, instead of actual INR amounts.

Performance on benefits to the farmer members

This section will analyse the current scope of work of Satpura PCL in relation to the livelihood benefits for the farmers. In order to assess this, we use indicators of sustainable livelihoods from sustainable agriculture framework (Bhamra, Niazi, & Hajra, 2015). The sustainable livelihood

strategies of individuals and households depend on access, use and development of five different types of assets – natural capital (land, water, biodiversity), physical capital (infrastructure, machinery), human capital (labour, skills), financial capital (savings, disposable assets), and social capital (rights, support systems).

Figure: Farmer Group Discussion with members of Satpura FPCL



Table 14: Over view - CSIS Application of Satpuda Self Reliant Farmers' PCL

Table : Revenue Statement of Satpura Self Reliant Farmers PCL for the three financial years						
REVENUE STATEMENT	FY 2012		FY 2013		FY 2014	
	INR	%*	INR	%*	INR	%*
Sales Account	3,71,892	4.13	7,07,969	82.87	0	0.00
Direct Incomes	0	0.00	0	0.00	0	0.00
Closing Stock	0	0.00	0	0.00	0	0.00
Indirect Incomes	86,40,513	95.87	1,46,326	17.13	12,000	100.00
TOTAL	90,12,405	100.00	8,54,295	100.00	12,000	100.00
*This is percentage of the component with respect to total revenue statement						
Table: Expenses Statement of Satpura Self Reliant Farmers PCL for the three financial years						
COSTS/EXPENSES	FY 2012		FY 2013		FY 2014	
	INR	%#	INR	%#	INR	%#
Opening Stock	0	0.00	0	0.00	0	0.00
Purchase Account	3,75,606	4.17	6,59,620	77.21	0	0.00
Direct Expenses	6,56,664	7.29	87,000	10.18	9,389	78.24
Indirect Expenses	80,35,805	89.16	94,230	11.03	4,140	34.50
TOTAL	90,68,075	100.62	8,40,850	98.00	13529	112.74
Net Profit	FY 2012		FY 2013		FY 2014	
	INR	%#	INR	%#	FY 2015	
	-55,670	-0.62	13,445	1.57	-1,529	-12.74
# This is percentage of the component with respect to the total Revenue statement.						
Source: Author using Profit-Loss Account of Satpura Self Reliant Farmers PCL						

Table 15: Performance of Satpuda FPCL on benefits to farmers

CAPITAL	FACTOR	STATUS	OBSERVATIONS		
NATURAL	Average land size		• Land asset accumulation is not RF's approach		
	Water availability		• Water storage, bunding and other watershed activities were conducted by RF's initiative but any such clause is not within the scope of FPO		
	Soil quality		• Improvement of 20%-30% in yield was seen in land using RF's vermicompost but any such clause is not within the scope of FPO		
HUMAN	Knowledge of practice		• Both RF and PCL regularly provide training and information sessions to farmer members on poultry farming, health, management.		
	Weather information		• No mandate or specific process identified		
	Mandi/market prices knowledge		• Producer company representatives track market prices and circulate to the members		
FINANCIAL	Increase in incomes by reducing costs		• Farmers who buy regularly from the PC get inputs at a reduced cost (by 10%)		
	Increase in incomes by price rise		• This has not been identified		
	Credit availability		• This does not fall under the objective of the PC		
PHYSICAL	Storage and Processing facilities		• A small godown (50 tonnes capacity), daal mill, grading machine are available for storage and processing in the company (currently grading is being done through outsourcing)		
	Agriculture equipment		• Quality drip irrigation tools, other instruments are sold and provided on need basis		
SOCIAL	Membership		• All the farmer households in shareholding villages are not members of Satapura PCL		
	Other development activities		• Various other activities like drinking water systems, RNGs, health and nutritional training are conducted by RF		
	Provisions/benefits due to Satpura Company		Benefits incurred via supporting RF's initiatives		Factors not under the mandate of the institution

