

Case Study On Rural Producer Organization: Thirunelly Agri Producer Company Limited (TAPCO), Wayanad

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Abstract:

The growth of agribusiness has had an influence on the agriculture industry in many nations worldwide. Many small farmers in India have suffered as a result of competing with huge farms that have access to greater resources and money. Alternative food networks are non-governmental projects that help small farmers succeed and be fairly compensated. This research focuses on small farmers in the Indian state of Kerala that are members of an alternative food network, especially a farmer producer enterprise (FPC). The study's goal is to learn about the experiences and viewpoints of small farmers in Wayanad, Kerala, and how climate change has affected them. Rural producer organisations are essential to the well-being of the community. They support small, marginal, and landless farmers who face substantial challenges during the agricultural production phase. Farmers frequently struggle to market their produce due to a lack of financial means.

Keywords: Agriculture, alternative food networks, farmer producer company, small farmers, food system, organic farming.

Introduction

Agriculture is without a doubt India's greatest source of income and provides a major portion of the country's GDP (GDP). Friendly agriculture is critical for comprehensive rural development in terms of food security, rural employment, and ecologically sustainable technology. This section contains information about agricultural products, machinery, and research, among other things. There is also detailed information accessible on government policies, schemes, agriculture loans, market pricing, animal husbandry, fisheries, horticulture, loans & credit, sericulture, and so on (Hatfield et al., 2014).

Producer associations are seen as a possible community-driven solution to smallholder agriculture's difficulties. This essay assesses the impact of organising female farmers into producer organisations in Gujarat, India. Over the course of 18 months, the initiative had a positive impact on members' non-farm income and access to output markets. (Desai & Joshi, 2014).

Small and marginal farmers with scattered landholdings in the coconut sector have minimal collective bargaining strength. Farmer producer organisations (FPOs) are seen to be a good approach to boost farmers' competitiveness. FPOs are recommended as an appropriate method for bringing socio-economic reform to the rural economy, according to the study (Vijaya kumar, 2020).

Producers who are members of a producer organisation or partner arrangement have far better access to technology and other agricultural consulting services than non-members. Even though gains in yield were not always noticed, there were noticeable changes in terms of increased net earnings for partners (Cherukuri & Reddy, 2014).

The Indian government has given \$34 million to the National Bank for Agricultural and Rural Development to establish a "Producers Development and Upliftment Corpus (PRODUCE)" (NBARD). The importance of Farmer Producer Organizations is investigated in this essay (Tagat & Tagat, 2016).

Farmers, milk producers, fishers, weavers, rural artisans, and craftspeople establish a Producer Organization (PO), which is a legal body founded by primary producers. PO can be a producer business, cooperative organisation, or any other legal entity that allows members to share earnings and benefits. PO's major goal is to provide producers with a higher wage by forming their own organisation. Small producers lack the necessary volume (both inputs and outputs) to profit from economies of scale. Aside from that, agricultural marketing involves a long chain of intermediaries, many of whom operate in an opaque manner.

They will also have more negotiating leverage with bulk produce purchasers and bulk suppliers of raw materials like fertilisers, insecticides, and other inputs. The Small Farmers' Agribusiness Consortium (SFAC) is assisting with FPO promotion. PO is a generic term for a group of producers of any type of product, including agricultural, non-farm, artisan, and other items. One form of PO is a "Farm Producer Organization" (FPO), which has farmers as members. If the commodity in question is not from a farm, there may be POs for non-farmers, such as handloom or handicrafts.

i. Objectives of PO

To guarantee that its members (who are producers) and their communities receive a higher level of revenue.

Some of the essential features of PO are:

- a. It is created by a group of producers for agricultural or non-agricultural purposes.
- b. It is a legal entity and a registered body.
- c. Producers are members of the company's board of directors.
- d. It is concerned with the principal produce/commercial product's operations.
- e. It operates for the advantage of the producers who are members.
- f. A portion of the profit is distributed to the producers.
- g. The remainder of the excess is invested in the company's own capital for future growth.

The PO's members are the ones who own it. It is a producer-led, producer-led, producer-led, producer-led, producer-led, producer-led, producer-led, producer-led, producer-led. The PO may have been pushed by one or more institutions and/or people who assisted with mobilisation, registration, business strategy, and operations. Ownership control, on the other hand, is always with the members, and management is done through the members' representatives.

The major producers are skilled and experienced in the field of production. They do, however, require assistance in marketing their products. The PO will essentially fill in the gaps. The PO will assume responsibility for any one or more actions throughout the value chain of the product, from raw material procurement to final product delivery to the end consumer's doorstep.

