Unlocking a Million Dreams

The Power of Lighthouse FPOs

Supported by: Walmart Foundation

This Document

TRIF intends to positively impact lives in the poorest 1,00,000 villages in India (stranded India), working closely with community institutions and the public-system. FPOs, which form an integral part of NRLM's efforts in India and in Uttar Pradesh, are important institutions from this context. Here, TRIF, with the support of Walmart Foundation, is working closely with 10 Uttar Pradesh State Rural Livelihood Mission promoted Women FPOs (Women Farmer Producer Organizations) in 10 blocks of UP, for economic empowerment and recognition of the women farmers.

The intensive engagement started from August 2023 and has successfully demonstrated a prototype within the NRLM/SRLM architecture, by strengthening and accelerating growth in these 10 'lighthouse' FPOs, whose systems, governance and institutional linkages have been bolstered through TRIF's support. The lives of over 50,000 women have been touched through the initiative and over 10,000 women have benefitted directly through income enhancement. Greater and diversified agro-production, livelihood and income enhancement, visibility of women farmers and their empowerment are benefits noted at individual level. Significant leveraging of benefits has been documented at the program level.

There is immense scope for this initiative to be up-scaled and adopted at the state level in the coming days, given the definite benefits at incremental cost. This document provides insight into this prototype i.e. the lighthouse FPO model, for larger adoption in other geographies, within the state and beyond.

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Quotes from Key Partners

"Our commitment to farmers is centered on advancing sustainable agriculture, improving market access, and driving inclusive rural growth. By strengthening Farmer Producer Organizations (FPOs), including Women-led FPOs, we seek to unlock greater potential and help build resilient livelihoods. The success of these FPOs is a testament to the hard work and dedication of the farmers themselves"

Nishant Gupta

Social & Environmental Impact Advisor to Walmart.org.

"The core purpose of SRLM (State Rural Livelihood Missions) is to promote women as economic agents in every state, connect women with markets and create important value chains for economic enhancement. FPOs play a vital role in this context and are part of the UPSRLM (Uttar Pradesh State Rural Livelihoods Mission) structure. This intervention is harnessing the true potential of FPOs to empower them economically and also ensure their visibility and rights as farmers. This model intervention has emerged within the SRLM architecture and can be easily scaled to other geographies in the state and beyond,"

Ms Deepa Ranjan

SMD, UPSRLM

About 'Women Farmer Producer Organization:
Engendering Food Supply Chains'

Background and Relevance

The entire farming operational framework remains largely gendered in India. Different sources of data point to the high participation but low recognition, visibility and economic empowerment of women farmers in India. According to a research by the Indian Council of Agricultural Research/ ICAR, 'the participation of women is 75% in the production of major crops, 79% in horticulture'. According to another report women constitute approximately 73% of rural agricultural workforce in India but only 14% are operational landholders (Agricultural Census 2015-16). While agriculture and allied sectors are witnessing a rise in commercialization causing new enterprises to emerge, women remain marginalized owing to a lack of access to information, resources, credit, technology etc.

Another concern is the persistent challenge of price realization (in Situation Assessment Survey of Agricultural Households/SAS 2021, reports decline in crop incomes, even when there was growth in overall production). The elasticity of poverty reduction with respect to agricultural growth in India is estimated to be 1.9 and agriculture has the potential of becoming a poverty alleviation lever in a veritable way. This potential needs to be realized.

Here FPOs are a crucial tool and can play an affirmative role towards diversified livelihood, income enhancement, visibility and empowerment of women farmers. It is also of essence that FPOs are already embedded in the NRLM (National Rural Livelihood Mission) architecture. This is important to ensure sustainability and up-scalability not only within the state but even beyond that. It also ensures better access to schemes and convergence. Hence an approach to developing prototype lighthouse FPOs within this NRLM/SRLM architecture is being adopted in the 'Women Farmer Producer Organization: Engendering Food Supply Chains', program. This model can then be the taken as source code to provide both 'know-how' and 'show-how' for replication within the state and greater geographies.

Project Dates

August 2023 – July 2025

Approach

Working with Women Farmer Producer Organizations (WFPOs), since FPOs have emerged as an effective institutional aggregation model for linking farmers to the input-output markets; also enhancing their collective voice and their agency as farmers.

Integrating with existing systems and programs, state level capacity and infrastructure. This would improve its leveraging potential and up-scaling power as a 'model/prototype approach'. Such systems and programs include NRLM structures and resource provisions and different other government schemes available.

Create/support women agricultural entrepreneurs as key actors in increasing income in a sustainable manner through new mechanisms that link with dynamic market opportunities and build value chains linking producers to consumers.

Vision

- Increase in Women Farmer's Visibility, Identity, Recognition and Resource Access
- Accelerated Growth of Women FPO by Leveraging SHG (Self-Help Group) based Mobilization
- Diversification and strengthening of livelihood activities
- Women members accessing services from FPO

Coverage

The coverage of the intervention extends to 10 blocks in 10 districts of Uttar Pradesh.

These 10 districts are Aligarh, Bahraich, Basti, Banda, Hamirpur, Kheri, Mirzapur, Prayagraj, Sultanpur and Varanasi.

Panchatantra
–The Five-Fold Pathway

The intervention itself has consisted of well-conceived but also organically emerging core steps that have helped convert FPOs developed by SRLM into the block level lighthouse FPOs of today:

1 Member Mobilization

- Members as shareholders.
- Producer groups as members
- Non-shareholders mobilized for various services

2 Business readiness

- Required Licenses – Pesticide, seeds, mandi etc.
- Institutional Linkages – for input with companies, buyers for output sales, credit linkages with banks and MFIs (Microfinance Institution)
- Compliances – GST, Audit, FSSAI etc.
- Accounts and other processes –BORs, Simply Khata, ERP

3 Crowding-in Public investments

- Linkage with Platforms like on startup & MSME (Micro, Small, and Medium Enterprises)
- Linkage with different govt. schemes like AIF, Subsidies on processing units, Custom Hiring Centre

4 Business Model and market linkages

Tapping into the local market

- Processing units of the produce to be marketed locally through FPO/**CLF** network – dal, masala, flours, oil etc.
- Meeting supply and demand side through aggregation

Value addition and Private Partnerships (KVH)

- Processing units, small scale businesses in partnership of private sector, building on technical and marketing support through the partners

Green economy

- Layering Bio-energy, seeds, natural farming, organic, bio-fertilizer etc. -businesses with green interventions

5 Introducing high value market-linked agriculture

- High value activities and niche crops based on potential, market demand
- Diversification into livestock -Goat, Dairy, BYP

The Stages in Evolution of a Lighthouse FPO

Powered by these processes, the lighthouse FPO unfolds. The progress from fledgling FPO to evolved lighthouse FPO can be considered to take place in stages that are not necessarily water tight but free flowing and intertwined.

Stage One: Emerging Lighthouse FPO

Unlocking Potential

- **Members mobilized.**
- **Business readiness ensured.**
- **Basic ecosystem created through agri input-output linkage** (e.g. with Sankalp, Bayer, Syngenta, DeHaat, ITC, Ayekart etc)
- **Basic business model evolved and business activities initiated** (including creating business enablers like AE & D3C Sanchalika; ref: table 1, Pg.8, for descriptions).