Table 16: SWOT of Satpuda FPCL Performance

SWOT	Analysis
Strengths	<ul style="list-style-type: none"> • Strong awareness, involvement and ownership amongst farmer members, as indicated by regular attendance, donations of land and transparency and faith in communities regarding the producer company is an enabler to a strong institutional foundation for the producer company. • Institutional processes and protocols are well established. Bye-laws and protocols of frequency of meetings and the responsibilities of the shareholders and the Board of Directors are established and the designated officers are aware of the same. • Shared capital of Rs. 9, 15, 000 available (no financial support from RF).
Weaknesses	<ul style="list-style-type: none"> • The producer company is currently not using differential pricing mechanisms or other market tools to promote sustainable agriculture practices. • Seed variety (indigenous, hybrid) can also be looked at to promote sustainable agricultural practices. • Although there is a general feeling of wanting to earn more profits and generate greater yields, there is a lack of cohesion and vision in this aim amongst the farmer members.
Opportunities	<ul style="list-style-type: none"> • Value addition, rather than selling raw maize can lead to more accumulation of profits at the farmer community level. There are only limited gains in selling the raw good at wholesale in the market. Opening a retail value chain of certain maize goods like chips, corn, can increase the profit margins for the Producer Company. • More employment opportunities through processing, value addition of the farmer members can be a critical opportunity for diversifying incomes at the village level.

CASE STUDY V

Sittilingi Organic Farmers Association (SOFA)

**Tribal Health Initiative's for
promoting sustainable
agriculture and health
amongst farmers,**

**In support with Indian
Foundation for Humanistic
Development**

Background

Sittilingi is an Adivasi Village in the Dharmapuri District of Tamil Nadu, India. It is in a Valley enclosed by the Kalrayan hills to the East and the Sitteri Hills to the West. There are twenty-one Malayalee (adivasi) hamlets, two Lambadi hamlets and one *dalit* hamlet here.

Tribal Health Initiative (THI) was started in 1992 by Dr Regi George and Dr Lalitha Regi, which today has expanded into a team of over 55 highly trained people, working to improve the lives of the tribal communities living in the Sittilingi valley and surrounding hills through a variety of programmes in health care, community health, farming and craft work.

Overview of SOFA

After ten years of working in Sittilingi valley on health issues, a *pad-yatra* (Foot pilgrimage) was conducted in 2003 to evaluate the work of last ten years. Some of the problems identified during this Yatra included non-profitability in agriculture due to middleman issues, commissions and no reliable transport available. Dr Regi along with the framers of Sittilingi valley explored possibilities of organic agriculture, inspired from the Gandhian principle. Dr Regi proposed to transition to purely organic agriculture. Previous to this, most farmers were using fertilisers on paddy amongst the main crops. Four farmers came forward in deciding to turn completely organic in their agriculture practice. After some years of practice, THI conducted a comparative

study for a cost-benefit analysis. The results attracted other farmers in moving towards organic methods of practicing agriculture.

In 2009, 57 farmers came together to register as a society under Cooperative Act. INR 50 per year was decided as the membership fees for being a member of this society. Between 2005 and 2008, some of the farmers and employees of THI travelled across southern states of India to explore market opportunities of agri-produce, looking at different range of value added products and different retailers for sales. It was identified that farmers' job is to farm while the Cooperative is responsible for marketing activities.

Range of agri-products by SOFA includes *bajra*, *ragi*, pulses, foxtail millets and cotton. The FPO has identified vendors, some of them being Kolikod, Alter media and Organic Kerala from Kerala and Restore Chennai and Sandy Chennai from Chennai, Tamil Nadu.

As of December 2016, SOFA has 300 member farmers, 25 farmer groups. A team of 13 trained members of the community are taking care of professional tasks of the FPO ranging from CEO, marketing team, Field Guide, shop keeper, documentation officer, accountant and cashier. There are 7 elected committee members who take decisions of sales, financial sustainability and farmer related queries, whereby each member is responsible for 3 villages. Every year, one member is replaced by a newly elected one and the president of the committee changes every 5 years.

