Value chain analysis of Vegetables in Chomu Veg Agro Producer Company, Chomu Cluster and develop a viable business plan for them.”

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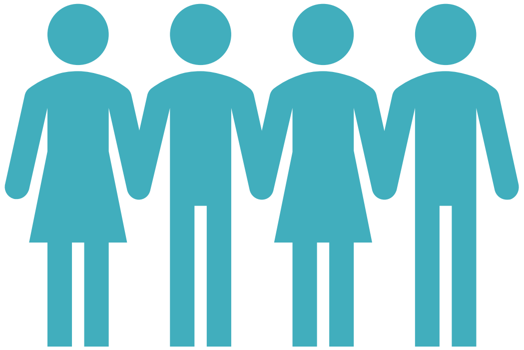
INTRODUCTION

- Agricultural value chain concept is the idea of actors connected along a chain producing and delivering goods to consumers through a sequence of activities.
- As per the concept, farmers, who are the producers of agricultural products, can form groups and register themselves under the Indian Companies Act. These can be created both at State, cluster, and village levels. It is aimed at engaging the farmer companies to procure agricultural products and sell them.

Review of Literature

- Adhikari, R. P., Collins, R., & Sun, X. (2012). Segmenting consumers to inform agri-food value chain development in Nepal .Resulting policy recommendations provide examples of how a value-chain-centric approach could be used to highlight innovative policy solutions to MPCs' agri-food export sector, for instance, dis- seminating consumer information to relevant stakeholders and incentivising investment in supply chain activities that add value for consumers.
- Joshi, et al. examined trends of revenue from crops cultivation during 1980-1981 to 1999-2000 and have suggested better investment in agricultural R& encouraging marginal farmers to diversify into cultivation of high value crops through assistive institutional framework.
- Boehlje (1999) , on the other hand, suggested six dimensions of the value chain, namely: (1) processes; (2) product flow; (3) financial flow; (4) information flow; (5) incentive systems; and (6) governance.

- Fearne et al., 2012 - Scope of value considered In the analysis of value chains, it is important to look into the sources and beneficiaries of the value created by the chain. While it is essential to focus on customer value, there is need for value chain analysis to be more dynamic and explore how activities and attributes affect consumer behavior, since individual customers evaluate a product's attributes differently.
- Hellin and Meijer, 2006 – Value chain analysis requires the "mapping of the market" to track and analyze the contribution of the different chain actors and the relationships among themselves.



RESEARCH METHODOLOGY

The process use to collect information and data for the purpose of making business decisions. The methodology may include, interviews, surveys and other research techniques

UNIVERSE AND UNIT OF STUDY:-The universe of our study is the Village of Chomu in Rajasthan. Chomu is a major village of vegetables. my study in Chomu Cluster where 15 to 20 villages came and every farmer produce vegetables they supply vegetables in many cities like Delhi, Punjab, Haryana U.P etc.

SAMPLE DESIGN: - Multi Stage sampling

Sample size

cost sheet for organizing small farmers, agriculture technology promotion development of FPO(cost for 3 years)		
	Assumptions	
1	No. of farmers	200
2	No. of Villages	15-20
3	No. of FIGs	33
4	No. of members per FIG	12-20
5	Years of intervention	1
6	No. of FPO	1

Objective of study:

1) To study the accessibility of the market of the study it FPO
2) To study the market of the Farm produce by the FPO
3) To analysis the gap between Farmer and Market
4) To suggest the viable business plan for FPO.

