

“MARKETS THAT EMPOWER FARMERS (& CONSUMERS)”

Workshop Proceedings

A Learning & Brainstorming Workshop

Organized by



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**ALLIANCE FOR SUSTAINABLE & HOLISTIC
AGRICULTURE (ASHA)**
Food • Farmers • Freedom

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Introduction to the workshop

- Prof C Shambu Prasad & Ms Kavitha Kuruganti¹

Prof Shambu Prasad of XIM-B welcomed all the participants and Kavitha Kuruganti of ASHA gave an introduction to the workshop.

The purpose of the workshop was to learn from a wide range of experiences, perspectives, schools of thought working in the sustainable agriculture space as well as ones that exist in the markets' sphere including alternative paradigms of markets, and see how these experiences can contribute to useful interventions in the organic value chain at different stages in the chain. The intention is to create a platform to share, learn and establish efforts to understand common lessons that we can understand. The idea is not to prescribe uniformity but pick up principles worth emulating with the comprehension that marketing of organic produce can and needs to be strengthened with the diversity of operational models and approaches remaining in place. Kavitha pointed out that while any initiative that has focused on putting better control over marketing of agri-produce in the hands of farmers is worth learning from (organic or not), it is important to also underline the fact that sustainable production and markets controlled by farmers are both necessary and markets can also lead to unsustainable livelihoods as was the case in Punjab (of creating procurement markets for rice and wheat as India's staple 'food security grains' for its PDS, leading to unsustainable production systems too). She also mentioned that the reason why the workshop is focusing on organic markets in particular is that farmers who have shifted to ecological farming do not appreciate it if their produce ends up in conventional markets, given its higher quality. They would like to have traceable markets for themselves up to the retail point rather than the produce getting mixed up with chemical produce. Apart from sharing and learning, the objective is also to draw out advocacy proposals to suggest what the government could and should do to support organic farmers' marketing efforts. It is hoped that these proposals will help in asking the government to put in place certain measures to make it easier for organic farmers in marketing their produce and to promote farmers' organizations/collectives which support production as well as marketing.

The participants in the workshop present a good mix of various experiences – ones who have begun at the production end (with their challenges being more given that they end up having to organise farmers, build capacities, provide extension for shifting to eco-farming, and then working out mechanisms for better marketing) as well as ones who have begun at the retail end, mostly in cities; from formally established collectives with thousands of farmer members organized by NGOs (in some cases, with multiple entities intervening at different points of the production and supply chain) to informal institutions put together by a small number of farmers on their own. The workshop would be exploring issues related to organising farmers, the role of promoting agencies (of farmers' collectives like cooperatives, producer companies etc.) like NGOs, about 'certification' requirements in organic markets (creating trust) and awareness among consumers and how enterprises are addressing it in different ways; issues of financing and funding by different stakeholders like farmers and factors like government subsidies in supporting marketing efforts would be discussed and so also questions surrounding fair trade and pricing of products which could remunerate farmers appropriately. All these discussions would also be supported with inputs from academics drawn from business and management schools, adding a fresh perspective not generally present in such discourses.

¹ After the introduction, the workshop began with a film on "Markets of the walk-outs" by Deccan Development Society

1. Session 1 - Organic Supply Chain interventions for smallholders

1.1. Keynote address – Prof Amar KJ Nayak

Prof. Amar Nayak mentioned that the purpose of this address was to present a systems' view of the value chain and not just the marketing perspective. Among the several challenges plaguing small producers today, the foremost was on how to increase the net income (as opposed to gross income). To address this, it is important to understand (1) what are the kinds of conditions under which the small producers (which can include farmers, artisans, etc.) are working in (2) what are the institutional mechanisms that we have in place or can develop to make it work for small producers (3) why do we find it difficult to create those kind of institutions (4) how can we try and organize small producers to benefit them and what are the issues in organizing them. These background issues need to be addressed if we need to address the core issue of increasing net income for small producers. We can then discuss on the role of academics/scholarship in providing clarity to the government on making the best policy decisions.

Understanding the Challenging Context of Small Farmers / Producers

One of the most important local institutions present in a village is the local trader also called the sahukar. This local institution is traditional, local, efficient, powerful and parasitic. It provides different types of services – (1) credit: not just production credit (which institutions like NABARD can also offer) but also credit for consumption and emergencies (2) procures surplus from the farmer (3) and also provides resources like external provisions and farm inputs. Consider the power this institution yields on the small producers, no other institution – governmental or non-governmental – has been able to replace this institution.

Most of the farmers in India are small and marginal with the increasing risk of more getting into the poor and vulnerable segment. Among the different conditions that contribute to this happening, the increasing dependence on external inputs, poor health (farmers are sick approximately 30% of their productive time), risks associated generally with agriculture, and poor primary education lead to long term adversities for farmers. The other huge factor is the culture of globalization which is very different from the culture that these farmers work in.

Institutional & Organizational Arrangements & Asymmetries

Based on the previous reasons, it can be seen that there are more issues dealing with institutions than with organizations. Over the years, governments have enacted various legislations which have created institutions for the farmers - some of these have lent support to marketing and agri-marketing. However, studies by different committees (atleast 35 of them) have shown that the size of the institution (cooperatives) is critical in determining the success of the institution. However, such suggestions and policy decisions have only recommended several changes but not been able to make the last mile convergence.

In the case of an NGO, it plays a pivotal role in enabling different types of institutions. But when the NGO is removed, the entire system appears to break down. Hence, alternate frameworks are required to improve this situation. The government itself has tried several institutions like SHGs, MFIs, PPPs, collaborating with NGOs, etc. to work out multiple ways of delivering value to farmers. The most recent approach is collaborating with large corporations. The benefit here is the strength of corporations being efficient. But there is an inherent problem in the way corporations and farmers are built; they are of opposite

characters, often resulting in tragedy in the long term. Case in point, the ITC e-choupal which started off very successfully but has since stopped being sustainable or replicable today.

Corporations and small farmers may have common variables but have extremely different values, and on opposite ends. For instance, the corporation is focused entirely on increasing profits and growing in scale, but the small farmer is only concerned about securing sustainable livelihood. Schemes like the NRLM offer a lot of hope, but there are a lot of questions being raised. Unless some fundamental questions regarding the institutional forms and their utilities are addressed, the NRLM will turn out to be like any other program.

The changes in the institutional levels need to be addressed in different transformation dimensions from the old paradigm to the new paradigm. Orientation in the government is generally from top to bottom but it should be bottom up if communities have to be involved. Governance is typically centralized while it should be decentralized. The principles of management in the government involve building up of the government's own institutions in place of strengthening community institutions. Research is largely reductionist while it should be more holistic.

The idea should not be to just scale up existing institutions which can involve a lot of complexities, but replicate the institutional arrangements for different communities in a similar fashion. Blindly increasing scale can lead to distance between participants leading to reduction in participation. Indicators of measuring impact should be localized with income focus being net and not gross.

The orientation of government institutions should be such that it facilitates a purpose and adopts methods which are beneficial for the community. Academics are also guilty of looking at research areas independently which is not the best way.

Understanding Transitional Strategy for Sustainability of Small farmers

In their ideal conditions, perfect markets and perfect communities will work fine. But no organization fits into either of these paradigms but exists somewhere between them. If we want to create a hybrid of the two, we need to exercise extreme caution since a hybrid created without understanding these two paradigms can be more dangerous. For instance, the PPP approach is being advocated widely today without understanding the characteristics of the individual actors completely.

The market paradigm works on the principle of competition while the community paradigm works on that of cooperation. A hybrid of these two diametrically opposite paradigms may be efficient but not effective because the primary value systems on which these two are based are inherently different. Connecting these two systems is most challenging. It is important to realize that efficiency in the short run will not necessarily lead to sustainability in the long run.

Designing for Optimizing Asymmetries for Sustainability: experiences from Navjyoti

Based on Prof. Amar's own action research at Navjyoti Community Enterprise System in the past five years, it was seen that the community level organization should be of a size which can work with volumes of surplus for a specific number of people to negotiate effectively with external forces and create efficiency within its own system. Navjyoti works on the principle of aggregation which has helped it diversify its portfolio and negotiate effectively.

Navjyoti adopts low cost integrated agriculture (without using the term organic) and is constantly looking at a systems approach of reaping increased profits. The problems from production to marketing will be taken care of with a systems approach. Such a system needs to be supported by community institutions and not outsiders. It may take more time to build but will be more effective in the long run. Net income should increase through more returns from local markets and not urban or global markets (Navjyoti caters to a radius of 300-500 km).

Resources therefore need to converge at the local community level. It is important to focus on the management aspects of the local community which is why Navjyoti is working on developing a curriculum for community management of the organization.

1.2. Ms Anita Paul - Pan Himalayan Grassroots Development Foundation

“Grassroots” (the organisation) from Uttarakhand realizes that rapid ecological degradation of the mountains has impacted farming systems thereby leading to food insecurity, economic insecurity and migration to the metros. Current livelihood opportunities in the area are often vulnerable, unorganized and only on a day-to-day basis. Grassroots along with the local communities has developed a holistic strategy to address these issues under a few thematic areas.

Out of the four thematic areas that Grassroots decided to focus upon, livelihoods through micro-enterprise management was an important one. With several men migrating to the cities in search of labour, the number of women-headed households locally was rising steadily. Micro-enterprises provided a means of gainful employment to the women and also contribute to their empowerment. A few pilots were initiated towards this effect and taking it forward required integrating the role of women and the community into the value chain. SHGs were identified as a critical component in this exercise.

After successful implementation of the pilots, the women decided to register themselves as a Producer Company in 2009 because it was felt that that was the best possible option under the given circumstances (earlier they were a cooperative). The Mahila Umang Producers Company is today a network of 1300 women shareholders formed into 200 SHGs in 100 villages involved in income generating activities which include on-farm improvements and off-farm livelihoods. This is through various verticals such as making fruit preserves/pickles, hand-knitted items, natural honey, safe foods, backyard poultry, home-stays, etc.

Grassroots is not particularly focused on “organic” but on safe food. Mountain farming systems are traditionally organic; hence, the aim is to produce safe food for local consumption first and then market the surplus. However the surplus is very limited due to poor productivity of the soils; hence the focus is on high value food products like strawberries and off-farm products such as hand-knitted items.

The goal is to create an additional income of Rs. 15,000 per annum per shareholder of Umang. This amount can add up to 50% additional income per household in these parts. The increasing sales year-on-year look promising and strategies are being reworked to improve sales. In terms of verticals, Umang’s sales are largely from fruit preserves, natural honey, himkhadya (food products) and hand knitted items (off farm).

The existing sales strategy is to network with retail outlets like FabIndia. Umang was also part of an experiment called Himjoli where different NGO-driven pro-poor business enterprises came together under a single label and joined hands with a private entrepreneur. Umang also sells through other local retail shops and also has its own retail outlet. Since sales

and profits are highest in its own retail outlets, it appears that the best way forward is to set up more of its own retail outlets. This is also because large portions of the margins are taken up by other retail partners (Himjoli takes up 40% of the MRP straightaway).

Increase in turnover does not necessarily lead to increase in profits to the shareholder. In 2011-12, the average additional annual income was seen to be around Rs. 2,000 - Rs. 2,500 depending on the product. The total additional income per Umang member is seen to be close to Rs. 5,000 with a handful earning even more than Rs. 10,000.

The challenges include restoring the soil fertility and improving the mountain ecosystem so as to improve food security and incomes of the local communities. In terms of sales, networking with pro-poor businesses, NGOs and government institutions would be critical in the near future. Getting PGS certification for their food products is also in the pipeline since they do not believe in third party certification. They would like to aspire towards making available natural safe food at affordable rates to the consumer.

Grassroots suggests that the government provide support for rainfed and traditional crops like millets just as it does for conventional agriculture under the Green Revolution. This would be crucial for improving and reviving the diversity of the food basket in the country. Research on sustainable agricultural methods is also required. Scaling up entails the question “for whom and why” – hence, Grassroots would like to emphasize replication of small business models since Umang members are happy doing what they do currently and hence there is no need to scale up. They would however like to improve their marketing models and improve channels.

1.3. Mr Arun Ambutipudi – Chetna Organic

Arun Ambutipudi talked initially about Chetna’s intervention which is channelled through a three-tier structure of SHGs, Co-operatives and two national level institutions – the Chetna Organic Farmers Association (COFA) and the Chetna Organic Agricultural Producers Company Ltd (COAPCL). COAPCL works towards making markets work for the smallholder producers from rainfed regions by deploying sustainable production practices and making nominal, non-exploitative profits for the farmers. The institution uses a 360-degree approach to intervene at all levels to build farmers’ capacities and help them act on their own decisions. Chetna started off as a partner-centric project in 2004 with 234 farmers and has now spread to 15,239 farmers in 13 cooperatives and one apex producers’ company (COAPCL).

