



Collectives / Aggregates for market empowerment of small and marginal farmers

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In India, fragmentation and sub-division of land holdings are a real challenge in inducing the scale economy. It is also a constraint in improving productivity, adopting technology as well in increasing the farmers' income. The average land holding size declined significantly in the country over a period of time from 2.28 ha. in 1970-71 to 1.08 ha in 2016-17 (Jain *et al.*, 2019). These holdings become uneconomical on account of the difficulty in the application of cost-intensive technologies which can improve farm productivity to a significant extent. On the other hand, the lower marketable surplus on account of small holding and low productivity will not fetch remunerative prices. Directly and indirectly, the impact is widening the gap between the haves and have-nots and thus limiting the inclusive growth in the society. Therefore, farming collectives or any other form of aggregates is the need of the hour to solve the problems of small farm holdings. The pooled land and resources or produces enable farmers not only to scale up production but also help in reducing the transaction cost and help in increasing the bargaining power for their produce. In other words, farming collectives/ aggregation provides market empowerment to the small and marginal farmers. This collectives/ aggregation could effectively narrow down the gap of financial, technological and economic disparities that exist in the society and also build harmony among the farming communities.

Keywords: Fragmented farm holding, Collectives, Aggregation, Market empowerment

India got 156.46 million hectares of cultivable land / arable land standing first in the world (GoI, 2019). The country is the world's third-largest economy and agriculture is the predominant determining factor of Indian economic growth. It plays a vital role when it comes to the livelihood of the Indian people. As per the Agricultural Census, 2015-16 agriculture employs about 50 per cent of the Indian workforce, and 57.8 per cent of rural households are engaged in agriculture (Census 2015-16).

Growing population, demand for quality food, changing trade policies, globalization and urbanization coupled with the increase in per capita income have brought tremendous changes in the food market. It progressively transformed the market environment. India has the third-largest food market in the world. Besides, the domestic food market, there is a tremendous potential for the export market as well. However, due to the scattered distribution of crop production and lack of an integrated supply chain, India is unable to grab the market opportunities both in the domestic and export market and failing to build the country's fortune. In the current financial year, 2019-20 share of agriculture and allied sectors in gross value added (GVA) of India at current prices stood at 20.20 per cent and it contributed only 14 per cent of GDP to the economy (pib.gov.in). One

of those prime causes of this lower contribution to GDP is higher growth in the industry and service sector. However, during 2020-21, agriculture contributed around 20 percent to the GDP. This increase is on account of a decline in contribution from other sectors amid pandemic Covid-19.

As per the data revealed by the agriculture census, 2015-16, small and marginal holdings account for 86 per cent of the total landholdings of the country. Together these farmers hold 46.90 per cent of the total arable land of the country. Potentially they together contribute more than 51.20 per cent to the total output of the country (Bisht *et al.*, 2020, Shinogi, 2017 and Babu, 2015). Therefore, it is undeniable fact that the sustainable development of agriculture, economy and future food security lies in the hands of the small and marginal farmers of India (Bisht *et al.*, 2020 and Babu, 2015).

Unfortunately, the smallholdings of each farmer are not enough to produce surpluses and are even too small to generate sufficient household income. The small amount of their product fails to provide economic incentives to them. According to a report titled Situation Assessment of Agricultural Households and Land and Livestock Holdings of Households in Rural India, 2019, released in September 2021 by the Ministry of Statistics and Programme Implementation Data shows that

Table 1: Size and distribution of operational holdings of farmers in India

Sr. No.	Category of holdings	Size group (ha)	No. in (%)	Area (%)	Total aver. size (ha)
1.	Marginal	< 1.0	68.4	24	0.38
2.	Small	1.0 - 2.0	17.6	22.9	1.4
3.	Semi- medium	2.0 - 4.0	9.8	23.8	2.69
4.	Medium	4.0 - 10.0	3.7	20.1	5.72
5.	Large	> 10.0	0.5	9.2	17.07
6.	All	-	100.0	100.0	1.08

agricultural households possessing less than 0.01 hectare of land had a monthly income of Rs 11,777, of which only Rs 3,744 (or 32%) came from farming and 55 per cent came from wages. To add more to this concern, in the period of last six years, the operated area under small and marginal holdings increased to 3.3 per cent, as it stood at 47.34 per cent in 2015-16 against 44.31 per cent in 2010-11 (Table 1). Hence, the fragmentation of land holdings is a real challenge in inducing economies of scale.

