

5.3 Farmer Producer Organisation



Linking Harvests to Profit: Helping Mushroom Farmers Tap Lucrative Markets

Name of the Project: Promotion and Formation of an FPO - Madhopur Farmers Producer Company Ltd.

Implementing Entity: Madhopur Farmers Producer Company Ltd.

Total Financial Outlay: ₹0.90 million

NABARD's Support: ₹0.90 million

Year of Sanction: 2015-16

Year of Completion: 2020-21 (FPO is active)

Location of the Project: Chandi, Nalanda, Bihar



4. Activities: Input procurement and sale, produce aggregation, processing, marketing, etc.

- ✖ Input outlet set up – Fertilisers, pesticides, seed – tie-up with IFFCO and Yara for regular supply.
- ✖ FPO through BDA support of NABARD of ₹0.34 million was able to procure packaging machines which helped FPO in packaging of processed mushroom (dried, powder and pickle). Simultaneously, FPO also undertook processing of honey and packaging of the same.
- ✖ FPO enlisted its product on digital e-commerce platforms - Amazon, Flipkart as well as ONDC.
- ✖ Further, FPO tied up with DeHaat to supply inputs to farmers through door-to-door delivery.
- ✖ FPO has registered its trademark and brand name, obtained FSSAI licence, IEC code and ISO certification.
- ✖ With grant support from NABARD, they have established a mobile rural mart on electronic vehicle in 2023. Home delivery of various inputs to farmers and collection of dried mushrooms are being done through the mobile mart.
- ✖ Regular training and capacity building of member farmers through Kisan Pathshala and other programmes of Agriculture dept./ATMA.
- ✖ Timely and quality input supply - different types of fertilisers, seed and pesticide are being provided at reasonable cost to all member farmers leading to reduced cost of production.
- ✖ With both forward and marketing linkages established, farmers have reported an increase of ₹5,000-35,000 in annual income after becoming member of FPO.

Challenges Addressed

The rural poor of Chandi block of Nalanda District, particularly women who were trained on mushroom production techniques, found it difficult to sell their produce due to less demand in local market and high perishability of the produce.

Further, lack of timely and cheaper inputs was a persistent problem for small and marginal farmers of the area and often resulted in high cost of production and lower production of produce (Mushroom). This was aggravated by lack of improved technologies, seeds, etc.

Strategies

To address the issue, NABARD provided assistance of ₹0.90 million under PRODUCE to form a Farmer Producer Company with mushroom and honey as the major produce.

Impact

1. **Number of Farmers Supported** - 512
2. **Number of Women Beneficiaries** - 106
3. **Number of Small and Marginal Farmers** - 501