COAPCL’s marketing engagement is through the following models: Retail & Co-branding, Institutional Sales, Captive Markets and Direct Consumers. At the retail level, the farmers’ surplus produce is marketed by the company through value addition in partnership with retail outlets for the urban consumer segment. At the institutional level, they work with schools, hospitals, cooperatives, other consumer/producer companies, etc. At the captive markets, marketing is done to the local markets through opportunities such as the mid-day meals in schools and local exhibitions. At the direct consumer level, marketing is done at the farmer and SHG level directly through grocery shops and also by selling value-added products through institutional linkages such as corporations.

COAPCL’s initial focus was only on cotton and relied entirely on partnership with two retail brands. Over time, the client base has expanded and these two brands account for only 20% of all sales in 2011-12; another shift has been with a widening of the product base to food crops as well. Safe Harvest is a recent initiative where a number of partners, including

Chetna, have collaborated to ensure sufficient market support to farmers in selling their food produced by NPM methods with PGS certification.

A comparative analysis of Chetna-promoted cooperatives shows that those managed by small and marginal tribal farmers in Andhra Pradesh (Adilabad district) and Orissa perform fairly better than those in Maharashtra. This is in terms of better turnovers, reserves and physical assets like storage warehouses, dal and rice mill units for processing and biofertilizer units at the cooperative level. The corpus itself is a mix of loan and farmers' contribution and does not include any grant component, which is an achievement in itself.

Year on year sales of both food crops and cotton has been on the rise over the years. In terms of profitability though, 2010-11 was the best year with 2011-12 being a bad one with only one-third of the previous year's profitability. But most of the profit from 2010-11 (close to 70 lakhs) was ploughed back as equity to save on tax and also approach formal financial institutions for loans.

Chetna offers better prices for farmers' produce in comparison to the market, and additional value is created because the costs of organic certification and collection of produce at the farm is borne by Chetna itself. Therefore the farmer gets a premium of 15-21% by selling to COAPCL. Chetna's market intervention has created additional incomes to the tune of Rs. 1,66,00,000 in two years' time for its 10,000 member farmers. Additionally around Rs. 74,00,000 of trade surpluses at the co-operative level were generated apart from about investments to the tune of Rs. 60,00,000 by client brands in farmer welfare.

COAPCL has a professional team in place to coordinate its marketing efforts by helping understand the way markets and commodities operate, to strengthen the certification process, improve procurement operations and also promote Chetna as a prominent brand. Challenges in marketing include access to working capital from mainstream institutions, which refuse to offer loans to organizations with no credit history. Understanding the market itself is a huge challenge for an organization which has primarily worked only on development efforts. Establishing stronger farmer linkages is also key to increasing access to markets. COAPCL has leveraged its brand name with retail brands and markets through its operational history and donor support for access to loans. This has given Chetna access to working capital loans from donors and also short term loans which have been successfully paid back.

Operational challenges include working with farmers across extended geographies which makes it difficult to provide extension support. Farmers need to be provided extended training to grow organic, which is why the traditional SHG model was rehashed to suit male farmers. Costs of certification have been reduced with the switch from third party to PGS certification. Value addition in terms of product traceability, increasing the product diversity, going beyond aggregation and economies of scale are some of the other challenges which need action. Chetna's plan is to work with 35,000 small farmers by 2015-16 through all its projects put together.

1.4. Mr Bablu Ganguly – Timbaktu Organic

Speaking briefly about how Timbaktu Collective started in 1990 and started working on issues pertaining to ecological restoration, empowerment of women, child rights & alternate education, empowerment and inclusion of people with disabilities, Bablu Ganguly mentioned how the NGO then encouraged thrift among women. It then promoted mutually aided cooperatives (MACS) led by the women. Soon, the organic farming ideas of Timbaktu

Collective were incorporated into the work of the women and different business ideas starting emerging. A federation was formed which is now completely autonomous financially.

Anantapur district, which is now considered an arid region turning into a desert, was once full of rich soils, with roughly 11.5% forest area at the time of Indian independence. The district was quite food-secure 35 years ago with people practising mixed farming and multi-cropping without the use of chemicals. But now it is the second most-drought-prone region in the country with mono-cropping (groundnut) dominating. Government policies have promoted single cash mono crop and increased reliance on external inputs such as seeds and chemicals. A notable decline in soil nutrition has thus been observed.

With smallholder farmers constituting almost 93% of the population cultivating under rain-fed conditions, possible solutions to improve their yields and returns include eco-restoration by organic farming, crop diversification, using traditional sustainable agricultural methods including native breeds of cattle and by promoting collective processing, value addition and engaging with the markets collectively. Starting with experiments in 1998-99, organic farming was promoted successfully and groundnut marketing began (though it failed miserably). Soon, more farming families from a lot of other villages in Anantapur signed up and in 2008, the farmers decided to form their own cooperative to procure, process and market their produce with support from Timbaktu Collective.

The Dharani Farming and Marketing Mutually Aided Cooperative Society Ltd was born in 2008 with 1,050 smallholder farming families from 35 villages operating as share-holding members with 3,570 acres registered as organic currently. The outfit started as a producer owned cooperative and business enterprise, promoting eco-friendly organic practices while engaging commercially with the markets. It provides complete marketing support to its members; procures wholly organic produce from its members at a 10-15% price premium over the local market; stores, processes and markets the produce while building a strong local and urban market base.

Dharani's primary objective is to make a gross profit of 20% and a net profit of 2-3% by 2013. With its gross profits increasing every year since 2010, Dharani hopes to give out bonuses to its members for the first time in 2012-13. Dharani's marketing efforts have been financed through funds raised largely from friends through low interest loans and from farmers' equity. It has till now been unable to raise funds from established financial institutions, even though it has broken even (all staff salaries are also borne by Dharani except that of the CEO).

Timbaktu Collective feeds into the backend support by providing farming support and is currently working with close to 2000 farming families (even though only 1050 are members in Dharani now). Dharani's production processes are certified using PGS and has also been passed by IMO through its audit systems.

In spite of its organizational challenges and financial hurdles, Dharani sticks to its ethical and ecological objectives – it caters to a market only within a 350 km radius. However, this is largely left to the Board of Farmer-Directors who may wish to expand their horizons and even export the produce – in that case, Timbaktu Collective will not hinder their aspirations.

Since Dharani was set up, it has been observed that the farmer members are now able to sell organic produce for better returns with a reduced dependence on local traders; members are able to grow and sell organic produce which has led to an increased availability of organic food grains, pulses, oilseeds at the local village level; it has offered farmers increased bargaining power leading to a sense of pride in being farmers. With farmers producing their

own farming inputs, reliance on external inputs has come down and local knowledge about seeds, livestock and farming is getting revived. Dharani's expansion plans include setting up processing centres at the mandal level (block level of administration) to help the members process their produce locally and increase their marketing capacities locally.

1.5. Q & A

1. General:

- a. Capitalism has proven to be a failure since it did not converge towards success for all stakeholders involved. How can we ensure that community enterprises do not go down the same path? What do such enterprises converge to, especially when similar enterprises working in the same region end up competing against each other?
- b. Can we re-define efficiency for community-based enterprises? Can we stop assuming that the corporate model of operational efficiency is the only one model to be followed?

2. To Arun of Chetna:

- a. Are SHGs really the best building blocks of an organization? How is the SHG model followed by Chetna different from those followed by other similar organizations?

Ans: The SHG model is useful in collectivizing and to establish a national level federation, it is useful to federate these SHGs into cooperatives regionally and then into a federation. The Chetna farmer SHG model is inspired by the regular womens' SHGs except that this SHG model comprises male farmers. The male SHG model evolved because male farmers were generally observed to be less disciplined and/or organized compared to their female counterparts. The farmer SHG model helped establish an order in the ways the men were collectivized.

3. If marketing locally is more efficient and profitable, is there a role for the local Panchayats to facilitate captive markets through schemes like Mid-day meal programme and even the PDS? Is this the way forward?

Ans (from Anita Paul): Grassroots/Umang has not worked directly with the Panchayats so far since we notice that they do not always have the bandwidth to collaborate with organizations like Umang. With respect to marketing locally, we have experience facilitating trade and commodity exchange between different SHGs where we noticed demand for certain types of products and utilized this demand.

Ans (from Bablu): We have to look closely at what "local" really means. Dharani sells food products to Anantapur and its surrounding areas but sells value-added products to the urban products. However, Dharani has to compete with the PDS which sells rice for Re. 1/kg. Hence even local markets can be wrought with conflict and competition which the community enterprises need to contend with.

Ans (from Arun of Chetna): Chetna has collaborated with the Mid-day meal scheme in only two blocks in Orissa. This it did through a bidding process initiated by the Panchayat and which was later coordinated at the schools by the respective school committees.

4. Assuming that collectivizing small producers is the best way to support them, at what level should the establishment of a formal institution (cooperative/producer company) take place i.e. at which level – apex or ground? If this can be translated into a policy directive, what level of investment would be required for this collectivization to take place? Can we recommend some metrics for the same? What kind of support at the back end should be provided to the cooperatives?

- a. Ans (from Anita): The collective is the best way to aggregate small surpluses from a large volume of small producers. This provides an enabling environment to procure, organize and sell. Else, the producers will take the alternate option of selling to the local trader. Further, small volumes add a lot of value to the woman of the household who is able to support the family additionally with initially insignificant (in monetary term) returns but later adds substantial value.

The state government (Uttarakhand) should take a stand on what kind of agriculture it wants to promote and not vacillate between chemical and organic from time to time. The PDS which is supposed to help farmers is actually adding to their woes by procuring food from outside and supplying it, rather than procuring produce of the local producers. If this continues, farmers' faith in continuing in agriculture will continue to erode rapidly.

- b. Ans (from Bablu): Collectivization helps small farmers consolidate their united strength because neither the State nor the organized market considers them as forces worth respect. Cooperatives provide farmers a position of strength to engage with the markets.

There are huge investments being made for chemical and conventional agriculture starting from the days of the Green Revolution. If atleast 10-15% of all that investment is offered to organic farming, it can help reduce the risks that farmers have to face anyway. Further, the State should also play a role in convincing the consumer that the general public has a duty to protect the farmer. Food prices are being kept artificially low to please the urban consumer; prices of agricultural inputs are rising steadily while the price at which food is procured by the State is not rising proportionately.

At this point, Kavitha clarified further on the question of Bishwadeep Ghose; however, the discussion moved on.

5. There is a huge mismatch between the way formal institutions like NABARD or corporations look at how collectives should operate and the way NGOs operate? When NGOs have figured out how things work on a small scale, is there a need to fit into the larger modern management principles paradigm? Will this not lead to standardization and loss of diversity?

6. How do we keep the farmers motivated to continue practising organic farming when the profits are slow to come by?
7. How did Chetna enter into a partnership with the Orissa Mid-day meal scheme? Why are some Chetna-promoted cooperatives doing much better (Adilabad, AP) than others (in Maharashtra)? How did Dharani manage to go from a loss-making institution initially to the enterprise it is now, in terms of profits?

Ans (from Arun): Chetna was earlier working with some (30) tribal hostels which it had adopted as part of a project. Following this, the district administration was aware of its work and thus Chetna was able to get into the Mid-day meal scheme when the bidding process was initiated. The decision to engage with Chetna was taken by the collector. Chetna sells processed dal to the scheme for Rs. 70/kg (cost price of Rs. 58/kg). After that, Chetna continued working with the local school committees by growing and supporting vegetable gardens in the schools. (Jagadish Pradhan mentioned that the Orissa government set up a rural marketing agency a decade ago to engage SHGs in the procurement of raw material for district programmes. Since 2011, the government has declared that the SHG core management committee will procure raw materials and will also be involved in the cooking of food. Dr Raidu said that in AP too SHGs have been given responsibilities in cooking and serving for welfare hostels. This has been integrated into the welfare hostels' supply chain by design under the RDO or joint collector's supervision).

In Maharashtra, Chetna works with farmers who are not necessarily small/marginal. Hence they are not as well-organized as the subsistence farmers of Orissa are. They are more concerned with expanding markets and increasing individual profits.

8. Comment from Sridhar, Thanal: Earlier in the 2nd Five Year Plan, there was a proposal to make hand-pounded rice available to people through outlets across the country, considering its nutritional value. This proposal was forgotten by the time the 3rd FYP was drafted. In a regional experience in Kerala, the agricultural department of a Panchayat invested in a small stall along with the Krishi Bhavan. The local SHG was given the responsibility of procuring from this outlet at a cost price lesser by 10% than the prevailing price and then sell it in the market at a price lesser than 5% the market rate. This arrangement helped the SHGs sustain themselves and the infrastructure was also put in place with state support. Thanal has now been advocating to the state government to implement this pilot across the state through a systematic intervention.
9. How is MRP for cotton decided at COAPCL? How much more should it be above the MSP if it has to cover costs for Chetna? Is there any mechanism followed to ensure marginalized communities are supported in particular?

