

Role of FPOs

in strengthening millet value chain

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In India, majority of the farmers are small and marginal farmers involved in agriculture and allied activities for their livelihood. To help small and marginal farmers, Government of India has initiated a concept of Farmer Producer Organization (FPO). Farmer Producer Organizations of Indian Institute of Millets Research (IIMR) are playing a major role in bringing farmers together by helping them in identifying markets, creating a unique platform for collective purchase of inputs and marketing of produce in bulk, thereby eliminating or reducing the number of intermediaries in the existing supply channel.

Keywords: Forward and backward linkages, FPOs, Markets, Supply chain

RISKS in agricultural production have been a major concern for small and marginal farmers in India, and to eradicate the same, a concept of Farmer Producer Organization (FPO) has been initiated by Government of India. FPOs consist of farmers who are the producers of agricultural products that can form groups and are intended to mobilize small farmers for forward and backward linkages. FPOs have potential to address key gaps in agricultural supply chain by eliminating intermediaries, collective bargaining to small and marginal farmers, strengthening the market linkages, farm gate processing units at villages etc.

ICAR-IIMR FPOs

ICAR-Indian Institute of Millets Research (IIMR) is a nodal agency that is working exclusively on millets and acting as Cluster Based Business Organization (CBBO) for 41 FPOs in four states, viz. Andhra Pradesh, Karnataka, Telangana and Madhya Pradesh (Table 1). The implementing agencies for ICAR-IIMR, FPOs across the states are SFAC, NABARD, WDD (Govt. of Karnataka), NCDC and NFSM.

List of commodities available with FPOs

FPOs of ICAR-IIMR have diversified commodities as shown in Table 2. In Karnataka, most of the FPOs have millets, pulses and oilseeds as their prime commodities and in Telangana millets, mangoes, pulses, groundnut and paddy are the major commodities available with FPOs. In Andhra Pradesh, diversified products like millets, spices, honey, seasonal fruits, cashew,

Table 1. List of FPOs promoted by ICAR-IIMR

State	Agency	FPOs
Karnataka	SFAC	12
	NFSM Nutri-cereals Submission	2
	Govt. of Karnataka (WDD)	9
Andhra Pradesh	NABARD, Andhra Pradesh	7
	NFSM Nutri-cereals Submission	2
Telangana	NABARD, Telangana	5
	National Cooperative Development Corporation	2
	NFSM Nutri-cereals Submission	1
Madhya Pradesh	NFSM Nutri-cereals Submission	1
Total		41

groundnut and pulses are available and in Madhya Pradesh, all type of millets are available (Table 2).

The year 2023 will be celebrated as the International Year of Millets (IYM) and to support and promote IYM-2023, ICAR-IIMR is implementing its "Millets FPO Model" through its FPOs by focusing on area, production, productivity, and market linkages of millets.

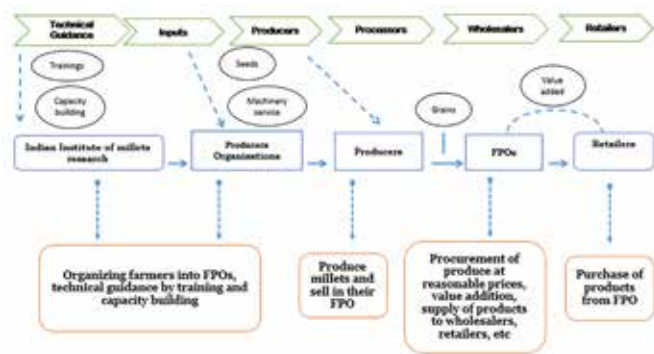
Supply chain of millets and FPO

In the traditional supply chain of millets, small and marginal farmers have faced various challenges like less price, lack of market, lack of processing unit, no technical knowledge on value addition of millets, lack of awareness on business opportunities of millets etc. To