DATA ANALYSIS ANDINTERPRETATION

Figure no 1

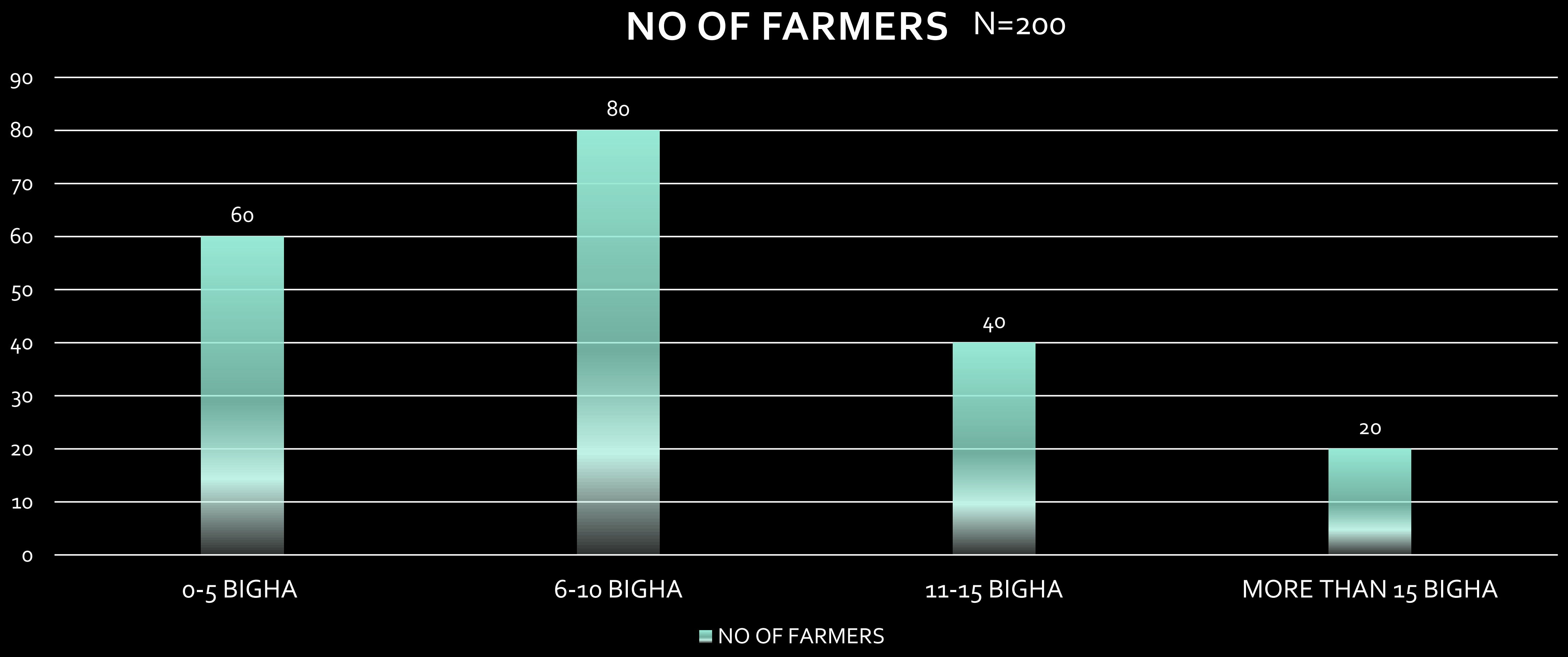
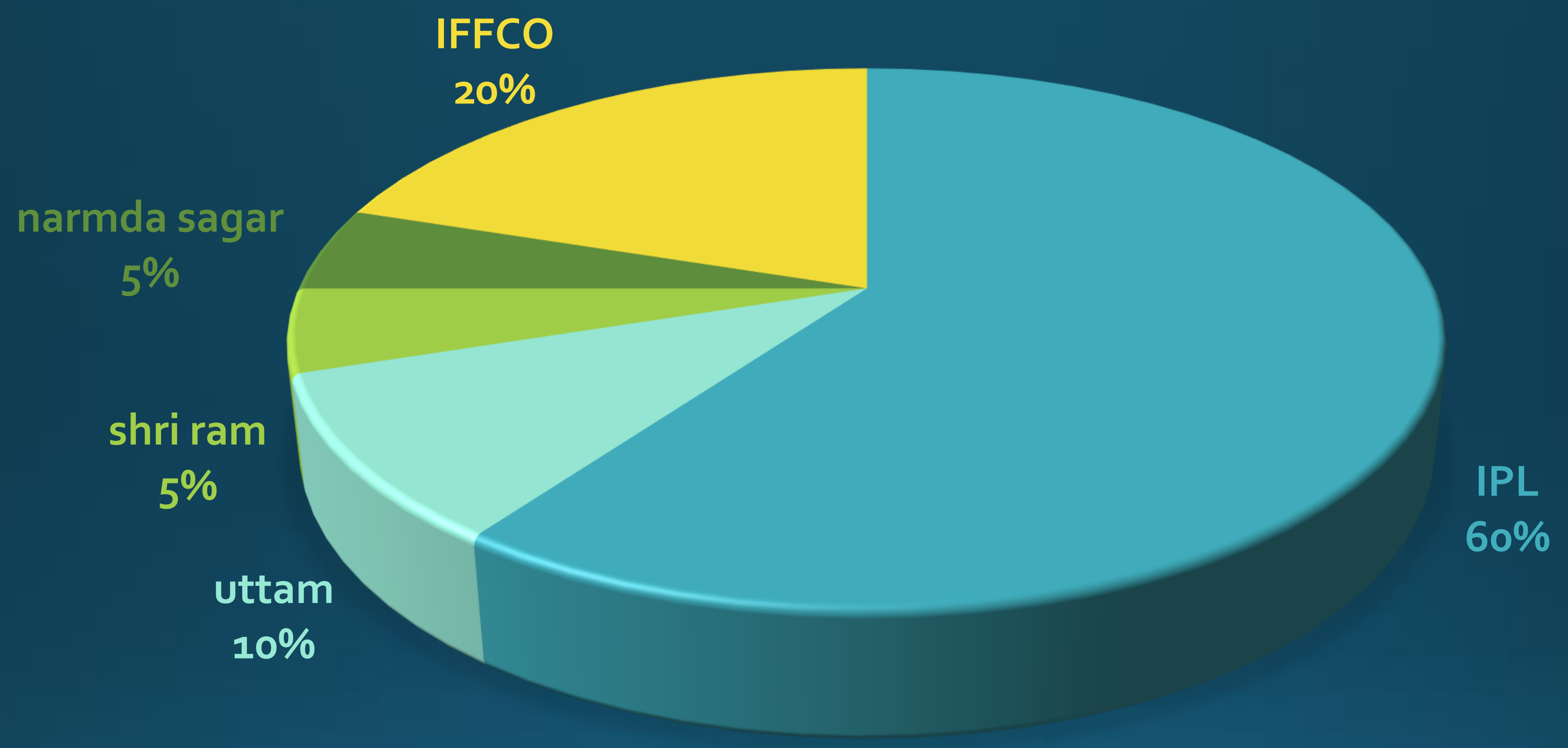


