



# **Mission** Linking small and marginal women farmers with organized agricultural commodity markets for their NPM produce.

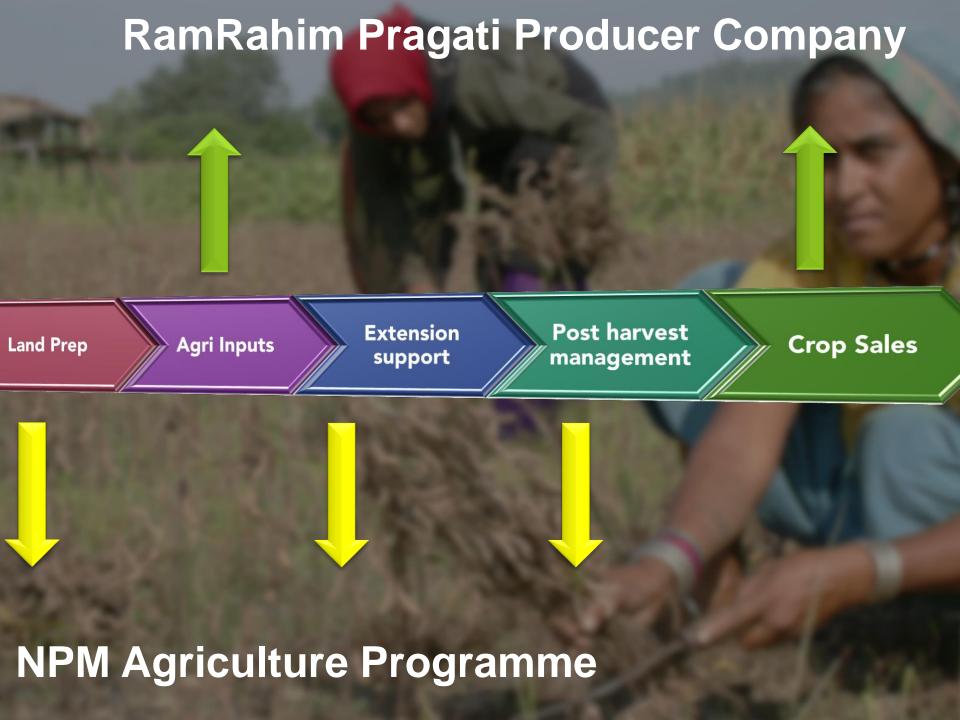


a natural progression of Samaj Pragati Sahayog's support to the region's development

- Small and marginal farmers, in an undulating terrain,
- with poor soils, few perennial sources of water.
- Mostly tribal communities, with limited penetration of the state, and inadequate access to external market.
- First and foremost... watershed interventions, and access to secured irrigation
- Linking the unbanked to the formal credit market through women SHGs
- Addressing the issue of 'interlocking of markets' through collective sale – Crop Aggregation

# RamRahim Pragati Producer Company

- Owned by 304 women SHG groups belonging to the Bagli, Kantaphod, Punjapura and Udainagar Federations.
- Share capital base of Rs. 58.8 Lakhs.
- Major portfolio: Maize, Wheat, and Pulses (Chana, Urad, Tuar and Moong).
- First company to receive a matching equity grant from Small Farmers Agribusiness Consortium, New Delhi.
- Linked more than 8000 farmers with Mukhya Mantri Bhavantar Bhugtaan Yojna.



## RamRahim in FY 18-19...

- Seed production in 58.75 ha. Achieved turnover of INR 5 crore.
- Procurement of NPM crops 388.1 MT Wheat, 230.4 MT Bengal Gram and 600 MT of NPM Maize.
- Forayed into processing Tuar Dal, Chana Dal & Wheat Flour tie-ups with millers.
- Supplied NPM wheat flour more than 350 MT till date.
- Expecting procurement of 1500 MT of NPM wheat and Chana.
- Equipped with Cleaning Grading Unit and 500 MT storage capacity.

# **Challenges Faced**

### Governance

- Building capacity of Board of Directors and Members to make them understand the vision and mandate of FPC.
- Lack of sense of ownership amongst the members.

### Marketing

- Nature of agri-commodity markets:
- High-volume-low-margin, requiring both high equity & leverage.
- High price risk (volatility).
- Reducing arbitrage with better infrastructure.
- High cost of capital.
- Transaction costs in dealing with dispersed small and marginal farmers.
- Free-riding / ex-post opportunistic behavior by members.
- Doing business ethically with wafer thin margins and lack of larger public policy support.

### **Future Direction**

- Increased volumes and value added commodities with Safe Harvest – for all NPM crops.
- Ties with other large institutional players for favorable business terms.
- Operational zing the warehouse and cleaning grading facility on commercial basis.
- Tapping of captive market of urban SHGs as risk mitigation mechanism.

