

Strengthening Farmer Collectives :

**Overview of current status
and future pathway**

AKRSP(India)

At IRMA – 7th March-2019



SHARE HOLDER AND SHARE CAPITAL DETAILS

STATE	NO.OF FPOs	TOTAL SHAREHOLDERS			SHARE CAPITAL (RS.)
		MALE	FEMALE	TOTAL	
GUJARAT	15	8,427	887	9,314	48,97,955
MADHYA PRADESH	8	2,598	1,927	4,525	30,46,870
BIHAR	3	351	136	487	4,75,000
<u>TOTAL</u>	26	11,376	2,950	14,326	84,19,825

BUSINESS DATA

YEAR : 2017-18

STATE	NO.OF FPOs	TOTAL BUSINESS (In Lacs)						PROFIT (RS.)
		INPUT		OUTPUT		TOTAL		
		Memb ers	RS.	Memb ers	RS.	Member s	RS.	
GUJARAT	15	7,104	124.43	5,917	2468.49	13021	2592.93	47.45
MADHYA PRADESH	8	5,601	293.17	318	72.50	5919	365.68	14.27
BIHAR	3	832	55.36	732	60.36	1564	115.72	3.33
<u>TOTAL</u>	26	13,537	472.97	6,967	2601.36	20,504	3074.33	

BUSINESS DATA

YEAR : 2018-19

STATE	NO.OF FPOs	TOTAL BUSINESS (In Lacs)						PROFIT (RS.)
		INPUT		OUTPUT		TOTAL		
		BENEF.	RS.	BENEF.	RS.	BENEF.	RS.	
GUJARAT	15	3,050	71.21	997	205.38	4,047	276.59	
MADHYA PRADESH	8	6,303	117.92	206	34.21	6,509	152.14	
BIHAR	3	-		-	-	-	-	
<u>TOTAL</u>	26	9,353	189.14	1,203	239.59	10,556	428.73	

Approach

- Value chain Analysis
 - Gaps addressed-Input, PoP, Value Chain Financing-Input/Output, Capacity building, value addition, market & other linkages, business service providers, government agencies etc.
- Value chain Development
- Working across Agri-cycle of members and not one product-leading to high engagement

Challenges

- Capacity – at all levels - FPO to RI
- Market Intelligence
- HR – CEO at Rural level
- Financing – NABKISAN, Ananya Finance
- Legal compliance – especially company law
- Governance

What has succeeded

- Working around the agriculture cycle of members – increases engagement
- Dedicated market specialist
- Working across the value chain – value addition, niche product development-NPM, Education and awareness building at farmers level, linkages with government, market and various service providers
- Minimum credit transactions-Inputs
- Value Chain Financing

What has Failed

- Mono product intervention.
- Failure to break the deadlock with local money lenders and traders.
- FPOs are not central to the economic cycle of the farmers.

Direction for coming years

- Policy Advocacy to relax compliances work – treat FPO not at par with corporate.
- Capacity building at RI level as well as FPO level- especially at CEO level.
- Working at whole agriculture cycle of the members, will make FPO relevant part of farmers economic cycle.
- SFAC/NABARD or like agencies to look forward to support the same FPOs at next level rather than increasing numbers of FPOs.
- Risk mitigation for price volatility through tools like hedging at digital platforms.