Figure no 2

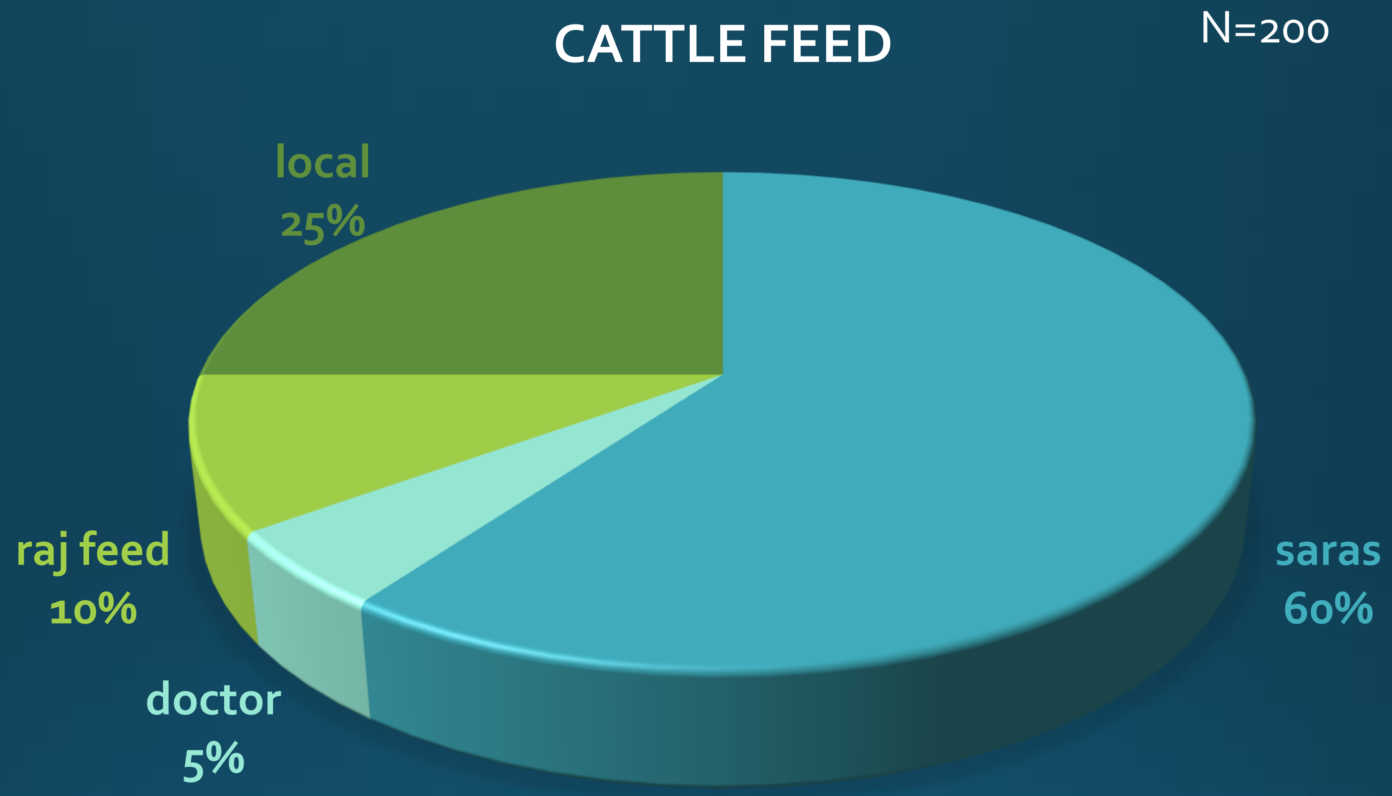
FERTILIZER

N=200



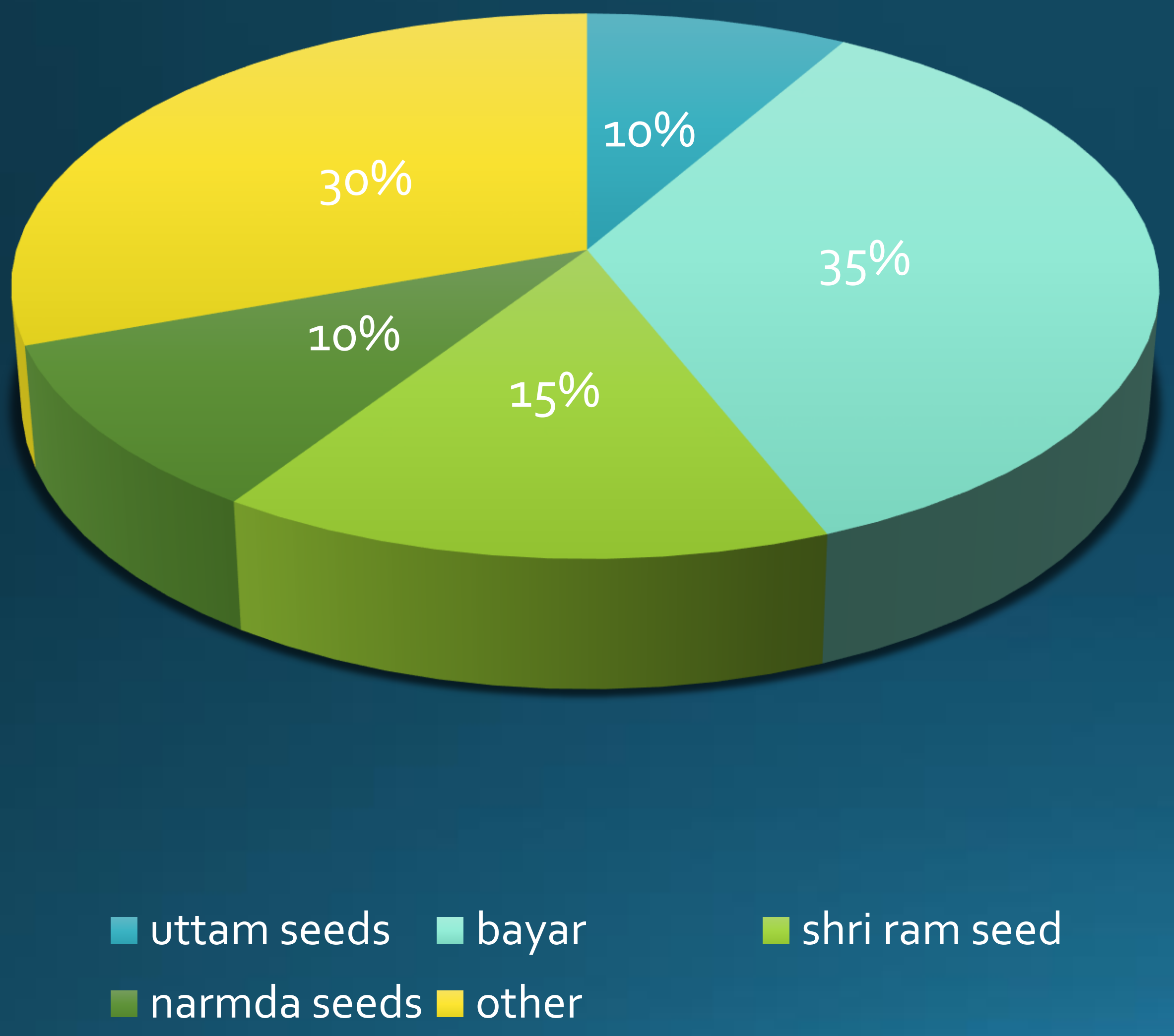
Above chart show the 60% of total respondent use the IPL fertilizer because it's a very usefull for increase in production,10% of total respondent use uttam fertilizer,5%of total respondent use shri ram fertilizer,5% of total respondent use narmda fertilizer ,after IPL20% of total respondent use IFFCO fertilizers.