Ans (from Arun): The MRP is determined by the cooperatives. They usually add a 10-15% premium above the MSP. The produce is picked up at the farmgate thus reducing the trouble and costs involved in the farmer bringing the cotton to the local mandi. Hence, the net benefit is even higher. The collective profits for the cooperative were however not shared directly with the members – these were converted into equity to access finance from formal institutions. Technically, if Rs. 90 is the going rate in the market for cotton, Chetna would procure it at Rs. 100/- The retail price is Rs. 3 more

per kilogram. Chetna has been able to cover all the costs except the CEO's salary in this revenue model. In the case of dal, if co-branding is done with a retail chain, then the markup can even be Rs. 20 to 30 with 50% going to the retailer. However, there is also the risk of unsold stocks being given back.

Among the cooperative members, there is only one vote per person and hence the question of marginalized communities does not arise in this context.

10. How can we determine farmer's share in the consumer rupee?

Ans (from Anita): It has been observed that selling at one's own retail outlet yields more net returns than sharing with other retail outlets. Mark up for food crops cannot be too high but the costs are covered through bulk sales. For non-farm produce, the markup can be more due to value addition. But, small producers will benefit only if the subsidies offered to corporations in the form of SEZs, tax rebates, etc. are offered to social enterprises. Further, such enterprises are being penalized in the form of VAT which makes their goods more expensive than regular goods in the market.

1.6. Discussant's observations – Dr Sudha Narayanan

From Prof. Amar's presentation, it is evident that there is a clear conflict in the aspirations of the community-based enterprises and corporate-led enterprises. Among the enterprises showcased here the role of marketing was driven by different visions and perspectives. Hence, there is a need to distinguish between the roles of the market for the organization and for the collective. The recommendations are not straightforward and need to be contextualized.

1. Cash vs food crops: Higher margins can be expected from cash crops like cotton but not food crops. Hence the sales and marketing plans need to be distinct for each type of crop.
2. Context of scale: The decisions on what kind of margins is not purely driven by higher volumes and profits. Questions of 'whom to scale for and why' arise. It is also seen that the economics of staying local (within a radius of 250-350 km) may be more beneficial and also useful for local consumption. Further, scaling up can be driven both at the production end (to cater to increasing consumer demand) as well as the retail end (adequate stock but inadequate market demand). There are also the limits to scale due to the size of the organization.
3. Margins cannot be standardized because the perspectives in an organic supply chain and a conventional chain are vastly different with different entry points. Co-branding offers a choice but going up the value chain has its other challenges (like buying shelf space). To operate at a particular scale, one therefore needs to explore a lot of available options.
4. Institutional formats and engagements: Of the different formats available, different enterprises have been seen to engage at different levels of the market including with the government. The experiments of selling to anganwadis in Tamil Nadu and Rajasthan can also be explored. Karnataka's own provision of retail space for organic produce in cities is a subsidized model worth exploring and emulating. However, a

blanket provision of subsidy should also be exercised with caution since such recommendations may eliminate the rich diversity which is currently available.

1.7. Chair's (Dr D V Raidu, SERP, Govt of Andhra Pradesh) Conclusion

Even with SERP's successful experiment with NPM in AP where farmers' margins increased considerably, the farmers are still worried that they may have to grind leaves for agricultural inputs for the rest of their lives. Farmers' aspirations are an important component of dealing with the value chain. Hence, domestic food security and livelihood boosts should keep adding to the aspirations.

2. Session 2 - Learning from different initiatives

2.1. Introduction – Dr. Krishna Tanuku

It is important to understand how to help farmers to move ahead towards their aspirations across areas – money, healthcare and other basic needs. On a national scale, it is possible that there are different perspectives and contexts. So when we make recommendations for farmers' benefits, we should also explore these recommendations from the standpoints of fertilizer companies, multinational organizations, governments, etc. and understand all stakeholder perspectives. For this we need to focus on the lessons learnt across organizations and not individual accomplishments. We should also think about scalability not necessarily from the point of geographical expansion alone but on replication.

2.2. Mr Raj Seelam – 24-Letter Mantra/Sresta

Sresta was founded on three fundamental premises – that sustainable agriculture is the basis for sustainable livelihoods for farmers; pure organic food eaten in a balanced manner will contribute to good health; more consumption of pure organic food can lead to better health for the nation as a whole with more farmers getting benefitted. Sresta was founded in 2004 and has an integrated operational chain with farming, processing, R&D, sales, domestic and international sales and marketing all carried out within the organization.

The business model for the domestic market is focused on branded food products in a wide basket so as to provide maximum choice to consumers. This is to enable consumers to switch to organic products completely over a period of time. The strategy is also to enable easy availability of food products for consumers. The price premium is currently 40-50% more than conventional products and the organization is working on reducing this by trying to increase efficiencies.

The international markets are catered to by providing packaged, value added products for both branded retail as well as for private labels. Since reliability is key to ensuring supply, Sresta is very asset-light with a focus only on contract farming. There are currently around 10,000 farmers in 12 states on around 40,000 acres supplying to Sresta. Most of the farmers have been associated with Sresta from 2004 onwards; the dropout rate has been roughly 1.5-2% with those dropping out due to fallouts with neighbours and not necessarily because of issues with Sresta. Processing is also done by contract at about 18 contract units across the country – this helps reduce transportation costs. Once processing is complete, the products are transported to distribution centres located in all the key markets. IT is also used to make the operations efficient.

It has been observed that farmers prefer to go organic because this offers a way out of the debt trap associated with high costs of conventional agriculture. While Sresta could have made a business model out of organic inputs it was against the founding principles, so the focus is primarily on training farmers on organic practices. However, Sresta is keen to gravitate towards more scientific processes and not just focus on cow urine, as long as the processes are in tune with nature. Farmers have also realized that organic processes lead to better outputs in terms of soils becoming more fertile, health problems associated with chemical inputs are avoided and better market linkages through transparent processes by Sresta leading to better incomes. The farmers thus earn 10-30% more from organic farming with Sresta. Sresta also estimates that the “cost of honesty” adds 10% more to their operations.

The consumers have access to certified organic products which also taste good. Farm traceability is also an asset since each pack can be traced to the farmer who cultivated it. Sresta is working on a system which enables web tracking of products.

Domestic consumption can increase by improving consumer awareness. Knowledge about residual pesticides is increasing. However, consumers are not necessarily convinced about supporting the environment, they are more concerned about their health. This can be utilized by focusing on a growing demand for organic in retail outlets and supermarkets. Assuming that even if 3% of the urban consumers in top 30 Indian cities convert to organic, there is a Rs. 40,000 crore market out there. Marketing should therefore focus on improved health, trust through certification and availability throughout the year and not seasonal.

Sresta currently has over 400 products. Sresta's experience shows that a reliable and scalable supply chain is possible. Surplus produce from the contracted small farmers is procured during the harvest season over a three-month window and stocked up. This does involve huge costs but this is the only way to ensure a continuous supply. Transparency also adds to increased costs which can be covered only through premium pricing. The prices can be controlled only if the scale of the markets increases.

Brand value positioning is important to enter the modern retail segment. This helped 24-Letter Mantra enter not only the domestic markets but also helped it launch itself abroad. Initially however, the brand was launched through retail outlets in Pune, Bangalore, Hyderabad and Chennai with only the Hyderabad outlet operational still. Entry into the super market segment was through the "shop-in-shop" sections where Sresta is provided retail space but all the work associated with the section is done by Sresta themselves. This model is operational in over 600 stores in 40 cities in India. In addition to this, there are plans to mass-distribute select products and also provide home delivery through e-commerce.

Advertising through mass media is expensive; hence marketing is done through consumer education events such as food fairs, exhibitions, etc. at schools, residential complexes and cookery shows across the country. Sresta also sponsored a recipe contest in The Hindu.

2.3. Prof Trilochan Sastry, IIM-Bangalore

In the debate between the development world and the market place where the discussion revolves around local markets, institutional forms and government schemes, it is also important to reflect on how surplus can be marketed to urban areas, since the reality is that there is often surplus available with farmers.

While the market logic is focussed on scale and diversity, the development paradigm is concerned with decentralization, democracy and poverty alleviation. The empirical evidence shows that the development-paradigm-influenced producer organizations seldom succeed largely because of their conflicting ideals with the market.

Can these two conflicting ideas be combined or re-organized to benefit the poor? Even if there are scores of different organic brands, the combined turnover will not add up to even 1% of a conventional food sector company like Haldirams. What are the options available to deal with this?

There is not enough room for several different small scale brands to operate efficiently in the country. Experiments like Himjoli bring together several NGO products under one brand label but the scale at which they operate is not sustainable since they charge almost 40% of

the retail price. We need to explore the option of coming together, consolidating products and operate under a small set of brands.

Entering the retail market is itself a big challenge, but this segment constitutes only 5% of the consumer share. Selling in kirana stores is not a feasible option to increase scale. NGOs have started setting up their own retail outlets. But it would be interesting to see if a distribution network can be established exclusively for NGOs working with small farmers. If initial issues such as profit-sharing mechanisms are resolved such a distribution network could be used to showcase products (both organic and non-organic) – such a network can lead to a chain of retail stores which will only benefit more farmers.

Further, such NGOs should explore alternate markets such as tourist spots and pilgrimage centres. The costs of operations at such places are extremely low while profits are enormous, as can be seen from the price of idlis and dosas sold at restaurants in Udupi. Stores and restaurants need to be started in areas where real estate prices are low, footfall is high and where marketing by word of mouth can be effective.

With respect to policy advocacy, there is a collective responsibility to show the government how to implement the required changes. For instance, if we want to push local consumption we need to show how the basket of items provided under the PDS can be expanded through local procurement. In the name of food security in the era of globalization, government restrictions have led to devastating effects on the local economy. The landed price of imported products (like palm oil) is much lesser than the cost of local production of the same. Hence, minimal tariffs should be enforced if local production should continue. Further, food grains should be provided first to the people who need them rather being exported at lower than market prices abroad. The government should procure directly from the farmer since the procurement prices are seldom the recommended MSP prices.

2.4. Mr Jacob John – Just Change India

‘Just Change India’ has brought together four different organizations from Kerala, Tamil Nadu and Orissa with the idea of creating a collective which delivers improved incomes for a large number of farmers (not organic).

The way that markets operate now does not enable improved incentives to farmers who continue to get the same prices for their produce which is increasing their dependence on PDS. For instance, the procurement price of green tea has come down from Rs. 18 in 1991 to Rs. 4 in 2008. The retail price however has remained almost stable and only marginally increased.

One possible solution to resolving farmers’ crises includes aggregating producers into a cooperative. There are also challenges like NREGA to contend with. Ethical consumption through fair trade at stores like “Shop for change” is another solution, but the volume of goods being sold through fair trade is almost insignificant to create a large scale impact.

In the conventional value chain, it is observed that the big margins are achieved at the level of branding and packaging. For example, almost Rs. 100 is added at the stage where tea packaging companies deliver the final product. In this context, Just Change decided to invest in retail and wholesale sales of agricultural commodities. The commodities are bought in bulk and stocked. Stocking is considered as an innovative form of fixed deposit by the traders.

Just Change’s retail model works well in Northern Kerala where a basket of food products is sold in 6-7 shops run by the Village Consumer Society which are operated by two

federations. Buying in bulk and stocking are still considered loss-making operations but exports compensate for retail losses. The retail operations merely help to build a brand which assists in the other operations. Still, Just Change has not managed to break even.

In Just Change's experience of coriander sales, sales was observed to peak during the festivals of Onam and Ramzan due to increased meat consumption and corresponding demand for coriander. Due to this increased demand, market prices shoot to Rs. 120 but Just Change sells it at the conventional price of Rs. 80. This has led to increased demand outside Just Change's stores, even more than the Maveli government stores which sell subsidized goods (which happen to be more expensive than Just Change). Just Change has thus managed to establish a price reference point for other retailers and also added value as a fair price enterprise.

In terms of value, the retailer and the wholesaler get about 10% of the costs in the coriander chain. Costs of insurance and transport are still very high. However, the idea of maintaining a basket of products helps since even if only one product brings in increased returns at any point of time, it contributes to the overall profits. Stocking a basket of commodities helps to therefore sell to a large size of consumers throughout the year.

In terms of capital, participatory capital has helped Just Change because such investors volunteered to forego interests and underwrite losses if any. So even though marketing is important, exploring alternate sources of funding is also key.