Value chain →	Backward Channel	Forward Channel
Scope of work of SOFA	<ul style="list-style-type: none"> Organic methods of agriculture practices Procurements of different crops – differential Cattle Insurance 	<ul style="list-style-type: none"> Grading and value addition Marketing and sales (Product, pricing, branding, promotion and retail)

Strength of the Farmer Institution

Table 17: Strength of farmers institution of SOFA

PARAMETERS	FACTORS	STATUS	OBSERVATIONS
OWNERSHIP	Farmer members are the owners of the company		<ul style="list-style-type: none"> Faith in THI's work over the last 24 years on issues of health in the village has rooted the faith in this THI's initiative of FPOs.
	Farmer members on their own manage the company		<ul style="list-style-type: none"> No, the farmer members are not the management team of SOFA. However, they have recruited local skilled youth for various management tasks of the FPO.
	Frequency of and attendance in meetings		<ul style="list-style-type: none"> Regular attendance is found, largely because of the faith, as well as various other development initiatives associated with the THI, extending from cattle insurance, school counseling and scholarships.
	Accountability		<ul style="list-style-type: none"> Aware of processes of decision making and their right for financial and operational accountability.
AWARENESS ON ROLES AND FUNCTIONS OF FPOs	Members are aware of company's structure		<ul style="list-style-type: none"> Members are aware of the elected committee members and their role but are not aware of how the business end is managed
	Farmer members understand their role in running the company		<ul style="list-style-type: none"> Farmers consider their responsibility to produce organic and sell it to the FPO.
SATISFACTION	Level of satisfaction amongst farmer members		<ul style="list-style-type: none"> High satisfaction, based on higher returns on investments and support in newer technologies of doing organic
PROCESSES AND PROTOCOLS	Maintenance of records		<ul style="list-style-type: none"> All records of attendance, input transaction, crops procured and business are duly maintained
CAPITAL AVAILABLE	% of produce by farmer members sold to company		<ul style="list-style-type: none"> All the produce by member farmers are sold to the FPO except for vegetables which are currently not procured by the FPO
	Factors considered achieved by SOFA and farmer members		Factors considered in progress and not fully achieved yet

Table 18: Overview of Business performance of SOFA

REVENUE STATEMENT	FY 2009		FY 2010		FY 2011		FY 2012		FY 2013		FY 2014		FY 2015	
	INR	%*	INR	%*	INR	%*	INR	%*	INR	%*	INR	%*	INR	%*
Sales Account	62,510	85.83	477,411	96.30	1,860,474	96.8	1,535,712	99.7	2,491,967	92	3,367,072	92	5,853,224	93.5
Direct Incomes	8,000	10.98	500	0.10	1,400	0.1		0.0	214,860	8	269,525	7	275,070	4.4
Closing Stock	0	0.00	759	0.15	16,578	0.9	0	0.0	0	0		0	109,367	1.7
Indirect Incomes	2,319	3.18	17,105	3.45	43,268	2.3	3,850	0.3	6,932	0	12,880	0	19,660	0.3
TOTAL	72,829	100	495,775	100	1,921,720	100	1,539,562	100	2,713,759	100	3,649,477	100	6,257,321	100

COSTS/EXPENSES	FY 2009		FY 2010		FY 2011		FY 2012		FY 2013		FY 2014		FY 2015	
	INR	%*	INR	%*	INR	%*	INR	%*	INR	%*	INR	%*	INR	%*
Opening Stock	0	0.00		0.00	759	0.04	16,578	1		0		0		0
Purchase Account	58,416	80.21	430,671	86.87	1,685,884	87.73	1,288,476	84	2,268,426	84	3,022,129	83	5,304,400	85
Direct Expenses	0	0.00	37,522	7.57	112,377	5.85	114,806	7	197,198	7	238,708	7	385,700	6
Indirect Expenses	4185	5.75	16,511	3.33	86,810	4.52	78,656	5	296,405	11	257,905	7	237,914	4
TOTAL	62,601	86.0	484,704	97.8	1,885,830	99.9	1,498,516	97.3	2,762,029	101.8	3,518,742	96.4	5,928,014	95

NET PROFIT	FY 2010		FY 2011		FY 2012		FY 2013		FY 2014		FY 2015		FY 2015	
	INR	%#	INR	%#	INR	%#	INR	%#	INR	%#	INR	%#	INR	%#
		9,326	12.81	11,071	2.23	35,890	1.8676	42,046	2.73	-48,270	-1.78	130,735	3.58	329,307