On account of the small scale of marketable surplus, farmers have no bargaining power and have no access to markets such as retail chains and supermarkets. To enter such marketing channels, farmers need to have a production of scale that is required by these retail chains and supermarkets. The scale is also required to induce good marketing practices such as cleaning, grading and packaging. Therefore, the probability of an individual small and marginal farmer to provide the requisite scale, continuity of supply and meet the demand of food safety and quality requirements are far from cry. Small and marginal holders are constrained to access technology, and take full advantage of farm mechanization, credit, credit insurance and services because of their adverse economies of scale (Rapsomanikis, 2015, Babu, 2015 and Thapa and Gaiha, 2011). Therefore, for sustainable economic development and to assure the food security of the country, holistic growth of small and marginal farmers is the need of the hour.

How to improve the farmers' income???? Intending to improve the conditions of farmers and double their income by 2022, the Government of India is realigning its interventions from production to marketing and credit facility. Despite several attempts to aggregate these small holdings, desired results achieved were negligible. Hence, the small holdings are the biggest constraint of the Indian economy to strengthen the agrarian community. Probably these are all factors diverting the interest of the young farmers and rural youth to other sectors, rather than engaging themselves in agriculture. As per the report of GOI, 2005, a study in 2003 revealed that about 27 per

cent of farmers disliked farming as it was not profitable and worthless. It is forcing them to migrate to the urban areas and about 40 per cent of farmers were ready to take up other activities for the sake of improving their livelihood (Bisht *et al.*, 2020, Naidu, 2014 and Babu, 2015).

Therefore, to overcome these problems, in the past government of India had initiated several collectives/ aggregation models in Indian agriculture such as co-operatives, self help groups, commodity interest groups, farmer interest groups, *etc.* However, farming co-operatives did not succeed much in, leaving a strong impact on farmers' livelihood (Agarwal, 2010). GoI Report of the High-Powered Committee on Co-operatives, 2009, reported that farming co-operatives failed because they were unable to retain their autonomous and democratic character, government interference and prescriptive and restrictive legislation. The success achieved by the other aggregation models was limited as these forms of aggregation models were able to address one or a few of the challenges faced in the supply chain of agriculture. In the recent past, farmer producer companies (FPC) is emerging as an effective tool for aggregation. Besides, examples of collectives like Kudumbashree and Gambira from Tamil Nadu have achieved notable success to address the problems of smallholders. They could achieve success possibly by encouraging group approaches among the farmers in the form of collectives or co-operatives (Sajesh *et al.*, 2013). These contemporary approaches can tackle the problems in agriculture in general and marketing in particular and boost the economic status of the small and marginal farmers. Therefore, the significance of these different formats of collectives/aggregates is discussed and summarized in this paper.

How do these collectives/aggregates work in improving the income??? Dictionary meaning of the collectives is nothing an organization or business that is owned and controlled by the people who work in it. Activities in collectives could range from simply joint investment in farm inputs to land pooling/produce, joint cultivation, or even joint land acquisition by purchase or

lease and the (Sajesh, 2017, Naidu, 2014, Gilbert *et al.*, 2014 and Agarwal, 2010). When farmers pool their lands and other farm inputs for collective cultivation, the transaction cost reduces due to higher sales of operation. Organizational structure and the profit distribution may vary based on the terms and the conditions adopted and agreed upon by the farmers at the time of group formation. Kudumbasree programme of Kerala and Gambhira Collective Farming Society from Tamil Nadu are the two examples of successful farming collectives in India whereas, the Sahyadri Farmer Producer Company, Devbhumi Natural Products Producer Company Pvt. Ltd., Uttarakhand and Rait Mitra Farmer Producers Company-Karnataka are a few examples of successful aggregates working in order to provide better income to the farmers.

