

## **PPI Supported Sustainable Farming with a group of Resource Deprived Tribal Farmers – MLDMHI Consolidated Report – November 2016 – October 2018**

### **Backdrop**

The first year Annual report and the six monthly year 2 report give all relevant programme details and activities planned/executed. The consolidated report is being structured a little differently to reflect upon this two year journey from the perspective of what we could contribute and the challenges which confronted us and continue to confront us. Tangible support to farmers has been listed in Annexure 1. Annexure 2 gives the Budget vs expenses. Annexure 3 provides deployment plan for balance funds.

### **Beginning .....**

This is the third farmer group we have formed since 2011. Our first farmer group was supported by PPI and continues to be active even today with few farmers swinging from periods of low to high activity level. Enrolling farmers did not pose a significant challenge in view of the awareness already existing within villages about the work with farmers especially vegetable cultivation and their marketing. We could begin with a group of 32 farmers and in year 2 the number of active farmers was around 18/19. With our earlier two groups despite longer duration of engagement the number of active farmers remains the same. We thus enrolled 6 more farmers to make up 25 farming households as originally planned.

### **Context .....**

From 2011 upto 2015/16 farmers had a fairly protective marketing environment where all that farmers cultivated was picked up by the buyers from the village pick up points. From last year however the scenario changed drastically. Buyers gave requirements and only picked up as per their needs. Surplus produce was picked up based on their discretion at rates 30 – 40% lower than rate for their committed requirement. Thus this current farmer group has been required to adjust to this challenge much earlier. It is heartening that from this group few leaders have emerged including couple of women farmers who have shown significant sense of responsibility and ownership to find way forward in this challenging marketing environment. That can be regarded as a significant contribution especially when viewed against the backdrop of our earlier groups.

The two year rabi cultivation is provided below. Farmers cultivated close to 22 varieties of vegetables including two fruits – Papaya, Bananas. The quality of produce barring very few exceptions was acknowledged by all buyers as very good.

### Two Year Rabi Results at a Glance

	2016/17	2017/18
Active farmers in rabi cultivation	12	19
Vegetables cultivated in kgs	2357	7500
Revenue Rs.	87216/	171000/
Top producing farmer - kgs	767	960
Top earning farmer - Rs	28000/	22000/
Per kg average realized rate – Rs	36.5	23

The last row in above table highlights a very vital issue confronting our farmer groups due to the change in marketing arrangement from a protective captive market to free market that is the reality farmers need to confront and prepare themselves to face.

### Current Status

1. We have 25 active farmers committed to practice of organic method of cultivation. The activity level however varies widely within this group. Eight farmers contribute 65% of the produce. Kharif season this year has been fairly adverse.
2. While paddy showed very promising potential, abrupt and sudden withdrawal of monsoon almost a month before expected withdrawal hit the paddy productivity by almost 50%. Severe water stress during flowering and grain filling stage was the chief cause.
3. On vegetable front from this year during kharif season only one assured buyer was available who picked up produce only once a week. Hence farmers were forced to sell their produce in local wholesale markets at rates not very attractive.
4. To address the marketing challenge farmers had visited farmers markets in Mumbai and were enthused to bring their produce to Mumbai farmers markets for sale. We were fortunate through our MOFCA (Mumbai organic farmers and consumers Association) network to get a tempo as part of CSR initiative of a logistics company. What was needed was a license from the local Agriculture dept and to our frustration and dismay this has been pending for over four months losing out on the entire kharif season.
5. On account of the above farmers are despondent and feel insecure about their future. This has taken a toll on the planting schedule as many are sitting on the fence assessing if it is worthwhile for them to invest in the land or abandon their fields and go out in search of jobs outside.
6. In the meanwhile for the rabi season we managed to tie up with two organic farmers markets in Mumbai – one at a school and another open farmers market. In addition one vendor picks up from our location once a week. This suffices for our current starting produce quantity of around 200/225 kgs per week. However this quantity increases to almost 4/5 times as the season progresses and almost all farms start harvesting. This will pose a significant logistics/marketing challenge.