Business Performance

Indicator	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Current assets	28,349.00	1,77,556.00	105,217.00	73,187.00	127,550.00	768,705.00	1,027,607.00
Current liabilities	14,521.00	1,03,995.00	65,774.00	2,000.00	3,000.00	5,000.00	7,795.00
Current Ratio	1.95	1.71	1.60	36.59	42.52	153.74	131.83
Working Capital	13,828.00	73,561.00	39,443.00	71,187.00	124,550.00	763,705.00	1,019,812.00
Total Assets	28,349.00	181,924.00	179,593.00	171,115.00	761,895.00	831,705.00	1,195,532.00
Return on Investment	32.90.00	6.09	19.98	24.57	-6.34	15.72	27.54

Performance of benefits to the farmers

Table 19: Performance of SOFA for benefits to the farmer members

CAPITAL	FACTOR	STATUS	OBSERVATIONS		
NATURAL	Average land size		<ul style="list-style-type: none"> Redistribution or changes in land size for agriculture is not an approach of SOFA 		
	Water availability & management		<ul style="list-style-type: none"> SOFA's initiative have not directly contributed in enhancing availability or/and management of water resources in the region. However, they have incentivised millets and other traditional varieties of crops that are suitable to the water availability in the region. 		
	Soil quality		<ul style="list-style-type: none"> Farmer members interviewed identify better texture of soil through its moisture retention capacity and color post changing to organic practices of agriculture. 		
HUMAN	Knowledge of practice		<ul style="list-style-type: none"> SOFA shares various technologies and methods for organic farming, through various capacity building work shops with farmer members. This is usually in support of partner institutions like Indian Foundation for Humanistic Development and other networks of organic based FPOs. 		
	Weather information		<ul style="list-style-type: none"> This is currently not under the mandate of SOFA. Since SOFA procures all the produce of the farmer members, at a price above market price, daily mandi prices are not considered significant information by the farmer members. 		
	Mandi/market prices knowledge				
FINANCIAL	Increase in incomes by reducing costs		<ul style="list-style-type: none"> SOFA has reduced costs of inputs in agriculture, as techniques and methods of producing inputs naturally are promoted. 		
	Increase in incomes by price rise		<ul style="list-style-type: none"> SOFA is packaging, marketing and selling organically certified products in urban markets and getting around 20% higher than market price of the goods. 		
PHYSICAL	Storage and Processing facilities		<ul style="list-style-type: none"> SOFA is one storage house, and 1 processing unit; this was built with financial support from Tribal Health Initiative. 		
SOCIAL	Membership		<ul style="list-style-type: none"> There are various other initiatives like scholarships, cattle insurance and education counseling that THI conducts with the same community institution as the farmer members, thus strengthening the stakes and trust in the members of a collective social good. 		
	Other development activities				
	Provisions/benefits due to SOFA		Benefits incurred via supporting THI's initiatives		Factors not under the mandate of the institution or FPO

CASE STUDY VI



Puuddukkottai Farmers producer Limited

**In support with Indian
Foundation for Humanistic
Development**

Background

About Pudukkottai District

Pudukkottai district is located at 10.38°N 78.82°E in the valley of river Vellar. It has a plain terrain with a few rocky hills intersped in the outskirts. Urugumalai, Athimalai, Chennaimalai are the hills that surround the city. The rivers that flow in Pudukkottai are Amaravathy, Noyal, Bhavani, and Kaveri. Paddy, groundnut and sugarcane are the major crops in the region. Pudukkottai experiences hot and dry weather throughout the year.

The district has a semi-arid climate with high temperatures throughout the year, and relatively low rainfall. There are no notable mineral resources available in and around the city. Red loam and red sandy are the types of soil found in the town. Paddy is the major crop of this district. 90000 Ha. of area is covered under paddy, out of which 135000 Ha. of area is fed with Kaveri Mettur Project through G.A. canal. The remaining area is well and tank fed. The present productivity level is 4.985 Mt. of Paddy /Ha.

Other than Paddy, groundnut is the major crop in this district which is mainly cultivated under rain fed condition. Groundnut is being cultivated in 36000 Ha., as rain fed crop and 8000 Ha. Under irrigated condition Millet, Pulse, Cotton, Sugarcane, *Gingelly* are the other crops cultivated in this district.

Pudukkottai district is predominantly an agricultural oriented district. Generally a dry and hot climate prevails in this district and it's agricultural production depends mainly on the rainfall. The normal annual rainfall of Pudukkottai district is 922.8 mm. Out of which 52.2 mm is received in winter, 124.6 mm in hot weather period, 351.9 mm during Southwest Monsoon and 394.1 mm is received in Northeast Monsoon.

