

Collective Farming of Flowers and Upliftment of Farmers of the Jarugumalai Farmer Producer Company Limited

Jarugumalai Farmers Producer Company Limited (JFPCL) has been incorporated under Sub-section (2) of Section 7 of the Companies Act, 2013 and Rule 8 of the Companies (Incorporation) Rules, 2018 on 4th April 2018. The FPCL has 1000 shareholders and with share capital of INR 10 lakhs. The operational area of the Company covers the Panamarathupatty Block of Salem District and surrounding areas

The farmer Producer company is involved in the aggregation of flowers, trading of rice, and Agro input shop. As the FPCL comprises 1000 shareholders 80% of them are tribal farmers and their livelihood majorly depends on the cultivation of Nerium flowers. Credit and marketing facility in the tribal area is very poor and the risk of middle men exploitation is very high as witnessed earlier. Tribal farmers would borrow money in advance to produce the flowers and later sell them at very low prices and incur high interest rates on borrowed amount, thus turning the entire venture into a loss for the tribal farmers. So Jarugumalai FPCL has intervened in the aggregation of Nerium flowers from the tribal farmers for a better price, benefitting a total of 610 farmers. Flowers are segregated into grades and sold in metropolitan cities and local markets accordingly. These grading and sorting facilities have helped to fetch a better price realization for the farmers. Training programs were provided for all the farmers during the crop season, with the aim to reduce the input cost, especially for fertilizer and pesticides. The FPC has been selling a micronutrient fertilizer and pesticides essential for flower crops which minimizes their input cost. As a company majorly involved in flower aggregation, a flower collection center was established to ease the process of aggregation.

The above activities have generated a turnover of INR 1.16 crore and an amount of INR 6 lakhs surplus has been generated to the members as net profit, which the FPCL is planning to distribute as dividend to its member farmers. The annual turnover from other activities of the FPCL is INR 73 lakhs.

FPCL has initiated the value addition of rice (Hand pound rice), and planning to expand to other new products with guidance from National Agro Foundation. They have requested for inputs on business development and product branding services to enhance the value of their products in the market.