## **Challenges Ahead**

1. Transforming mindset of farmers from a situation where all they produced was picked up to one where they have to cultivate what the market needs. This has significant implications for high level of coordinated planning amongst farmers, planting with a strong focus on variety and customer needs, forecasting expected produce over next few weeks and timely execution of the entire process.
2. Matching the demand and supply and optimizing the transportation costs of bringing the produce to Mumbai markets and yielding an acceptable per kg realized price. This demands creation of multiple marketing avenues – farmers markets, large housing societies, large corporate campuses, retail outlets, restaurants.
3. Land holding per farmer being very low results in a need to optimize yield from the cultivated land. Establishing baseline yields for various targeted vegetables, improving the yield from farmland through productivity studies, efficient planting on small land holdings, adoption of and adherence to good cultivation practices becomes vital.
4. Building a strong group identity where each farmer identifies with the group rather than thinking only of their own farm. Building a small core team of leaders from amongst the farmer group who in first phase take ownership of their welfare rather than depending on external agencies to bail them out.

## **How are we equipped to address the Challenges above?**

Frankly we are not fully equipped and especially points 1 & 4 are fairly difficult and present no easy quick solutions. Having said that over the years we have acquired strengths that we need to leverage strongly.

1. A fairly stable farmer group of over 50 committed to organic methods of cultivation.
2. MOFCA has been a strong partner supporting us on the technical capacity building as well as working closely with farmer group to explore various marketing options. It is through MOFCA network that we have managed to acquire a vehicle for transportation and got several contacts for marketing.
3. Closely connected with a team of experts/resource persons who can support us on the farm production end.
4. We have already over past one month participated in two farmer markets and our farmers are gradually getting exposed to this new skill set of directly dealing with customers and understanding first hand what customers need. Concrete options in terms of 2 possible farmers markets, a large housing society, few retailers are already lined up. Transitory challenge is to get adequate produce in terms of quantity and variety to be able to service these as well as others who are in the marketing pipeline. Logistics of supply will be needed to keep multiple options on and at the same time provide them adequate to keep the option going.
5. Already initiated third party organic certification which when completed will give us an edge and help to explore export market options too.
6. Nothing succeeds like success. If farmers experience success at the market place through direct connections with customers that would

prove a vital enabling factor for them to get activated and energized. This in turn would improve the group dynamics.

7. Our team is currently drawn from the community. While they could relate well to the farmers and augment their farming skills they fall woefully short when it comes to logistics/data analysis/market interfacing skills. Our ground level coordinating team will need augmentation of capacity to face these rather complex challenges. We will need to for a couple of years atleast induct a professional who can help set up this new system and build capacities of the team to function in the newly designed system. Newly inducted person will address the three prime issues of farm planning, forecasting and monitoring, active pursuit of marketing options and logistics of supply to multiple channels.

We feel deeply grateful to PPI team for supporting us at the launch stage of our programme and more recently during the two years of this project. The unfinished agenda listed above will need support from PPI not so much on the programme costs but to support us with respect to human power costs.

We are enclosing our extension funding proposal as a separate stand alone document.

### **Annexure 1 – Farmer Support / Facilities provided – 2016 – 2018**

Sr. No.	Support – material/facility	No. Of Farmers
1	Drums, shallow containers	35
2	Spray pumps	12
3	Vermicompost pits	2
4	Irrigation – dug pits	6
5	Irrigation – well deepening	5
6	Irrigation – Bore well	1
7	Fencing	16
8	Maps	11
9	Organic inputs, seeds, manure	35
10	Tree saplings	29
11	Paddy threshing machines – planned for 10 farmers unable to execute on account of problems in Govt scheme	

Some planned irrigation works could not get executed due to farmer unavailability during the summer when such work can be undertaken and uncertain commitment of farmer to continue. These pending works will be executed this year post the rabi season.

Fencing has been provided to only those farmers who have shown a high activity level. Newly enrolled farmers need to be provided the same as well as older ones with consistent commitment.

Mapping could not be undertaken on all farms. Some farmers do not have farms on their names but are in the name of their family elders. These persons do not permit mapping as the land division has not taken place.

