

## **PROJECT REPORT**

### **FARMER PRODUCER ORGANIZATIONS, DIRECTORATE OF HORTICULTURE, KARNATAKA**

Collectivization of producers, especially small and marginal farmers, into producer organizations has emerged as one of the most effective pathways to address the many challenges of agriculture but most importantly, improved access to investments, technology and inputs and markets. Department of Agriculture and Cooperation, Ministry of Agriculture, Govt. of India identified farmer producer organization registered under the special provisions of the Companies Act, 1956 as the most appropriate institutional form around which to mobilize farmers and build their capacity to collectively leverage their production and marketing strength.

The Directorate of Horticulture, Karnataka, along with SFAC, undertook the project of forming Farmer Producer Organizations in various parts of Karnataka.

The Directorate of Horticulture assisted in the formation of FPOs and funding was provided by SFAC. The two main resource institutions that were monumental in the formation of FPOs were ICCOA and ISAP.

Five students from National Institute of Agricultural Extension Management (MANAGE) were chosen to work under Directorate of horticulture for FPO in various districts of Karnataka. The following students were chosen:

- \* Alok Sonkar
- \* Kiran H P
- \* Kunal sood
- \* Nikshal N Shetty
- \* Nivetha Nirmal kumar

The main objectives of the project were to prepare:

- A workable business plan in consultation with the Board of Directors of the concerned FPO which would be approved by DDH of the district.
- A possible linkage for input supplies and marketing of at least one produce of the FPO.

To achieve the above objectives, the following were the things done in a span of one month.

#### **1. General observations of the village and the FPO**

The following of FPO, were understood and the major crops of the village were studied. The problems with the functioning of the FPOs in the concerned village were identified along with

the areas of improvement required. The details about the farmer members in the FPOs were also collected.



## 2. Working for potentiality of FPOs

Analysis on how well the FPO was connected to the markets was done, Visits were paid to various markets in which the farmers regularly sold their produce. Private entities were also taken into consideration. Focus was given on major crops and identifying the potentialities and gaps in the existing system. Extensive field visits were done.







### **3. Formulating an ideal business plan and possible linking to companies**

The various business opportunities for FPO, were analyzed on the basis of value chain or supply chain of major crops cultivated. The most suitable business plan for the concerned FPO in consultation with the BODs, CEO and progressive farmers for the respective areas and crops along with possible linkages to companies for output business was formulated.



The following were some of the business plans chosen by students for the FPOs:

- Coconut Drying unit establishment
- Dehydrated tomato powder production
- Aggregation of cocoa
- Banana fiber extraction
- Grading of grapes & marketing

Market linkages were established for the output produced from FPO. Direct procurement of the produce was supposed to be done. The following were some of the firms for which linkage was to be established:

- \* Big Blender, Bangalore
- \* Big Basket, Bangalore
- \* Indus Coconut Processing Unit, Puttur
- \* Cocoguru, Puttur
- \* ITC, Bangalore

All these processes aimed at fetching better market prices for farmers. Most of the FPOs were positive about undertaking of the above mentioned business plans. The financial estimates were also provided along with the business plan for further proceedings.