Sahaja Samruddha: Creating fair markets for good produce

Area of operation: Dharwad, Gadag, Uttar Kannada, Haveri, Belgaum

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Three years ago, Chandrashekhar Patil, a journalist with a Kannada daily in Rannebennur, Haveri district, decided to enter farming, at a time when agriculture was going through a very rough patch. “My father was running into huge losses in our own farm. We had large debts and the situation just wasn’t improving. I had to do something.”

Patil’s 13-acre farm growing BT Cotton had initially given him yields as high as 13 quintals per acre. But the yield gradually tapered to 3-4 quintals per acre and it also started adversely affecting other sub crops – he saw honeybees disappearing and millet crops vanishing from his farm.

Keen to find a sustainable solution, Patil approached the farmer group Desi Krushikara Balaga (DKB) and started converting his land to grow only the Organic Sahana variety of cotton - it was an indigenous variety, gave good yields, was resistant to common pest bollworm and could thrive in all climatic conditions.

“I bought Sahana seeds for Rs.450 a kg as compared to BT seeds which costed me around Rs.1200 per kg and started saving money right at step 1,” says Patil. With the help of the farmer collective DKB, Patil has managed to repay all his loans, obtain consistent yields from his farm and even imparts his new found learnings on cotton to those interested in the Hubli Sandbox.

DKB is one of the pioneering Sandbox initiatives launched by Sahaja Samruddha, a farmer collective established in 2001 to exchange seeds, knowledge and ideas around sustainable agriculture, in partnership with the Deshpande Foundation in the Hubli Sandbox. Realising that farmers mostly lacked the skills and wherewithal to bring their produce to the right markets, Sahaja Samruddha and DF started working on initiatives to bring farmers together around organic cultivation, revive traditional and indigenous crop varieties and create platforms where awareness, engagement and retail could take place regularly around organic food.

**Genesis: Supporting Sustainable Agriculture**

When Sahaja Samruddha entered the Sandbox in 2011, it had already established considerable success across the country as far as farmer integration went. The collective had added over 786 farmers from across the country, had 1000 farmers in organic conversion status and ongoing marketing partnerships with 360 agri- organisations.

When the farmers collective was brought together in the Hubli Sandbox, agriculture in the area was going through a trough: there were continuous drought years, mono-cropping had replaced traditional multi-cropping systems and commercial crops like sunflower were fast denuding soil fertility.

Government interventions to support organic agriculture were entirely missing and crops like diabetic rice which were high value indigenous products were being completely sidestepped – no one wanted to experiment with products that didn’t have a ready market.

Taking advantage of their strong farmer network, Sahaja was keen to focus on matching demand and supply for organic food through strong consumer building activities, creating differentiated platforms for farmers to sell their quality produce and also moving to a model where they could grow organic agriculture

“We want more people to understand the value of organic farming,” says Channabasappa Kombali, president of DKB. The DKB seed bank now has successfully stored and preserved 108 varieties of rice, 26 varieties of Brinjal, 45 varieties of cotton and 24 varieties of Ragi.
holistically by shifting focus from maximizing production to integrated, diversified and nutrition based farming.

The Sandbox Story

1. Crop Mapping And Selection: Reviving Native Crops

As a first step towards reviving indigenous varieties of crops that could benefit both farmer and the environment, Sahaja along with DF performed a mapping of crops according to geographical area in the Sandbox. “As opposed to other organisations that focused on capacity building with existing commercial crops and had no farmer loyalty, we decided to build our entire marketing strategy around the farmer and the crop,” says Krishna Prasad, founder member and Director of Sahaja Samruddha.

Once crop mapping was done, Sahaja started experimenting with known and knowledgable farmers to encourage them to grow these local crops. In the beginning, farmers were even offered better rates for these varieties by Sahaja - Paddy for instance was bought at Rs. 18 per kg (while government rate was 16), Little Millet for Rs. 18 per kg. (Sahaja offered Rs. 21). Today, thanks to strengthened supply and awareness creation, farmer groups are able to get returns of 1 lakh rupees just for red rice every month.

