

Invested in your Growth

Samunnati and The Economic Times – Farmer Producer Organisation Summit & Awards 2019

Round-up and Key Takeaways



Introduction to the Summit

The inaugural event of the **Samunnati- The Economic Times - Farmer Producer Organisation (FPO) Summit & Awards 2019** was organised exclusively for the farmers' community and other key stakeholders in the agriculture sector. This day-long event took place on 18th October 2019 at the ITC Maurya, New Delhi.

Samunnati has been working with various stakeholders in the agri value chain and understands the need to build sustainable FPOs to enable the agri ecosystem and make markets work for small holder farmers. In line with this, the theme of the Summit was **“Working together for Farmer Centric Growth”**. The primary objective of the Summit was to bring together different stakeholders and discuss how to build an eco-system that is farmer centric and works towards building enabling markets that work for small holder farmers.

The Summit witnessed around **250+ members** from **Farmer Producer Organisations** and **another 300+ stakeholders from the agriculture ecosystem** that included policy makers, ag-tech institutions, financial Institutions, global thought leaders, NGOs and other development organisations working in the FPO sector. Strong **participation from Government of India** (SFAC, PM-Kisan, Ministry of Agriculture and National Rainfed Farming Authority) was indicative of the current priorities of Government and the importance of the FPOs.



Welcome Address and Introduction to Samunnati's New Brand Logo

Key Highlights from the Welcome Address: Mr. N. Srinivasan, Chairperson of Jury for the awards and a Livelihood Sector Expert.

- He opened the Summit speaking succinctly on the need to '*Celebrate the success of farmers and everyone involved in enabling the same*'.
- FPOs play a key role in connecting farmers to service providers and farmers avail services leveraging on collectivisation.
- He also touched upon Samunnati's journey as an agri value chain enabler and the impact created in the FPO domain.
- He further emphasised on Samunnati's vision in organising this Summit for the greater reach and awareness creation at the ecosystem level and called upon other stakeholders in joining hands to make a larger impact.

Key Highlights from Mr. Anil Kumar SG, Founder and CEO, Samunnati speech.

- He expressed his gratitude and thanked the attendees for joining the Summit from across the country.
- He said that '*this FPO Summit was important to Samunnati as an ecosystem player that is strongly committed to making market work for small holder farmers*'.
- He introduced **Samunnati new logo** and **brand tagline 'Invested in Your Growth'** at the Summit which truly captures the spirit of Samunnati believing and working towards collective growth and creating sustainable impact across the agri value chain.



Mr. N. Srinivasan, Chairperson of Jury for the awards and a Livelihood Sector Expert



Mr. Anil Kumar SG, Founder & CEO, Samunnati

Key Highlights from the Keynote Session: FPOs policies by Central and State Government

Dr. Ashok Dalwai, Chairperson & Chief Executive Officer, Committee for Doubling Farmer's Income & National Rainfed Area Authority

- He stressed on *the need to 'mobilise farmers' for a collective approach as it is the need of the hour and this can be achieved through FPOs.*
- Policy makers and relevant stakeholders should view agriculture as an integrated value system beginning from R&D level to final consumption and each activity is therefore equally important.

Ms. Neelkamal Darbari, IAS, Managing Director, Small Farmers' Agribusiness Consortium (SFAC)

- She said that *'for FPOs to function as business entities, one of the critical challenges to be addressed is lack of working capital for their operational and transactional requirement.'*
- Market driven production can be encouraged among farmers. There is also a need to facilitate FPOs to build custom hiring centers (CHCs) to make technology and farm equipment available in an affordable manner to farmers.

Mr. Vivek Aggarwal, Joint Secretary (Crops & IT), CEO - PM KISAN, Ministry of Agriculture and Farmers' Welfare, Government of India

- He said that the *'key role of FPOs is to connect farmers to alternate markets in order to enable better prices for farmers.'*
- He highlighted that lack of access to the market, rules and regulations of the APMC act of different states and lack of catalytic infrastructure are some of the critical challenges faced by the FPOs. He also said that its important to enable farmers to build farm gate infrastructure for storage and processing.