2.5. Mr Praful Senjalia – Maha Gujarat Agri Cotton Producer Co.'s Kisan Malls

In Gujarat, the farmers spend a lot to go to the market and sell their harvested produce. But they seldom receive even the minimum support price guaranteed by the government. We therefore started a "abhiyaan" to obtain minimum price for our produce. Through this movement, we realized that for the farmers to get the prices they are entitled to, we not only need to grow the product but also process it.

For example, the farmer takes four months to grow potato and sell it for Rs. 500 per quintal but the retail price in the market is much higher. The value of the farmers' work in cultivating and harvesting potato for four months is therefore considered to be much lesser than processing and marketing it. So we decided to process the potatoes through a farmers' factory from which marketing can also be done directly by the farmers. A producer company set up for the purpose called Maha Gujarat Agri Cotton Producers Company enables this.

As of now we have 10,000 members in Gujarat and a profit of 1-1.5 crores. We have started working on over 500 products. We also provide value-added cotton-based products and mango based products like juices, etc.

However, the farmers need to take control on both the supply and demand sides of the value chain. So we started to focus on providing farming inputs and set up farmers' malls under Maha Gujarat. There is no bank involved (no loans raised for the purpose) and the malls are managed by the local farmers themselves.

This led us to explore the value chains in more detail. For instance, milk produced from our local cows is bought from us, processed and packaged at Ahmedabad and then sold back to us at almost twice the price that we have been given when it was bought from us. So we began to process our own produce and sell the products at our malls. In the same way, we have started processing for cotton too with plans to start ginning in every household. We observed farmers migrating to Ahmedabad and working on the looms there. We have learnt

how to make cotton yarn from Wardha and plan to operate looms beginning with six villages under Maha Gujarat.

On exploring further from mills like Arvind, we then found that cotton goes outside India for exorbitant prices (1 metre cotton = 50 grams which sells for Rs. 500, but the farmer gets Rs. 600-700 for almost 30 kgs). As far as cotton goes, 50% is paid upfront to the farmer while the remaining bales are stocked and sold when higher prices are achieved, with higher returns paid out to the farmer members of the producer company.

2.6. Q & A

1. Some of the solutions offered are largely urban centric. Are malls and super markets the only way forward?
2. What is opinion about PGS as a system?

Ans (Raj Seelam): PGS is a good system but consumer awareness and trust is still low. So when your market is largely urban, it more conducive to use third party certification.

3. What is the form of the collective of four organizations put together by Just Change? Is it similar to the organic hub set up by the Horticulture Dept of Karnataka where farmers can sell to registered retailers?

Ans (Jacob): There are four circles of procurement; the first 10% is local produce which is sold in retail outlets. If it is not available locally, we get it from other producer groups. Products which are not available with any of the four producer groups are procured from other like minded producer groups. The final circle is from other local wholesalers. Roughly 60% of total sales are from the four producer groups.

4. What is the nature of crop insurance offered to the contract farmers in the event of crop failure?

Ans (Raj Seelam): The minimum price offered to farmers takes care of the risks. The premium price in the market also helps towards this. For example, when tamarind prices collapsed to Rs. 25, 24-Letter Mantra was still able to offer Rs. 50.

5. What is the price at which Just Change procures paddy?

Ans (Dilip): We use the MSP as a reference point to procure paddy delivered at the godown; at the farm the price can be marginally lower. However, at the end of the year there is a redistribution of surplus on the rice chain which is distributed to the producer groups.

2.7. Mr Shrikanta Shenoy – IDF

The role of credit in making small producers' products accessible to the markets is critical. The lessons learnt from experiences in helping the natural fibre clusters of Dalits and Muslims in one of the most backward talukas in Karnataka has been vital. The Sujeevana programme has used the discussion on financial inclusion to get the poor involved in sustainable agricultural practices and market linkages collectively.

The organizational structure is hierarchical for functional reasons with representation from all groups. The credit needs were initially met by alternative MFIs to build credit history and then using it to approach mainstream financial institutions using the business correspondents and facilitators model.

A look at the stakeholders involved in Kunigal taluk shows that the entire crop loan segment is dominated by SBI extending loans to small farmers i.e. close to 30% of clientele are small farmers with other corporate and larger players coming only second. The focus should therefore be towards the small producers who constitute the largest segment of people who need credit support. The available institutions for credit – informal moneylenders and banks, are not accessible to these small producers.

The general picture of institutional credit which talks about priority sector lending does not necessarily indicate how many small producers are benefited because other large players like Pepsi also benefit from priority sector lending. The statistics are therefore getting impressive with size of loans increasing and gravitating towards larger players while the small producers are left behind. The statistics on financial exclusion indicate that the flow of capital is moving away from the villages into the cities. It is therefore indispensable to address the credit needs at the production side in the villages.

Organic farming in particular is labour intensive and requires finance to support its transition costs. There are conflicting views on supporting this through credit or grants. However, investments are required in organizing people, capacity building, building institutions, investing in the market and also consumption needs of the farming families (like mobile phones).

On the supply side, mechanisms like the Kisan Credit Card provide for consumption credit also. MFI and UPNRM schemes which are not predatory, specialized products like chit funds for SHGs, etc. are also useful means of credit support. Since formal land titles are generally not available with small producers, the role of pledge loans is also becoming important to support market linkages. However this requires sensitivity from the part of the local bank officials which is generally lacking.

An agricultural credit policy is required where the percentage share of net credit for organic production/marketing is clearly specified. The visibility of the organic sector should be expanded to all institutions in the financial sector and not just in terms of banks. Differentiation of credit products are required to work out costs, improve competitive advantage of the organic sector as a whole. Business correspondent models can address last mile banking but the predatory entry of some players who offer unsustainable credit rates and increased costs of delivery are causing risks to the system. Therefore, increased public investments are required to provide capacity development on governance, management, marketing and incubation services.

2.8. Mr Suryamani Roul – Access Development Services

Started as a microfinance initiative, ACCESS now supports livelihood interventions across sectors in all stages of the value chain. With 26 operations in nine states, the main strategy is through clusters or producer collectives (not necessarily formal) to create impact on a large scale. ACCESS has promoted 11 producer companies over the past 5-6 years with another 16 companies in different stages of formation, all in all working with close to 25,000 farmers across India.

The demand for credit access differs across various levels such as for individuals, groups and producer organizations. In general, formal institutions do not trust collectives, which makes it difficult to access credit. There are of course emerging sources, both formal (mainstream banks, priority sector lending, NABARD), informal and specialized (FWWB, LAMPS, etc.).

ACCESS has created different models to provide credit support. The first model uses the producer organization to create a revolving fund. This has proved fairly successful with credit flow continuing with community support. The loan size has increased along with crop planning decisions, land holding patterns and payment capacity of the groups. The repayment happens during the harvest.

The second model is built around strengthening the equity base through member contribution and surpluses from the business. The final model uses mainstream sources to generate working capital and debt. The scale of these models is relatively less. The trend however is encouraging with mainstream private banks expressing interest to work with collectives.

2.9. Q & A

1. Where did the initial financing for Just Change and 24-Letter Mantra come from?

Ans (Raj Seelam): Started the venture with personal funds, savings and later got support from institutional investors through working capital loans by giving collateral and personal guarantees. It is easier to get support when you are working as an individual.

Ans (Dilip): Each of the four producer groups put in capital initially, later supported by an individual who supported with his personal investments. The third way is through money which gets turnaround across transactions. The working capital requirements are quite small and for periods of 15 days only. The profits are reinvested as equity to support as working capital. Then there is also the buyers' credit.

2. Is it possible to set up a central fund to underwrite financial requirements of organic ventures? Can it be through pooled donations in a centralised fashion for many ventures across the country?

Ans (Ramoo): Hivos and Green Bank have been proposing such central funds and it is still in the design phase.

Ans (Hivos): A global Tridos (?) fund is being set up to fund microfinance; there are ideas on creating a value chain fund with Bellwether NBFC and lending it to producer companies at 12% rate for sustainable agricultural practices.

Ans: Commercial banks also extend support upto 1 crore without any collateral. However, these are managed on a person-to-person basis.

Ans (Suryamani): SFAC is looking at venture capital model for financing private entities. BRLF is also looking at options like a central fund; SIDBI funded by DFID is also emerging in some states. The interest rates are also comparable.

Ans (Ashish): Two venture capital organizations (StartUp and 3CS) are trying to get into the sustainable agriculture scene through equity-based access. However, the size of investments is in terms of 500,000 dollars which may not be suitable for producer companies.

Ans (Ashwin): We personally raise working capital by taking advance from the consumers (which comes to a total of Rs. 2 lakh monthly). Existing credit mechanisms work only for large scale enterprises and not the smaller ones.

Ans (Arun): Startups are being supported through ICCO and Social Equity Foundation from Netherlands. These are suitable for smaller enterprises at rates from 4-5%.

Ans (Raj Seelam): Intelligroup also has a 100 million dollar fund looking at microfinance and sustainable agriculture ventures.

3. Is it possible to get philanthropic capital into the central fund?

Ans: There is enough money within the country. But to generate capital from formal sources, we also need to think beyond existing organizational structures and look at partnerships, limited liabilities to raise money.

2.10. Discussant – Dr E M Shashidharan of The Livelihood School

There has been overwhelming consensus on creating a policy to assist small producers. However, there are several different voices with no common thread running through them. It is important to distil the different messages to create institutional mechanisms for providing access to credit, thus leading to substantial policy recommendations.

2.11. Chair's (Dr Krishna Tanuku, Indian School of Business) closing comments

Multiple issues have been discussed. It would help to create different focus groups on the key issues discussed here to take forward the thoughts and make collective progress.

3. Session 3 - Open House for students

3.1. Mr Rajeev Baruah – BioRe

BioRe is one of the pioneers of organic cotton in India and operational since 1992. Existing as part of a textile chain, BioRe took on the challenge of linking organic farmers to consumers. With organic farming and improving farmer livelihoods serving as two pillars, BioRe works on improving appropriate technology, systems and practices to work in a non-conventional sector. Alternative means of engaging with markets require extensive field level interventions in order to make the experiment a success.

There is extensive demand for organic cotton in India as well as in Europe and BioRe has been able to capitalize on this by creating consumer awareness and interest. While BioRe is a profit-making entity, it believes in fair prices, provides purchase guarantees to farmers, provides accessible systems of credit, and other practices to pay premium prices to farmers.

There are however many challenges to this enterprise. Working in inaccessible rural areas in tough terrains can prove detrimental to management students! Further, imparting management practices to farmers and their families, providing skill based training, adequate documentation skills, using ICT, etc. is critical and adds value to the farmers.

The other challenges include envisioning mechanisms to reduce costs in the long run, and how to improve transparency and still reduce costs. BioRe has systems in place to see how many farmers have delivered how much cotton across specific periods.

3.2. Mr Ashwin Paranjpe – Gorus

Thanks to some personal experiences with organic farming in the US and Spain, Aswin started organic farming in 2007. While casually talking with neighbouring farmers, he was able to convince them to turn organic themselves. He then started an experiment of distributing organic vegetables to few urban families without charging them. Based on the demand generated, an enterprise was setup and Gorus sells organic vegetables to 200 families today in Pune city, has a producer base of 25 farming families with each having an average holding of 3-4 acres.

The model is such that the urban consumer gets a basket of organic, locally produced, seasonal food/vegetables at their doorstep every week. Each consumer pays in advance through a “share in the plough”, that is they pay about Rs. 2850 for 12 baskets in advance. Each basket contains fruits, vegetables, cereals, pulses and sometimes even dairy products. The consumer also gets to visit the farm, interact with the farmers and see how their food is produced.

The farming families are spread over three taluks and grow different produce – there are around 70-75 different products on offer today. Gorus works to try and give as much as possible from the consumer’s rupee to the farmer. Typically, a small farmer gets about 15-20% of every consumer rupee or even less; Gorus aspires to provide 50%.

3.3. Mr Darshan – Sahaja Organics

Sahaja Samrudha Organic Producer Company Ltd was founded in 2010 with the objective of improving the livelihood of farmers through marketing of organic produce by making it available to urban consumers. Sahaja Organics is the marketing wing of Sahaja Samrudha, created with the object of making a mark in the urban market.

Sahaja Organics is the largest wholesaler of organic rice in Karnataka. The company procures products in bulk from farmers, based on the market demand and supplies across the state. The company has organised consumer forums and sellers meet to enable producer-consumer linkages. It has brought together more than about 30 organisations throughout South India and enabled consumer groups and farmer groups to work together.

Since its conception, a network of organic outlets has been formed in different urban areas of Karnataka. The company has enhanced the capabilities of these outlets on strategies of procurement, marketing, quality, eco-friendly packaging, distribution and most importantly customer handling. Organic bazaars have been established in WIPRO and IISc premises in Bangalore. A lot of melas have been organised to popularise traditional cultivars and organic foods amongst urban consumers in cities like Bangalore and Mysore.