Figure no 3



Above chart show the 60% of total respondent use the Saras cattle feed because it’s a very usefull for increase in production of milk,5% of total respondent use doctor feeds,10%of total respondent raj feeds,25% of total respondent use local feed that is available in local market due to cheap rates of feeds.

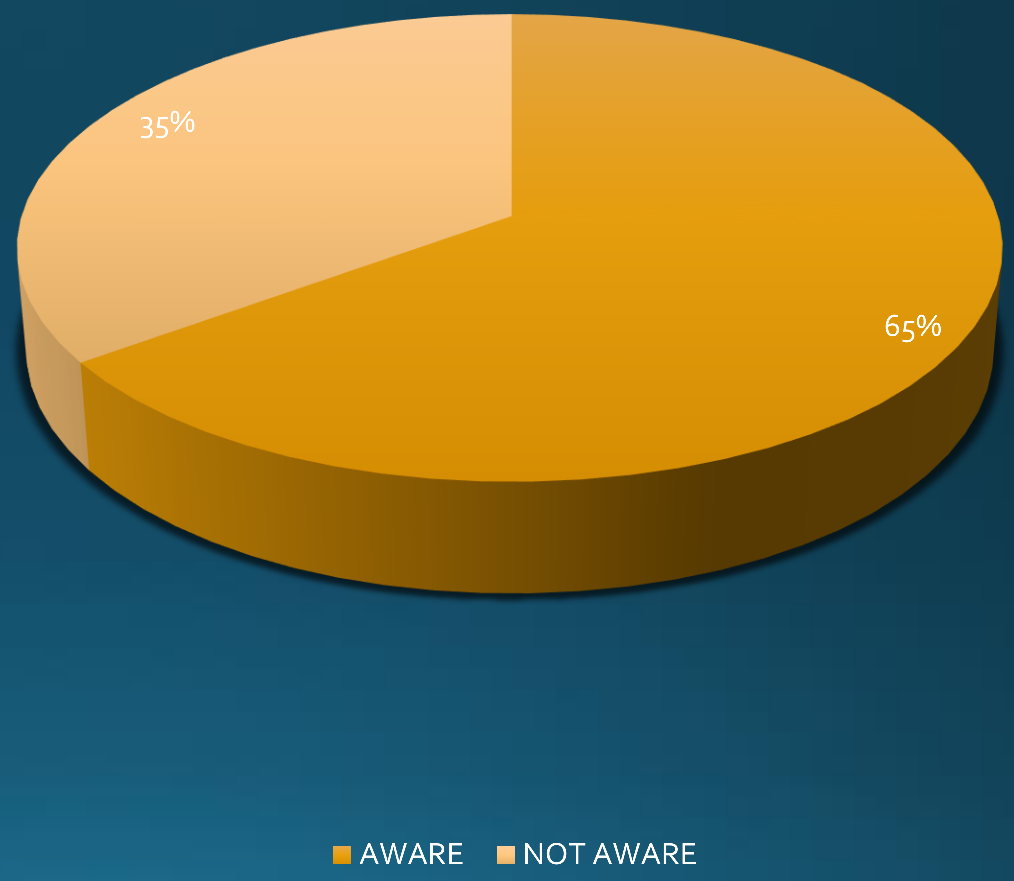
Figure no 4 **Seed** N=200



Above chart show the 10% of total respondent use uttam seeds,35% of total respondent use Bayar seeds,15%of total respondent use shri ram seeds,10% of total respondent use Narmada seeds,30% of total respondent use local seeds that is available easily in local market of village.

Figure no 5 **AWARENESS OF MARKET PRICE** N=200

65% farmers are aware about all market price of vegetables. These types of farmer sell their vegetables in a local market and 35% farmers don’t know about all market price of vegetable. So if farmer think that difference of price is small so they sell in local market or if they think that the margin of profit is big so they sell vegetables in others market. And mostly farmer don’t have a transport facility so they have to sell vegetables in local market despite knowing market price of vegetables.



INTREACTION WITH MANDI TRADERS:

Is there any price difference between mandi to mandi?

- There is only slight difference in price between different mandi. They told me if farmers sell their vegetables in big mandi such as Jaipur mandi, Muhana mandi they can take advantage of extra money.

What is role of mandi traders?

- They have good network with the other traders and they are only one who provide good market to farmers with good price and license holder not take any extra charges from farmers.

