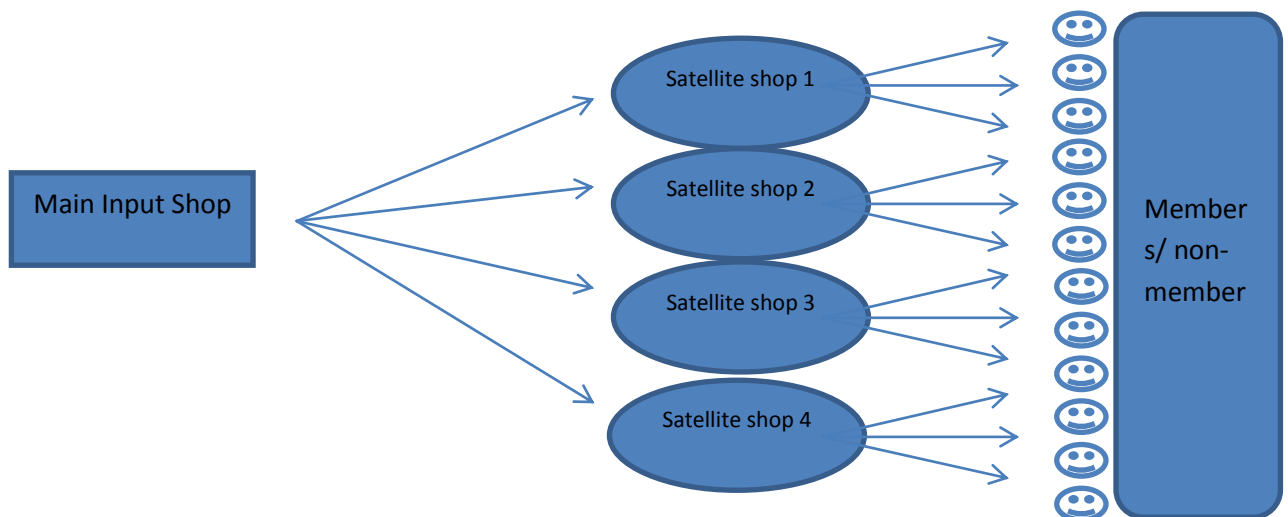


Establishment of input retail outlets by Prayag Raj Farmer Producer Company Limited a boon for the farmers

The farmers from Jarsa block in Allahabad district were forced to buy various agricultural inputs from the input retail shops from block/city markets. In the process, they often spent the whole day in buying inputs. Additionally, they often bought inputs recommended by the shops without understanding whether those inputs will address the needs of the farmers. Very often, the farmers bought spurious inputs at a very high price. Prayagraj Farmer Producer Company Limited in Jarsa after its promotion, established a total of 5 agricultural input retail shops in due course of time— one of them was larger called as main input shop and the other four smaller called satellite shops in the villages. These input retail shops stocks various agricultural inputs on a timely basis based on farmers' needs and sell them to the farmers. Farmers from several surrounding villages buy various agricultural inputs, both the quality and reasonable prices are ensured in these outlets. Additionally, farmers are now able to access these inputs on a timely basis, which was an issue in the past.



Prayagraj Farmer Producer Company Limited started selling agro inputs to the farmers through its input outlets in small quantities since November 2015. The FPO buys various inputs in bulk from authorized input distributors based on an estimation of demand for various inputs from farmers. The FPO buys the inputs from 4 distributors Surabhi trader, Prayag seeds, Om trader and Maurya traders. The FPO from its agro input retail counter sell various kinds of inputs such as urea, DAP, pashu aahar, rizobium, organic manure, rexil easy, weed resistance, seeds of paddy, wheat, mustard, bajra and irrigation pipe. The company has not yet been awarded with the license of seeds, fertilizers and pesticides from the concerned government departments. After obtaining necessary licenses, Prayagraj Farmer Producer Company Limited will buy the agro inputs directly from the manufacturing companies at the distributor price resulting in increased margins to the company and perhaps more discounts to farmers.

Business details

During the 16 months of agro input business the FPO has sold agro inputs worth Rs8.20 lakhs.

Tangible benefits to farmers

The shareholders of the FPO gets a benefit of Rs20 to Rs50 on the purchase of 50 kgs of organic manure from the FPO's input retail shop. Till now 287 growers have been purchasing the inputs from the FPO's agro input retail outlet. The shareholder gets a discount of Rs20 on urea of 50 kgs, which they do not get if they buy it from other agro input shop and 2-5% discount on other inputs. The other benefit to the farmers from such small village level agro input retail outlet is that the farmers do not have to move to block market/district market which saves their transport cost, which normally comes to Rs50 to Rs100 per visit to block/ district market and on the other hand it save the time of the farmers which is now being used to take care of their farms and can utilize the time in some productive activity. The inputs that are available to the farmers have an assurance on the quality of the product as the FPO purchases the inputs from the authorised distributors. If on an average a farmers purchases some quantity of inputs worth Rs2 000 every month from some other agro input retail shop but if the shareholder of the FPO purchases the inputs of the same quantity from the FPO's input shop he will have to pay only Rs1 900 which directly saves his Rs100 per month.

Future plans of the company

Encouraged with FPO plans to open 3-4 more such seasonal input retail counters in the villages which will be operative during the sowing of the major crops.

Picture1

Village level input retail shop of PRFPCL at Chilla village



Promotion of organic manure by Prayag Raj Farmer Producer Company, Allahabad

Several input companies started visiting Prayag Raj Farmer Producer Company at Jasra block of Allahabad Limited soon after it established input shops and started selling various agricultural inputs to farmers. These input manufacturing companies organised demonstration of their inputs in farmers' farms without any cost. The BODs of the FPO decided to promote organic inputs and manures among farmers to improve soil health. The producer company came in contact with Hari Bhari Organic Company and the latter organised demonstration on 8 farmers' plots. Farmers got satisfied with the quality of the produce and the FPO started selling organic manures. The farmers have started using organic manure and have reduced using chemical fertilizers; this resulted in reduction in cultivation cost. Some of the farmers have started producing organic manure (vermi compost and compost) of their own.

The farmers with use of organic manure have increased the productivity by 5% to 10%. With the increased use of organic manure, farmers' dependence on urea has reduced which was often not available to farmers on a timely basis. The FPO has so far sold 11,150 kgs of organic manure worth Rs 47,387 to around 210 shareholders of the FPO. Hari Bhari initially quoted a price of Rs275 per bag of 50 kgs, but the FPO succeeded in negotiating a price of Rs175 per bag. The FPO sells organic manure for Rs212 per bag to the shareholders and for Rs250 to the non shareholders.

The FPO has planned to start the production of compost on its own and sell to farmers. With the increasing demand for organic manure from farmers gradually, the FPO expects to have good business from organic manure.

Picture1

Demonstration of organic manure by Hari Bhari Organic Company