Sahaja Organics is the largest wholesaler of organic unpolished rice, red rice, different millet varieties, pulses in the whole of Karnataka. Presently the company is having 786 individual organic producers and farmer producers groups from different parts of Karnataka.

3.4. Mr Ashish Gupta – Jaivik Haat

Jaivik Haat was founded in Delhi in 2009. The objective was to create a window to connect farmers directly to consumers in Delhi region. The intention was to study existing market linkages and related issues and then work on a top down approach to resolving those issues

and explore how improving pricing mechanisms and efficient supply chains can improve rural livelihoods.

The enterprise is currently breaking even month on month. The general market focus is on how to make products cheaper for the consumer and thus keep reducing prices. But there is a need to study the supply chain in its entirety. Jaivik Haat attempts to do that and play the role of a reformed middleman trying to connect the farmer and consumer, providing just returns to the farmer.

3.5. Mr Dinesh Kumar – Earth 360

Earth 360 began as an experiment to explore gaps in the value chain specifically of millets, that too ‘small/coarse millets’ and identify which areas need critical intervention. Based on these lessons, it was decided that ecological and livelihood sustainability can be ensured if farmers are connected effectively to the market.

For this we need to think of food as not just products but in the context of a food chain. We need to realize that we need to connect back to our roots, to nature and make healthy food available to as many people as possible. Earth 360 is committed to the distribution of millets as a healthy and organic alternative to existing food options. Consumption of food (which is usually calculated as quantity available) can come down significantly if millets are consumed since it is wholesome and filling. In that sense, both food and nutrition security are fulfilled by millets. Besides health, millets are also tame on the environment as compared to rice cultivation which guzzles 5000 litres of irrigated water just to produce 1 kg of rice.

3.6. Dr. G V Ramanjaneyulu – Sahaja Aaharam

With the alarming rate of farmer suicides in India, Dr. Ramanjaneyulu wanted to work on restoring farmer livelihoods through ecological sustainability by working on technology, policy and markets. Centre for Sustainable Agriculture (CSA) was set up in 2004. Work was initiated on the understanding that the current high-external-input chemical-based agriculture was not remunerative. Hence, this called for a search to reduce the cost of production, make it eco-friendly and also remunerative for the farmer.

Starting with an experiment where several villages shifted from chemical to NPM agriculture, CSA began working on a larger scale with the government from 2005. It was then decided to deal with economic aspects as well because while NPM helped reduce costs by Rs. 5000 to 10000 per acre, it was not helping them with greater economic returns in the market place. To help them get better prices for their goods it was decided to set up a farmers’ cooperatives, organize them into federations and then help the federations engage effectively with the markets.

A consumers’ cooperative was set up under the name Sahaja Aaharam which employs a 3-tier structure – farmers sell the produce on their own, what they cannot sell they sell to the cooperative and the cooperative sells through its own retail outlet in Hyderabad. The cooperative works with 5000 farmers in Andhra Pradesh and around 1500 farmers in Maharashtra. The consumer cooperative also helps in the sensitization of the consumer towards the needs of the farmer. The initiative has been successful to the effect that it is financially sustainable with no grant support except for that of the purchase of a vehicle.

The idea is to ensure 40-50% profit reaches the farmers. The outlet at Hyderabad with an annual turnover of Rs. 24 lakh has been able to successfully provide this return to farmers. There is a proposal to provide door delivery services. The challenge is to match distributed

consumption needs with distributed supply capabilities. Door delivery is currently done to about 70 households with a target of reaching out to 3000 consumers from the cooperative. There is also an idea to involve franchisees in the exercise. Future plans include creating cooperatives for farming inputs like Seed. Such cooperatives can restore seed sovereignty into the hands of the farmers.

3.7. Mr Ashmeet Kapoor – I Say Organic

With a goal to making farmers more valued stakeholders in the value chain, Ashmeet returned from abroad to work on agricultural enterprises. After interacting with farmers for six months, he set up a demo farm. Based on that initial experience, he realized that there is a larger potential for organic farming. The model is farmer-friendly, eco-friendly and also helps to connect farmers to urban consumers, he found. While there have been other organizations working on this model, *I Say Organic* has a focus on bridging the marketing gaps. It was noticed that consumers are aware of organic products but they are not too keen to shift their lifestyle patterns. The challenge is to make organic products acceptable and readily available at affordable rates.

I Say Organic works on a door delivery model providing the convenience of a street hawker with hopes to work on a similar scale. In the 5 months they have been operational so far, they have been working on volumes of 250 kg per week. Since cities like Delhi do not have easy access to farmers, it can only be done by intermediaries like I Say Organic. Future plans include working on a hub and spoke model.

3.8. Q & A

1. How are farmers convinced to bypass the local middlemen and work with such enterprises?

Ans (Aswin): Farmers are respected as producers and thus taken on trips to showcase them to the consumers and also show the farmers their clientele. This helps the farmers understand their role in the bigger value chain and also appreciate the challenges encountered by the enterprise.

2. How are perishable goods stored and distributed?

Ans (Aswin): In its 3 years of operations, GORUS did not have any cold storage facility for the first 2.5 years. During that time, storing, packing, grading and delivery were done on the same day. This led to several quality issues and workers were becoming stressed out. Currently though, there is a pre-cooling storage facility to store for 8-10 hours from 12-14 degree Celsius to store the vegetables. There is no provision however to store different products at different temperatures.

3. Considering that the consumer's rupee does not reach the farmer effectively, what policy recommendations can be made to address this?

Ans (Rajeev): There are systemic issues which need to be addressed and not just at the level of government. BioRe tries to address these issues by inviting all stakeholders – consumers, retailers, spinners, dyers, etc. to the farms and facilitating communication amongst all of them.

4. What are the problems encountered when farmers transition from chemical to organic? How to ensure that the product is 100% organic?

Ans (Ashish): The food that we produced and ate 60-70 years back was organic without a trace of chemicals. We should therefore think beyond certification and look at diversity and sustainability.

5. What is the consumer awareness level of OFAI? What about PGS (Participatory Guarantee System)?

Ans: Indian government has laid down the rules for organic farming under NPOP. PGS and other verifiable systems exist to certify the process from end to end and not to test the product. PGS is a verifiable process which is carried out by the farmers themselves.

3.9. Chair's comments – Prof. Sukhpal Singh, IIM-Ahmedabad

It is important to understand that it is Indian agriculture which is in crisis, not Indian agribusiness. Everybody in the establishment is making money except the small farmer. There is an ongoing study to locate and understand those small farmers who remain small in scale and are yet prosperous. For instance, two farmers of different proportions were observed in Bhuj, Gujarat. One of them owns 150 acres with 90% under mango plantation making Rs. 85 lakh per year; the other owns 5 acres and makes Rs. 10 lakh a year.

To make agriculture work for farmers and their families, we need to understand what value is added at each level in the commodity value chain. One should also remember the dynamics of commodities differ across different contexts.

There is often the claim that organic farming cannot feed the country. However, conventional farming has also not succeeded in feeding the country leading to malnutrition and deaths. The question over food security versus food safety needs to be explored more closely. On pricing mechanisms, we need to question why the MSP (Minimum Support Price as announced by the government) should be used as a benchmark when MSP itself is contentious. Similarly, certification is for the operator, not the farmer; we need to question why someone who is not even associated with farming determines what is certifiable and not. It is time that we question policies that exclude small farmers completely from the value chain.

4. Session 4 - Organic Supply Chains

4.1. Keynote address – Prof. Sukhpal Singh

Supply chains mean different things to different people. It is not ideal to recommend uniformity or to go the big enterprise way, but it is important to learn lessons from what everyone has to offer. It is also crucial to realize that scale need not only mean expansion but replicating successes of initiatives across the country.

To understand smallholder agribusiness, we need to realize that calculating the producer share in consumer rupee is an outdated methodology and not relevant for all sectors, especially for processed food/fibre products. Only fresh fruits and vegetables are the unprocessed foods which are sold without much value addition. Hence, we need to relook and re-evaluate the value chain. There are a large number of commodity exchanges in the country. But one wonders if these really add value to the people who actually add value to the commodity. Value chains need to be reconfigured to ensure that there is value-sharing for

farmers; this can very well be done by value preservation through avoiding wastages. 'Value' needs to be seen in the light of these different components of the value chain (value identification, value creation, value sharing, value preservation, value capture).

To decide the right kind of market for the farmer, we need to understand the dynamics of the value chain and see which provides the most value to the small farmer. Products can be sold direct to consumers (home delivery/road side stall/retail outlet); through specialized farmer markets, to processing factories, to institutions, to supermarkets and dedicated retailers, or to exporters. It is critical to choose the right option or mix of options for any given situation.

The current status of organic agribusiness in India has to deal with issues surrounding food security versus safety. It is time we started speaking in terms of food availability and affordability. Physical availability does not equal purchasing capability. Such misconceptions need to be resolved. Agribusinesses have their origins in the export markets. If the domestic markets have to thrive, perceived fears have to be dispelled and support in terms of input subsidies and marketing linkages have to be provided through policy decisions. We also need to address the fact that evils associated with conventional value chain (like product testing) are creeping into the organic chains, which should be avoided (organic certification is certification of the process of production, not product).

Organic production is largely driven by NGOs while the marketing sector in general is dominated by multinational corporations. Production and sales are driven by two different objectives. Hence, the small farmers are generally excluded with non-friendly measures taken by large players which are exacerbated by certification issues, no price protection, lack of subsidies, etc. for organic markets.

To a certain extent there have been some policy measures taken towards the promotion of an organic policy in India. The 10th five-year plan emphasized promotion of and encouragement to organic farming with the use of organic waste, IPM and INM. State and private agencies were involved in promotion of organic farming in India through subsidized dissemination of IPM, INM, ICM, and subsidy on bio-fertilisers and bio-pesticides, besides separate purchase of organic produce for export. Agri Export Zones (AEZs) and specialised bodies like UOCB for organic products have been set up in states like Uttaranchal. Organic farming policy (and mission) has been promoted in Karnataka and Kerala. The entire state of Sikkim has been declared organic. There are also incentives incorporated by APEDA and NREGS to support organic production and certification.

There is a wide range of products marketed as organic today – Certified, In-conversion, Natural, Chemical free, Pesticide free, Eco friendly, Truthfully labeled etc.. Such a wide understanding of what "organic" really is can lead to mistrust about organic safety. This can also arise from ideological issues.

Likewise, there are issues in deciding the price for organic products. Organic production is mostly through contract farming schemes, directly or indirectly. However, there are seldom proper written contracts signed by the players involved. Hence, it makes it difficult to discover the prices involved. Some use a production-cost-plus-margin method and others adopt a conventional market-price-plus-premium method. But we need to question if this is a fair practice and if alternate methods can be evolved to determine remunerative prices for the farmers and provide incentives to remain organic.

The emerging FSSAI mandate to control all food products in India is lopsided and does not consider the small producers' livelihoods. It also raises questions about the validity of PGS

by not mentioning it. Issues like ingress of Bt into organic cotton fields needs some reflection on contamination and the sovereignty of producer groups.

The holding of producer certificate by the contractor also raises questions of monopoly by companies since ICS is controlled by external stakeholders and not the farmers. There are also discrepancies in some certification agencies waiving off transition periods.

Engagement with markets demands consistent supply, which is absent in organic value chains. We need to explore product exchange options across players and agro-climatic zones. It is also desirable that we move away from crop-centric focus so that the farmer who grows 4-6 varieties of crops has a market for all her/his crops and not just one. Fair trade and organic should go hand in hand, and lead to a dual certification.

Malpractices in certification lead to large farmers benefiting while small farmers do not. Contract farming needs to be partnership based and not monopolized. We need to question if available alternatives are any different from existing risky channels provided to the farmer. Priority sector lending benefits non-farmers like processors, storage firms and off farm sectors. Hence, 50% of the farmers are excluded from the banking sector. SFAC likewise funds non-farmer owned enterprises. Such distortions need to be resolved.

Producer companies offer farmers the opportunity to involve in income-generating activities like any other business entity while retaining the principles of cooperation. A solitary emphasis on organic alone may not help, need to focus on other options like fair trade, GI, ICS by farmers, etc. which need to be implemented through policy advocacy.

4.2. Mr Jagadish Pradhan – Sahbhagi Vikash Abhiyan

The district of Kalahandi is generally projected as the epitome of poverty. However, the district has an average rainfall of 1317 mm with a high of 2450 mm. Groundwater is available at 2-3 m and at places even at 1 m. The food production from 1985-92 was double the national average and now it is almost three times the national average. However, the people there are among the poorest of the poor in India. Why this paradox?