Paddy threshing machines were offered to farmers with 50% Government subsidy. So balance 50% was paid from PPI budget. However from past two years the Government has failed to make available these machines despite persistent follow up. We may need to explore procuring from open market if no progress on Government front as these machines significantly improve the efficiency for the farmer.

**Annexure 2 – Budget vs expenses**  
**Budget Update 2016 – 17 - Sanctioned vs Utilisation**

**Budget – Year I - 25 farmer households**

<b>Sr. No.</b>	<b>Item description</b>	<b>Sanctioned</b>	<b>Utilised</b>	<b>Remarks</b>
1	Farm implements – spray pumps, drums, paddy threshing machines, weigh scales etc	75000	61500	Change in Govt system in paddy threshing machines resulted in low farmer response.
2	Organic inputs – neem oil cake, bone meal, vermicompost, vermicompost pits, vermicompost culture, green manure mix etc	55500	55500	
3	Seeds and saplings	20000	15000	Rabi cultivation not commenced on all farms;
4	Irrigation – water source dug pits, well deepening, drip system	75000	75000	
5	Land development - fencing	75000	75000	
6	Training – resource person fees, training aids, food, exposure visits	50000	30000	Some training got combined with 2 <sup>nd</sup> farmer group; Could not depute for any ext trg prog so far.
	Maps	50000	0	Mapping activity will be undertaken for 16 farmers in December from year 1 budget and for balance from year 2 budget
7	Human power costs – Sr. MPW, support staff	60000	60000	
8	Credit – revolving fund	30000	0	Will be transferred to the three farmer groups bank accounts once all groups have completed their formalities
9	Communications, conveyance, travel	25000	25000	
	<b>Total</b>	<b>5,15,500</b>	<b>3,97,000</b>	<b>1,18,500/ balance</b>

**Budget – Year II & Carried Forward from Year I - 25 farmer households**

<b>Sr. No</b>	<b>Item description</b>	<b>PPI Year 2</b>	<b>Carried over from Year 1</b>	<b>Expenses</b>	<b>Balance Amount Rs.</b>	<b>Remarks</b>
1	Farm implements – spray pumps, drums, paddy threshing machines, weigh scales, traps etc	75000	13500	42140	46360	Excess spend towards fencing (no. 6 below) is sought to be adjusted against this surplus
2	Organic inputs – neem oil cake, culture, green manure mix etc	55500		65525	- 10025	Deficit here is sought to be adjusted against balance under seeds/saplings
3	Seeds and saplings	25000	5000	15000	15000	
4	Training – resource person fees, training aids, food, exposure visits	50000	20000	59910	10090	Will use towards farmer deputation for external prog
5	Irrigation - water source dug pits, well deepening, drip system	80000		32600	47400	Refer annexure 1
6	Land development - fencing	75000		100392	-25392	
7	Maps	25000	50000	44000	31000	Refer annexure 1
8	Human power – Sr. MPW, support staff	66000		66000		
9	Credit – revolving fund	30000	30000		30000	Refer note below
10	Communication, conveyance, travel	30000		28104	1896	
	<b>Total</b>	<b>5,11,500</b>	<b>118500</b>	<b>453671</b>	<b>176329</b>	

### **Annexure 3 - Deployment Plan for Unutilised Funds**

#### **Balance unutilized funds of 1,76,329/**

Deployment plan given below. These funds will be utilized under the same budget heads except fencing which will use balance from maps and small amount unutilized from seeds/saplings.

#### **Utilisation plan for Rs. 1,76,329/**

- 20000/ towards paddy threshing machines for 5 farmers – current balance under farm implements
- 10000/ External trg programme for 4 farmers plus 1896/ towards their conveyance – current balance under trg and communications, conveyance
- 37033/ towards fencing for new farmers enrolled – balance under maps/seeds, saplings
- 47400/ irrigation for 6 more farmers where work could not be undertaken – current balance under irrigation
- 60000/ credit / revolving fund – awaiting completion of formalities of farmer group before transfer – current balance under credit revolving fund