Table 2. Commodity wise list of ICAR-IIMR FPOs

State	District	No. of FPOs operating	Major commodity
Andhra Pradesh	Visakhapatnam	8	Spices, Pineapple, Custard and Millets
	Anantapur	1	Groundnut, Redgram and Millets
Telangana	Medak	2	Paddy, Millets
	Mahabubnagar	6	Mango, Redgram, Millets
Karnataka	Bidar	4	Oilseeds, Pulses and Millets
	Gulbarga	2	Pulses and Millets
	Bijapur	2	Sunflower, Pulses, Citrus, Groundnut and Millets
	Yadgir	1	Soybean and Millets
	Bagalkot	3	Sugarcane, Maize, Pulses, Onion and Millets
	Raichur	2	Millets and Pulses
	Koppal	5	All types of Millets and Pulses
	Dharwad	4	Pulses, Maize and Millets
Madhya Pradesh	Dindori	1	Millets
Total		41	

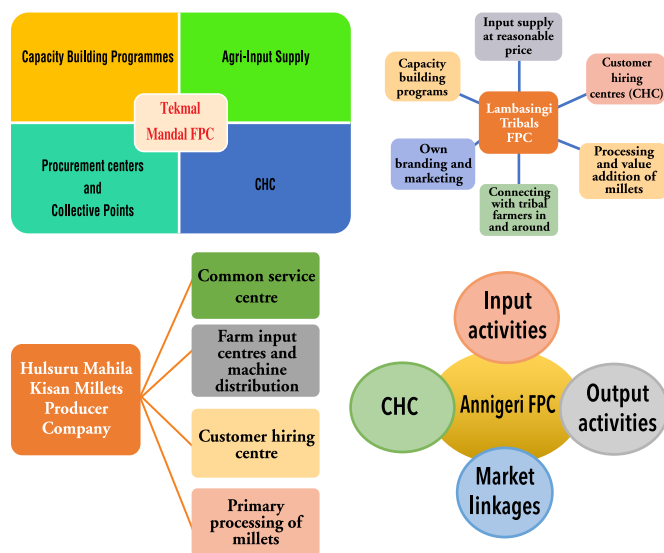
address these issues, there is a need to alter the existing supply chain of millets and this can be achieved with the intervention of FPOs. ICAR-IIMR aims to strengthen the millet cultivation in India by highlighting the climate resilient nature, importance, and health benefits of millets through its FPOs.



Supply chain of millets and FPO

Successful business models of ICAR-IIMR FPOs

With the technical and institutional support from ICAR-IIMR, the FPOs are running successfully by creating their own models. Successful models of four FPOs are Annigeri, Tekmal, Hulsuru and Lambasingi. Annigeri and Hulsuru Farmer Producer Company (FPC) are Karnataka based which help small and marginal farmers in and around by providing farm



Successful business models of ICAR-IIMR FPOs

input services, direct market linkages, customer hiring centres, common service centres and primary processing facilities of millets. Tekmal Mandal FPC is from Medak district of Telangana that is involved in providing timely inputs services to farmers at nominal cost and is also engaged in procuring paddy from the nearby villages. Lambasingi FPC is from tribal areas and deals with unique and diversified products through e-platforms. The Lambasingi FPO is also involved in capacity building, input supply, processing and value addition of millets, and does own branding and marketing by engaging the tribal, small and marginal farmers in and around.

SUMMARY

It can be stated that Farmer Producer Organizations of IIMR are playing a major role in bringing farmers together by helping them in identifying markets, creating a unique platform for collective purchase of inputs and marketing of produce in bulk, thereby eliminating or reducing the number of intermediaries in the existing supply channel. IIMR is involved in integrating FPOs with both forward and backward linkages in agriculture with the objective of bringing economies of scale to the farmers, by having developing business models for each of the FPOs based on the crops grown and the nature of activities that the FPO could be able to undertake. FPOs are also involved in facilitating technical guidance, providing inputs like good quality millet seeds and fertilizer, aggregation of produce, processing of produce, storage, and distribution of produce with better market linkages between the members of FPOs-food industries-organization.

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