From L to R - **Dr. Ashok Dalwai**, Chairperson & Chief Executive Officer, Committee for Doubling Farmer's Income & National Rainfed Area Authority; **Ms. Neelkamal Darbari**, IAS, Managing Director, Small Farmers' Agribusiness Consortium (SFAC); **Mr. N. Srinivasan**, Chairperson of Jury for the awards and a Livelihood Sector Expert; **Mr. Vivek Aggarwal**, Joint Secretary (Crops & IT), CEO - PM KISAN

Key Takeaways from the Sessions

Special Address: Mr. P.V. S. Suryakumar, Chief General Manager, National Bank for Agriculture and Rural Development (NABARD)



- He highlighted the importance of educating the ecosystem players to understand the structure and function of FPOs.
- He said that capacity building of small & marginal farmers is the key driver in making the FPOs sustainable.
- Further, he stressed on the need for R&D and incubation development in agriculture sector to create huge value in bringing better services and earnings for farmers.

Panel 1: Catalysing Capital: FPOs as an asset class for finance industry

- NBFCs engagement and lending portfolio with FPOs should create comfort and an assurance for the mainstream lending agencies
- Strengthening sources of finance for NBFCs for on-lending to FPOs is a priority
- Short-term warehouse financing is a potential option to be explored to finance FPOs
- Equity fund agencies play a major role in enabling the entrepreneurs working in Agri sector to bring forward innovations



From L to R - **Mr. Gurinder Singh Sehmbey**, Chief Executive Officer, StarAgri Finance; **Ms. Jyotsna Krishnan**, Managing Director, Elevar Equity; **Mr. T. Venkatakrishna**, Managing Director & CEO, NABKISAN; **Mr. Arindom Datta**, Executive Director and Head - Asia Sustainability Banking, Rabobank (Moderator); **Mr. Emmanuel Murray**, Senior Advisor, Food & Agribusiness, Caspian Impact Investment Adviser; **Mr. Anjani Bansal**, Deputy Director, Bill & Melinda Gates Foundation and **Mr. Prasanna Rao**, Managing Director, Arya Collateral

Key Takeaways from the Sessions

Panel 2: Capacity Building and Market Linkages for FPOs: Challenges and way ahead

- Bridging working capital requirement can boost market linkage for FPOs
- Farm gate infrastructure can ensure quality produce and avoid distress sale
- FPOs should not just be medium of aggregation but also a point of contact to enabling ecosystem
- Strong governance in FPOs ensures produce aggregation capacity of the FPO and gives confidence to large buyers



From L to R - **Mr. G V Subba Reddy**, VP & Divisional Head (AP&TG), Coromandel International; **Mr. Vipul Mittal**, National Category Head - F&V, Big Basket; **Mr. Padmanand V**, Partner, Public sector, Grant Thornton (Co - Moderator); **Mr. Pravesh Sharma**, Co-founder and CEO, Kamatan Farm Tech (Moderator); **Mr. Nitin Gupta**, Vice President, Grains division – South Asia, Olam Agro India; and **Mr. Aleen Mukherjee**, Executive Vice President of Business Strategy, The National Commodities and Derivatives Exchange (NCDEX)

Panel 3: How do FPOs decide on relevant and cost-effective support for their sustainability?



- Service providers should engage with FPOs and understand the individual FPO requirement to offer the relevant service
- Co-development engagement between FPOs and Agtech enterprises for pilot project can be beneficial for both
- Digitisation of FPO and farmer data can give service providers a verifiable financial and business track record of FPOs.
- Advisory and other services from the stakeholders should be rooted through FPOs to improve member engagement

From L to R - **Mr. Kunal Prasad**, Co-Founder, Chief Operating Officer, CropIn; **Mr. Amit Kumar Goyal**, Executive Director, StarAgri Warehousing and Collateral Management; **Mr. Padmanand V**, Partner, Public sector, Grant Thornton (Co - Moderator); **Mr. Hemendra Mathur**, Venture Partner, Bharat Innovation Fund (moderator); **Mr. Shashank Kumar**, Founder & CEO, Dehaat; **Mr. Mark Kahn**, Managing Partner, Omnivore; and **Mr. Prateep Basu**, Co-founder & Chief Executive Officer, SatSure

Key Takeaways from the Roundtables

In addition to the panel discussions, two invite- only, closed door roundtables on '*Will Adoption of diagnostic tool help FPOs*' and '*Climate Smart Agriculture*' were organised at the Summit. The objective of the roundtables was to not just have a discussion on the key topics but also to bring out a thematic paper on the deliberations, as well as, actionable next steps by the participants.

Roundtable 1: Will Adoption of Diagnostic Tool help FPOs

FPOs are an integral part of the Indian agriculture and bear a huge potential to revolutionise the Indian agriculture by bringing sustainability and profitability to the farmers. In view of lack of access to institutional finance, these entities are forced to borrow from informal lenders at exceptionally high rates. A grading/rating tool would bring in more funding to FPOs by way of providing third-party validated information to lenders to help them understand the credit risk and use the same in the credit appraisal process for lending.