Do you share any information about vegetable price, and about your traders?

- They are not interested to share any information regarding market price and about their traders to the farmers because farmers can directly sell their vegetables to the trader and license holder can bear loss.

How many traders in this Mandi?

- Inshikarmandi there is 50 to 70 traders.
- In Jaipur mandi 80 to 100 traders.
- Inmuhanamandi there is 100 to 120 traders.

On what basis do you purchase vegetables?

- 30 traders purchasevegetables on basis of quality and quantity.
- 10 trader purchase vegetables on basis of vegetables demand.

63% traders buy vegetables from farmer and 25% trader buy vegetables from middleman. Middlemen are those who buy take vegetables from small farmer and sell it to traders And 13 traders choose other source to buy vegetables like direct selling etc.

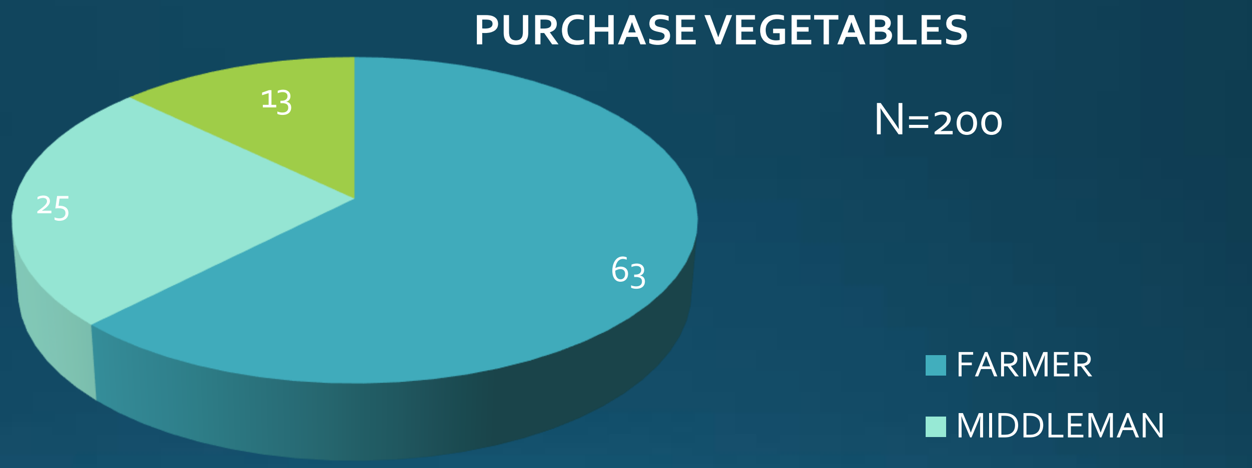
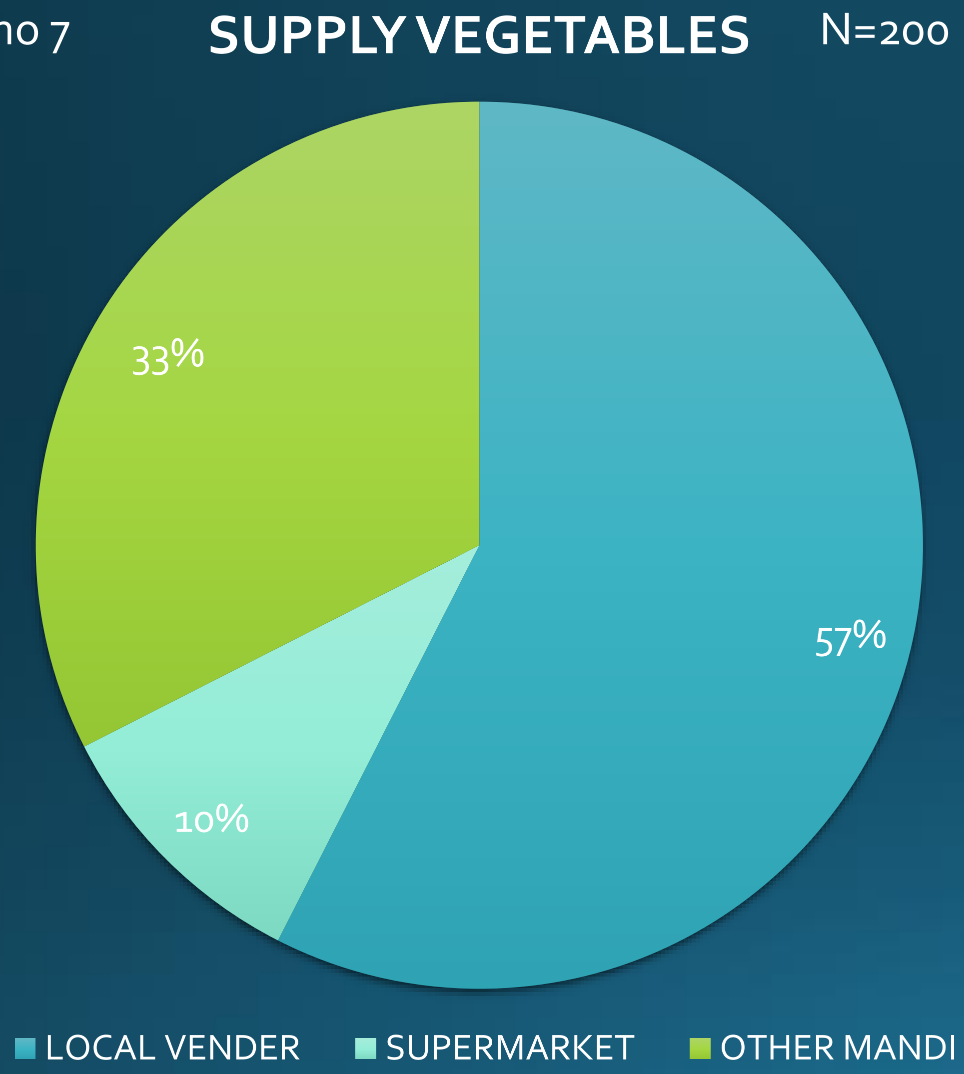