Kudumbashree - An illustration for women empowerment : Kudumbashree is the women-oriented, community-based, innovative, participatory approach and unique poverty eradication programme launched officially by the State Government of Kerala in 1998. The ultimate objective of the programme is poverty reduction through the empowerment of women socially, economically and politically. The programme is mainly focused on the economic, social and gender empowerment of women. Kudumbashree covered 4,051,781 women members from 267,051 selected families. According to the annual report of 2017-18 about 63,101 women farmer groups (joint liability groups) in the state bought more than half lakh hectares of farm land taken on informal lease with the support of Panchayats. The Kudumbashree community leases farm lands to cultivate, maintain ecological stability, achieve food and nutritional security and organize themselves as women farmers' collectives. The impact of 20 years of Kudumbashree changed the lives of economically backward women in the state, changed their perception, built their confidence, boosted their morale, rediscovered their dignity and honour and empowered them economically, socially and politically. As of 2018-19 3.9 million women participate in the Kudumbashree movement in the state cutting across political ideologies and religious faiths (Annual report of Kudumbashree, 2018-19).

Gambhir collective farming: An illustration for farmers' empowerment : The Gambhir collective farming society is another example of a successful collective in India. Since 1953, the Gambhira Collective Farming Society helping to overcome problems associated with smallholder farming and the tragedy of commons. Since 1953 total of 291 members of 30 groups, eight to 14

members in each group, the Gambhira Collective has been continuously collectively cultivating an area of 526 acres. The member whose labour contribution was significantly higher in comparison with what they would have achieved cultivating lands individually. In 2009-10 on average, each member of the society received an average of about Rs.90,000 (\$1,839USD) as a means of profit from the society (Naidu, 2014).

Farmer producer organisations/Companies (FPO/Cs): A new tool of aggregation ushering prosperity to the famers : To bring a positive impact on the income of small and marginal the Department of Agriculture, Cooperation and Farmers' Welfare (DAC and FW), Ministry of Agriculture, Government of India in partnership with state governments launched a pilot programme for promoting Farmer Producer Organisations (FPOs) during 2011-12. The scheme was implemented through the Small Farmers' Agribusiness Consortium(SFAC). However, the new generation FPOs registered under the Companies Act, 2013 then the Companies Act of 1956 were designed and envisaged in such a manner that they are able to address all the issues in the Supply Chain of Agriculture. Unlike other formats, these FPCs are expected to be more professional bodies leveraging the provisions of the Companies Act for a profitable business. These FPCs are a hybrid model, designed by borrowing principles of the cooperative movement and the business acumen of companies for incorporating the farmers into the ambit of the Companies Act. Its amendment came into the effect in 2002 on the recommendations of Prof. Y K Alagh's committee. FPCs are managed by the BoDs and seen by management professionals *i.e.*, CEOs.

These FPCs promoted by the farmers will be run by farmers for the benefit of the farmers. The share capital of Producer Company shall consist of equity shares contributed by members only, and members' equity cannot be publicly traded but transferred. The profits generated from the company business would be shared among the farmer members only in terms of dividends. To carry out the activity and assist in the management of the company paid staff could be employed.

As of 2020, more than 6000 FPO's/FPCs promoted in the country (Ministry of Finance, GoI, 2022) and most of them are in operation. Many of these are paying attention to crop planning, technology infusion, input supply, and primary marketing. There is a potential for these FPCs to leverage their presence further on the value chain of the agriculture commodities. Data from a few case studies of such successful producer companies were collected

using both primary and secondary data and discussed below.

