



UNIVERSITY OF AGRICULTURAL SCIENCE, BANGALORE
DEPARTMENT OF AGRICULTURAL EXTENSION
COLLEGE OF AGRICULTURE
GKVK, BENGALURU-560065

Name : Shalini R
ID. No : PAMB1152
Class : Sr.M.Sc.(Agri.)

Venue : Dr. R. Dwarkinath Hall
Time : 3:30 PM
Date : 24/03/2023

Synopsis
Seminar-I

on

“Cluster Based Business Organizations (CBBOs)- Game Changer in Formation and Promotion of FPOs”

Every aspect of the economic life in India is influenced by agriculture. Indian agriculture is predominantly characterized by large number of dispersed and fragmented small holdings. Majority of the farmers in the country are small and marginal farmers. More than 90 per cent of the small and marginal farmers (SMF) are dependent on rain for their crops. In absolute numbers, there are about 90-100 million small and marginal farmers in India who depend on agriculture for income and employment. Due to this fragmentation and disorganization, it is not economically viable for farmers to adopt latest technologies, use seeds of high yielding varieties and inputs like seeds and fertilizers and agrochemicals etc. Improvement in status of the farmer is possible only through diversification and commercialization of their agricultural activities. This is possible only through collectivization of producers, especially small and marginal farmers into producer organizations. Hence, Government of India has launched a new Central sector scheme entitled Formation and Promotion of 10,000 FPOs within a period of five years i.e., from 2019-2020 to 2023-2024 with a budgetary allocation of 4496 Crore. Under this scheme, FPOs are formed and promoted by CBBOs, which are setup by the Implementing Agencies (IAs). With this brief background, the current seminar has been conceptualized with the following objectives:

- To understand the concept of Cluster Based Business Organizations (CBBOs).
- To understand the Implementation mechanism of the Central sector scheme of 10,000 FPO's.
- To review the related case studies on Cluster Based Business Organizations (CBBOs).

CBBOs

CBBOs in brief referred to Cluster Based Business Organizations, setup by Implementing Agencies at State/Cluster level in order to form and promote FPOs under the Central sector scheme in the identified produce clusters. FPO is one type of Producer Organization where the members are farmers. FPO is a means to bring together small and marginal and other small producers to build their own business enterprise that will be managed by professionals.

Until financial year 2020, there were only about 2474 FPOs. But With the Implementation of Central Sector Scheme of Formation and Promotion of 10,000 FPOs, the number of FPOs have been increased to 7059 as of March 2022.

Criteria for Identification

A Professional organization will be identified to function as CBBO through a transparent method. The committee consisting Managing Director of SFAC, Chairman of NABARD, Managing Director of National Co-operative Development Corporation (NCDC) will be constituted to specify the minimum qualification, experience, expertise and net worth of the organization to serve as CBBO.

Duties and Responsibilities

The CBBOs will take up the following responsibilities viz. Assist in implementation of program as suggested by NPMA and as per guidelines, Implementing Agency (IAs) in Cluster Identification, Community mobilization, Registration of FPOs and Training of Board of Directors (BoDs), Training and Capacity building of FPOs/ Farmer groups and Preparation and Execution of Business plans for long-term sustainability of FPOs.

Case studies

Mr. S. Rajendran learnt a lot about alternative farming practices in VMFPCL trainings viz. Treating seeds with biologicals prior to sowing, such as phosphobacteria and azospirillum before sowing, Pest management by growing trap crops like marigold and bhendi and the role of useful insects like Trichograma, an egg parasite on heliothis. Prior to his FIG enrolment he had no idea like, that there could be some insects, which could benefit his crop. These knowledge and traditional farming practices with improved modern techniques and utilities saved him from severe financial crisis

Mrs. M. Mariyammal, a middle-class family took indigenous cow which used to give 5-6 litres of milk per day. With the availability of fodder in her land she used to feed those animals properly. Out of her expenses and repayment of loan she is saving 10000 Rs for one year through dairy farming. She said that comparing her production cost income in dairying seems to be quite sustainable, regular and profitable with the support extended by the Viruthai Millets Farmer Producer Company limited which provided Rs.1,00,000/- as start-up loan for her activity.

Conclusion

FPO is not merely a company, it is a collective platform for the benefit of farmers. More and more farmers should be part of FPOs. Formation of FPOs is the first step for converting Krishi into Atmanirbhar Krishi. This will enhance cost effective production and productivity and higher net incomes to the member of the FPOs. Also, it improves rural economy and create job opportunities for rural youths in villages itself. This is one of the major step towards improving farmers' income substantially.

References

ANONYMOUS, 2022, Resource Material-Capacity Building of Officials of Implementing Agencies, State Governments and other Stakeholders under Central Sector scheme on Promotion and Formation of 10000 FPOs, Bankers Institute of Rural Development, Lucknow.

ANONYMOUS, 2020, Formation and Promotion of 10000 Farmer Producer Organizations (FPOs) Operational Guidelines, GOI, Dept. of Agriculture, Co-operation and Farmer's Welfare, Ministry of Agriculture and Farmer's Welfare.