Figure no 6

Figure no 7



57 trader sell vegetables to local vender and local vender sell to consumer that kind value chain system increase market price of vegetables.

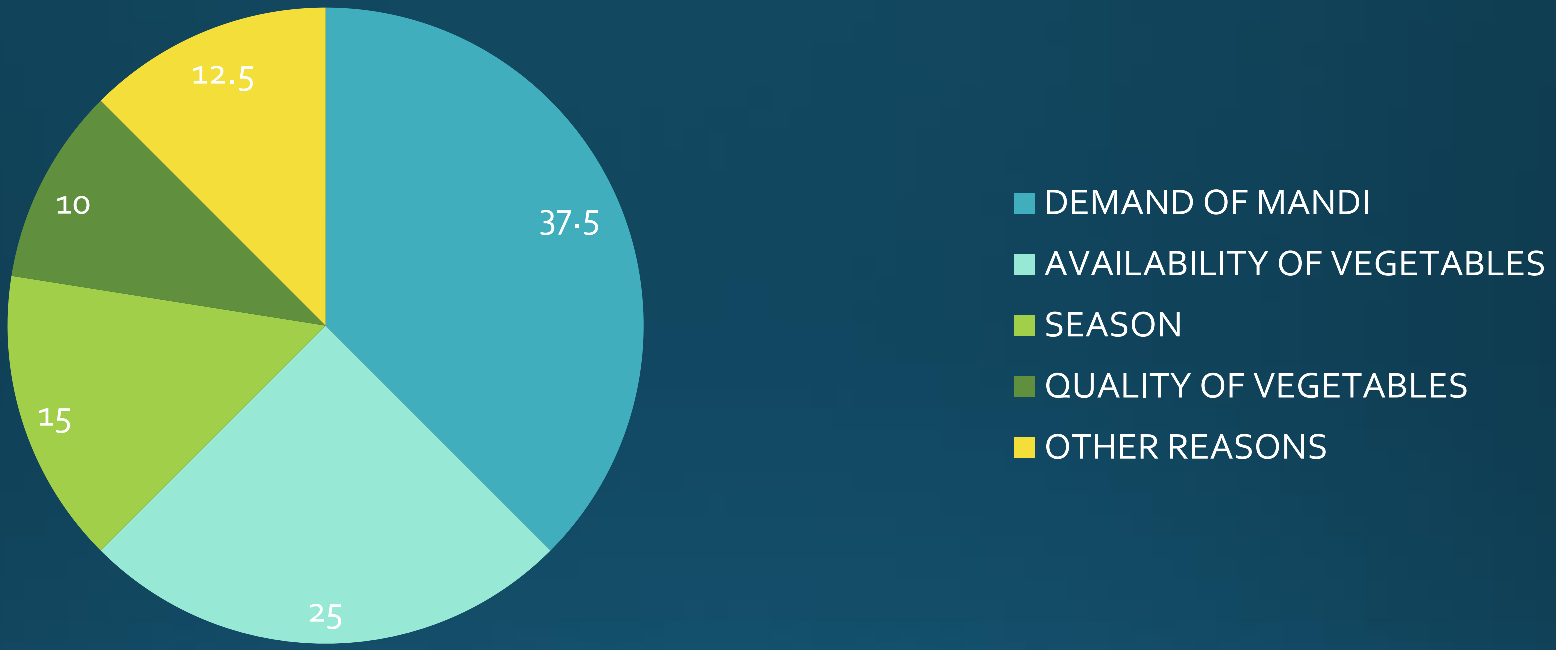
10% trader sell vegetables to supermarket like easy day reliance fresh etc.