Case: 1 Raitha mitra farmer producers company:

The Raitha Mitra company is registered in 2014 and it has been started its operation from 2nd March 2015. The head quarter of the company located in Mysore district of Karnataka. The company was established with the quintessential objective of uplifting the economic status of farmers through company services, and products, also to encourage the formation of more Farmer Interested Groups to reach their services to more numbers of farmers to provide better livelihood to them.

This is a pioneering company in India in the production of Super-foods Chia and Quinoa. The Company provides quality premium Chia and Quinoa Seeds, certified by CFTRI Mysore with the dissemination of agro-technologies defined by CFTRI to the group of 250 farmers who are encouraged to grow Chia and Quinoa seeds. There is a buy-back arrangement by the company for Super-foods Chia and Quinoa produced by the farmers. It also engages in B2B association with industries to market the produced Super-foods thus, helping farmers market their produce.

Financial performance : Initially, the company had total capital of 24.83 lakhs (share capital of 19.90 lakhs and SFAC equity grant support of 4.93 lakhs) and 526 shareholders. As of Aug. 2021, the company had 533 share holders and 1200 members with total capital of 25 lakh and it is working in 8 districts of Karnataka. Company covers Mysore, Chamarajanagar, Haveri, Dharwad,

Uttara Kannada, Belagavi, Vijayapur, Bagalakote and Mandya districts of Karnataka. However, 10 directors were nominated on behalf of the farmer members of these districts.

Activities are undertaken by raita mitra company:

- Company has greater trust in the market for 100 percent of certified organic products

- Company’s 1200 member farmers covered under PMBSY accident insurance scheme

- To provide quality fertilizers and pesticides to their member farmers at government-fixed prices, the company started procuring the same directly from the manufacturers.

- The Company also purchase vegetables and fruits directly from the farmers giving the market price of the day without the role of an intermediary or a commissioning agent, thus, helping the farmer earn a better livelihood. The company is having “Base Support Price System” for Vegetables like pumpkin, Tomato, Green Chilli, and Mangalore Cucumber and whenever the price falls below a certain level, the farmers will be assured of a minimum support price. The company procured more than 35MT of Vegetables from farmers between July-2017 to Jan-2018 and helped to sell their produce.

- It has its own agricultural science consultants who provide information, training and advice to farmers on - practices, pre-harvest and post-harvest management.

Growth and impact:

- NABARD sanctioned the incentive of 7 lakh rupees within a period of three years from the time company



Women workshop at CFTRI Mysore



Farmers study tour to Jain irrigation head quarter

started working for the company's development and guidance.

– In the year 2017-18, company carried out a business of 6.60 crore business and paid the tax of 2 lakh to the government.

– In 2018-19 company took up the business activities worth 6.28 crore and it earned rupees 13 lakhs of profit and 10 per cent of it was distributed among the members of the system.

– In 2019-2020 company did business of Rs. 7.47 crore and to protect and save interest the farmers during the 1st wave of a covid-19 pandemic it marked its promising growth. The company purchased 2500 tonnes of vegetables at market price. It also set up a ripening chamber worth a crore to ripen organic banana and mango fruits with monetary aid from the department of Horticulture.

– Company couldn't make much business in 2020 - 21 due to the pandemic.

Future plans of company: The company is working on setting up Custom Hiring of Agricultural Equipment. It has also planned to purchase the solar panel for lighting and running of irrigation pump set, paddy harvester and sugarcane cutting machine and established an organic jaggery unit. Also working on providing ware housing facilities for farmers with 75 per cent of MSP as advance on the spot. The company has resorted to the formation of group FIGs / Members in crop-based clusters and provide them with “crop intelligence”, including soil, seeds, enhanced methods of cultivation, and correct type and quantities of fertilizers and pesticide. The company plans to set up service centres at their six branches with computerisation, mainly to provide information to farmers regarding price and other marketing related aspects. These branches will act as a kiosk for members in rural areas.