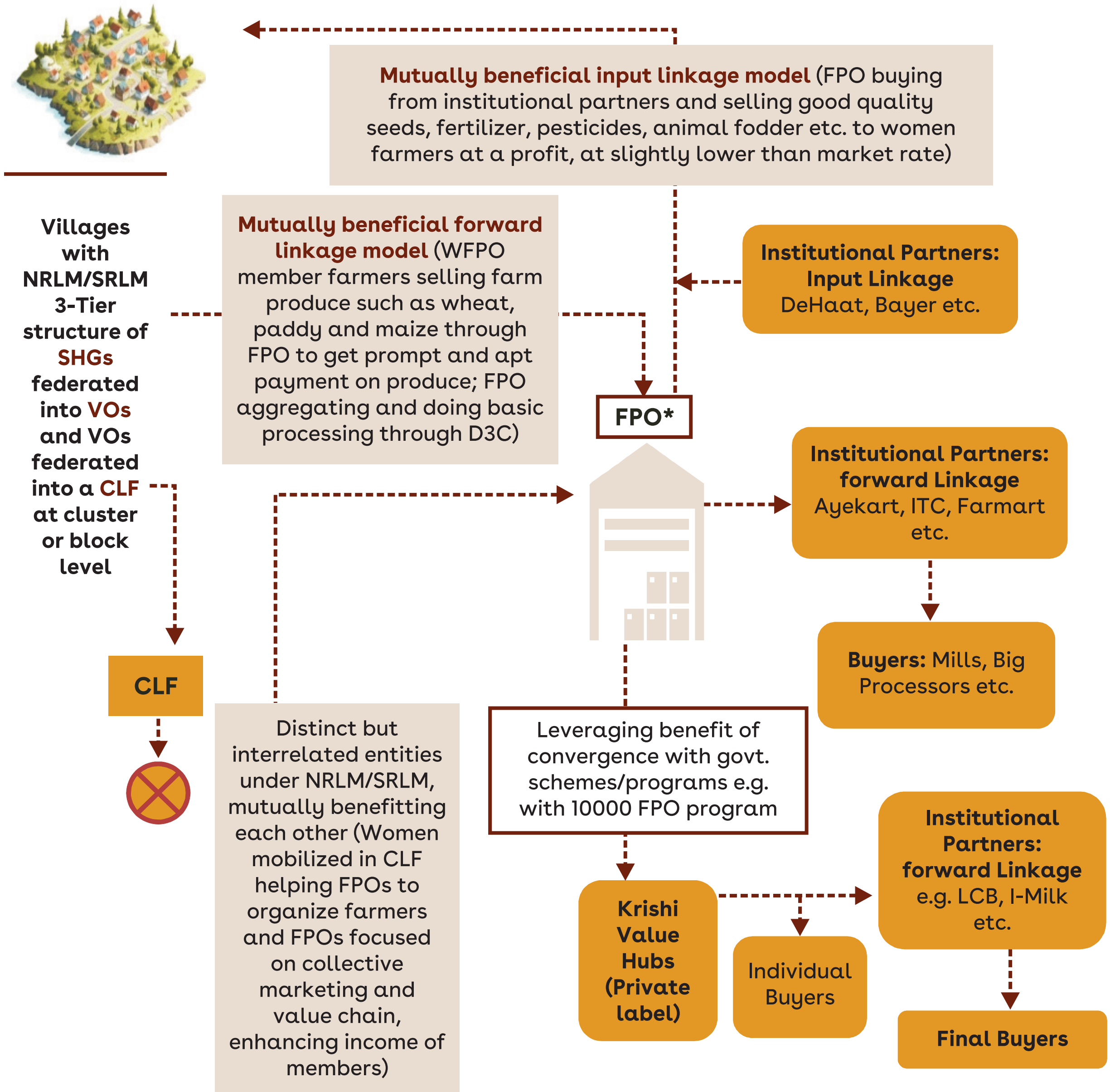
Stage Two: Evolving Lighthouse FPO

Towards Accelerated Growth

- **External eco system explored and intertwined to strengthen member livelihood opportunities** (e.g. exploring external peripheral linkages such as with IMAGO Unnati centres, tapping into profitable local business models that can be adopted by the FPO etc. further private partnerships for value chain businesses explored)
- **Eco-system created for next level value chain driven business opportunities for FPOs**
- **New, next level businesses (KVH) for greater profitability and accelerated growth of FPOs created** (partnerships e.g. with LCB, I-Milk etc. form part of KVH eco-system)
- **Basic agri input-output business sharpened and strengthened** (e.g. opening MDC Model DeHaat centers)
- **Membership Mobilization activities continue** (including through demo farm initiatives & training of member as well as non-member farmers to enhance appreciation for the FPO eco-system and bring them into the fold; trainings focused on enhancing and diversifying livelihood opportunities and adopting sustainable agricultural methods and practices)
- **Business enabler framework continues to evolve** (e.g. greater integration within SRLM architecture such as ground level resources like Aajeevika Sakhis in enabling FPO entrepreneurship;)

This 2-year engagement has unlocked potential of the lighthouse FPOs and taken them towards accelerated growth. It has created an FPO prototype under NRLM architecture for larger adoption in other geographies

The Model of Intervention



* currently AEs are catalyzing input linkage of FPO at individual level but have potential of convergence where SRLM Resource Persons such as Aajeevika Sakhis, who may be capacitated to play this crucial role as well as the role of facilitating forward linkage at individual buyer level for KVH products.

Thus the intervention model that evolved in this two years' engagement is based on well-planned processes and has certain crucial components and enablers, which are mentioned in Table 1.

Core Components in the Model

Core Components	Description	Numbers
Lighthouse FPOs	Essentially women FPOs conceived at block level, with a board of directors consisting of 5-10 members, business ready with adequate licenses, showing improved governance, business activities and turnover and performing through gender lenses of women recognition and empowerment. Currently having average membership strength of 1000.	10
Agricultural Entrepreneurs/ AEs*	AEs are selected members of the lighthouse FPOs who provide crucial backward and forward/input-output linkages in farming and work through a zero-investment commission driven business model for the lighthouse FPOs. The AEs sell inputs such as seeds, fertilizer, fodder etc. to the peripheral farmers and facilitate FPO member farmers in selling of grains such as wheat, maize, paddy on fair and prompt pricing through digital commodity collection centers/D3C. D3C Sanchalikas are an AE sub-category, who, unlike regular AEs, operate from a structured D3C set-up that is fortified with equipment such as vibro-separator, electronic weighing machines and moisture machine etc. These D3Cs are thus Aggregation and Basic Processing units. Each D3C sells/generate sales for seeds, fertilizers etc. among women farmers after buying them from the FPO. They also aggregate farm produce such as grains like wheat, maize and paddy from the FPO member farmers and do basic processing to be sold to mostly institutional buyers through their lighthouse FPO, on fair pricing and prompt payment cycles. There are 60 such D3Cs in this intervention.	453
Krishi Value Hubs/KVH	These are small to medium enterprises, owned by the FPOs, mostly centered around agro-processing and value addition. The products of these enterprises may be sold under FPO labels or private labels of companies. The latter often enables outreach of products beyond local geographies and entails a profit sharing agreement between the FPO and the private partner. These businesses often serve as engines of local economic activity and growth, particularly for the women engaged with the KVH or members of FPOs. As of now, the core KVH enterprises being run by the lighthouse FPOs in partnership with LCB fertilizers Pvt. Ltd. are bio-fertilizer units. Dairy and dairy-products' KVH has been adopted from the community and up-scaled and is partnered with I-Milk. Other KVH units, such as mushroom farming and mustard oil processing units are also partly set up and will be fully functional in the immediate future.	25

Core Components	Description	Numbers
Institutional partnerships (for input and forward linkages)	These partnerships for input and forward linkages are emerging. For example, institutional partnerships for inputs have been forged with DeHaat, Krishi Rasayan, Bayer etc. Similarly, institutional partnerships for forward linkages have been established with Ayekart, Farmart, Ninjacart etc. In certain cases, such institutional partnerships are taking the shape of franchises, such as Model Dehaat Centres with DeHaat. These franchises of DeHaat taken by the lighthouse FPOs in Prayagraj, Aligarh and Lakhimpur Kheri and provide input linkage to farmers by providing various products and services. Products include seeds, fertilizers, pesticides, animal fodder etc. while services include consultations for farmers regarding farming processes and challenges. The order for inputs is mostly generated among farmers by AEs and D3C Sanchalikas and doorstep delivery is ensured through delivery agents called Dehaat kaptaans.	14
Central Linkage Cell	Conceived for supporting the FPOs with institutional linkage and building the initial eco-system for their accelerated growth.	1

*The color coded components are those aspects of the model that showed zero/low cost implications and can be replicated/adopted simply by following a standard SOP.

The Stages in Evolution of a Lighthouse FPO

The various components of this model come to life through real life stories and cases from the field, as shared by various stakeholders. Together, the effort here is to provide a relatively detailed insight of each element and weigh the possibility of their adoption and replication.

Overall, these case stories have been divided into three sub-categories:

Those components that are **well integrated** into the FPO eco-system and are part of it.

These are marked as stars.

Those components that are **emerging as part of the broader FPO eco-system,** especially in creating accelerated growth through business opportunities by creating diverse livelihood options.

These are marked as sun.

Those components that are **outside** the FPO eco-system but are linked to it to create a support framework and enhance value or to accelerate growth and business opportunities. This includes units such as the IMAGO UnnatiCentres.

These are marked as streaking stars.