And 33 traders sell vegetables to other MandI. Traders have a direct link to other mandi so they have a well knowledge about market price of vegetables

Figure no 8

CRITERIA OF MARKET PRICE

N=200



37%traders say Demand on demand of mandi is a one of the main reason for setting a price of vegetables 25% farmerssay depend on availability of vegetables in the market is also a main cause of setting a market price 15% farmer say it’s all depend on season 10% trader say quality of vegetables is also a reason of price setting And 12.5% farmers says there is other reason for price setting of vegetables

GENERAL FINDINGS

Farmer is not interested to give rupee of share capital.

Many farmers sell their vegetables in local market they don’t have any idea about market price of near city or state

There is a competition because many big farmers have direct contact to farmer so they sell their vegetables directly.

S

- It avoids all mediators and provide direct link to the customer.
- Farmer will be real owner of a FPO. All activity will carry out by farmer.

W

- Not experienced in marketing.
- Many farmers are not interested to do that kind of think because this is a new project to the farmer.

O

- Chomu is a main area of a vegetables and there farmer produce more vegetables.
- Many traders and farm vegetables industry are ready to buy vegetables.

c

- Many vegetable traders buy vegetables form village.
- Many farms and trader are mostly interested to buy vegetables from small trader so it’s too difficult to provide direct link to big trader and farms.

Major findings

- Majority of the farmers sell their vegetables in local market they don’t have any idea about market price of near city or state.
- Farmer are not interested to give rupee of share capital.
- There is a competition because many big farmers have direct contact to traders, that’s why they sell their vegetables directly.
- Majority of the farmers use product(seeds,fertilizers,cattle feed) of good company’s so If FPO Will Keep good quality of product.it will beneficial for FPO Market

SUGGESTIONS

1. Transport is a main issue only few people have a personal vehicle by arranging transport facility so that every farmer carry their vegetables and bring it together.

2. 500-1000 rupees for share capital is big amount for a farmer. It should be divided to many installments so that every farmer can give us 500-1000 rupees on an installment basis.

3. FPO should to make contact to big traders and firm like reliance fresh big bazaar and some vegetables industry. So that we can supply vegetables to them.

4. Cabbage, Cauliflower is main vegetables of this cluster so we have to mainly focus on Cabbage, Cauliflower.

Major Findings :-

- According to first objective most of the farmer use good quality of product(seeds, fertilizers, cattle feed,) if FPO Keep good Quality of Product They can increase in their sells.
- According to Second objective if Farmer will Sell their Farm produce in bulk they will get the more profit as compare to individual profit.
- If farmer sell their sell their Produce through FPO,FPO Will alo get the Profit.
- Most of the farmer Aware about the market price but due to the transport facility they sell their produce in local market.
- If FPO collect the share amount of every farmer then can buy products in bulk and sell it in high rates.

Negative About Organization :-

Chomu is well developed area farmer And according to my understanding if they open FPO on another place they can do more business as compare to Chomu.
All FIG are not viable.
LRP is not working very well.
Most of the people of Chomu Don’t know about the Chomu FPO.
CEO of Chomu FPO not working properly .have full knowledge about agriculture.

CONCLUSION

- The FPOs will provide necessary inputs to the members and also provide market linkages for the farm produce of its members. The scale of operations will enable members to save money on inputs and also get a better share of the market price by working directly with corporates.
- These FPOs will also serve as knowledge delivery institutions for the farmers. The infrastructure for the producer company includes the basic facility for conducting the day to day operations, storage facility for the surplus produce of the farmers, processing facility for drying, grading and value addition.
- As the producer company increases its volume of transaction, it will require its own transport and marketing facilities. Government facilities such as warehouse, godown and machineries should be available on lease to the PCs.
- As per the concept, farmers, who are the producers of agricultural products, can form groups and register themselves under the Indian Companies Act. These can be created both at State, cluster, and village levels. It is aimed at engaging the farmer companies to procure agricultural products and sell them.
- Main reason behind less business of Chomu FPO is CEO is not working properly. people are not happy with him.