In other words, Raitha Mitra is committed to developing scientifically designed, efficient systems and processes for pre-harvest and post-harvest technologies for fruits, vegetables and super-foods with professional marketing operations. The company has the vision to launch its own retail brand bringing super-foods to the Indian consumer at affordable prices. The mission of Raitamitra is to continuously strive to benefit the farmers and empower them economically by sharing information and advice from the departments of Agriculture and Horticulture. Rait Mitra FPC is not only protecting the farmers from the distressed sales by involving itself in the procurement of the agricultural produce by minimising the role of the middlemen, mainly to illustrate that farming can

be profitable.

Case: 2 Sahyadri farmer producer company Ltd.

(SFPCL): ‘Sahyadri Farms’, an initiative of the farmers, by the farmers and for the farmers was started by Shri. Vilas Shinde, a post-graduate in Agricultural Engineering. After a brief stint in the corporate sector, he started the cultivation of crops in his own farm. During his time as a farmer, he observed that many farmers in and around Nasik were growing – export-quality of grapes but were failing to get remunerative price on account of exploitation by the export agent appointed by big export houses for procurement of grapes. This prompted him to explore an opportunity to sell his grapes directly to exporting firms for better price. However, the scale of operation was low and hence, he planned to enhance the scale by aggregating like-minded farmers. Initially, he procured the grapes by registering the sole proprietorship company. Unfortunately, during 2010, it so happened that the export consignment of grapes from India was rejected. At this juncture, unlike other export agents, he compensated losses of farmers to the tune of Rs. 7 crores by selling his land. This instilled confidence and won the trust of fellow farmers. These developments inspired him to start a joint stock company under Companies Act, so that the benefits of collectivization can be harnessed.

Sahyadri formed with around 10 farmers, now it is one of a leading farmer producer company, working with 8000 farmer members. The company operates in three tier model. Sahyadri has a three-tier structure comprising the apex organization itself, crop-wise FPCs and farmers under them. The mandate of the crop-wise FPCs (for grapes as well as tomatoes, pomegranates, bananas, guavas and other fruits and vegetables) is to provide technical support to farmers, apart from undertaking aggregation, grading, sorting and packaging of produce.

The three tier comprises of a dedicated team for promoting business, providing crop advisories, creation of intra section, certification, branding and marketing both domestic and export markets. Over the last one decade, Sahyadri Farms has been able to integrate AVC of fruits and vegetables focusing on both fresh and processed products. It has a state of art infrastructure encompassing, cold storages, warehouses, aseptic fruit plants, frozen food, dry fruits, fruit juice, jam, ketchup etc. This intervention of Sahyadri has enabled farmers to adopt Good Agricultural Practices and Good Marketing Practices on one hand and on the other hand has ensured safe and hygienic food to the consumers. Till recently, it has focused its business in retail sector also by opening 13 retail outlets in Pune,

Mumbai and amp; Nasik.

Financial performance : As of 2019-2020 the FPC is a proud venture with a whopping turnover of Rs. 500 crore and has a paid-up capital of Rs. 128 crores. The company is working with a tagline “of the farmers, by the farmers, for the farmers”. Presently it covers more than 190 villages and more than 23,960 acres of land. Besides, it is also involved in imparting skill-based training programs to rural youths. (MANAGE Report, Sahyadri Farms, Annual report 2019-20).

Business activities Sahyadri: Sahyadri farms is involved in producing, procurement, processing and marketing of fruits and vegetables from its small and marginal farmer members. The company exports various fresh and processed products to 42 countries, mainly table grapes to Europe, USA, Middle East and Asia and is involved in selling fruits and amp; vegetables to the domestic market.