In this context, Samunnati curated the roundtable to discuss the challenges and potential solutions around diagnostic/grading with key stakeholders such as rating agencies, consultants, financial institutions and development institutions.

Participants: MCRIL, ICRA, PWC, Rabo Bank, Gates Foundation, Sattva, Axis Bank, World Bank, GIZ, Reliance Foundation, CARE, MASHAV-Israel's Agency for International Development Cooperation and Samunnati

Key Highlights

- Grading of the FPOs should act as a comfort to the lending agencies. For nascent stage FPOs only grading can be adopted, and rating can be followed in the later stage of engagement
- Outcome of the grading exercise can revert as feedback for the FPOs
- The grading tool should be inclusive and flexible enough to be customised for each FPO
- The FPOs should be graded on both their business record (external relationship) and member engagement
- Administering of the grading tool should be carried out by an expert in the field/trained personnel
- Each grading exercise with the FPO should have an objective/purpose. Based on the outcomes, other aspects to be included in the grading tool.
- The exercise to be purpose/service driven
- The rating/grading framework should recognise the differences between FPOs and other commercial entities and adopt suitable parameters for rating.

Key Takeaways from the Roundtables

Roundtable 2: Climate Smart Agriculture

The main objective of Climate Smart Agriculture (CSA) is to drive food security in the context of changing climate. The FPOs can act as a medium of dissemination and monitoring of adoption more climate resilient farming practices, inputs and so on with impact on curbing the food deficiency, improving farmer earning, and at the same time enabling and educating farmers. The roundtable discussed some of the existing schemes and technologies that can be utilised by the relevant stakeholders to train FPOs to pass on the climate smart farming knowledge to the farmers.

The session was curated by **Mr. Rajeev Ahal**, Director, Natural Resource Management, GIZ with an aim to develop ideas for sustainable CSA through FPOs and small farmers, going beyond discussions on key challenges of the sector.

Participants: Yuva Mitra, Transforming Rural India Foundation, IFAD, Rabobank, World Bank, Rainforest Alliance, GIZ, Govt. of Karnataka, Reliance Foundation, Development Sector Expert and Samunnati.

Key Highlights

- Provision of timely production and weather data by the relevant stakeholders to the FPOs can give confidence for farmers to adopt climate smart agriculture
- Creating awareness and expanding the market for such resilient /organic varieties/produce will encourage the farmers to move towards CSA
- Research and evidence should be made available that can potentially improve the demand and potential for earning opportunity through adoption of CSA practices; and inputs can motivate farmers to adopt the non-conventional farming
- Reduced usage of chemicals in crop production is a critical aspect towards achieving green security and should be strongly promoted by FPOs
- Accessibility and availability of indigenous/organic seeds at the right for the farmers will be a key driver in nudging farmers towards CSA practices

Success Stories presented by FPOs and Other Standalone Sessions



Mr. Vilas Shinde, Managing Director Sahyadri Farmers Producer Company



Mr. Pandia Raj, Project Co-Ordinator – Technical Expert in Agri, SEEDS



Mr. Yogesh Kumar Dwivedi, CEO Madhya Bharat Consortium of Farmer Producers' Company Limited



Partnering with high quality organisations for sustainable growth of FPOs
Mr. Unupom Kausik, Deputy CEO, NCML



Technology for Nutrition & Pest Management for Agriculture
Dr. Binay Kumar Parida, Senior GM (Chief Agronomist), Coromandel International & **Mr. Sujat Mishra**, GM (Portfolio Management -SND), Coromandel International



Technology for supply chain management
Ms. Subhoshree Ganguly, Senior Manager, Innovent, Tata Steel

Farmer Producer Organisation (FPO) and Enablers Awards

The Economic Times and Samunnati also brought the inaugural edition of the **Farmer Producer Organisations Award Show 2019** to recognise the work and efforts of FPOs and FPO enablers. An overwhelming number of nominations from **over 250+ FPOs and FPO enablers** were received from across the country. The FPO awards were region specific under four categories - *Best FPO Leader, Best Performance, Best Impact and Best Governance*. Under FPO enablers, the four categories included *Recognising Best FPO Friendly Private Sector Companies, Recognising best NGOs and Research Institutes Supporting FPOs, Companies contributing to Outstanding Farmers' Skill development and Best Agri-Tech Startup*. In addition, two *Jury Special* awards were given to two outstanding institutions.

A specialised jury team consisting of sector experts from different backgrounds deliberated on each nomination and came to common conclusion in shortlisting the most successful organisations under each category.

