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**Junnar Taluka Farmers Producers Company Limited**  
**A Case Study on Farmers Mobilization and Empowerment**

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**Abstract**

The case discusses about Farmers Producer Company. The main issue of the case is to develop an efficient agricultural marketing system for ensuring higher remuneration to the farmers. FPC offers several benefits to farmers and reduces their exploitation by middlemen and enables the farmers to get good price for their produce. But despite of all the hard work and efforts, the farmers hardly make a profit. They were exploited by middlemen, commission agents and traders. This is the success story of the FPC started by Mr. Shriram Gadhve, who is the leader of the Farmer Producer Organization (FPO) movement in Narayangaon. He decided to help farmers and took up the onus on himself to save these farmers from this crisis. He has taken initiative to start Farmer Producer Company namely the “Junnar Taluka Farmers Producer Company in Narayangaon. Many services are provided by the JTFPC to farmers for the promotion of agriculture industry and horticulture industry in the states. Company is helping farmers for crop production, crop protection and for exploring marketing platform for the members by doing value addition to their produce. JTFPC has broken the chain of middlemen who were exploiting the farmers and now helping them for direct marketing of agricultural produce and through this help they have changed financial condition and lifestyle of the farmers. Company has developed a wholesale market of tomatoes in Narayangaon. Today, Narayangaon is the largest open tomato auction market in the country.

*Key Words:* Farmers, Marketing, Farmer Producer Company, Farmers Mobilization, Farmers Empowerment

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## **Introduction**

“Prosperous farmers means more employment, more prosperity for the workers and the business men of every industrial area in the whole country”- Franklin D. Roosevelt

Narayangaon, a small village in Junnar taluka of Maharashtra is having an inspiring story of farmer mobilization and empowerment. Farmers of this village were growing vegetables and flowers. Nature of their produce was perishable. Farmers in this village were doing hard work and putting all efforts to grow crops. But despite of all the hard work and efforts, the farmers hardly make a profit. Farmers were facing lot of problems ex. Lack of market information, lack of storage facilities, lack of knowledge on cultivation of crops and marketing of fruits and vegetables, not receiving immediate payment of produce sold, lower price, etc. They were exploited by middlemen. Middlemen ate their margins and barely left them with any returns. Because of perishable nature of their produce, they had no option but to sell it off to middlemen at whatever price was offered. The middlemen, would give them wrong information on the market price of products, delay their payments and even take money for accidental losses that would occur during transportation. .

It was essential to develop an efficient and organized marketing system to enable farmers to reduce their exploitation by middlemen and to realize a good price for their produce. The real challenge was to organize the small and marginal farmers for marketing of agricultural produce and to develop effective linkages between farmers and consumers of agricultural produce by providing support services.

Developing Farmer Producer organization was the appropriate solution to solve the farmers’ problem.

## **Farmers Mobilization and Empowerment**

To empower the farmers and to reduce their exploitation by middlemen Mr. Shriram Gadhve, an agriculture graduate and the leader of the Farmer Producer Organization (FPO) movement in Narayangaon decided to help farmers and he took up the onus on himself to save these farmers from this crisis. At that time Vegetable Growers Association of India (VGAI) and the Small Farmers Agribusiness Consortium (SFAC) have initiated FPO/FPC movement in India. Mr. Gadhve convinced all the tomato growers in Narayangaon to join this movement. He has given information about FPC and its benefits to farmers. Farmer Producer Company is a company of the farmers, by the farmers and for the farmers.

The objectives behind formation of Farmers Producers Company were to develop an organized marketing system which will enable the farmer to get good price for their

produce, to guide farmers for scientific cultivation of crop, to provide new technologies and inputs at reasonable rate and to help farmers to reduce their exploitation by middlemen. It offers several other benefits to farmers. FPC helps farmers to do collective production and marketing of agricultural produce as per requirement of customers. FPC supports small and marginal farmers by advising them to work together in group for marketing of their produce by using strategies of group marketing.

Mr. Gadhave has taken initiative to start Farmer Producer Company in Narayangaon. He worked for successfully running this organization and then expanded this movement in other villages in Junnar. Through sheer grit and determination, Mr. Gadhave was able to collect all farmers to form an FPO and PC, namely the “Junnar Taluka Farmers Producer Company”. JTFPC, Junnar is a farmers producers company registered under companies’ act 1956 in April 2013 with the Corporate ID - 01122PN2013PTC147015 in the year 2013-14. It is promoted by Small Farmers Agri-Business Consortium, Delhi, (SFAC) and Vegetable Growers Association of India (VGAI). Mr. Shriram Gadhave is the chairman of this company. The numbers of members are 1600 with the share capital of Rs. 5 lakh. The company has made turn over to more than Rs.1 crore in the last year. This company is not only helping farmers for value addition but also involved in crop production, crop protection and exploring marketing platform for their produce. Economic status of member farmers is raised due to help of JTFPC.