The temperature ranges from a maximum of 38.7 °C to a minimum of 19.6 °C. Like the rest of the state, April to June is the hottest months and December to January are the coldest. Pudukkottai receives an average of 919.4 mm of rainfall yearly. The Southwest monsoon, with an onset in June and lasting up to August, brings scanty rainfall. Bulk of the rainfall is received during the Northeast monsoon in the months of October, November and December.

Overview of PUDUKKOTTAI Farmers' Producer Company Limited

Pudukkottai Organic Farmers Producer Company Limited is a Private incorporated on 19 August 2014. It is classified as non-govt company and is registered at Registrar of Companies, Chennai and Promoting Organization is Rural Organization for Social Education (ROSE) with the objectives of sustainable livelihood of Farmers Poison Free Food for All Future Generation in Wealthy Agriculture.

Mission: To support, take initiatives for end to end services in agriculture, and ally

production and marketing, to generate sustainable and respectful livelihood for small and marginal farmers.

Geographical scope of farmer members

The Pudukkottai producer company has 1000 farmers as shareholders of 75 FIGs in 55 villages of 5 blocks (Annavasal, Arimalam, Kunnandarkovil, Pudukkottai & Thiruvarankulam) of Pudukkottai district of Tamilnadu. The major business that Pudukkottai FPC does is basically procurement, processing, and value addition of “Indigenous Paddy, Millets, Pulses and Oilseeds”.

Scope of work and business model:

The Pudukkottai FPC’s nature of business is procurement, processing, and value addition of “Indigenous Paddy, Millets, Pulses and Oilseeds” and the business model is:

An initiative for magnifying change through formation of FPC

Rural Organization for Social Education (ROSE), a community interface engine, is directly implementing its community mobilization, strengthening and development processes with vibrant community Institutions in the Pudukkottai District of Tamil Nadu state. All development processes that have been taken up with community participation have yielded remarkable results in the past. In the process of community empowerment in the rural areas of Pudukkottai district, ROSE is implementing different projects in the area. These projects are instrumental in promoting and nurturing a vibrant Self Help Groups (SHGs) and farmer’s club and village level committee in the area.

Upon successful interventions with these SHGs and farmers community a need of

Business Model & Operations

FPC	Members are individual shareholders as well as group of farmers
DLF	District Level Federation (Members are representatives of BLFs)
BLF	Block Level Federation (Members are representatives of VLFs)
VLF	Individual and SHGs, farmers clubs, JLGs, women groups

upper tier and business oriented of institutional system was recognised. These

institutions were later registered under Company Act 2013. The ROSE took up the initiative and pursued it with company registration act with support from NABARD. Finally, the Government of Tamil Nadu acknowledged the strength of the company and the significance of this programme and subsequently a Farmer Producer Company formed in Pudukkottai district.

At such a critical time, ROSE team has supported the members for prioritizing and proper planning of the activities for ensuring the sustainable growth of the FPC. The process of development of the FPC began with the small village level meetings. During these meetings, ROSE team oriented the FPC concept, its need and entitlements and the possible avenues of generating livelihoods. Several training programmes and exposure visits were organized for the purpose. Through continuous efforts of the ROSE team, the FPC came forward to take up joint efforts for enhancing the livelihood opportunities of the associated members. In this process, ROSE confined its role as process facilitator and allowed the FPC to manage and take decisions.

Promotion of organic production with support by ROSE was done during the initial phase. In the same phase, they have prepared all the farmers for organic cultivation. Similarly, to integrate the organic model, training and capacity building of farmers and board members done for effective understanding about functioning of FPOs, organisational structure, business operation and

management, legal aspects, transparency & accountability.

The successful implementation of above activities has enormously increased the confidence of the shareholders. Now they are ready to take up new initiatives such as business portfolio, product development and business turnover.

The remarkable thing about this entire development process is the company has succeeded in making use of organic production and marketing of produce in Pudukkottai and Chennai.

For effective business management, the company has its own office and procurement place. On the 10th of every month, the representatives of all village committee's associated with Pudukkottai Farmer Producer Company come for regular monthly meetings, where they discuss the business activities, membership and emerging challenges as well as formulate the working strategy for the coming month.