AEs are providing agri input-output linkage for the FPOs and seeing a rise in their incomes too

Pushpa Devi lives in Jaganpurwa village in block Nighasan of Lakhimpur Kheri district. **"Our village is surrounded by forests,"** she said, **"very little information reaches us and our scope for earning is limited. Luckily I am a member of Nighasan Farmer Producer Company Limited and it was at one of these FPO meetings that I attended a meeting where people from DeHaat and TRI had come. Earlier our FPO did not have linkage to DeHaat but TRI helped us by creating this linkage. It was very useful."**

This meeting had taken place on the 7th of January 2025. After the meeting, when it was explained that seeds, fertilizers, pesticides and animal fodder can be purchased through the FPO at good rates and sold to the other farmers in her village at a profit, if anyone was ready to take the initiative, Pushpa Devi volunteered. This is how she became an Agricultural Entrepreneur (AE). Pushpa didi says that she received knowledge inputs from time to time on Google Meet sessions to keep her and AEs like her up to date on latest products and developments.

"By working as an AE, both the FPO and I are getting profit and the small farmers to whom I sell inputs like seeds and fertilizers are also gaining. These small farmers had to buy all these things from the open market at higher rates. Also I mobilize our member didis to sell their grains to the FPO as the company will give them better rates and immediate payment," says Pushpa didi, explaining the **benefits**.

She points out to the **core benefits** of the model:

Firstly, DeHaat has **video consultation facilities for farmers.** Pushpa Devi links any farmer in her client basket, who is facing any problem with the crop, to the DeHaat experts on video calls. The expert suggests products that can rectify the particular crop malady and these products have been very effective so far. This has substantially reduced crop loss.

Secondly, the **cattle fodder** that she provides to the farmers is of very **good quality** and saves the farmer the hassle of having to make fodder from scratch. The rate of the fodder sold by Pushpa Devi varies as per size/milk output of the cattle. For example, for cattle producing 10-15 liters of milk the fodder cost is INR 1390 for 50 kgs. The cattle are consuming the fodder eagerly, giving a better quality of creamier milk and are producing more milk.

Thirdly, the **women farmers have better resource access**. For example, farmers in her village used to procure wheat seed at INR 35-40 per kg sack from the open market. They are now getting the same quality and quantity of seeds at INR. 30. Likewise for fertilizer, they used to pay INR 350 to 400 for 50 kg but are able to procure the same quantity from the AE at INR 266. The farmers are receiving fairer price and quicker payments when they sell their grains through the AE linkage and FPO. For example, farmers used to sell 1 quintal of wheat to the 'baniya' for INR 2250 but the FPO gave them INR 100 more for it.

Fourthly, **the FPO's profit is also enhanced** as more farmers are linked to it for agri input-output business.

Lastly, AEs like Pushpa Devi are also earning through the AE model. She provides specific figures to explain her **profit dynamics**:

Pushpa Devi sells agri inputs to peripheral farmers in her village and **earns a 5 percent commission on animal fodder and also on seeds. She also earns a 3 percent commission on pesticide.** She does not have a commission on fertilizer but sells it anyway to complete the basket of inputs required by farmers.

"We are poor people and this earning has been a motivation and relief. From February to June my earning is consistently rising. First I got a payment of INR 1400, then INR 2800, next INR 3120, after that I got INR 4,442 and in the latest round, I received INR 9135. I also hold meetings among farmers from to time to make them aware of my products. Every time I hold a meeting of 10-15 farmers, I am expected to fill a Google form and submit it. After that I get INR 100 from DeHaat additionally. My profit is steadily rising."

The Model and its Scope of Adoption: This has been almost a zero-investment commission driven business model in the first phase. Selecting and grooming an AE ensures multi-pronged benefits - to the FPO, to the AE and to the small farmers. The NRLM 3-tier structure (SHG-VO-CLF) already exists and provides good outreach to industrious women volunteering to be AE, who only need to be mobilized and capacitated.There is immense scope to build on this AE structure in the subsequent stageswithin the NRLM architecture by capacitating Aajeevika Sakhis, SRLM resource persons, to also perform AE role. The basket of services may also be broadened to include other services such as paravet, micro-credit and micro-insurance services.

Rajneesh Devi's strengthened income opportunity after adopting multi-layer farming

Rajneesh didi lives in Tappal. Their household has two pieces of small agricultural land. Rajneesh didi recounts how she had been growing vegetables such as Bitter Gourd, Bottel Gourds, Pumpkin, Apple Gourd, Sponge Gourd etc. on these land pieces using the traditional method of farming.

"I had been associated with my village SHG and was an active member. Gradually, I became the sachiv (Secretary) of our CLF. It was at a CLF meeting that we got to know about TRIF. In my journey as a farmer, that connect with TRIF was a turning point," she reminisces.

She says after TRIF started working in the area and helped further capacitate and engage the Aajeevika Sakhis. It is the **Krishi Sakhi that motivated her saying that if she adopted 'machaan' cultivation or multi-layer farming, the productivity and returns may both increase.** The TRIF FPA and the FPO also encouraged her to set up a demo field.

"Initially, I had my doubts as I had not used this method of farming earlier. The other SHG didis in the village also had their doubts whether this method would work. But Aajeevika didi and TRIF FPA encouraged us.They said that often crops on the ground get spoilt more easily or bear marks from decaying leaves. These deplete their value and our profits. If we adopt the machan method, we will not face these challenges and will benefit as a result. So I felt convinced that I should try. **I was supported to try this out in a small demo area**. Thankfully, I have not regretted my decision. After the demonstration, I adopted it on a bigger scale," says Rajneesh Devi, who has now adopted multi-layer farming on approximately one and a half bigha.

"I did not face any hassle while initiating this new method. Our Aajeevika didi and TRIF FPA came and set up the machaans," she said. "I just arranged for the money on credit from my SHG. I took a loan of approximately 25,000 INR and gradually returned it. I finally had a functional multi-layer farming in August 2024."

As a result of the initiative there was a definite increase in the income of Rajneesh Devi, who explains the **profit dynamics**:

She says earlier she used to sow various vegetables on the ground in her one and a half bigha of land parcel and in a duration of **6-7 months earned approximately up to INR 20,000**. But in the multilayer farming, she grew mostly gourds andin t**he period of August 2024 to February 2025, earned returns of approximately INR 80000. This was several times her previous income from the same land parcel over the same time duration!**

"The only challenge is that because of seasonal storms, part of the machaan has fallen. It will have to be reconstructed. To avoid such repeated yearly investments, I am considering setting up a polyhouse," says Rajneesh Devi. She also mentioned that she had never heard of polyhouses before and that it was only recently at a group meeting that she got to know of the concept from the TRIF team.

"In the polyhouse, I will be able to grow crops outside their stipulated season. For example, I might be able to grow some cauliflower produce even beyond winter. Production will be better and in polyhouse the crops do not get spoilt as easily. So I hope to earn well from setting up the polyhouse method," she says confidently.

The Model and its Scope of Adoption: Setting up demo-farms by mobilizing resource persons such as Krishi Sakhis/Aajeevika Sakhis points to good integration with the current structure, resulting in easy adoption. Linkage of target beneficiaries to SHGs enables easy access to credit to meet initial cost of adopting the farming mechanism.

The particular type of farming i.e. multi-layer farming is suitable to large swathes of UP except in flood prone pockets and pockets with sloping nature or with indent for water logging. Places suitable for multi-layer farming can be categorized into agro-zones, each with homogenous characteristics and crop patterns can be decided in each for easy replication. Thus it is easily up-scalable and can provide strengthened income opportunity to women farmers.

Poised on the learning from this intervention so far, new possibilities for moving forward are emerging for integrating into SRLM structure. The Aajeevika Sakhis can double up as AEs, linked to the lighthouse FPO and be capacitated further to provide agri-advisory and support in adopting new and more profitable farming practices.

Intervention support helps Sheela Devi strike gold with improved variety of peppermint farming

Sheela Kushwaha resides in Naubana village of Bahraich district. "I recollect that I always wanted to be financially independent and do something different. After marriage, while my husband and father-in-law worked in the field, I tried my hand at a small terrace nursery. In this I used to grow seasonal vegetables, which my family used to relish and other didis in the village also used to learn how I was growing them."

However, despite the satisfaction of the terrace vegetable nursery, Sheelaji was a little wistful as she was not earning anything. Then when SHG, Village Organization/VO and CLF started functioning through SRLM mobilization, Sheelaji became a book keeper for her VO. This earned her a return of INR 2000 per month. However, it was not enough to match Sheela Devi's dreams.