In brief, the PO could undertake the following activities:

- a. Inputs procurement
- b. Information about the market is disseminated
- c. Technology and innovation dissemination
- d. Facilitating finance for inputs
- e. Produce gathering and storage
- f. Drying, cleaning, and grading are examples of primary processing
- g. Branding, packaging, labelling, and standardisation are all important aspects of business.
- h. Controlling the quality
- i. Institutional buyers' marketing
- j. Commodity exchange participation
- k. Export

ii. Support for PO from The Government of India:

Provides SFAC with budgetary support for its Farmer Producer Company Equity Grant and Credit Guarantee Fund Scheme. FPOs are eligible for greater subsidies for the construction of storage and other agricultural marketing infrastructure. CAPART, the Ministry of Rural Development, also runs programmes through which the PO can get financial assistance for certain tasks. Skill and capacity development training is also provided by training institutes sponsored by the Ministry of Rural Development of the Government of India. Mango growers in the southern Indian state of Tamil Nadu joined TAMAFED (Tamil Nadu Mango Growers Federation) because of economic and educational benefits. Transactional output cost owing to the selling of harvested produce was two and a half times lower for members than for non-members (S. Kumar & Singh, 2015).

The Kerala Agriculture Department has set a goal of establishing 100 new farmer producer organisations (FPOs) this year. This will assist both farmers and processors in achieving their goals of increasing income through a cooperative approach.

Scenario of Wayanad

54.6 percent of the entire workforce is employed in agricultural and allied farm activities. Agriculture contributes for 17.1% of India's Gross Value Added in fiscal year 2017-18. (R. Kumar, 2021). India is one of the major producers of white and brown rice in the world, accounting for 20% of worldwide rice output. Kerala, an Indian state, has a long and illustrious history of rice farming. When we think of Kerala, the first thing that springs to mind is its lush greenery and rice fields. Adukkan, Veliyan, Chenellu, Chomala, Chenthadi, Thondi, Gandhakasala, Jeerakasala, Adukkan, Veliyan, Chenellu, Chomala, Chenthadi, Thondi, Gandhakasala, Jeerakasala Farmers have been cultivating types like Mullankaima and Kalladiaryan for decades. Apart from the district's distinct environment and culture, Wayanad in Kerala is recognised for its indigenous rice types. Concrete structures and sky-touching shops have encroached on lush green fields that once symbolised wealth and progress.

Crop production is intimately linked to food security; if yields continue to decline, the global food crisis will worsen. To maintain the aroma of rice types like Gandhakasala and Jeerakasala, farmers in Wayanad use entirely organic agricultural techniques. Kerala has three distinct rice seasons: Punja (winter season), Nanja (summer season) (summer season).

Nearly 30,000 hectares were farmed in 1985-86; by 2009-10, it had dropped to 12,995 ha, and by 2018-19, it had dropped to 7,760 ha. From 2013-14 to 2018/19, the area under cultivation during the winter season dropped by 27%. In comparison to 2013/14, the area under cultivation in the summer season dropped by 67%.

From 2010-11 to 2018-19, the winter season graph showed a steady rise of 17% in rice productivity. Variability in rainfall, as well as other variables such as a shortage of water, impact a farmer's decision to convert rice fields to other crops. Rice productivity in Kerala, India, has been steadily declining over the years, with the exception in 2018-19, when it reached an all-time high. Farmers report that a large volume of alluvial material was dumped on paddy fields during heavy floods. Both 2016-17 and 2017-18 saw the highest rice output in recent years.

Thirunelly Agri Producer Company Limited (TAPC)

Native rice from the organic fields of Wayanad

Producer organisations (POs) may help by expressing their members' expectations and requirements for rural advisory services (RAS) and ensuring that these services are provided in an effective and sustainable manner. The Global Good Practices Initiative attempts to fill this void by disseminating knowledge on extension methods in simple ways (Toillier et al., 2015).

Thirunelly Agri Producer Company Limited (TAPCo), founded in March 2017, is a Farmer Producer Organization (FPO) that was founded with the help of the National Bank for Agriculture and Rural Development (NABARD) and Thanal (an environmental organisation based in Kerala that works on issues of public interest). TAPCo began its functioning in 2017 with 10 close-knit farmers, TAPCo. It now works with 85 farmers over a collective paddy landholding of about 193 acres.

Role of Tapco:

TAPCo saw a pressing need to develop an extended support system that would foster a strong feeling of trust and fairness between producers and consumers. Create an environmentally sustainable, commercially successful, and socially just farm in the process.

It had to be done jointly and expansively if they were to get near to these triple values. The objective was to interrupt many farmers' long journeys over vast swaths of farmland in order to renew the social contract, which assures that everyone has access to nutritious food and safe drinking water. Farmers, on the other hand, needed to be guaranteed of a fair price for their contributions to society as a whole.

