

Press Release

Reliance Foundation proves the power of farmers' collectives at Jasdan, Gujarat

Farmer Producer Company formed by groundnut farmers of Saurashtra create significant milestones in Kharif 2017

Jasdan, Rajkot, November 28, 2017 – Reliance Foundation enabled Farmer Producer Company (FPC) at Jasdan, a tehsil in Rajkot district of Gujarat achieved a 128 percent growth in turnover in Kharif 2017. The FPC was set up in August 2016 and has touched this business milestone in its second season of operation. The FPC initially formed with just 700 members has almost 1500 members today, expecting to reach 2600 members by end of 2017.

Establishment of Farmer Producer Companies (FPCs) is one of the key interventions under the Rural Transformation programme of Reliance Foundation. The FPCs are part of RF's effort to strengthen the value chain of farm produce, enhance its marketability, help the marginal farmers and livestock owners realise better prices and thus, achieve income security for themselves. Reliance Foundation helps train farmers to independently manage these companies in the long term. Since its inception in 2010, RF has so far formed 19 FPCs – better known as Producer Companies (PCs) – to empower farmers across the country, benefitting over 21,000 families. These companies, taken together, had transacted over 4,500 metric tonnes of farm and non-farm produce till the end of last season, raising farmers' incomes significantly and augmenting the farmers' ability to govern their own institutions effectively.

However, this season has been special. In Kharif 2017, the turnover of this FPC alone has more than doubled from Rs.7 crore (2016-17) to Rs.16 crore (2017-18).

Compared to the open market, where the farmers are compelled to sell groundnut at Rs.3450-3500 per quintal, the company has succeeded in fetching the farmers an extra margin of Rs.1000 per quintal by getting them registered in the government system, sourcing groundnut from them as per quality norms and depositing to government-designated warehouses at an MSP of Rs.4450 + a bonus of Rs.50 announced by Government of Gujarat.

The surplus added to the village economy by the FPC's business went up from Rs.1.5 crore (2016-17), to more than Rs.3.5 crore (2017-18), as the quantity of groundnut handled by Jasdan FPC till Nov.20 this year stood at 35,733 quintals, a rapid increase of 14,885 quintals over the previous week.

The Jasdan FPC has been transacting on behalf of Jasdan farmers in collaboration with Gujarat State Co-Operative Cotton Federation Limited (GUJCOT). The members' interest and community participation in the FPC at Jasdan ensured that they got a procurement centre to procure Groundnut Pods at Minimum Support Price (MSP) for NAFED (National Agricultural Co-Operative Marketing Federation) for second consecutive year and also got the nod from NAFED to start another centre in November 2017 from RF project villages at Vankiya, which will help more farmers to get associated with the company.

In the past, RF has been recognised for its outstanding contribution in the field of building FPCs across the country. Recently, Shri Arjun Ram Meghwal, Union Minister of State for Finance and Corporate Affairs, felicitated RF with the Krishi Pragati Award instituted by the National Commodities Derivatives Exchange (NCDEX) for its 'Outstanding Contribution as a Resource Institution for Promoting FPCs' while Jamwa Ramgarh FPC (Rajasthan) was recognized as Most Promising Producers' Company.

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About Reliance Foundation:

Reliance Foundation, the philanthropic arm of Reliance Industries Limited, is led by its Chairperson, Smt. Nita M. Ambani. RF aims to play a catalytic role in addressing the nation's development challenges through innovative and sustainable solutions. Since inception, Reliance Foundation has been relentlessly working towards facilitating transformative changes to ensure overall well-being and higher quality of life for marginalized rural communities. Among India's largest social initiatives, RF is focused on addressing the nation's development challenges in areas of Rural Transformation, Education, Health, Sports for Development, Disaster Response, Urban Renewal, and Arts, Culture and Heritage. RF has touched the lives of more than 12 million people across India, in more than 12,500 villages and several urban locations.

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