"My husband told me, why don't you also start growing peppermint in a part of the field? But I was not too keen. My husband, father-in-law and some farmers of the village already grew peppermint and I wanted to do something different. This is around the time that TRIF came to our area and our didis became better aware of the meaning, role and scope of an FPO. TRI also encouraged me to take up peppermint farming," she said.

With TRIF's support, the lighthouse FPO at Bahraich became more functional and started engaging in business transactions. It bought seeds, pesticides and fertilizer and sold these to the local farmers at a profit. The products were better and sometimes even a little cheaper. This says Sheelaji, won the trust of the farmers in her village.

"So when TRIF told me that the mentha runner/'latthar' they were giving me were different and of better quality from that sowed in the village, I believed them. No one else had used this variety in our village and so I was excited that maybe I could do something new and different for the village. The first time, I was a little stressed and planted the mentha on 2 bigha of land. A fair bit of field preparation had to be done for the saplings, and I prepared the fertilizer and gradually prepared the saplings. I also invited other didis from my village to see my mint saplings. The didis came, saw them, and a few of them even tore a few leaves and smelt them. They left saying it looked good. They also told me to update them how it was faring," says Sheela Devi.

Sheela Devi says that after that hesitant first season, she never looked back as it was proven that this peppermint was of far better quality than the one otherwise sown locally. She speaks of the profit dynamics, as given below:

Old, locally used variety of peppermint produced: 10 liter of oil from 1 bigha of land

New, improved variety of peppermint producing: 25 liter of oil from 1 bigha of land

Rate of peppermint oil at which she sells it to traders: INR 950 per liter during season and up to 1500 during off seasons. With greater production of oil and better oil storing techniques, she is able to store more oil to be sold at higher rates during off-season.

At least 100 didis, who are members of the FPO and had witnessed the demonstration of the new variety of peppermint on Sheelaji's demo farm, shifted to the new variety of peppermint in the next season i.e. March to June 2025. They purchased the mint runners from Sheelaji, who sold it to them between INR 35-50 per kg depending on the quantity purchased. In three different installments she recollects selling 80 quintals, 40 quintals and even 200 quintals. In this way too Sheelaji earned a high amount of money.

"Our FPO has said that next year, more members will join this new variety of peppermint farming. I upgraded from 2 bigha of demo farm in 2024 to 25 bighas for this new peppermint farming in 2025. Next year, I too will increase the acreage for peppermint farming. The FPO is also thinking if we can sell peppermint oil directly to the consumers rather than going through traders," says a visibly ecstatic Sheela Devi, who finally saw her childhood dream coming true.

The Model and its Scope of Adoption: The success shows that developing demo farm initiatives with select FPO members can be compelling and an economically enhancing initiative for the other FPO members and even a business opportunity for the FPO in due time. Given that the soil, water and weather conditions for mint farming may be available in various parts of the state and the knowhow for forward linkage already exists with some of the existing lighthouse FPOs, up-scaling seems like a viable option, especially in a market showing increasing demand for mint oil. This ensures strengthened income opportunity to women farmers.

The Aajeevika Sakhi can double up as an AE linked to the lighthouse FPO and be capacitated further to provide agri-advisory and support in introducing new and more profitable varieties of mint runners to the farmers, enhancing income of women farmers.

D3C centers are adding to the FPO agri-output linkage chain and also economically empowering women farmers

Sanju Didi was at her D3C center in Bhagaria in Bahraich district and willingly agreed to share her experience. *"The D3C is at our home. It is on the main road and there is small storage space as well. So items can be stored easily and trucks can come till the doorstep to pick them up. Also, I was an active member of the SHG as well as the FPO at Mihinpurwa and can read, write and do basic accounts keeping. I was also willing. Because of all these factors, I was chosen as the D3C Sanchalika,"* she says.

The D3C that she is in charge of provides backward and forward linkages to women farmers reside in one of the 4 GPs of Bagharia, Kakraha, Gorapitra and Chura. It was set up by the FPO with TRIF's support and is equipped with two electrical weighing machines of diverse sizes, moisture meter for testing moisture content of grains and also a vibro-separator for cleaning the produce of certain impurities.

"TRIF not helped set up the center but also built my capacity. Every season we receive one day training at the FPO office, pertaining to a certain crop, for example, wheat or paddy. We are taught various things at the training sessions, for example, how to identify and reject wheat that is affected by pests; how to weigh products suitably, setting aside the weight of 700 gms for the sack; how to use the moisture meter to ascertain the level of moisture in the crops etc. These trainings were certainly useful in my role as Sanchalika," says Sanju Devi.

She also mentions how the D3C functions. She says that she collects a list of items such as insecticide, pesticide or seeds that are needed by women farmers of her peripheral villages. The AEs also support her in getting the same list of demand from the neighboring GPs on a monthly basis. Sanjuji then visits the FPO office and purchases all these items to be sold to the peripheral women farmers. She explains her profit dynamics:

"In our village seeds of various crops are easily available. Also, some farmers are using natural or organic fertilizers. So the demand for seeds and pesticides is average. However, I earn decent profit from the selling of agri-output. Since we do not have cold storage, perishable items such as vegetables cannot be kept here. But samuh sakhis who are members of FPOs bring produce of wheat, paddy and maize to my center to be sold from here. I get a margin of INR 45 on every quintal that is sold through my center but this includes operational cost. In the last 3 seasons, approximately one and a half years, I have been able to earn more than one and a half lakhs through my D3C center," says Sanju Devi.

She emphasizes that the center has also been very useful to the peripheral farmers linked to it. Earlier, she says, these farmers had to wait a minimum of 1-2 months and sometimes up to 5-6 months to recover the money they earned by selling their crop to middlemen. As a result, they found it difficult to make suitable investments for the next agricultural season. The middlemen also tend to round off and pay for the produce and take away at least 1 kg per measurement as commission. **There is no such loss during crop weightage that the farmers incur at the D3C center. The payment for the produce is also very prompt and reflects in their bank account between 3 to 7 days. It is the women farmers who get the payment directly**.

Sanjuji feels that this has been made possible through the FPO and TRIF support and says, "I only have to make a phone call to TRIF team after I have weighed, cleaned and appropriately stored the grains and the truck is sent over for delivery of these through the FPO to institutional buyers."

She says that the number of women farmers availing benefits of her D3C center is increasing every season.

Scope of Adoption: Each D3C can economically benefit a large number of women farmers and enhance the income opportunity and resource access.

The scope of adoption is quite high since the cost of setting up D3Cs can be ensured by linking to various govt. schemes and provisions such as matching equity of the 10,000 FPO scheme. The D3C Sanchalikas are a sub-category of AEs and work on a similar low-cost model.

In the times to come the scope of adoption of D3C benefits and mechanisms on a wide scale can also be explored by creating mobility through AEs. This can be achieved by equipping the AEs with weighing scales and moisture meters for suitable collection of grains from women farmers who are members of FPO.

Lighthouse FPO forging the way for visibility and economic empowerment of its members

Maa Vindhyawasini Prerna PCL is a lighthouse FPO at Koraon, Prayagraj and has 850 members today. It is steadily inching towards profitability and corpus generation through various commercial and business activities. Ina little more than a year, the turnover of this FPO has been INR 76,75,473.

However, Rajkumariji who is one of the board of directors of the FPO says that it was not always like this. *"Although NRLM helped us form a company on the 29th of May, 2022, we were not quite sure how to move ahead. The BMM used to come and guide us on some matters, for example, where to go to get 'mandi' license. But we needed a more hands-on guidance. At this stage, we were linked to TRIF. This was an important linkage for us."*

As per Rajkumari Devi, TRIF helped in completion of the FPO documentation for business. "At that time we had no license and our membership strength was not even 150. Through TRIF's guidance we managed to get the seed/beej license, the fertilizer/khad license and the market/mandi license. Once our membership strength increased and we got krishi grant, we advertised for a CEO and an accountant and appointed them. It is from this point onwards that we started getting stronger."

The greatest benefit of getting TRIF support was thus in creation of the preliminary eco-system, including linkages, for the FPO to grow. The link to DeHaat and ITC was most useful. These provided forward and backward linkages. The FPO started buying seeds, fertilizers and pesticides from

DeHaat and selling grains to private players like ITC, Farmart, Ayekart etc. Rajkumariji provides a few examples of **cost and profit dynamics** to show the benefits to the FPO and the farmers:

Seeds (Wheat):

Earlier farmers used to go to the shop to procure a 40 kg sack for INR 3,200 to 3,400 per sack.