Challenges Faced

The reason why they got to this place had to largely do with the following realities panning out across the district over the years.

i. Appropriating Paddy/Wet Lands

The district's wet/paddy areas, which serve as important soak pits for ground water recharge, are dwindling. Farmers continue to switch to more promising crops like banana and ginger, bending large paddy areas to drain stagnant water. The general perception of rice farming is that it is a loss-making activity or business. (Paddy agriculture in Wayanad has decreased from roughly 40,000 hectares 30 years ago to 8,026 hectares in 2017-2018.) (Dept. of Economics and Statistics, Kerala). Paddy cultivation in Thirunelly Panchayath, where they labour, has decreased by roughly 1/3 in the previous ten years, from 1100 hectares to 440 hectares). Filling and measuring up wet/paddy areas for building is another attractive interest. Thirunelly panchayath, renowned for its huge forest reserves and broad valleys of paddy lands, currently ranks third among the district's most water-stressed panchayats.

ii. Dwindling Traditional Paddy Varieties

Despite the famous indigenous paddy types' cultural history, weather resilience, and nutritional advantages, lab-developed varieties have become the region's staple crops, just as they have everywhere else. The Green Revolution extension system's systematic promotion of seeds and practises has played a significant role in undermining time- and nature-tested varieties and methods. Aside from losing control of their seeds, farmers' desires for short stalks, shorter life cycles, large yields, and everything fast and flush has resulted in a heavy usage of pesticides on agriculture. Fertilizers and pesticides/weedicides are applied to crops on a massive scale.

Compromising Soil and Ground Water

For many villages in India, paddy lands serve as major reservoirs of both surface and groundwater. The paddy field environment supplies a variety of green vegetables as well as other sources of nourishment like as crabs, snails, and fish, which are a staple of the local diet but are gradually dwindling. However, the widespread use of artificial fertilisers, insecticides, herbicides, and weedicides in rice fields is depleting this nutritional basis, as well as creating health and environmental risks. Hundreds of acres of standing crop are pumped with a variety of agri-chemicals to assure a flush crop, while stories of a million frogs croaking and a very active mud crab population in rice fields are becoming legend.

Products

These are the products of TAPCo.

1. Njavara
This renowned Kerala medicinal red rice is most well-known for its usage in Ayurveda. It's also a popular rice during the monsoon season for making Karkkidaka Kanjii, a dish made with full bran rice, fenugreek, dried ginger, pepper, and other local herbs and spices.
2. Gandhakashala
It is a Wayanad-native fragrant, tiny, strong white rice. It's a prized rice among people who regard Malabar biriyani to be incomplete without it. The rice is also great for creating ghee rice. It's also beneficial for newborns and the elderly because it's an easy-to-digest variety of rice.
3. Wayanadan Thondi
It is a Wayanadan rice variety that is quite popular? It's a red rice that's lengthy and bold. And is most commonly utilised in its par-boiled state (60 percent bran is ideal). It's wonderful as rice, but it's ideal for creating Kanji (porridge). And it's great for Idlis, Dosas, Puttu, and Appam in its raw form.
4. Valiachennellu
Full bran rice is a medical rice that is high in iron. It can also be used to treat anaemia and alleviate discomfort. When rice is cooked in a Kanji way, it tastes the best (porridge). Because rice flour is rice flour, it's ideal for making snacks.
5. Mullankaima
It is a Wayanad-native fragrant, somewhat sticky, assertive white rice. Vitamin A concentration was shown to be quite high in a recent nutritional study. As a result, it is seen to be suitable for children. It's

a rice that's incredibly simple to digest. It's great for Pal Payasam/Kheer since it's sticky and fragrant. It's also great in appams and other rice-based treats.

6. Paal Thondi

It's a white, bold rice that's ideal for Kanji (Porridge) when parboiled and for breakfast snacks like Idlis, Dosas, Puttu, Appam, and other things when raw.

Linking producers to markets for fair remuneration and lowering crop expenses are two examples. They also educate farmers about organic farming, aid with organic certification, and enhance the farmers' overall well-being.

Conclusion

Rural producer organisations are critical to the community's well-being. They assist tiny, marginal, and landless farmers who are confronted with significant obstacles during the agricultural production phase. Farmers often encounter difficulties in selling their products owing to a lack of financial resources. Farmers' cooperatives (FPOs) assist in the collectivization of such farmers in order to provide them with collective strength.

Farmers' perceptions of their participation in a farmer-producer company (FPC) situated, were investigated in this study. Many farmers got support in making the transition from chemical to organic farming, which benefited them financially, ecologically, and in terms of their personal health and happiness. When they were suffering with market access, their engagement with connected them to a fair-paying market.

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