It was because the market structure in Kalahandi was totally skewed against the farmers. Rice was sold at Rs. 2.50 per kg in Kalahandi while it was sold at Rs. 7 at Bhubaneswar. The government restricted the movement of rice between districts leading to millers having a monopoly in Kalahandi. The millers were able to procure rice at cheap rates but sell them for profit and even export rice. The restrictions were eventually removed and the prices stabilized gradually.

In spite of the diversity of flora in the district, the government regulations restricted the farmers from earning their livelihoods from the crops. For instance, the farmers are not allowed to sell their own acacia trees without getting explicit approval from the local authorities. Rather than bribe the local officials, the people started selling illegally. To counter this, SVA started a tree growers' society to boost incomes and agro-forestry.

Nearly 47% of the district is under forest cover with enormous potential for NTFP. But the government issued monopoly to contractors to whom the farmers had to sell the goods at distress rates. Farmers were selling siranji for Rs. 6 in 1998 when the market price was Rs. 50-60 in Raipur. When the government removed restrictions, the prices increased to Rs. 30.

By default, the farmers in the region are organic. When SVA tried to sell rice to FCI they were required to process them using sophisticated machinery. Hence a mill was set up after a

long legislative process. Likewise, the farmers were able to export chillies only after cases were filed in the courts to remove export restrictions.

In this manner, much of the work of SVA on the marketing front had focused on removing restrictive norms on producers and NTFP collectors and ensuring that no monopolistic player robs the producers of their opportunities. These struggles resulted in improvements in the incomes to the local communities. Later on, processing units set up at the local level added to the opportunities.

Now there is a realization that there is a huge demand locally. Hence there is a focus on meeting the local demand by setting up smaller mills. There have also been efforts to market onion, rice and oilseeds with value addition to cater to the increased local demand.

4.3. Mr Suresh Desai – Belgaum Organic Food Club

The Belgaum Organic Food Club is not limited to production and practice of organic farming but also engaged in market linkages. There are 87 farmers working on around 400 acres with Mr Ashok Tubachi as the Chairman. The labour division within the core group running this informal enterprise is done by qualification. For example, some engineers look after quality control, value addition, etc. Suresh Desai himself looks after the geometrical or structural design of farms. He developed the crop calendar for the farmers which include water management, sun harvesting, air harvesting etc. The farming innovations developed by them have got several awards.

The club trains the farmers at every stage of organic farming and also trains them in using conventional energy resources. 45% of all products from the club are sold locally. The club is also involved in consumer awareness. Consumers were observed to give 15-20% more than the market price. The prices are fixed for 6 months and even for the entire year, it does not fluctuate along with the market vagaries.

The products are sold as baskets to around 500 consumer families in Belgaum city. The products consist of about 45% vegetables, 55% grains and the remaining, medicinal plants. Advance payment for 8 weeks is taken from the consumers for the baskets to be supplied at their door step or designated central locations within the city.

The advance taken from the consumers is distributed among the farmers according to their supplies which is maintained in a register. This ensures a regular supply of income to the farmer based on their production. The farmers plan collectively, for instance, 27 out of the 87 farmers only grow vegetables. These 27 farmers decide how much of each vegetable will be grown by each farmer. The produce is not sold in the regular markets however. The production has been seen to increase with increasing demand. For instance, jaggery production has increased constantly since 2007, 25 metric tonnes in 2008, 32 metric tonnes in 2009, 45 metric tonnes in 2010, 60 in 2011 and it is expected to increase to 100 in 2012.

This enterprise has not been supported by any external agency so far and runs on the initiatives of member farmers and has not posted any losses.

4.4. Q & A

1. FSSAI may apply to both conventional and organic value chains. But the costs involved in organic are higher because of transition and ICS. This increased cost will

have to be borne by the consumer and hence the price of organic products will continue to be high.

Ans (Sukhpal): The price can be high but the producer will have to get their dues from the increased price.

Ans (Ashish): But value can be added to farmer only if the costs of certification are borne by a supporting NGO or a third party.

Ans (Kavitha): In certain cases the government supports cost of certification for groups of farmers. This is true in the case of Karnataka where the horticulture department bears the cost of certification of clusters of farmers.

Ans (DP Dash): NIAM provides consultancy fee support for marketing plans, designing proposals for both organic and conventional agriculture.

Comments

2. Since producer groups have proved to be an important success factor, we need to identify what are the specific lessons that can be learnt from different producer groups and replicate them.
3. We need to look at what are the specific factors which can help develop local markets for organic products.
4. In Wayanad district of Kerala where almost 50% of all agriculture practised is organic, the certification costs are taken care of by the zilla parishad. We need to look at utilizing the existing government machinery without feeling a sense of aversion towards the official systems. Only then can we advocate for change within the official processes.
5. We need to explore the time and cost factors involved in incorporating a producer company with respect to organic farming. If we can develop a framework with such factors it could help future efforts.
6. When we talk of reducing distance between consumer and farmer, we should also think in terms of providing incentives for promoting roof top gardens in urban land use policy.
7. Organic value chains need to look more closely at home delivery systems to market perishable goods. Other options that need to be explored are co-branding with public and private partners, and selling to restaurants and hotels by capitalizing on the culture of eating out.

5. Session 5 - Organic retail efforts

5.1. Mr Ananthasayanan – reStore

ReStore was started by a group of individuals in 2008 to create an alternate marketing paradigm for farmers to interact with customers. It has been running successfully for five and

a half years, open 6 days a week but bring fresh vegetables and fruits every Tuesday and Saturday in the evenings One of the objectives is also to establish models which are non-profit in nature and volunteer driven, even as the main objective is to create awareness amongst consumers about organic foods, to create a general ambience of increased demand so that farmers might benefit.

The enterprise is built on a set of principles such as procuring from certain kinds of farmers (small and marginal, high conviction) as long as it is easy to procure from them. The farmers are selected on the basis of their farming practices and ease of transportation of the produce.

The pricing is determined entirely by the producers. This is achieved by not providing any room for comparison with existing market pricing mechanisms. For instance, the produce is priced by “bands”; that is, there are only two bands of vegetables – hill vegetables (priced at Rs. 40 per kg) and local (Rs. 30 per kg). The band prices once decided in consultation with the farmers for a season are maintained constant throughout. The price is also discussed (not negotiated) with the farmers at the beginning of the season. At the end of the season, the farmers are asked if they are happy with the arrangement and would like to continue at the same price or not.

There is no certification whatsoever. But there is transparency in terms of traceability – the produce is procured from 25 different farmers as well as through various groups working in the organic movement for years now and it is based on trust. The price is determined when a team member from reStore visits the farmer at his/her farm for initial inspection. Based on what is grown and how much is grown (organically) and how much is sold for local consumption (to determine surplus) it is enquired if the farmer would be able to transport it to the store in Chennai. An estimate of the costs of cultivation is also obtained so that the prices offered to them really add value to them.

reStore is also involved in enabling consumer awareness by taking them to the farms and showcasing the work of the farmers as well as involve them by letting them work in the farm. Sharing forums are also conducted apart from explaining the work of the enterprise to the consumers if they are visiting for the first time.

There are no plans to standardize operations by providing standard packets (except for small items) or providing containers for oil, etc. They would like to remain working from the 250 sq. ft garage space they are currently operating from even though they function as a Section 25 company.

The vision is to create an enterprise which is owned and run by the community. Towards that vision, reStore was started with the help of volunteers and run only with volunteers. Even the auditor is a volunteer for the past three years. However, the motivation to keep volunteers engaged constantly is waning. Currently, four employees work at the store with 50% of profits accruing to them and remaining ploughed back into the business. The next step being considered is that of making the employees into managers and owners of the enterprise.

5.2. Ms Usha Jayakumar – Organic Bazaar, Thanal

Thanal is an environmental organization which started the Organic Bazaar in 2003 as a monthly market in a hall rented out, as a project with IIRD, Aurangabad in 2003; later, the enterprise became independent in 2005. In 2011, the Bazaar was registered as an independent society to support its own activities. The market started with fruits and vegetables but as consumer demand increased, the bazaar started selling millets, rice, etc. which were sourced

from Karnataka, Tamil Nadu and beyond. Apart from providing organic market linkages, the Bazaar is also involved in campaigns for safe food and against chemicals.

Among other things, food security and food safety were two important issues which the Bazaar wanted to address. Land holding in Kerala is very less (average land holding is 50 cents but 85% of the people have only 5-10 cents). So Thanal started working with women farmers through their SHGs, who then wanted to engage with the markets to sell their surplus. They wanted a platform to sell their surplus and the Bazaar was an effective medium for the same. The small quantities provided by the farmers are aggregated and sold at the Bazaars. In two years' time the monthly market became a twice-in-a-week bazaar. The Bazaar also serves as a forum to enable conversations on related matters like environment, health and food safety.

With more urban consumers visiting the Bazaar, a programme of “patrons” and “friends” was started. Patrons pay Rs. 5000 and friends Rs. 500 to support the Bazaar's storage and transportation costs. The Bazaar has the sustained support of such people as also the consumers since there is no other organic outlet in Trivandrum. There have also been efforts to provide traditional food items where women buy the raw materials from the Bazaar, prepare eatables at their homes and then sell them in the Bazaar.

The Bazaar is currently open from 11 AM to 4.30 PM on all days except Sunday. There are around 400 registered customers with around 100 coming on an average every day. Second Saturdays see close to 150 people coming because there are more items then. There are ongoing efforts to plan the production cycles with the farmers so that there is a match between the supply and demand.

In spite of the minimal infrastructure the Bazaar had to purchase a vehicle to buy and transport the produce. This is a liability but helps the farmers reduce costs. The Bazaar also helps the consumers set up kitchen gardens, composting, etc. Consumers also have to bring their own bags when they come to the market. Some SHGs are being supported to make paper bags.

Since trust is the underlying principle, the Bazaar does not rely on any certification processes. In fact, Thanal bought rice in bulk from farmers just to encourage them even though they had difficulty selling the stocks (which were eventually sold through a rice mela). Thanal's work is also supported by Kerala's Agriculture Minister who himself campaigns for organic farming and introduced kitchen gardens and terrace gardens in schools and among the youth.

Pricing generally follows the market retail trends but the costs of production on the farmers' side is looked into carefully. If production costs go up, the prices are increased accordingly. Based on their experiences the farmers have asked Thanal to keep their share for safekeeping and return it during the festivals.

Future plans include networking with like-minded organizations and sales through retail outlets, civil supplies, value added products, etc.

5.3. Ms Neesha Noronha – Hari Bhari Tokri

MOFCA started Hari Bhari Tokri (HBT) in 2009 as part of an urban initiative to return to farming. It was an effort to help folks in Mumbai to connect to farming, to community, to health and to the environment. It was also observed that farmers had surplus produce which often did not have remunerative markets to cover even the cost of cultivation. So HBT started

its first season in winter 2010 with 8 farmers – 4 urban and 4 rural – who worked on 1.5 acres of land.

The model was such that the consumer community should also take a share in the farmer's risks. Every week the vegetables are packed into tokris (baskets) at Neesha's house and then delivered to the consumers after taking a refundable deposit of Rs. 500 and payment on delivery. Initially, there were huge losses and wastages. It was decided that consumers should be oriented towards this model of operation – they are informed about the risks and rewards associated with working directly with the farmers. Also, the farmers themselves approached HBT through word of mouth; there were 17 farmers the next season and 32 following that. Currently, they are working with 48 marginal farmers and have capped it at that because their capacities to monitor the farmers are limited.

There are currently 250 consumers who pay Rs. 3200 for a 16 week harvest. There is constant interaction with the consumers through orientation meetings and by taking them to the field to observe the harvest. Consumers do not have a choice in determining the vegetables that are offered, but they are made aware of the different local seasonal vegetables and why the choice is limited. But efforts are made to increase the choice and also provide recipes of traditional crops as a way of raising consumer awareness.

It is also interesting to note that there are nearly 1000 more consumers on the waiting list. HBT however wants the consumers to invest more than money - that is why there are now pickup points and no home delivery to gravitate towards community involvement in farming. Next steps include increase in the number of times delivery is made but not to necessarily increase in scale. There is also a focus on reducing wastages and adding value in terms of production.

Of the Rs. 3200 price of each basket 40% is offered to the farmer, 30% goes towards transport and the remaining towards logistics, documentation and towards a corpus for cold storage, etc. Consumers generally pick up within 48 hours of harvest and are offered 2 kg baskets in the monsoon and 2.4 kg in the rest of the year. The price is fixed at the beginning of the season with a gradual increase every season (Rs. 25 per kg in the last season and now Rs. 30 per kg increase).

5.4. Mr Dhyaneswar Dhage – Vish Mukh Dukaan

Dhyaneswar Dhage who is from Wardha, Maharashtra started practising organic farming in 1995. Back then it was not valued much, but guided by the principles of Sarvodaya, he along with a few other farmers continued practising organic farming. In 2003, the idea of selling the vegetables started and they set up an outlet in a space provided by an NGO. There was not too much profit but the money goes directly to the farmer as no middlemen or intermediaries are involved.