The FPO helped this get delivered to the doorstep for INR 3100 per sack, reducing cost of seeds and travel and also time lost through having to go to the shop.

Fertilizer:

Earlier farmers used to go to the shop to procure a packet for INR 1,400 - 1550 from private shops.

The FPO helped them get the same quantity for INR 1,300.

DAP plus Zinc:

Earlier farmers used to procure from the open market where a packet used to cost INR 399.

Now, through FPO, the same quantity costs INR 366.

Wheat:

Through linkage to ITC, the FPO is able to sell per quintal at INR 2,600-2,700.

Since this is well above the rate the traders offer the farmers, the FPO pays the farmers at INR 50 per quintal above the rate they could have got from traders and retains the rest of the margin itself.

Thus the FPO earns profit and the farmer members get prompt payment from FPO.

Fodder:

Earlier farmers used to go purchase 50 kgs at approximately INR 1,500 from brands such as Kapila. These had relatively low nutrition value.

Now farmers are purchasing through the FPO at INR 1,250 for 50 kgs. The fodder has relatively high nutrition value, reflecting in better health and higher milk production of cattle.

FPO Profit:

The FPO earns 10 percent of total turnover of produce that is purchased through it from DeHaat. To further streamline this, the FPO has set up a MDC Model Dehaat Center, which is a franchise of DeHaat. The center has a wide array of products, particularly farming inputs and fodder. While peripheral farmers may add to the footfalls at this center and buy from it directly, most farmers in the block can now raise orders from it by contacting the AE or D3C Sanchalika closest to them. Once the AE or D3C Sanchalika raises the order, delivery boys called Dehaat Kaaftans pick the products from the MDC Center and ensure doorstep delivery to the farmer.

There are at least three gainers in the process:

- The FPO gains profit at 10 percent of the selling price of the products sold.
- The particular AE or D3C Sanchalika that has raised the order gains 2-5 percent of the selling price of the products sold, depending on the specific product that is being ordered.
- The farmer also gains through hassle free doorstep delivery of a quality product at a slightly lower than market price.

The FPO is thus earning profit both by providing input and output linkages as it is able to sell the grains it procures from member farmers to institutional buyers at a profit margin. To empower this entire two-way process, the FPO not only has tie ups with institutional buyers and also has

D3C and AEs linked to it. Currently Maa Vindhyawasini lighthouse FPO has 5 D3C and 61 AEs attached to it. Both the AEs and the D3C Sanchalikas work on a zero-cost commission based model.

According to Rajkumariji, the FPO has earned a profit of approximately 1 lakh INR in the March to June season through such transactions.

Members of Maa Vindhyawasini lighthouse FPO, such as Usha Devi also paint a similar picture. Usha Devi says that she has purchased everything from cattle fodder to seeds from the FPO as it has been cheaper and thus cost saving for their farming. She also pointed out that while she also procured seeds such as onion seeds from the FPO, the sloping nature of the larger part of her land often results in water logging and restricts them to sowing wheat and paddy. Here, she has received definite cost advantages in buying from the FPO.

She says, *"For paddy, I used to buy Sonam seeds at INR 105 per kg from the open market. But the FPO gave me better quality seeds at INR 95 per kg. I also used to buy Kaveri seeds at INR 1,800 for 25 kg from the open market. But the FPO gave me better quality seeds at INR 1650."*

Maa Vindhyawasini Prerna FPO, on the other hand, is also earning through Krishi Value Hubs. A mini bio-fertilizer unit is operating and has tie-ups with LCB for selling of the produce. Rajkumariji says that motivated by the success of the bio-fertilizer unit, they have decided to increase output and also open an animal fodder KVH.

"There are a lot of things we are planning," says Rajkumariji. *"Our membership strength will also continue to grow. TRIF has provided training to more than 1000 farmers to build their capacities on improved practices as CRP, seed replacement, INM, water management, soil health improvement and crop diversification and field demonstration. This is building an eco-system for women farmers and is encouraging them to join our FPO. We have come a long way and we are making plans for the future. Our FPO has a lot of potential."*

Scope of Adoption: The entire prototype for creating model and powerful WFPOs, with accelerated growth and enhanced income opportunity to its members, has been created and has provided a 'show-how' source-code for adoption. A SOP to adopt this on a state-level can be developed based on the learning of this prototype.

The model has largely worked within the existing framework of government schemes, programs, provisions and cadres. Introducing and integrating roles, such as that of AE with existing cadre framework adds to the scope of easy adoption.

All that is needed for state-wide adoption of the model is incremental cost towards a core team creating the initial eco-system and capacity building of existing people power structure.

Krishi Value Hub of Tappal Lighthouse FPO has positively impacted the FPO turnover and generated employment for its members

The Krishi Value Hub at Tappal is abuzz with activity. 15 women from the most marginalized sections of the peripheral community are working in this bio-fertilizer unit, set up by Tappal lighthouse FPO. These women are all FPO shareholders.

Suman Devi is among the Board of Directors of the Tappal lighthouse FPO and is convinced that units like KVH have a lot of potential in rural areas so long as there is support in building an initial eco-system.

She explains the **process**, "In 2023, we were clueless and wondering how to take things forward through our FPO, when NRLM linked us to TRIF, after which we added more members and attained a membership exceeding 300. Then our FPO received benefits of govt. program and started receiving the salary of CEO and Accountant. That is when we thought of bio-fertilizer unit."

Suman Devi explains how the KVH runs on a **'samaj-sarkar-bazar'** model. *"TRIF helped us by training several didis from our FPO in Lucknow on how to prepare bio fertilizer using locally available items. The plot of land for setting up the unit was taken on rent by the FPO from the Gram Panchayat on lease of 15 years, at an annual rent of INR 50,000. Our KVH was also linked to LCB fertilizer that is helping us with marketing and technical know-how. LCB and the Panchayat have contributed to construct a boundary wall,"* she says.

In the bio-fertilizer KVH, she says the entire method is indigenous and can be prepared through locally available resources. For example, to prepare 4 pits of bio-fertilizer, 2 metric tons of cow dung, 1.5 quintals of ash, 40 kgs of chickpea flour, 30 kg jaggery and 6 kg 'culture' as needed, as per Sumanji. Preparation time for each lot is approximately 12 days. During the entire process, women from the periphery are employed in various processes related to making, packing and selling of the bio-fertilizer.

Suman Devi points out the **benefits** of the KVH to various stakeholders, *"Not only is the soil quality improving because of the use of our bio-fertilizer, instead of using chemicals like DAP, but also, it is more cost effective. The cost of chemical fertilizer per acre of land was close to INR 5500 while the cost using our bio fertilizer is approximately INR 3,500. The productivity is also somewhat better. So, all the farmer didis are benefitting from this bio-fertilizer hub. And in the entire process our didis gain employment and receive timely payment. On an average month this bio fertilizer unit provides earning opportunity to 20-25 didis from the poorest households who are engaged in making and packing of the bio-fertilizer. They get INR 300 for a day's effort and this payment is made weekly. We are also making profit and in the next AGM, we will discuss the profit sharing pattern and share the profit with 664 didis who were members last year."*

Profit Dynamics: Sumanji mentions that the FPO sells a 1kg packet of bio fertilizer for MRP of INR 13. The cost of production is approximately INR 6 or 7. So the FPO is making profit. The FPO has an agreement with LCB Fertilizers Private Limited according to which 65 percent of the profit belongs to the FPO and 35 percent to LCB.

Thus the KVH unit has come across as a win-win situation for everyone involved in the value chain - the FPO members employed with the KVH, the farmers using its end-product and the FPO itself. Thus it is economically empowering to women farmers.

The bio-fertilizer KVH has motivated the shareholders and Board of Directors of the FPO to try more such ventures. Sumanji signs off saying, *"I recently went for training in Mumbai and while there was interlinked with a company that would like to buy mustard oil from us and sell it in the market. We have also ventured into dairy unit and TRIF helped with linkage to I-Milk. So in this same model more and more units can be set up that is profitable to the FPO members and community."*

Scope of Adoption: The model is not only theoretically replicable but has been practically replicated at the level of the other lighthouse FPOs, albeit on a smaller scale.

So the scope of adoption is high since the initial investment cost of such KVH units can be ensured by linking to various govt. schemes and provisions such as matching equity of the 10 000 FPO scheme or may even be met through support of private partnership in this 'samaj-sarkar-bazar' model. GP level support in set-up space is also a viable and replicable option.