The noteworthy point of this FPO programme is that farmers realised enhanced income and it supported their livelihoods. Farmer's hard work yielded great success and the FPO, Pudukkottai Organic Farmer Producer Company has become an inspiring example for all shareholders and other companies in the region, who are striving towards organic farming.

The Pudukkottai Organic Farmer Producer Company is doing value addition in below products:

Product	Value added Products	Product	Value added Products
Indigenous Rice	Mappillai samba raw rice	Millet Rice	Varagu - Raw Rice
	Mappillai Samba Par boiled unpolished rice		Varagu - Boiled Rice
	Mappillai samba semi polished par boiled (Idli) rice		Kuthirai vali - Raw Rice
	Thooyamalli Rice		Kuthiraivali - Boiled Rice
	Kavuni rice		Samai - Raw Rice
	Ragi		Thinai - Raw Rice
	Kambu		Irungu cholam rice

Value added products

Product	Value added Products	Product	Value added Products
Pulses	Horse Gram (white kollu)	Oil Items	Varagu - Raw Rice
	Horse Gram (Black kollu)		Varagu - Boiled Rice
	Black gram (Spitted)		Kuthirai vali - Raw Rice
	Redgram dhal		Kuthiraivali - Boiled Rice
Flour - Millet & Rice	Millet Nutritious Flour	Millet Rice	Varagu aval
	Millet Dosa Mix		Irungu Cholam aval
	Ragi Flour		Mappillai samba aval

Purchase and sales details 2014-15 & 2015-16

Type of Product	Purchase		Sales	
	Volume (kg)	Value (in INR)	Volume (kg)	Value (in INR)
Indigenous Paddy	65274	1279559	39002.25	2186120
Millets	40205.5	907750	39994.25	3178222
Pulses	7521.5	398364	5315.75	551474
Oil Seeds	7136	432514	6609	630119
Total	120137	3018187	90921.25	6545935

Turnover realization of the Pudukkottai Organic FPO:

Year	Amount in INR
2014-15	436322.00
2015-16	3596925.00
2016-17 (April 16)	433574.00

Table 20: Business Plan of Puddukotai FPCL

Sr. No.	Crop	Expected procurement (Qtls)	Expected procurement price (Rs.)	Total cost of procurement (Rs.)	Time of procurement	Sales Price (Rs./Qtl)
1	Mappilai Samba Paddy	100	3,770	3,77,000	Feb - March	5,600
2	Karuppu Kavuni Paddy	100	7,370	7,37,000	Feb - March	12,500
3	Thooyamalli Paddy	100	3,270	3,27,000	Feb - March	6,000
4	Redgram	50	10,070	5,03,500	Feb - March	16,000
5	Blackgram	50	10,570	5,28,500	April – May	19,000
6	Horsegram (Black and White)	30	4,570	1,37,100	Feb - March	7,000
7	Groundnut	50	8,055	4,02,750	April – May	18,000
8	Barn Yard Millet	50	4,020	2,01,000	June & December	8,000
9.	Kodo Millet	50	3,820	1,91,000	February	7,000
10	Foxtail Millet	50	4,370	2,18,500	Nov - Jan	7,000
11	Little millet	50	4,870	2,43,500	February	4,000
12	Finger Millet (Ragi)	50	3,670	1,83,500	June & December	5,000
13	Pearl Millet	30	3,970	1,19,100	February	4,000
14	Sorghum	50	2,870	1,43,500	Jan – Feb	6,000
15	Coconut	30	9,380	2,81,400	Round the year	20,000
16	Sesamum	100	9,380	9,38,000	March – May	23,000

Marketing Strategy: FPC is selling 70% of its produce to whole sellers based out in Chennai, Madurai, Trichy, Kanniakumari and Bengaluru and 30% of the processed products in retail on cash & carry basis

Annexure I: Farmer members at focused group discussion, Tapalheti Village (Bhoomitra FPCL)

