

Farmer groups in Kerala run their own markets, eliminate middlemen February 21, 2013



Group marketing: There is no waiting period or credit at the samitis.- Photo: M.J. Prabu

More than growing, it is while marketing the produce that a farmer faces a lot of problems and hitches. The irony is that the profit of the produce does not benefit the grower nor the consumer but the middlemen. For decades now, breaking this hold has always been a subject of discussion and controversy in many states. "The Kerala Government, realising the seriousness of the issue, formed the Vegetable and Fruit Promotion Council (VFPC) to help farmers market the produce themselves. The council developed a new group marketing system that is production centred and farmer-participatory. Farmers in different villages all through the State were formed into self help groups called Swasraya Karshaka Samithi (SKS)," says Chief Executive Officer of VFPC, Mr.V.V. Pushpangadan.

Different locations

Each samiti has 20- 25 farmers as members, who are responsible for sourcing and marketing the produce. Every two years the samithi elects new office bearers. VFPC has established different marketing locations across the region and the members bring their produce to these places to be sold. Unlike several other trading places in the country, there are no unions for loading or unloading the produces from the vehicles. The farmers have to do it themselves or can use their own labour for the work. Presently 600 farmers are members of the SKS and about 150 non member farmers also utilise its benefit. Traders are informed on daily basis to come to the spot and inspect the produce.

Better pricing

At present there is no storage facility for the products, mainly bananas and vegetables. A farmer member of the Kattakada, Thiruvananthapuram samiti, Mr. N. Janardhanan Pillai says, "this council has empowered us to get a better price for our produce. Bargaining power for us has increased. We all have a voice now and are luckily free of political interference so far." To add additional support for bargaining the Market Information Centre (MIC) gives details on the daily market prices of banana and all other vegetables collected from different markets in Kerala and even outside the state. The council provides account books and proper authorised platform weighing scales, furniture, telephone connection, land and building for all the samitis across the state. Some of these samitis have achieved an annual turnover of

more than Rs. 1 crore a year in the past. Giving an insight on the price schedule, Mr. G.R. Anil Kumar, district manager of the council says, "for example, Nendran banana variety is priced at Rs. 30 a kg and red banana variety at Rs. 42 a kg. The price varies daily and we keep a check on it. When farmers bring in their banana bunches we pay them 90 per cent of the cost immediately."

No waiting

There is no waiting period or credit. For every Rs.100 a farmer is paid Rs. 95. Out of the remaining balance Rs. three is paid as bonus during festival times like Onam and Rs.2 is used for administrative expense. Unlike the traditional system of agricultural extension, in VFPCCK, the dissemination of information is routed through farmers. Three farmer leaders called Master Farmers (MFs) are selected in each samithi and are trained to lead each group. They lead farmers in the areas of production, credit and marketing. The membership enables farmers access to credit, training and to technical advice from the Council staff, but benefits have gone beyond production related aspects. Unlike the Krishi Vigyan Kendras of agricultural universities the extension approach of VFPCCK model is unique with features like office-less extension, frequent farm and home visits, and mass awareness programmes like campaigns and demonstrations. An MoU was signed with 11 banks in the State for disbursement of credit to farmers. The samiti assesses the credit-worthiness and credit requirements of its members through a participatory credit planning session.

Better position

"The concept of group marketing was developed with a focus on empowering and facilitating the farmers to take more effective decisions for marketing of their produce. This helps farmers to have a good volume thereby being in a better position to negotiate with the wholesalers in order to 'optimise their returns.' Large volumes induce traders to buy from the samithis," says Mr. Pushpangadan. Weighing is done by farmers and is transparent and accurate. The loading, unloading of produce is done by farmers themselves ensuring careful handling of the produce.

Prompt payment

Prompt payment within the prescribed period is guaranteed as there is a collective effort in recovery from among debtor traders. This helps them to reduce transportation expenses and save time.

For more details contact

Mr. G.R. Anil District manager,

VFPCCK, Vipanchika – House No. 38,

Chempakanagar, Bakery Junction,

Thiruvananthapuram-1,

Phone: 0471- 2334480, Mob : 09447107254 and 9446455663.