Sahyadri’s 65-acre campus has an infrastructure for packing, pre-cooling, ripening, cold storage and aseptic processing of the produce of its farmer-members. Equally significant is the backend integration system, wherein the plots of individual farmers are geo-tagged to allow the company to keep a real-time update of the crops growth and accordingly plan its harvest calendar. Sahyadri also claims to guarantee complete traceability of its farmers’ produce by embedding the related information in bar-coded packets. Sahyadri Farms is today, India’s largest Global Gap certified group with many international grade certifications in the food industry.

Sahyadri farms rightly concentrated on the procurement, processing, pricing and marketing aspects of farm produce. The company not only is purchasing farm produce but also provided quality inputs, knowledge, and technical support which is of great benefit to the members. Sahyadri Farms began as a set of farmers who came together to serve a large purpose- to create an infrastructure to grow traceable, safe, healthy and affordable farm produce for consumers worldwide. Sahyadri Farms has established Sahyadri Agro Retail Ltd (SARL) as a subsidiary of Sahyadri Farmers Producer Co. Ltd. Sahyadri retail started introducing quality, fruit drinks, fruit jams, tomato ketchup products, aseptic-pulp and amp; concentrates, condiments vegetables paste and purees, frozen puree, IQF fruits and vegetables, crush/syrup/squash which are available in nearly 10,000 retail outlets in Maharashtra. All of this going back to where it started – believing its’ the right of the consumer to have control over what they buy and what they eat. Sahyadri Farms has been developing owned retail stores for Fresh

and amp; Quality Fruits and amp; Vegetables.

There are 13 retail stores are functioning at Mumbai and Nasik. In the next two years, more retail outlets will be set up by Sahyadri. The work done by Sahyadri Farms to empower small farmers is also being taken up globally. FMO, the Netherlands’ development finance company has lent an amount of 7.50 million to Sahyadri Farmers Producer Co. Ltd. “This financing is expected to give a boost to the agriculture and food processing operations of Sahyadri and reduce wastages and spoilage,” FMO said in a disclosure. The decision by FMO to fund a Farmers Producer Company in India should be considered promising and a proud moment not only for Sahyadri but for the entire FPC movement in India. While concentrating on the market needs, it is also essential to provide required technology to farmers which will help them in agriculture produce. Sahyadri has entered into a collaboration with Kisanhub (UK). Sahyadri’s grape-producing members are availing benefits of this facility.

Challenges faced Sahyadri farms : In spite of its exemplary performance so far Sahyadri is no exception to the challenges. The challenges are in terms of expansion of the business to other region and enrolling of a greater number of members into its ambit. Given the nature of perishability of fruits and vegetables, creation of requisite infrastructure is a herculean task. On the other hand, enrolling members in the other regions or districts would lead to logistics problem and may lead to increase in its transaction cost.

Despite all the odds Sahyadri farms has proven the ability of business diversification and sustaining the AVC. The study also concludes that its Robust Supply chain, Participatory Approach, Leadership, Commitment of Employees and Professionalism, Legal Compliance, Efficient Internal Governance, Vertical and Horizontal Integration, Non-bureaucratic style of functioning, Harmony with Local Culture of farmers, The State of Art, Technology and Infrastructure, Timely tapping of the market, Branding and its maintenance, Capacity Building helped the company to reach the heights of the success. A well-defined marketing strategy will help these agriculture collectives evolve better and succeed in this competitive world.

Growth and impact : Agri-value chain (AVC) of Sahyadri farms : Sahyadri farms brought farmers together for value addition of agriculture produce and organized functioning of agri-value chain. It has intervened at every stage of the value chain, which is, from production to the marketing of the product, and helped farmers in

strengthening the AVC. Sahyadri Farms has differentiated itself from other FPCs as along with the domestic market they decided to serve the international market as well.

Lack of value addition and short self-life of agriculture commodities led to the idea of expanding food processing facilities as well as innovative technology and the company started focusing on creating requisite infrastructure using own capital and assistance from Govt. scheme. In 2003, Sahyadri started building up its infrastructure. An APEDA infrastructure was approved to export the produce.