2. Increasing Adoption: Farmer Groups

After fixing on crop strategy, the next step was to get farmers to adopt the model and scale production. DF provided Sahaja a grant to bring farmers together under a common ‘farmer group’ umbrella, resulting in formation of groups like the Desi Krushikara Balaga (DKB) working out of Hubli and the Malnad Rice Growers Association. Farmer groups helped scale production, make the supply chain predictable and also helped evangelize adoption of sustainable agriculture practices.

Two key factors helped in building successful farmer groups: leveraging the strong brand name associated with Deshpande Foundation to co-opt new farmers and bringing in well known certified organic farmers. DKB for instance is run by 10 administrative members who are farmers each with over 25-30 years of experience and reaches out to a network of 300 registered farmers. DKB Vice President and farmer Shrenik Raj has grown 110 varieties or rice on his land, President Channabasappa Kombli is a Krishi Pandit and was declared Man of the Year by Indian Express; these successful farmers went a long way in infusing new entrants with belief that their traditional crops could compete in mainstream markets.

In addition to the seed exchange network, Sahaja Samruddha organizes annual red rice melas, seed festivals and safe food melas in cities, tier-2 and tier-3 towns, a way for the farmer to directly sell his produce to consumers at a fair price.
Sahaja also invested in hiring high quality agri-professionals responsible for Quality Assurance, packaging and ensuring that quality produce reached stores in Bangalore and other cities, a move which greatly reduced costs and brought in efficiency. "We believe that the farmers are not businessmen. We aim to take care of all the complexities related to business, selling and marketing for them," says Prasad.

Once a farmer is part of the group, he gets support to convert his land to organic: farmers undergo a three month training on seed quality, organic farming, use of natural pesticides and fertilizers, water conservation, integrated farming system and seed conservation. As part of the registration process, farmer network members also make initial visits to test the land on the basis of soil quality and other factors. Informal checks are put in place to ensure that the farmer is actually serious about going organic.

Banaka and his son have managed to save many millet varieties.

Being present in the Sandbox also helped Sahaja leverage the ecosystem to establish key farmer outreach partnerships like Manuvikasa, technical help from Srijan on SRI cultivation and to hire field workers and agricultural managers from the many programs on skill development and leadership training that are run by the Deshpande Educational Trust (DET).

3. Working Capital For Scaling Production

One of the essential requirements of scaling production was working capital for operations - the model of running the organizations based on farmer contributions meant limited surplus capital to invest and expand the marketing of organic products. However, since the focus of farmer groups was neither large scale investment nor higher margins, it was important to seek grant-based, focused-loans. “One of the key contributions of DF has been to understand that we are working on something for which the market is not yet ready and provide us funds for it. We are creating the market for organic produce in smaller cities as well as strengthening the farmer’s faith in organic cultivation,” says Prasad. With the help of DF, Sahaja has also been able to connect farmers to funding partners like Microgram through DF for micro-loans.

Currently, groups like DKB are looking for working capital to add processing units in order to perform polishing, restoring and flouring, operations that will fetch the farmers a lot more than they get for their raw pulses and grains.

4. Building New Channels for Organic Produce

The land under organic cultivation in India is worth Rs. 6000 crores, yet the current Indian Organic market is only Rs. 2500 crores; produce still reaches non-differentiated markets. “The biggest challenge is to swim against the current,” says Prasad. "There is no special policy or special market for Organic farming. There is no Minimum Support Price."

With an aim to establish scalable markets for their indigenous crops and special produce, DF and Sahaja launched a slew of market facing initiatives for building consumer awareness and sale for organic produce.

Good seed exchange networks

In line with their support to help farmers focus on the agriculture, groups like DKB provide a reliable wholesale market for raw farmer produce by collecting high quality organic seeds, selling them at fair prices in the open market and then distributing the profits among the farmers.

Once the farmer is part of the network, DKB buys seeds from the farmers at a 10% premium, retains a margin of 5% and supplies seeds to another farmer, industry, producer company or local outlet at a 10-15% profit margin. DKB also lays emphasis on preserving traditional heirloom seeds and species that are fast vanishing. “We want more people to understand the value of organic farming,” says Channabasappa Kombali, president of DKB. The DKB seed bank now has successfully stored and preserved 108 varieties of rice, 26 varieties of Brinjal, 45 varieties of cotton and 24 varieties of Ragi.