The KVH units create scope for diversified livelihoods, income enhancement, FPO turnover and overall add to accelerated FPO growth.

ThelighthouseFPOadoptsalocalbusiness and augments it to create accelerated growth through Krishi Value Hub

This is a story of how lighthouse FPOs are adopting business models from the community and finding ways to up-scale the initiative into a successful model initiative. The support of TRIF has been critical in building a support system and enabling the FPO to bloom into an empowered, business oriented structure that is able to identify, adopt and escalate such business opportunities.

Savitri Devi, a member of the Tappal WFPO who initiated a diary unit, had been extremely industrious and hardworking in her effort. Her work hours including travel time, stretched to 10 hours or even more. Through such effort and the support mechanisms of her SHG in accessing credit, she successfully managed to buy cattle and initial equipment and create a dairy business, selling the milk in her peripheral area at decent profit.

The board of directors of the Tappal lighthouse FPO saw a possibility in this budding business model. **As a consequence, the FPO, with TRIF support, has played a pivotal role in scaling up the diary unit towards its adoption as a Krishi Value Hub.**

Firstly, the FPO has played a key role in equipping the unit with more machinery and equipment. These include arranging for more milk testers. Secondly, the FPO is taking a lead in product diversification by capacitating the 'didis' associated with the unit and also equipping the center with machinery for such product diversification. To this end, the center was further furnished with khoa making machines, paneer making trolley, curd incubator and ghee heater. Thirdly, through

TRIF support, the FPO has been able to create institutional forward linkages for the diary unit, allowing it to scale to I-Milk, for technical support and market access.

It merits mention here that the FPO BOD and members are gradually evolving to take things forward on their emerging mettle. In Savitri didi's words, "we went for training in Mumbai recently and there could connect to a company which is showing interest in buying mustard oil from us. We will discuss this at the FPO BOD for setting up another KVH."

Thus it is that with the FPO's support, **the diary unit in Tappal is steadily growing in terms of product line, production capacity and outreach.** The milk processed and sold through the diary KVH is procured every day from at least 18 peripheral villages, resulting in good rates and enhanced income. A few women associated with the unit have been trained on aspects like cattle vaccination, nutrition, quality of milk etc. and are improving the quality of the process. The milk is now sold not only to individual buyers, but more importantly, to institutional buyers through the support of I-Milk. These include reputed and large buyers such as Hyatt hotels, Annapurna sweets of the Gopala chain, Fortune group of hotels etc. At least 500-600 liters of milk are being sold every day and this figure can be even higher during the marriage seasons.

The FPO has come to an agreement with I-Milk that the milk from its diary unit may be sold to I-Milk at a premium of INR 4 over the market price of Amul milk for the same category of milk. Thus, for example, if Amul is selling full cream milk at INR 54 per liter, the FPO will sell the full cream milk to IMilk at INR 58 per liter.

This is ensuring a profit margin for the FPO and also easy market access for the milk produced in cattle rearing households in the peripheral 18 villages. These households are getting fair price for the milk sold and in a timely manner. Besides this, the number of women employed with the diary unit is increasing. Between 8 and 20 women are engaged with the unit on a day-to-day basis, earning as much as INR 200 to 400 per day of labor contributed, resulting in greater income and resource access. This makes it a win-win situation for all concerned.

The FPO has realized that this is an up-scalable and replicable model and is planning to open more such units in the times to come.

Scope of Adoption: Potential is unlocked when FPOs adopt successful local business models and through better access to resources, creating relatively large-scale units.

So the scope of adoption is high, especially since the initial investment cost of such KVH units can be ensured by linking to various govt. schemes and provisions. Support system for forward linkage or market access needs to be built.

The KVH units create scope for diversified livelihoods, income enhancement, FPO turnover and overall add to accelerated FPO growth.

The Linkage Cell – the superstar unit that is making business winners out of lighthouse FPOs

While the 'Women Farmer Producer Organization: Engendering Food Supply Chains' intervention model has various champions (structures, processes and resource persons), that have steered the lighthouse FPOs in the direction of accelerated growth, none perhaps have been as propelling in their impact as the 'Linkage Cell'. Particularly in light of the FPOs' role to provide market access and economic growth to its members, the role of this unit is undeniable and merits a separate mention.

This cell, which largely functions as a forward and backward linkage unit, has been supporting the lighthouse FPOs to create such linkages for its member farmers for their farming, enhancing their farm profit. At the same time, it has also been playing a crucial role in making profit for the FPOs (and FPO members) in various ways. Here are various **ways in which the linkage cell has been beneficial** to the FPO, its member farmers and to the community, in general:

Business Opportunity and Earning ensured for lighthouse FPOs: the linkage unit has played a pivotal role in creating opportunity for the lighthouse FPOs to buy good quality farm inputs such as seeds, fertilizers, pesticides etc. at low cost. For the purpose the FPOs have been linked to platforms (e.g. Sankalp, Buyer, Syngenta, Krishi Rasayan, DeHaat, Sriram Seeds etc.). The FPOs sell these inputs to its member farmers and get profit (10 percent on amount purchased through DeHaat) on such sales. Likewise, the linkage unit has provided forward linkage with institutional buyers for the FPOs. Here the FPOs buy grains (particularly paddy, wheat and maize) from their members and sell these to institutional buyers (e.g. ITC, Ayekart, Farmart, Dehaat, Delhi flour mills and other local buyers and millers etc.) at a profit of approximately 1-2 percent. Thus the linkage unit has enabled a model of easy and profitable business for the lighthouse FPOs.

Forward linkage, fair price, prompt payment for lighthouse FPO farmer members: As mentioned above, the linkage cell has ensured that the women farmers who are members of the lighthouse FPOs can sell their farm-produce (particularly paddy, wheat and maize) through their lighthouse FPOs to institutional buyers. The FPO tie-up with the institutional buyers is such that thefarmer members gain fair price for their products as the selling price to the FPO is marginally higher than the rate at which they used to sell to traders earlier. More importantly, they get prompt payments from the FPO, who gets prompt payment from the intuitional buyers.

Low cost high quality inputs through doorstep service for women farmers from the community: Owing to the FPO's linkage to institutional buyers, who sell these quality inputs to the FPOs at reasonable price, the FPOs are able to sell them to the peripheral women farmers from the community at lower than market price. This is profitable to the farmers. Also, often they are able to get doorstep or peripheral service for buying these inputs (mainly seeds, fertilizers, cattle fodder and pesticides), something that was not possible when they procured from the open market.

Agro-business opportunities for lighthouse FPOs created by linking Krishi Value Hubs to institutional players – The lighthouse FPOs are further enhancing their profits by setting up agro-business units or secondary processing called Krishi Value Hubs. As of now the core KVH unit is that has been setup by the lighthouse FPOs is bio-fertilizer and that of dairy is being adopted to be replicated at one FPO. In each of these cases, the linkage unit played a crucial role by providing institutional tie up and forward linkage to the KVH (e.g. with LCB, I-Milk). The linkage unit has linked the bio-fertilizer KVH to LCB, which is providing technical know-how to the KVH unit and buying the produce at a profit to the FPO of approximately INR 6-7 per kg.

Business Model for Business enablers created and is augmenting income of the business enablers – the various types of forward and backward linkage opportunities created has enabled creation of different types business enablers to increase business outreach of the FPOs. These women business enablers (mainly AEs, including sub-categories like D3C Sanchalika, Unnati Didi etc. already mentioned earlier) are earning through a commission driven model.

While the linkage unit has currently provided such diverse linkages, ensuring earning opportunity for women at various levels, simultaneously the FPOs are also getting capacitated to work on these linkages and build upon them.

The Model and its Scope of Adoption: The entire model works through a lean central linkage team, ensuring high returns on investment. In case the lighthouse FPO model is adopted across more FPOs in each block, the need for this unit will remain, at least in the initial years as this is part of the enabling eco-system for the lighthouse FPOs. In comparison to the potential it unlocks and opportunities it creates, the human resource cost is incremental. Also, discussion with FPO BOD members, show that they are also getting self-empowered to create such linkage opportunities for FPOs. From the point of view of sustainability, SRLM resource persons and one-two members from each lighthouse FPO may be eventually capacitated and hand held to take up such role, in the long run.

Unnati Didi Sindhu Devi has become economically empowered while enabling the chain

Unnati Didi Sindhu Devi has a happy glint in her eyes. **"I have earned about two lakhs in a little more than year,"** she says. "*I earn commission on what I sell and I sell a lot of things including spices and grains. I buy these items from the Unnati processing unit and sell them to the women in my village and earn a commission from it,*" she narrates.