S. no.	NAME	LAND SIZE	IRRIGATION SOURCE
1	Rajendra	5 acres	Pond
2	Subhash	Landless	
3	Hanuman	15 acres	Pond
4	Datta	12 acres	Rain-fed
5	Pandvaran	Landless	
6	Vishwanath	5 acres	Well
7	Hussain	5 acres	Rain-fed
8	Santosh	4.5 acres	Well
9	Keshav	Landless	
10	Basant	10 acres	Rain-fed
11	Rathvakar	Landless	
12	Jyoti	Landless	
13	Shobha	Landless	
14	Bhunrao Durga	5 acres	Rain-fed
15	Kalpana	Landless	
16	Girija	Landless	
17	Girija	10 acres	Rain-fed
18	Shanta	4 acres	
19	Reshma	Landless	Well
20	Rajesh	3 acres	
21	Tukaram	7 acres	

Annexure II: Group discussion with board of directors, Bhoomitra PCL

S No.	NAME	NUMBER OF YEARS AS BOARD OF DIRECTOR
1	Ashok Nayavar	2
2	Kailash Bhagat	2
3	Sanjay Yuvak	2
4	Nirmala	3
5	Jayshree Vilas Rao	4
6	Ankush Kakkar	4

Annexure III: Farmer members at focused group discussion, Dobarapalli Village (Dharani FPCL)

SNO.	NAME	LAND SIZE	IRRIGATION SOURCE
1	Bogappa	8 acres	1 well
2	Lingappa	7 acres	1 well
3	Choddappa	10 acres	Rain-fed
4	Shri Ramelu	12 acres	Rain-fed
5	Sujata	7 acres	Rain-fed
6	Nagamma	8 acres	Rain-fed
7	Mudyaramma	8 acres	Rain-fed
8	Marena	10 acres	Rain-fed
9	Hanumanth Reddy	8 acres	Rain-fed
10	Paidanjana	10 acres	1 well
11	Anjunappa	5 acres	1 well
12	Hanumappa	8 acres	1 well

Annexure IV: Group discussion with Elected Stakeholders, Dharani PCL

S No.	NAME	Name of the Sangam or Designation
1	Sittipallappa	Mandal Coordinator, CK Palli
2	V Ravi	Timbaktu Coordinator
3	Narisingrai Palli	Ramaswamy Sanga
4	Srinivas	Timbaktu Cadre
5	Napenchandra	Timbaktu Cadre
6	Narangswamy	Timbaktu Cadre
7	K Maruti	Chandrayan Swamy Sanga
8	Dhananjay	Venugopalswami Sanga
9	Ranga Reddy	Bhairawa Sanga
10	Nagarjuna	Venugopal swami Sanga
11	Venkata Narayan	SVS Sanga
12	Adi Narayana	Paidamma Sanga
13	Venkat Reddy	Kalpataru Sanga
14	Maipur Kondappa	Ramaswami Sanga
15	Ajappa	Polleramma Sanga
16	Chandraraidu	Polleramma Sanga
17	Nagamma	Venkateshwara Sanga
18	Shivamma	Sairam Sanga
19	Shivalaxmi	Chenakeshva Sanga

Annexure V: Farmer members at focused group discussion, Siitlingi Farmers' Association

VILLAGE JADAYAN KOMAI

S. no.	NAME	LAND SIZE	IRRIGATION SOURCE
1	Teerthamma	1 acre	Well
2	Mallikka	2 acre	Well
3	Jyoti	2 acre	Well
4	Manikkam	2 acre	Borewell
5	Jyoti	2.5 acre	Electric Motor
6	Chakravarty	3 acre	Rain-fed
7	Mann	3 acre	Rain-fed
8	Govindam	2.5 acre	Rain-fed
9	Radhkrishna	2 acre	Irrigated
10	Ramlingam	2 acre	Motor
11	Ratanam	2.5 acre	Motor
12	Annadurai	1 acre	Motor

VILLAGE KALIAKOTAI

S. no.	NAME	LAND SIZE	IRRIGATION SOURCE
1	Annamalai	1 acre	Electric Motor
2	Velayan	2.5 acre	Electric Motor
3	Murugorundaran	3 acre	Oil engine
4	Sanmogam	3 acre	Oil engine
5	Annamalia	2 acre	Oil engine
6	Rajamani	1 acre	Electric Motor
7	Rani	1 acre	Oil engine
8	Chenamma	2 acre	Electric motor

Development Alternatives

B-32, Tara Crescent, Qutub Institutional Area, New Delhi 110016, India

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