Further, it was able to build a strong network and develop an integrated supply chain and preferred to explore the export potential of the products for diversifying the market and widen the avenues of selling their value-added produce like Aseptic Fruit Pulp and Concentrates, Jams, Fruit Drinks, Frozen Pulp and Ketchup, *etc.*

It is important to note that collective action has benefitted farmers in increasing their bargaining power and reducing the cost of operations. The marketing margin is higher for value-added products (Adhikari *et al.*, 2017). It has been found that the marketing margin was lowered as they shorten the value chain by maintaining the role of middlemen from the chain and went for a direct marketing approach.

Factors contributing to the success of collective/Aggregates : The paper unfolded and threw a light on a few common factors such as 1) Participatory Approach 2) Leadership 3) Timely supply of inputs 4) Capacity Building 5) Vertical and Horizontal Integration 6) The State of Art Technology and Infrastructure 7) Robust Supply Chain 8) Branding and its maintenance 9) Timely tapping of the market 10) Efficient Internal Governance 11) Harmony with Local Culture of farmers *etc.* are significantly contributing to the success of collectives/aggregates (MANAGE Report. 2017-18, Sahyadri Farms Annual report 2019-20, Kudumbashree annual report of 2017-18, Naidu, 2014).

Conclusion : Successful collectives/ aggregative approaches have several advantages, such as collective action enhances the farmers' capacity to access formal institutional credit. Mass production provides the privilege of bargaining in the marketing process. Mass marketing of the product yields a better price than selling individually at the farm gate. India has 9.89 million hectares of fallow land, promoting farming collectives in that area can produce sustainable income for the communities. It could play a significant role in the eradication of poverty. The analysis of the different forms of aggregation in different geographic locations revealed that the 'one size fits all'

approach may not lead to the success of collectives. Hence, it is advocated that based on the socio-economic conditions, agro-ecological conditions, crops and sectors, an appropriate model suitable to these conditions may be suggested.

Aggregates like FPCs allow small and marginal farmers to invest jointly in management practices. These provide collective benefits, which could help in strengthening the economic condition of the farmer. However, that is not possible from the cultivation of small fragmented land. Aggregation provides productivity benefits and social and market empowerment to the farmers, compared to individual production units (Leder *et al.*, 2019, Agarwal, 2010 and Fischer and Quaim, 2010). Therefore, promoting these actions among the farming communities will definitely bring an improvement in the farmers' income and also provides a better standard of living.

However, strategy paper (FPOs) prepared by SFAC, 2019, estimated that only at best 30 per cent of these FPCs are currently operating viably. Around 20 per cent are still struggling to survive, the other side 50 per cent are still in the phase of mobilization, equity collection, business planning other management - related developmental stages. The sustainability of these FPCs matters to derive the full advantage from them. Also, collectives should not take the path of communist countries. Government should not leave the principles of democracy behind. However, to bring these things into reality along with the best plans government needs to focus more on the best ways of implementation, monitoring, viability and sustainability to witness greater success.

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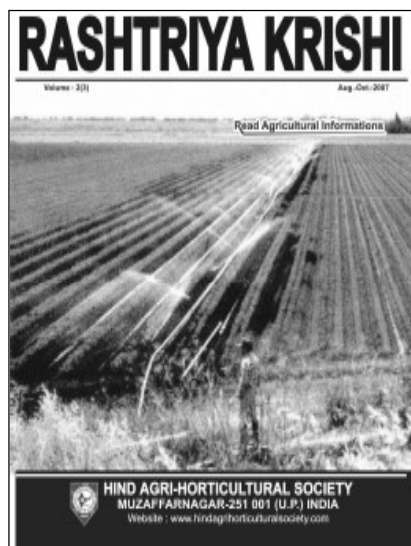
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