### **Services Provided by JTFPC**

JTFPC is helping for the promotion of Agriculture/ Horticulture Industry in the states by providing many services to farmers. Activities of the company for the benefit of their members in Junnar Taluka are as following-

- Collectivization of the small vegetable growers in Junnar taluka for improving their standards of living by increasing income through improved farming.
- JTFPC has started direct marketing of agri produce and freed marketing channel of the farm produce from middlemen. The company is having its own vegetable selling center for the members and is selling 5-6 MT fresh vegetables directly to the consumers thereby has broken the chain of middlemen in the supply chain.





Company is also selling produce to Delhi and Gurgaon markets.



- Improved technologies are provided by FPC to the member farmers for production, processing and marketing of agricultural produce. Following are the details of technologies provided by JTFPC-
  - a. They have developed low cost technology for drip and fertigation unit. The members of the company are using this technology for their drip and fertigation unit. The cost per acre is Rs.8000 to 12000 as against the normal cost is more than Rs.25000 per acre. Therefore, it is affordable for small farmers and easy for installation too. The area covered under such technology is 600 ha.



- b. Developed mulching paper technology: The members of the company are using mulching paper technology for vegetable crops over 160 ha. With this technology, the yields of the vegetable crops are increased by 3 to 4 times. The technology has reduced the insect and pest attack by 60 per cent.
- c. Mulching paper laying machine: JTFPC has purchased mulching paper laying machine costing Rs.60000 and thereby saved the expenditure to be incurred by individual member for a similar amount.



- d. Use of local feromen trap & yellow sticky trap to save spraying cost: The members of the FPO and PC are using local feromen trap and yellow sticky trap for spraying of insecticides and pesticides and saving its cost by 20 per cent.



- e. Developed common collection center for collection, packing and grading of vegetables.



- f. The members of the JTFPC prefer to store their onion produce in low cost onion structures when the prices fall down and wait for remunerative prices. It is informed that they get Rs.25 to 30000 per acre more by using this technique.
- To motivate the vegetable grower JTFPC organizes the seminars, workshops, field visits & field trials for their member farmers for gaining knowledge about new technologies of vegetable production.
  - JTFPC organizes camps in rural areas to educate rural people. Constantly working on identification of the challenges and finding ways to improve their member farmer's income through improved farming.
  - JTFPC has educated the farmers to strengthen agricultural activities by undertaking crop diversification.
  - JTFPC has given training to the farmers to make them aware of the concepts of Integrated Nutrition Management and Integrated Pest Management.
  - JTFPC is also undertaking experiments to develop innovative methods for production as well as for value addition, which farmers can use in their farms.
  - It is promoting organic farming and helping farmers for undertaking organic farming, their registration, maintenance of ICS and certification from accredited agencies by APEDA Ministry of Commerce, GOI.
  - Established a market linkage for selling fruits and vegetables produced by their member farmers.
  - FPC is guiding farmers for smart packing. The different vegetables like okra, cauliflower, onion, gar, capsicum etc. are packed in 3kg packing acceptable to

the consumers and thereby the farmers get 20 to 30 % more price than normal rates.

- JTFPC has got success in contract farming for potato crop and entered into contracts with the companies like ITC, Siddhivinayak and Thorat Traders for cultivation of potato crop which ensures buy back of the produce at predetermined rates.



- Helping member farmers for preparation of projects and for onward submission to the financial institutions or state level as well as national level concerned agencies.
- Preparation/formulation of projects of members of society for onward submission to the concerned agencies in state and national level besides, financial institutions located at different places.
- Spread knowledge for conservation and management of biodiversity. Done extension work for increasing awareness about Indigenous technology among member farmers.
- They are encouraging rural farmers for cultivation of aromatic, medicinal and herbal plants. Also given training for value addition and marketing of these plants.
- They are guiding farmers for water harvesting and management of existing water resources in their farms.
- JTFPC have arranged educational camps for educating people about conservation of local fauna, flora, and wildlife. Discourage the use of non-degradable products. Guiding farmers for planting more trees for fuel, fodder. They are taking efforts to bring awareness among rural people to preserve environment.
- They are working for upliftment of handicap person and small/ marginal farmer and also for women empowerment.

- Purchasing seeds of potato and okra directly from the seed companies for its members and getting benefit 25 to 30 per cent.



### **Current Situation**

The FPC with the help of research institutions, gained more knowledge about crop loans, financing solutions, new technologies, and value additions in agricultural produce and new ways of creating market linkages for their produce. Joining hands had given the farmers of Narayangaon a renewed sense of self belief and strength. JTFPC has broken the chain of middlemen and traders who were exploiting them and developed a wholesale market of tomatoes in Narayangaon. Farmers are doing collective marketing. This is enabled the small farmers to sell their produce at good price and also enabled them to reduce cost of production due to collective bargaining of inputs directly for manufacturer of inputs at lower price.