The FPO winners received the awards from **Ms. Neelkamal Darbari**, IAS, Managing Director, Small Farmers' Agribusiness Consortium (SFAC); and the FPO enablers winners received their awards from **Mr. P.V. S. Suryakumar**, Chief General Manager, National Bank for Agriculture and Rural Development (NABARD) and **Mr. Anil Kumar SG**, Founder and CEO, Samunnati

Key Highlights from the Jury Process

FPOs from all over the country engaged in various agri and allied activities were considered based on their achievement and regardless of their association with Samunnati/ SFAC/ NABARD and major Resource Institutions. Grant Thornton (GT) was engaged as the Summit Knowledge Partner to shortlist the nominations in an objective manner. The shortlisted FPO and FPO- enabler nominations were presented to the Jury by GT backed by the data as also performance related qualitative information.

Broad parameters considered were the age, member engagement, market linkage, governance and financial credibility of the FPOs. In addition, many other relevant parameters were considered based on the award category of the nominee.

In FPO enabler category, the service agencies that have been creating significant impact in the sector were measured based on their engagement with the FPOs, the performance track record of their underlying FPOs and so on

Jury Members

Mr. N. Srinivasan - Chairperson of Jury for the awards and a Livelihood Sector Expert

Mr. Anish Kumar - Managing Director, Transforming Rural India Foundation

Mr. CS Reddy -CEO, APMAS

Mr. Emmanuel Murray- Senior Advisor, Food & Agribusiness, Caspian Impact Investment Adviser

Mr. Jaideep Singh -MD & COO, Rabobank International Mumbai

Mr. NV Ramana - Independent Consultant

Mr. S S Bhat - Managing Director, Ananya Finance for Inclusive Growth

Farmer Producer Organisations and Enablers Awards

FPO Awardees

A. Best FPO Leader:

- North region - Samridhi Mahila Crop Producer Company Limited, Rajasthan
- South Region - Holur Horticulture Farmers Producer Company Limited, Karnataka
- East Region - Bhangar Vegetable Producer Company Limited, West Bengal
- West Region - Neshkala Crop Producer Company Private Limited

B. Best Governance

- North Region - Sakhi Mahila Milk Producer Company Limited, Rajasthan
- South Region - Shanthi Sagara Horticulture Farmers Producer Company Limited, Karnataka
- East Region - Nabajagaran Global Farmer Producer Company Limited, West Bengal
- West Region - Vikas Agro Producer Company Limited

C. Best Impact

- North Region - Navjyoti Kishan Producer Company Limited, Uttar Pradesh
- South Region - Ramanar Millets Farmers Producer Company Limited, Tamil Nadu
- East Region - Harit Kranti Aadiwasi Sahkari Samiti Maryadit Bagicha, Chhattisgarh
- West Region - Maikal Women Poultry Producer Company Limited

D. Best Performance

- North Region - Vikash Path Farmer Producer Company Limited, Uttar Pradesh
- South region - Kamareddy Progressive Farmers Producer Company Limited, Telangana
- East Region - Damodar Agro Producer Company Limited, West Bengal
- West Region - Avantika Aatm Nirbher Krashak Producer Company Limited

E. Jury Special Award

- Lamaten Tingmoo Organic Grower's Cooperative Society Limited, Sikkim

FPO Enabler Awardees

A. Recognising Best FPO Friendly Private Sector Companies

- ADM Agro Industries India Private Limited
- National Commodity and Derivatives Exchange Limited

B. Recognising best NGOs and Research Institutes Supporting FPOs

- Vrutti Livelihood Partners
- Indian Grameen Services

C. Companies contributing to Outstanding Farmers' Skill development

- Social Education Economical Development Society (SEEDS)
- Krushak Mitra Agro Services Private Limited

D. Best Agri-Tech Startup

- Dehaat

E. Special Award for outstanding contribution in Agri Value Chain (International)

- Olam Agro India Private Limited

Summit Takeaways

The event generated considerable attention with a huge number of participants; the enthusiasm was high over the electronic media too. There was active interest in making this an annual affair both from the sponsors and from the FPOs. Some useful ideas that came up for further exploration were

1. Can we have a forum of stakeholders in FPOs that can meet more frequently to discuss policy, strategy and sector trends from time to time;
2. How to standardise training and capacity building of FPOs; and how to network the resource institutions and training providers for this purpose; and
3. Search for ways of ensuring more effective linkage between NBFCs and bulk funders (including SFAC, NABARD, SIDBI and banking system) for augmenting credit follow to FPOs.