The effort has provided freedom from exploitation by the market since production is local and no additional costs such as commission are incurred while selling. While there was no large scale capital investment, it was realized that their hard work and their raw material was enough capital to set up a vegetable shop along with 5 farmers from villages in and around Wardha. In 2006, they were able to move to a separate rented space.

It was realized that the farmers were not getting their dues when they sold sugarcane to the factories, that is, they were paid only about Re. 1 per cane. But when they made juice from the cane they were able to sell it for Rs. 8 per glass (per cane). The Dukaan was able to make

a profit of Rs. 1 lakh in the first year by diversifying into this sugarcane juice business and the farmers realized that this was profitable than selling to the factories.

As more people started noticing the potential in the marketing capabilities, organic farming gained popularity and they extended the effort to include cereals, moong daal, chana dal, wheat, jowar, tur daal, turmeric, chilli etc. and started selling them. The challenges were many – maintenance of the store, processing, electricity bills, rent, salaries and so on. But they were able to diversify further - in 2008, they entered the restaurant business to cook and sell the excess supply of organic vegetables and millets. The restaurant was set up to use the latent demand for eating local food among people in and around Wardha.

Farmers were still wary of turning organic because of varying outputs for the same amount of input because organic farming depends on a number of factors. However, they realized that even if the output is fluctuating they would still be able to make more profits if they were to sell the little on their own rather than depend on the existing market prices. Even among wastages if leftovers are fed to the cattle and livestock, these provide good quality dung for soil nourishment which can lead to better yields in future and the farmers understood this.

They later entered the food processing sector individually since they did not have the required capital to enter collectively. Different farmers took charge of processing 32 different items such as mango, amla, lemon grass oil etc. There were losses in cereals and vegetables but it was compensated by the gain in juices, oil, etc. Among the profits earned, the farmers are even able to set aside a certain amount for some charitable causes.

5.5. Q & A

1. Since the prices are determined by farmers (at reStore) and at the beginning of the season, are the stocks purchased in bulk or do the producers stock and sell later?

Ans (Ananthoo): Prices are determined for an individual farmer or a group of farmers depending on their continued engagement and quality. Prices are decided at the beginning of the season and are compensated if there are losses due to wastage. Since these are perishable goods they can be purchased in smaller quantities which can sometimes be up to 50 kilos even.

2. What are the incentives offered by Thanal to the 'patrons' and 'friends'?

Ans (Usha): There are no incentives offered, they also stand in the queue and buy along with the other customers. Yet, there are now 6 patrons (which includes some producers) and 10-12 friends.

3. reStore currently works in the model of servicing farmers - what will happen to this model in the future?

Ans (Ananthoo): The future should be such that even if restore shuts down, the model should be replicated elsewhere. It is the idea that needs to be replicated and not the business itself.

4. Since HBT spends a lot on transportation, is it possible to evolve a hub and spoke model with a central site like Thanal does?

Ans (Neesha): The pick up points are spread across and not close to each other. The transportation costs are high only at the supply end. Where possible, we also use the help of the dabbawallahs to deliver at the retail end.

5. Certification may not be required when the scale is small but how can this work if we want to expand? Trust can also get eroded when others try to use the same brand name.

Ans (Ananthoo): Certification should only be a choice given to the farmers and not thrust upon them. Scaling up should be the focus of the policy makers and not that of small enterprises like reStore, we can only provide the modus operandi. (Usha) Because of the trust component we have observed people returning to Thanal and not going back to other stores.

6. If small enterprises do not package and label as required by FSSAI, what will happen eventually?

Ans (Ananthoo): Rules such as those put forth by FSSAI should be challenged. (Sukhpal) even organized retail stores do not package their fruits and vegetables. It is a question of branding against quality. FSSAI requires you to register and does not talk about branding.

5.6. Discussant – Prof. Debi Prasad Mishra, IRMA

Each of the models discussed here is not just a retail model but comes as a package of ideas with a worldview involved and a whole group of people involved with initiative from farmers, groups, youngsters and volunteers. Unlike other enterprises, there was no detailed design to start with, but it evolved with experience and learning. Issues were fine-tuned as they went along.

Since the organic market is itself a nascent market, the operators are able to call the shots on how to engage with it. Today, it is a supplier's market. It remains to be seen how the market evolves when competition increases. There is a huge demand among the consumers but supply is constrained; will have to wait and see what happens when the demand becomes constrained.

5.7. Chair's comments – Mr Joseph Thomas, CSIE, IIT-Madras

The cases discussed here were born out of passion, which is crucial for such enterprises. There are several challenges to such models dealing with inadequate supply, high operational costs, and conflicts with existing market paradigm while trying to remain environment friendly. These successes therefore need to be looked at through different indicators apart from scale. Creation of dense local markets for local communities will be key to the success of such models.

6. Session 6 - Government Initiatives & Interventions

6.1. Dr. DV Raidu – SERP, Dept of Rural Development, Andhra Pradesh

SERP (Society for Elimination of Rural Poverty) was formed as an independent society which can operate on its own towards the goal of poverty alleviation. Sustainable agriculture is an important channel for addressing the livelihoods of farming communities. SERP is associated with the business operations of close to Rs. 2500 crores worth procurement of paddy, red gram, etc. when prices go below MSP. It ensures that there are no rejections by

civil supplies department and the FCI. More than one crore households, with 83% of them on rainfed land and 99% of them small farmers have benefited from the operations.

With a blend of traditional wisdom and modern eco-farming technology, SERP has contributed to an increase in net income with the acknowledgement that the innovations of farmers and multitasking capabilities of women are key to success. This led to the evolution of the community resource persons (CRPs) programme of SERP who have contributed substantially to the NPM revolution.

Acknowledging that scaling up is the responsibility of the government, SERP has spent its resources on capacity building, marketing, etc. Using ICT, SERP also provides handholding services by providing market information by Intuit. Demand for the NPM produce was created through export markets. Initial support was provided by SERP for two years but now it is managed entirely by the women's samakhya (federations) themselves. Continued support is rendered through the availability of quality control kits which makes quality testing easy and helps to convince potential buyers. The SMS services provided to 5 lakh mobile phone users gives information on local mandi prices and the local trader. Such services have helped the farmers gain leverage in the local markets and provided bargaining power.

The PGS system of certification is very relevant for the SHG model of operation. Current plans include scaling up the operations in all the villages in AP. Plans also include finding ways to deal with perishable goods and getting a better hold of the market operations. Collectivization is critical and continues to serve the ultimate goals of the project. The women contribute Rs. 50 per family per year towards a corpus of Rs. 3 crore, SERP is planning to make a matching grant to the saving SHGs. SERP will work more closely with the MKSP as part of the NRLM now.

6.2. Mr DP Dash – NABARD

Food security is an important concern for NABARD. It has been seen that produce from homestead land makes its way to rural haats. Such producers do not have access to support mechanisms especially during the transition period from conventional to organic farming. Farmers who operate on crop loans need access to additional support with priority lending schemes offering little respite to them. Support should include equipment, extension, training, etc.

Agriculture has become more dependent on external chemical inputs which cannot continue indefinitely. We need to think more in terms of increasing the organic inputs in the total production system.

NABARD offers support for storage in rural areas through the Gramin Bhandaran Yojana, capital investment subsidy scheme for development of new infrastructure and a venture capital scheme for setting up agribusiness centres.

APMC, cooperatives and individuals can avail loans where the revised APMC Acts are applicable. Progress has been very poor in the north and north eastern states. NABCONS and NIAM offer support for consultancy services which can be utilized by the farmers. The RIDF offers funds to state governments to set up infrastructure and storage godowns at the Panchayat level. The NPOF component of NABARD was able to make some progress on supporting organic market linkages through credit and subsidies; however it has not made good strides. NABARD has been providing extensive support for producer organizations which can be availed of currently.

6.3. Mr Harish Gowda – Jaivik Krishik Society

JKS is a federation of organic farmers and farmer groups set up to promote organic farming and fair trade practices in organic farming.

The Govt. of Karnataka announced the State Policy on Organic Farming in March 2004, the first of its kind in India. Earlier in 2002, the Jaivik Krishik Society was set up to take up systemic capacity building and reach out to farmers for conversion to organic farming. JKS initially focused mainly on capacity building to departmental officers since they were more familiar with conventional agriculture and not organic farming.

JKS assists in developing ICS and obtaining Group certification; facilitates establishment of local collection, grading and packing centres; provides assistance in value addition, processing and marketing linkages to domestic and export markets; generate consumer awareness on the benefits of organic farming and organic products.

JKS has also set up the Jaivik Mall, an organic mall at Lalbagh, Bangalore. There are about 45 organic farmers group and around 120 individual organic farmers offering their organic produce for sales at the mall. The total annual turnover of the mall is around Rs. 80-100 lakhs in 2011-12.

Future plans include introducing daily vegetable sales at Jaivik Mall, a quarterly organic fair (Savayava Santhe) at different localities in Bangalore, setting up of aggregation centre with adequate infrastructure for grading and storage (an “organic hub” on the Bangalore-Mysore road), move towards PGS certification for groups and setting up an organic market information network which benefits farmers for intelligent crop planning, based on markets and price.

6.4. Dr. R N Bisoyi – RCOF (Regional Centre for Organic Farming/NCOF)

Consumers demand quality assurance through value addition in a market driven supply chain. In an organic supply chain, value is added at different stages starting from production and processing till sales and marketing. Certification provides the consumer an assurance that the producer is producing according to certain standards. Organic certification always provides the same assurance to regulate and facilitate the sale of organic products. This organic certification goes through a systematic process which demands adherence to detail through extensive monitoring and documentation among small holder groups.

PGS is a participatory certification system which was launched under the NPOF (National Program for Organic Farming) by the Government of India in 2010. The general principles were laid out then. PGS is considered to be better than third party certification because it is participatory, transparent, cost-effective, provides market linkages and is led primarily by the small farmers. PGS can be used to certify farm, livestock, honey and also food processing.

6.5. Mr Ashish Gupta – PGSOC India

The PGSOC is operating since April 2006 and registered as a society in April 2011. It has partners from all over India and has developed the basic standards in accordance with the NCOF in all major languages. In this system, the Farmer’s Pledge taken by an organic farmer is accepted in audio/video format also.

The local farmer groups are the foundation of the PGS. The Local Groups under PGS Organic consist of five or more members with one member designated as the Convener of the

group. PGS helps introduce an element of transparency which is hitherto absent in third party certifications. PGS helps reinstate trust in the producer and not the product – that the individual producer has a conscience and a commitment to protecting nature through organic production. The number of farmers certified under PGS has been on the rise – from 650 in 2008 to close to 4400 in 2011 all over India.

PGSOC envisions a future where the farmers themselves act as the resource persons involved in village-based research in developing alternative technologies to conventional agriculture. Ongoing initiatives include the creation of a marketing network on a pan-Indian basis for PGS-based products. There are also efforts to spread new terminology (“life agriculture”) since the word “organic” appears to restrict perspectives and initiatives. The major idea is to promote small scale retail with thousands of brands instead of large marketing behemoths.

6.6. Q & A

1. What is the status of organic farmers in the SHGs supported by SERP?

Ans: SHG farmers who work with SERP are supported in general. Besides, SHGs and individuals who do not come under the umbrella of SERP are also benefited.

2. In the context of CMSA and NABARD, there appears to be a lot of duplication across institutions. Can these be consolidated and integrated?

Ans: NABARD initiates and promotes certain kinds of schemes and incentivizes others. Since individual states take advantage of these in their own contexts and are supported accordingly, there is duplication.

3. In the Gramin Bhandaran Yojana, producer groups are not able to access the negotiable warehouse receipt scheme for all the warehouses that get built; only designated warehouses will deal with negotiable warehouse receipts. Marketing support and physical infrastructure is seldom available to the groups. The scheme in its current form is not very useful and not many are aware of this scheme.

Ans: The warehousing is certified by the Central Warehouse Corporation and meeting their standards is difficult in rural areas. Any cooperative can avail of this scheme (Grameen Bhandaran Yojana) by contributing 20% of the required investment, loans at 12-14% interest rate are available but the subsidy limits cannot be more than 50 lakhs.

4. What are the challenges/opportunities for scaling up in SERP?

Ans: The women were able to take ownership which led to the success of SERP's activities in AP. The biggest challenge is taking on the chemical inputs lobby.

5. Does PGS certify individual farmers or the group? Are there more than one PGS available in India?

Ans: PGS provides individual certificates; however certification is done by the group and of the group. Only if each and every farmer is organic will the entire group be certified as organic. There is only one form of PGS which follows the IFOAM standards; implementation of this PGS is yet to be standardized across other participatory schemes.