Today, Narayangaon is the largest open tomato auction market in the country. This market attracts traders from all over the country who carry back the produce to different parts of the country such as Ahmedabad, Surat, Baroda, Kota, Indore, Jabalpur, Jhansi, Lucknow, Agra, Delhi, Bangalore, Hyderabad, Chennai, Pune and Mumbai and so on. Apart from providing the power of bargaining to farmers, the market of Narayangaon has brought about all round prosperity for them. The area under cultivation of tomato has expanded from 500 acres in 50 villages to 2200 acres in 150 villages. In addition, the creation of a market has helped these farmers receive their returns almost instantly. All merchants come directly to the market and pay in cash for the produce on the spot. If the produce is graded, the remuneration is higher.

Riding on the success of the Narayangaon wholesale market, the farmers of the FPO have decided to take a step forward. They are planning to launch a portal that will allow them to auction their produce over the internet. Today, most of the farmers are well off, live in peacefully in good houses, own cars and can afford higher education for their children in good schools.

## **Conclusion**

There are many challenges in agricultural production and agricultural marketing. One of the effective and efficient ways of addressing these challenges is bringing together small and marginal farmers in one group and forming Farmer Producer Company (FPC). The objectives behind formation of Farmers Producers Company are to develop an efficient and organized marketing system, to enable producers to get good price for their produce, to guide farmers for scientific cultivation of crop, to provide new technologies and inputs at reasonable rate and to reduce farmer's exploitation by middlemen, commission agents and traders. For ensuring its economic viability FPC are managed professionally. FPC mobilizes farmers, allow them to obtain their independence and improve their position of power within the production system with good management. FPC can help farmers to increase production of their farms by proving modern technology and good quality inputs. It helps farmers for marketing of their produce, to get good price for their produce and to improve their financial condition and lifestyle. This model is also suitable for other regions of Maharashtra, as well as for other States.

### **Contact Details of JTFPC**

Junnar Taluka Farmers Producers Co. Ltd.

Corporate Office Address: ICON Building, Pune-Nasik Highway,

Narayangaon, Tal. Junnar, Dist. Pune. (MAH)

Phone. No. : 02132-244077, Mob.: 07588031777

Email Id: [shriramg20@gmail.com](mailto:shriramg20@gmail.com), [vgai04@gmail.com](mailto:vgai04@gmail.com)

### **Questions:**

- 1) Is PC same as co-operative or a Society?
- 2) How would a FPC address the issues related to agriculture produce marketing?
- 3) What are the long term steps you would suggest for the FPC?

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## Annexure 1

### Junnar Taluka FARMERS PRODUCER COMPANY LTD.



<b>Name of Organization</b>	<b>Junnar Taluka Farmers Producer Company Ltd.</b>
Registration No.	U01122PN2013PTC147015 (Registration under companies act 1956)
Promoted By	•Small Farmers Agri-Business Consortium, Delhi, (SFAC) •Vegetable Growers Association of India (VGAI)
Date of Registration	19 <sup>th</sup> April 2013
PAN No.	AADCJ0894K
Registered Office Address	Icon Building, Narayangaon, Pune-Nashik Highway, Tal- Junnar, Dist: Pune PIN-410504 (MH)
Authorized Share Capital	INR 10,00,000/- (Ten Lakh Only)
Share Holders	1600
Chairman	Mr. Shriram Gadhave - 7588031777
CEO	Mr. Sagar Gaikwad - 9890673968
Contact Details	Phone:02132-244077 Mail Id: junnartalukafpc@gmail.com

## Annexure 2

### Registration of FPO



#### प्रारूप 1 पंजीकरण प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U01122PN2013PTC147015 2013 - 2014

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

JUNNAR TALUKA FARMERS PRODUCER COMPANY LIMITED

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के भाग 9क के अधीन आज किया जाता है और यह कम्पनी प्राइवेट लिमिटेड है।

यह निगमन-पत्र आज दिनांक उन्नीस अप्रैल दो हजार तेरह को पूणे में जारी किया जाता है।

#### Form 1 Certificate of Incorporation

Corporate Identity Number : U01122PN2013PTC147015 2013 - 2014  
I hereby certify that JUNNAR TALUKA FARMERS PRODUCER COMPANY LIMITED is this day incorporated under Part IXA of the Companies Act, 1956 (No. 1 of 1956) and that the company is private limited.

Given at Pune this Nineteenth day of April Two Thousand Thirteen.

Validity unknown  
Digitally signed by Registrar of Companies  
Date: 2013.04.19 15:18  
CN=Registrar of Companies

Registrar of Companies, Maharashtra, Pune

कम्पनी रजिस्ट्रार, महाराष्ट्र, पूणे

\*Note: The corresponding form has been approved by SHINDE AMOL BHAGWAN, Assistant Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.  
The digitally signed certificate can be verified at the Ministry website ([www.mca.gov.in](http://www.mca.gov.in)).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:  
JUNNAR TALUKA FARMERS PRODUCER COMPANY LIMITED  
B 15, MOGRA BUILDING, SHUBHAMVISHWA,, POST-NARAYANGAON, PUNE NASHIK  
RAOD, TAL- JUNNAR,  
NARAYANGAON - 410504,  
Maharashtra, INDIA