Here it may be mentioned that Unnati processing unit was run by a CLF and was initiated through a third entity (IMAGO-SEWA). **TRIF has played a role in the linkage of this unit with the FPO eco-system**. Unnati didi Sindhu ji says that the Unnati unit at Arajilines Varanasi is now linked to 4 CLFs through the FPO, with 35-40 villages in each cluster. The beneficiaries are the cluster and FPO members in these villages. Thus the FPO linkage has enhanced outreach of the Unnati Center and more FPO members are earning daily wages at the Unnati Center at the processing and packing stage.

Sindhuji says that she was an office bearer with her SHG and got to know of the initiative through an NRLM representative. She felt interested to know more. When the time came for selection of Unnati Didi, Sindhu Devi saw in it an opportunity for herself and the scope to be of use both to the FPO and to her village.

"The way the items are cleaned and processed at the Unnati processing unit here is healthy and hygienic. It is equipped with manpower, machines and a computer and everything is done to retain hygiene and purity. I have seen this and so my faith in these products is high. For pre-

packaged spices available in the market, we do not even get to know if these have any impurity. So I thought that if I become Unnati Didi, villagers will access good quality spices and food items. Also, I will be able to earn something in the process. This convinced me and I decided to work as Unnati Didi."

For selling the products, Sindhu didi says that she first spoke to the women of the 15 SHGs in her village. However, she said that initially it was not easy and there were teething problems.

"I also tried to visit many houses as possible. My child is small and this is not easy. I succeeded because I could convince the villagers of the quality of the products I purchase from the IMAGO krishi hub. I think Unnati Didis should click videos at the processing hub of how the products that we sell are crushed or prepared. Then the other women of our village will realize that these products are totally pure and hygienic and will be interested in buying them. A good thing about the Unnati center is that I can take products on credit from the center and have scope to pay for them within one month."

Sindhuji says that there are various strategies that she adopted to sell products such as cumin, coriander, garam masala, turmeric, flour, chickpea flour, different types of pulses etc. to the women in her village. Firstly, she took a few village women to the processing hub to let them witness for themselves the purity of products. Secondly, she allowed villagers to buy from her any quantity that they chose, whether packed or loose, as per their choice. Thirdly, for the economically marginalized and also for products with high competition, she sometimes sold on a 'no profit' model. Fourthly, she requested each prospective customer to give her one chance and promised to return the money if the product was not of good quality. Lastly, she sells not only to individuals but also to small businesses like sweetmeat shops that need high quantities of chickpea flour to make 'laddus'. **By adopting these strategies Sindhu Devi created scope for her products above established brands sold in shops**.

She regrets that she could not attend a training held for Unnati Didi's by IMAGO but says that several other Unnati Didis attended the training and found it useful. "At the training, they taught how to tackle potential customers and sell our products, how to manage the business and attain our dreams by becoming Unnati Didi," says Sindhu Devi.

Model and Scope of Adoption: Unnati Didis are low investment/zero-investment driven business agents that do doorstep selling on commission. Owing to the low-cost/no-cost nature, it is easy to replicate and adopt. The capacity building of the Unnati Didis can also be done at low cost through peer based training by developing a team of trainers consisting of the best performing Unnati Didis.

The Unnati Didi model has scope of adoption in sales of FPO KVH products at the local level and provides income diversification opportunities. Alternatively, the function may even be integrated with Aajeevika Sakhis. KVH endeavors of FPOs are already taken into consideration in flagship programs such as the 10000 FPO program, creating high scope of convergence.

The Unnati Centers are examples of how the parallel SRLM structures (CLFs and FPOs) can be linked to mutual advantage and how CLF run businesses can be further strengthened through FPOs to mutual advantage.

Unnati Center and the linkage to FPOs has enhanced benefits and created a model

Rituji is the center in-charge of the Unnati center situated in Lalpur village of Tappal block in Aligarh district. She is assisted by the processing in-charge. Together, they are responsible for creating awareness generation about the center, mobilizing of Unnati didis from peripheral villages, procuring raw materials for the center, processing and marketing of products after second level packaging.

The Unnati center procures pulses and spices from peripheral farmers as also from the open market and sells the same after second level processing. Generally, effort is made to procure from the farmer pulses and spices that grow locally. For example, 'moog' and 'uradh' daal/ pulses are procured from local farmers as is red chilly while turmeric is procured from the open market. Despite her responsibilities and workload, Rituji is happy. **"I draw a small monthly salary, something that helps with my family income**," she says.

While the production center started production and selling in the beginning of 2023, Ritu Devi says that after the lighthouse FPO at Tappal got activated, it had positive effects on the running of the Unnati center.

"Ever since the Tappal lighthouse FPO started functioning well, we are also getting support from the FPO for our Unnati center. This Unnati center was started after an agreement with our JeevanJyoti CLF. But the FPO has been important in ensuring greater outreach because it has members from other CLFs also and didis from 3 other CLFs are now connected to our Unnati center, through the FPO and our initiative," says Rituji.

As a result, the possible number of villages for outreach of the Unnati center has increased. **Earlier, the target outreach was approximately 100 peripheral villages but now with the FPO and 3 more CLFs linked to it, the target village outreach has moved up to approximately 250-300 villages**. The Unnati Center has several benefits:

Close to 70 Unnati Didis (women from peripheral villages who are also members of the CLF and FPO and sell the processed products of the Unnati center in their villages on a commission of approximately 15 percent), are engaged with the Unnati center. In future, with mobilization through the FPO, more Unnati didis from the peripheral villages will be selected and linked to the Unnati center. These Unnati Didis generally earn between 4,000 to 10,000 INR per month.

Besides the center in-charge and processing in-charge of each Unnati center, who earn salaries, approximately 3-4 peripheral women, who are members of the FPO and economically marginalized, are engaged by the Unnati center on a per diem basis for activities related to processing and packaging. In this way, the Unnati center engages approximately 20-25 women for several days a month. These women earn INR 300 per day and receive timely payment.

The peripheral small and marginal farmers who sell to the Unnati Center also gain as they receive timely payment and the Unnati center gains because it does not have to percentage to middle men for buying the produce.

Finally, the **households in the peripheral villages gain** as they receive fresh products at market or even slightly below market rates from the Unnati center.

The Tappal lighthouse FPO also arranges for the training of Unnati didis through TRIF support. The FPO is currently in talks with the Unnati Center for setting up a mustard oil processing unit and has collected a list of items that is sold by the Unnati center so that the Unnati center can purchase most of these items/raw materials from the FPO members in future. Thus, linkage of the FPO to the Unnati center is translating into a win-win situation and may be a catalyst for FPO KVH initiatives in the future.

The Model and its Scope of Adoption: The Unnati Center model shows how existing business units in the periphery of a lighthouse FPO can benefit through the activation of and linkage to the lighthouse FPO. It also shows how linkage of parallel SRLM structures like CLFs and FPO is value enhancing. Integration of such initiatives with KVH units is possible.

The 'Unnati didi' model, on the other hand, is showing potential of being adopted by the lighthouse FPO in its effort to reach individual consumers and dealers in its various business ventures, including its Krishi Value Hubs. The SRLM resource persons such as Aajeevika Sakhis can enhance convergence and income by functioning as Unnati Didis.

Leveraging through the Intervention

Annual Turnover

The turnover generatedfrom the 10 lighthouse FPOs is

INR 6,27,66,304.

Most of these FPOs basically had **no turnover** when the intervention started.

Share Capital

The share capitalof members in the 10 lighthouse FPOs is approximately INR 90,27,700.

This **share capital of the FPOs built up** after this intervention commenced.

Government Schemes

The value of government schemes for livelihood promotion linked to women farmers was

INR 1,701 Lakhs.

Estimated **Additional Income Contributed** through project

The estimated additional income contributed through project was approximately

INR 9.5 crores

This included input, output, technology, training and government linkages.

FPOs Link with institutional players

The lighthouse FPOs have been linked with

14 institutional players.

These include linkages for input output and linkage for KVH.

A Glimpse of Success

10,608
Women shareholders

There is enhanced opportunity, gain through collective voice, recognition, and often, economic gains among 10608 women shareholders of the 10 lighthouse FPOs. **Overall, the total number of beneficiaries, including direct and indirect beneficiaries of the 10lighthouse FPOs, is approximately 55000.**

10 lighthouse FPOs developing into model collectives of governance, institutional linkages, and market access. Strong backward and forward linkage mechanisms established and support structures for aggregation and basic processing of farm produce, established and linked to each FPO. Business opportunities through Krishi Value Hubs emerging and number of KVH are expected to grow at a fast pace in the next phase, with substantial increase in FPO profit.