6. Is there an accurate estimate of the domestic market for organic products?

Ans: There is a general awareness but mainstreaming it is the challenge. The customers need to be made aware of issues of food safety and ecological sustainability if the domestic market has to expand.

7. How is the Jaivik Krishik Society different from other government departments in Karnataka?

Ans: The society is an autonomous body. Its work is directly related to the society and its members thus giving it a different vision and operational capability.

7. Session 7 – Conclusions and Learning

1. Consumer interest in organic food products is rising and needs to be cashed in on. We should not be too anxious about the nature of certification (3rd party or PGS) but focus on backend integration and be clear about how we are integrating the operations. (Rajeev Baruah)
2. Existing schemes like NMSA are still to take off. We should look at these more closely and try engaging with the same (Joe Thomas)
3. Need to explore why only small and marginal farmers are getting into organic. Is it because the larger farmers have access to resources like irrigation and do not have to worry about market linkages (Rajeev Baruah)
4. Most of our support is only on the input and production side of the organic value chain. We need to focus our energies on the output side (Sukhpal Singh)
5. We need to use the media more effectively in communicating success stories and reach wider audiences (Anna Costa)
6. We have to establish the price determination mechanisms of Thanal and reStore as benchmarks for others to follow; but for that we need to first prove that these mechanisms are strong enough to be followed
7. We should compile the learnings from this forum and publish a paper to take it forward (Ashish Gupta)
8. The diversity of operations, both big and small, should continue and we have to take a stand against the standardization drive of the government.
9. We need to compile case studies highlighting the social, economic and ecological viability of these models to get financial and policy support from the government. We need to address issues of climate change in this context as well. (Sridhar)
10. While the strengths of the highlighted models are known, we need to find out the missing links, document them and work towards resolving them (Shashidharan)
11. Organic retail outlets end up competing with and also against each other. Existing market paradigms should not enter into organic markets (Joseph)

12. Pioneers in the organic market should keep thinking about the next stage in the evolution of their organization or else they will get stuck (Rajesh Krishnan)
13. Organic farming and its benefits should be highlighted at school level education to change the prevailing mindset about organic agriculture.
14. There are several independent, small groups working on such initiatives. We need to coordinate our efforts and learn from/with them so that we can facilitate better organized markets through information sharing on sourcing materials, marketing them, etc. (Dinesh Kumar)
15. We need to generate common understanding and channels of communication between the existing players so that we can first start practising fair trade amongst ourselves (Ashwin Paranjpe)
16. We should campaign for incentives to keep businesses local, invest locally and employ local labour (Neesha)
17. Since we are trying to create a pan Indian network of small stores to trade goods, we should not restrict ourselves to PGS but invite all small producers to this forum (Ashish Gupta)
18. Both formal and informal spaces need to go hand in hand. We should not try to translate learnings from one to the other. Sharing among informal groups (like NGOs) becomes difficult because the operations and perspectives vary among them. It is however important to try and scale up the experiences of the farmers, here we need to explore alternate mechanisms within the formal system itself. For that we need to combine marketing activities with policy advocacy (Ramoo)
19. Academics can add value to these efforts by contributing to knowledge production of these small innovations. Academics can help compile these business models to get a sense of clarity and study them to provide insights on improving them. Need to also explore mainstream events like those organized by Khemka and Access to take these initiatives forward (Shambu)
20. Government should provide incentives for farming methods which use mixed cropping, less water and non-conventional sources of energy. Goods which are produced using these methods should be provided marketing support (Suresh Desai)
21. We need to showcase farmers' strengths by renewing old and effective ways of production. This will not necessarily be scalable but can empower farmers (Joseph Thomas)
22. We should develop a research agenda to study alternate value chains so that we can support these enterprises and also feed into policy studies and advocacy (Sudha Narayanan)

23. A systems approach needs to be adopted to ensure holistic scaling happens – access to knowledge, innovation (business or technological), finance, marketing, incubation, policy recommendations – all should go hand in hand. We need to therefore define new metrics to capture these (Santosh Srinivas)
24. It is okay if we remain small in size. But we need to find new ways of defining economics by moving out of the NGO mindset and getting professional about it (Bablu Ganguly)

8. Side Session on FSSAI – Ashish Gupta

FSSAI is a collection of standards and regulations for food business in India. The regulations are related to (1) Licensing and registration (2) Packaging and labelling (3) Food additives (4) Prohibitions and restrictions on sales (5) Contaminants, toxins and residues (6) Designated labs and sampling requirements for food.

A food business operator is defined as any kind of entity which is involved in the production, processing, storage and value addition of food. It does not matter if the product is milled and processed by someone else; if you are selling the food product then you have to register yourself as a business operator. This means that even kirana store owners and street hawkers will have to register themselves. It appears that this act is intended to put an end to all kinds of small scale retail and informal businesses.

The processes of registration and licensing are distinct for different kinds of players. The procedure requires one to register with the central body and also with each state authority where one is operating from.

The guidelines for labelling and packaging demands the use of ISO standards, plastic packaging and does not allow for independent packing standards practised by self. Annual returns have to be filed; in the case of milk it is quarterly. Sampling and testing for quality needs to be done at the FBO's costs at the designated labs, to prove that the food is safe.

The problem is that a critical role in FSSAI has been played by the FICCI lobby. Hence, smaller business and hawkers have been considered apathetically. Such systems make it easier to follow conventional agriculture and set up chemical plants but not organic. The only option out of this appears to be collectively rejecting the FSSAI and not comply with its regulations by not registering for the same.

9. Online resources

Links to the presentations/papers presented at the XIMB-ASHA Organic Farmer's Markets Workshop are given below.

Session	List of Presentations/notes	Link
1	Institutional & Organizational Asymmetries (Prof. Amar Nayak), Mahila Umang Producer Company, Chetna Organic Producer Company and Timbaktu Organic	Session 1
2	24 Letter Mantra, Just Change India, Maha Gujarat Agri Cotton Producer Co. IDF, Access Livelihoods and by Prof. Trilochan Sastry	Session 2
3	GORUS, Sahaja Organics, Earth 360 and I Say Organic	Session 3
4	SVA, Belgaum Organic Food Club and by Prof Sukhpal Singh	Session 4
5	reStore (Chennai), Thanal Organic Bazaar (Trivandrum), Hari Bhari Tokri (Mumbai) and Vish Mukht Dukaan	Session 5
6	SERP's CMSA, NABARD, Jaivik Krishi Society of Karnataka, PGS	Session 6

http://www.youtube.com/results?search_query=ASHA+XIM-B+markets is a link to many youtube video clips of presentations from the workshop.

10. Programme Schedule

“MARKETS THAT EMPOWER FARMERS (& CONSUMERS)”

A learning & brainstorming workshop, organized by XIMB and ASHA
Xavier Institute of Management Bhubaneswar, July 30th and 31st 2012

Venue: **New Academic Block Room 404**

DAY 1: JULY 30TH 2012

09.45 am – 10.15 am	Registration & Tea	
10.15 am – 10.35 am	Welcome & Introduction to the workshop	Prof Shambu Prasad, XIMB & Ms Kavitha Kuruganti, ASHA
10.35 am – 11.00 am	“Markets of the Walk-Outs”	A film on the Deccan Development Society’s Sangam Market
11.00 am – 11.10 am	Very brief round of introductions	
Session 1: Organic Supply Chain interventions for (rainfed) smallholders CHAIR: Dr D V RAIDU, SERP, GOVT OF AP		
11.10 am – 11.40 am	Keynote: Institutional asymmetries: Smallholders farming, aggregation, organic production and markets (covering Navajyoti Producer Co experience)	Prof Amar Nayak, XIMB
11.40 am – 12.40 pm Case presentations (20 mts each)	1. Mahila Umang Producer Company 2. Chetna Organic Producer Company 3. Timbaktu Organic	Ms Anita Paul, Uttarakhand Mr Arun Ambatipudi, Hyderabad Mr Bablu Ganguly, Anantapur
12.40 pm – 01.15 pm	Discussion	
01.15 pm – 01.25 pm	DISCUSSANT’S OBSERVATIONS	Dr Sudha Narayanan, IGIDR
01.25 pm – 01.35 pm	Chair’s Closing Remarks	
01.35 pm – 02.20 pm	LUNCH	
Session 2: Learning from different initiatives CHAIR: Dr KRISHNA TANUKU, ISB, Hyderabad		
02.20 pm – 03.20 pm Case presentations (20 mts each)	1. 24 Letter Mantra 2. Centre for Collective Development 3. Just Change India	Mr Raj Seelam, Hyderabad Prof Trilochan Sastry, Bangalore Mr Jacob ‘Dilip’ John, Bangalore
03.20 pm – 03.35 pm	Maha Gujarat Agri Cotton Producer Co.	Mr Praful Senjalia, Amreli
03.35 pm – 04.10 pm	Discussion	
04.10 pm – 04.30 pm	TEA BREAK	
04.30 pm – 05.10 pm (20 mts each)	Role of Credit Financial difficulties of enterprises	Mr Srikantha Shenoy, IDF-Bangalore Mr Suryamani Roul, Access Development, Delhi
05.10 pm – 05.40 pm	Discussion	
05.40 pm – 05.50 pm	DISCUSSANT’S OBSERVATIONS	Dr EM Sashidharan, The Livelihoods School, Hyderabad
05.50 pm – 06.00 pm	Chair’s Closing Remarks	
Session 3 (Interactive Open House for students XIMB Auditorium): Growing Organically: Facilitator: Prof Shambu Prasad, XIMB; Chair: Prof Sukhpal Singh, IIM-A		
06.30 pm- 08.00 pm	Maikaal bioRe GORUS Sahaja Organics Jaivik Haat Earth 360 Sahaja Aaharam I Say Organic	Mr Rajeev Baruah Mr Ashwin Paranjpe Mr Darshan Mr Ashish Gupta Mr Dinesh Kumar Dr G V Ramanjaneyulu Mr Ashmeet Kapoor

DAY 2: JULY 31ST 2012

Session 4: Organic Supply Chains CHAIR: Mr D P DASH, NABARD		
09.00 am – 09.45 am	Keynote: Organic Supply Chains – emerging issues	Prof Sukhpal Singh, IIM-Ahmedabad
09.45 am – 10.25 am (20 mts each)	1. Sahbhagi Vikas Abhiyan 2. Belgaum Organic Food Club	Mr Jagadish Pradhan, Bhubaneswar Mr Suresh Desai, Belgaum
10.25 am – 10.35 am	Brief Discussion	
10.35 am – 10.50 am	TEA BREAK	
Session 5: Organic Retail efforts CHAIR: Mr. JOSEPH THOMAS, CENTRE FOR SOCIAL INNOVATION & ENTREPRENEURSHIP, IIT-M		
10.50 am – 12.10 noon Case presentations, 20 minutes each	1. reStore (Chennai) 2. Thanal Organic Bazaar (Trivandrum) 3. Hari Bhari Tokri (Mumbai) 4. Vish Mukta Dukaan (Wardha)	Mr Ananthasayanan, Chennai Ms Usha Jayakumar, Trivandrum Ms Neesha Noronha, Mumbai Mr Dhyaneswar Dhage, Wardha
12.10 pm – 12.45 pm	Discussion	
12.45 pm – 12.55 pm	DISCUSSANT'S OBSERVATIONS	Prof Debi Prasad Mishra of IRMA
12.55 pm – 01.05 pm	Chair's Closing Remarks	
01.05 pm – 02.00 pm	LUNCH	
Session 6: Government Initiatives & Interventions CHAIR: DR SUKHPAL SINGH, IIM-Ahmedabad		
02.00 pm – 02.20 pm	SERP's CMSA & Food Security Credit Line	Dr D V Raidu, Hyderabad
02.20 pm – 02.40 pm	NABARD's support to supply chain interventions	Mr D P Dash, Bhubaneswar
02.40 pm – 03.00 pm	Jaivik Krishi Society of Karnataka	Mr Harish Gowda, Bangalore
03.00 pm – 03.20 pm	Participatory Guarantee System	Dr R N Bisoyi, RCOF, Bhubaneswar
03.20 pm – 03.40 pm	PGSOC's experience on PGS	Mr Ashish Gupta, New Delhi
03.40 pm – 04.00 pm	Discussion	
04.00 pm – 04.15 pm	Chair's Closing Remarks	
04.15 pm – 04.25 pm	Special session on FSSAI	Mr Ashish Gupta
Session 7: Key Learnings & Closing		
04.45 pm – 05.15 pm	Key Learnings, from different models	Facilitator: Mr Santosh Srinivas, ISB & Mr Bablu Ganguly, Timbaktu Collective
05.15 pm – 05.30 pm	Closing session	XIMB & ASHA representatives

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