Farmers Enterprise Program, Andhra Pradesh, Karnataka and Maharashtra

Enterprise Name	Farmers Producer Company		
Institutional Structure	Producer Company		
Geographic Area	1. Bijapur District, Karnataka 2. Nanded District, Maharashtra 3. Mahabubnagar District, A.P.		
Year of Formation	2012		
Commodities	Pulses and Vegetables		
Current Membership	14,666		
Promoting Partner	Small Farmers' Agri-Business Consortium		
Per Member Income	Rs. 52,000 per annum		
Expected per Member Income in the next 5 yrs	Rs. 1 lakh per annum		
Expected Turnover by 5th year	Rs. 80 lakh		

Today, Indian agriculture largely comprises of smallholders as 83% of the cultivators are either marginal or small. Besides, there are multiple players in the value chain of agriculture commodities like local input supplier, local trader, commission agent and money lenders who influence the chain and reduce returns to the marginalized farmers

Realizing the prevailing need for creating a conducive environment for generating rural employment and enhancing the income of farmers, Small Farmers' Agri-Business Consortium (SFAC) was set up in 1999 with its core aims and objectives focused on increased production and productivity, value addition, provision of efficient linkages between producers and consumers. With this aim, SFAC commissioned a project in 2010 to promote 100 Farmer Producers Organisations (FPOs) to improve the lives of 1 lakh farmers across the country. SFAC allocated to ALC India 4 states to promote producer companies of farmers producing pulses or vegetables.

The project is aimed at promoting self-sustaining, self-managed institutions of small and marginal farmers which will increase productivity of farmers, market their produce, reduce their cost of cultivation and help farmers realize additional income through this process. ALC India is currently working with 14,666 farmers and is establishing 10 Producer Companies.

Institutional Model

Inclu	usive Representation	Board of Di (15 Elected FAC		Accour	ntability	External Support Agency (SFAC, ALC India)	
	Member Centrali Business Central						
	FPC Operational Structure (6 admin people 1 manager among admin people)	Commercial, Development & welfare functions	Commercial, Development & welfare functions		(The I The	FPC Allied Institutions (The Processing Unit The warehouse Village Level Collection Centres)	
		Commitment to supply, capital &	Commit to suppl capital 8	ommitment o supply,			
	Commercial Function	patronagepatronageFPC GovernanceStructure		re			
	Markets	(75 FAGs, 15)	00 members)				
20 Far	FAG-1 mers 1 FAG Leader				20 Farı	FAG-75 ners 1 FAG Leader	

The current average income of farmers is Rs. 52,000 per annum. After the formation of the Producer Company, it is likely to increase to Rs. 1 lakh. It is estimated that each enterprise will have a turnover of more than Rs. 800 lakhs in the next 5 years.