Good food melas

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A first-of-its-kind organic mela jointly organised by Sahaja Samruddha, Deshpande Foundation and ‘Save Our Rice’ Campaign in May 2013 saw hordes of Hubli and Dharwad consumers line up to buy pesticide-free food. The mela witnessed footfalls of over 15,000 and sold over 40 quintals of organic produce in the first two days itself. “We had expected 10,000 consumers over a four-day-event but we have witnessed about 15,000 in first two days, itself,” said Siddu Gowder, one of the organisers, talking about growing awareness among consumers to buy healthy produce.

Sahaja Samruddha’s annual red rice mela along with NABARD saw over a 100 different varieties of rice and sold to 6000 consumers in January 2013.

“Melas bring producers and consumers together which is A first-of-its-kind organic mela jointly organised by Sahaja Samruddha, Deshpande Foundation and ‘Save Our Rice’ Campaign in May 2013 saw hordes of Hubli and Dharwad consumers line up to buy pesticide-free food. The mela witnessed footfalls over 15,000 and sold over 40 quintals of organic produce sold in the first two days itself.
beneficial to both parties – farmers get to see demand directly and consumers get better prices and assured quality produce. Melas also help us build an initial database of interested consumers who we can then follow with our ongoing social media marketing,” says Krishna Prasad. The collective decided that the melas needed to be mainstream and involve key players in the region for them to be regarded as important. With the help of DF’s extensive network, Sahaja reached out to the Agriculture Dept, bankers, govt. officials and other renowned people in Hubli to endorse the initiative.

Print and local media have had a strong role to play in bringing about consumer awareness in the Sandbox, says Krishna Prasad. Building on DF’s relationship and their own ongoing engagement with the press, Sahaja has been able to co-opt newspapers to carry regular stories to increase consumer recall about the benefits of organic. In their first Millet Mela, Deccan Herald carried a full page story on the market which helped gain a lot of visibility.

Branding and packaging

Catering to the “what looks good must taste good” taste of urban consumers, Sahaja spent a fair amount of effort to bring together professional branding and packaging for all its stores and products. Brands like Namma Anna, Millet Magic, Nature’s Store have been created in the Sandbox and gone far in bringing about consumer awareness; the name ‘Millet Magic’ has even been trademarked.

### Sandbox Snapshot

**With the help of DF, Sahaja has been able to scale both supply and demand for organic products. Pre-Sandbox, Sahaja estimates point to about 50 - 100 Kg supply to Bangalore, which today is between 10 and 20 quintals.**

**DF grants provided critical working capital to enable farmers to invest in their lands. DF’s name is great help among farmers, administration and other stakeholders.**

**Sandbox provided access to partners of varying kinds - Micro Graam that has provided upto 10 lakhs as micro-finance for farmers; BIRD-K for processing (e.g. millet processing), Srijan for SRI techniques and organisations like Manuvikasa and BAIF to bring more farmers into the fold.**

“All these initiatives have helped us grow organic agriculture in the Sandbox area,” says Prasad.

### Looking Forward

With the help of working capital from Deshpande Foundation, Sahaja is now looking to expand DKB’s footprint by bringing more farmers under its wings, converting them to growing organic and providing them with profitable ways to reach their consumers. “We need more platforms to be built, and more institutions to join us. These farmers need more visibility in the market,” says Prasad.

Rare millets, red rice and medicinal crops in Belgaum area have been identified and plans are on to bring them to the mainstream market.

Farmers groups like DKB are looking to become formal institutions and form producer companies to get better returns for their products. The impact of the work done by DF and Sahaja Samruddha in the Sandbox area has meant confident farmers, rapidly scaling organic produce and greater awareness about the importance of seed saving, native varieties and the value of produce like red rice in mainstream markets that farmers are looking forward to cash in on.

The final objective of Sahaja’s activities are to make organic agriculture viable and sustainable by helping farmers: Omkar Patil, one of DKB’s farmers, has 40 acres of land where he grows various crops including, cotton, millets, chilly, pulses, jowar, wheat, red gram and groundnuts. With help from DKB, his profits have grown from Rs. 3 lakhs an annum to Rs. 8 lakhs an annum.

“Today, I just grow my crops right with the help of the collective. I don’t have to worry about where am I going to sell my products, DKB has given the platform where I could get the right price,” says Patil.