10 model FPOs
With high leveraging

9,213

FPO farmers saw income increment through FPO service

Overall 10 014 women farmers are benefitting from input (8405) and output (1609) transactions. 16,855 women were also linked with government schemes for livelihood promotion. Availability of quality seeds from agriculture and horticulture departments, quality agro inputs from KVK, Prerna tool bank and livelihood fund etc. facilitated this.

The turnover of the 10 lighthouse FPOs is above 6 crores. Of these 10 lighthouse FPOs, 2 lighthouse FPOs currently have an annual turnover between 35 and 50 lakhs INR; 3 FPOs currently have an annual turnover between 25 and 35 lakhs INR. More than 10000 FPO members are benefitting from the turnovers in the 10 FPOs.

From 'no turnover' to turnover of approximately INR

6.27 crores

12,000

Farmers reported enhanced productivity

30 % members of sampled women farmers of FPOs reported additional diversified livelihood opportunities; 50% reported increase in income; more than 1000 women farmers reported improved water management practices; 25 % women use composting and other methods for soil health management; almost 4000 women farmers have adopted climate resilient practices etc.

A large number and variety of stakeholders were capacitated. Women farmers were trained on enhancing and diversifying livelihood opportunities and adopting sustainable agricultural methods and practices. Others trained included office bearers of lighthouse FPOs, D3C Sanchalika, Unnati Didis etc. AEs are now being rigorously trained. The project has also built the capacities of government resource persons such as Krishi/Aajeevika Sakhis as eventually they will play a crucial role in scaling this within the NRLM architecture.

54,533

women farmers trained

The Way Forward and Potential for Model Adoption

Various factors point to the **scope of adoption and up-scaling** of the program across the state of Uttar Pradesh:

Govt. Programs & Supporting Structures for FPOs already exist: FPOs fit into the scheme of mattersfor livelihood strengthening in rural India. They have a potential of economic empowerment through income enhancement and diversification of women farmers and also provide them visibility and collective voice. In Uttar Pradesh, FPOs are promoted under flagship initiatives such as UPSRLM and building on it utilizes the already developed structure by NRLM. MKSP, NRETP, Producer Groups are additional programs focusing on women farmers. The central scheme for 'Formation and Promotion of 10,000 Farmer Producer Organizations' is also a landmark program in this space.

FPOs have Organic Connection to Women's Groups with Scope of Easy Mobilizing of members: NRLM/UPSRLM also promotes the three tier structure of SHGs, VOs and CLFs, thus mobilizing humungous number of women. The scope of linkage between this structure and the FPOs is obvious and almost organic, with the potential to unlock phenomenal advantages through synergies.

It is essentially at this crux that TRIF's **'Women Farmer Producer Organization: Engendering Food Supply Chains'** program is poised to make a high impact among a large number of women through its integrative approach.

Scope of Integration resulting in Incremental Cost implications for Adoption: Already there are existing financial provisions in place for FPOs. For example, the central scheme for 'Formation and Promotion of 10,000 Farmer Producer Organizations' already has provision for financial assistance upto Rs.18.00 lakh per FPO for a period of first three years including the salaries of CEO/Manager and Accountant for the growth and sustainability of these FPOs. UPSRLM itself is well equipped with infrastructure and human resources such as project managers, resource persons, social mobilizers, accountants, trainers etc. Among them ground level resource persons such as AajeevikaSakhis can be well integrated with the model elements such as AE, to unlock greater earning potential and capacity of such enablers. So this lighthouse FPO based model can be very easily adopted across the state of Uttar Pradesh, within incremental cost implications and by utilizing the already existing peoplepower structure.

Thus the return on investment in state level adoption of this program is very high, as given by the following data:

Expected Outreach of Benefits

- Findings from the first stage of this intervention prototype shows that each block level lighthouse FPO is expected to have 3000 direct beneficiaries and 10 000 indirect beneficiaries, in just a duration of 5 years of initiating the program.

- Given that UP has 826 blocks, and taking the calculation in its simplest format without adding more parameters and under a ceteris peribus assumption, the total number of direct beneficiaries in only the first 5 years is expected to be 24 78 000. The total number of direct plus indirect beneficiaries in only the first 5 years is expected to be 82 60 000.
- Given that the average size of a household in UP is 5.7 and all members of the household are expected to benefit in some way, through the benefit and empowerment of the woman farmer in the household, 4,70,82,000 people could be indirectly benefitted, in just a tenure of 5 years.

Cost Implications

In contrast, the cost implication is incremental, and has been conceived as:

- The marginal cost towards development of a quality and intricate SOP document, which will essentially be a route map for creating a women based value chain in a time-bound manner to provide both 'know how' and 'show how' for an up-scalable implementation prototype.
- Human resource cost for a central 3-4 person team for oversight, strategy and linkages support to the NRLM promoted all-women FPOs in the state.
- Allocating roles and responsibilities as per SPO and capacity building of various people power in the SRLM structure to ensure sustainability.
- Capacity building of the business enablers, such as AEs, where SRLM human resources, such as Aajeevika Sakhis can additionally function as AEs, is possible and required. They are conceived to be enablers of an emerging service basket, including: Agri Input and Output Linkages, Online Marketplace, Micro-Credit and Micro-Insurance, Agri Advisory and Paravet Services. The Aajeevika Sakhi, doubling up to take AE roles, would act as the FPO's representative in her village, adhering to systems and protocols established by the FPO and earn additionally through commissions, making for a low-cost sustainable model.
- Equipping AEs with low cost but valuable equipment such as pamphlets, a basic kit, weighing machines and moisture meter, to further support them in such services.

The cost-returns balance for state level adoption of this model shows that the cost is incremental compared to the benefit:

Benefits	Cost Implications
The total number of direct beneficiaries in only the first 5 years is expected to be 24 78 000. The total number of direct plus indirect beneficiaries in only the first 3 years is expected to be 82 60 000 and approximately 4 70 82 000 people could be indirectly benefitted, in just a tenure of 5 years.	In contrast, there is incremental cost in a lean central team; also capacity building of SRLM human resource and capacity building and equipping AEs. **This capacity building cost is expected to decrease within the first 3 years and beyond while the outreach of beneficiaries is expected to continue to rise.**

Thus, while the first stage of the'Women Farmer Producer Organization: Engendering Food Supply Chains', programhas been experimental, **it has created the 'know-how', 'show-how' and built an evidence based model within the NRLM architecture for adoption in larger geographies within the state and beyond.**

Glossary

AajeevikaSakhi– Referring to SRLM community resource persons, women with some training to work as para-extension workers in fields like agriculture and animal management, the former also referred to as 'KrishiSakhi' ('krishi' implying agriculture) and the later, 'PashuSakhi' (''pashu' implying cattle).

Baniya–aterm often used in India to refer to a person belonging to the Vaishya caste, traditionally associated with trade and commerce an used in this document to refer to trader/middleman.

Beej– Seed

Dharti Mata – Mother Earth

Didi – literaWlly translated as 'sister' but in this document referring to other women of the village 'as a family', from a perspective of 'community sisterhood';often also referring to other members of SHG, VO, CLF or FPO, of which the concerned woman is also a member.

Keetnashak – Pesticide

Khad – Fertilizer

Khoya – A type of edible milk product, often used in preparation of sweetmeats.

Sakhi – literally translated as female friend and but in this document used in context of AajeevikaaSakhi and KrishiSakhi.

Samuh – literally translates to group but referring to SHG, in this document.

Acronyms

AE	–	Agricultural Entrepreneur
BMM	–	Block Mission Manager, SRLM
BOD	–	Board of Directors
CEO	–	Chief Executive Officer
CLF	–	Cluster Level Federations
DMM	–	District Mission Manager, SRLM
FPO	–	Farmer Producer Organization
KVH	–	Krishi Value Hub
MKSP	–	MahilaKisanSashaktikaranPariyojana
NRETP	–	National Rural Economic Transformation Project
NRLM	–	National Rural Livelihoods Mission
SHG	–	Self Help Group
SRLM	–	State Rural Livelihoods Mission
UP	–	Uttar Pradesh
VO	–	Village Organization
WFPO	–	Women Farmer Producer Organization

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