

# Collective marketing for better incomes

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With a little support, poor farmers can organise themselves and improve their livelihoods through collective efforts. *Vrindavan Pushpa Utpadak Sangha* has shown the way.

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Vikramgad of Thane district in Maharashtra State has predominantly tribal population, who are dependent on subsistence agriculture. Though the area receives copious rainfall, there is water scarcity caused by water losses, owing to hilly nature of the terrain. Agriculture is predominantly rainfed and crops can be grown only during the Kharif (monsoon) season. Paddy is the main cropping system in the region. Crops such as finger millet, black gram, pigeon pea are also cultivated on smaller scale. Due to low productivity, farm production is not enough to feed the families for the entire year. During the off season, the tribals migrate to nearby towns and cities in search of wage labour.

## The initiative

In 2004, Maharashtra Institute of Technology Transfer for Rural Areas (MITTRA), a development organization promoted by BAIF, Pune, started promoting Wadi model of agro horti forestry. In this model, horticulture crops are grown on one acre of land, agriculture crops are grown as intercrops and forest tree species are grown on the peripherals for providing small timber, fodder and non-timber forest produce. The land under Wadi is treated with soil and water conservation practices and efforts are made to provide resource for small-scale irrigation through farm pond, jalkund and open wells. Around the core activity of horticulture, a number of allied land based activities are added, to substantially improve income in a short period of time.

Small scale floriculture is one such activity that was promoted to complement the fruit tree cultivation. Floriculture has several advantages. Income from flowers could meet the family expenses during the initial years, as the fruit trees yielded only after six years of planting. Also, continuous production of flowers ensured daily visits to Wadi plots ensuring aftercare of the horticulture plants.



*Family members are actively engaged in jasmine cultivation*

Starting from 11 families in 2005, the number of families growing flowers increased to 430.

The farmers in Vikramgad had never undertaken floriculture as a traditional activity. For this reason, there was resistance, initially. Most of the families had no confidence in the success of floriculture as they were not aware of cultivation, marketing and income potential of the activity.

Meetings were organized at the hamlet level to explain the economic returns of the floriculture model. Farmers were provided with information on all aspects of cultivation. Exposure visits to floriculture plots in neighbouring areas was organised. These visits proved useful in convincing the farmers about the economic benefits of this activity.

Eleven tribal families offered to undertake cultivation in the year 2005. Plantation was done in the month of August. These families were provided with good quality planting material and inputs like fertilizers and insecticides. Two hundred plants of jasmine were planted on 500 sq. meter (0.05 ha) with an investment of Rs. 2500/-.



*Sangha meeting*

Families showing interest for floriculture were provided support for irrigation by linking them with projects of the tribal development department. Floriculture plots were regularly visited by experts for providing necessary guidance to the farmers.

The first harvest of jasmine flowers was available for sale in six months from plantation. The flowers were sold in the local market. A net return of Rs. 21,000 to 25,320 was realized. The sale provided steady income, which attracted more families to join the programme. Starting from 11 families in 2005-06, the number of families growing flowers increased to 430.

All the women members in the families of the flower growers are actively engaged in all aspects of the enterprise, from cultivation, harvesting to packing. Some women prepare beautiful garlands and *Venis* (flowers tied in patterns for adorning hair plait) to be sold in the local market.

### **Formation of Flower Growers' Organization**

Farmers felt that the returns realized in the local market at Vikramgad were not very attractive. To improve returns, they took up activities which added value to the produce. Women were trained in garland and bouquet making. But still, they could not earn better incomes. The situation turned worse when payment by local traders became irregular. Some traders even defaulted on payment. The farmers therefore wanted to explore better markets. This necessitated them to form a collective to benefit from collective marketing. With the support of MITTRA, flower growers formed into *Vrindavan Pushpa Utpadak Sangha*, an informal organization of flower producers.

Presently, all the 430 flower growers belonging to 21 villages are members of the Sangha. There are 22 women members too in the Sangha. There is an executive committee of fifteen members headed by a President. Responsibilities are shared among the executive members for conducting day-to-day operations. The responsibilities are undertaken on rotational basis. The executive committee conducts meeting of the flower growers, once a month to review progress and decide about course of action. Plans for

### **Some hard lessons learnt**

- Once, the flowers were sent to Dadar market when the market was closed due to a *Bandh (closure)* called by a political party, the entire consignment had to be thrown out. This incident taught an important lesson to study the market situation on a daily basis. If the market does not open due to any reason, picking of flowers on the day is not undertaken.
- The consignment of flowers is transported by State Transport buses (ST bus). Flowers were placed on a carriage which is on the top of the bus and were exposed to sun and wind. Some bus conductors were refusing the consignment to be taken inside the bus. The project staff met the ST bus depot manager at Vikramgad and appraised him about the initiative. The depot manager was also invited as a Chief Guest during the Sangha's foundation day celebrations. Having realized the hardships put in by the farmers, the depot manager gave a blanket permission to carry the consignment inside the bus.

collecting the harvest from hamlets are made. Transparent accounting procedures are adopted. There is an air of informality in *Sangha's* operation which is conducive at the moment.

### Collective marketing management

It was found that Dadar market, which is 130 kms away provides better rates to the producers and the traders are trustworthy. Exposure to Dadar flower market was organized to study the process of marketing. Collective marketing of flowers in Dadar market was initiated during September 2007.

The flowers are harvested early in the morning at about 5 AM by the family members. The harvesting is completed by 7 AM. The harvested flowers are brought to the collection centers in the village. The produce from each member is weighed and packed in jute sacks. Produce from different villages is collected at Vikramgad bus stand from where it is transported to Dadar by bus or train. One or two producer members accompany the produce for ensuring minimum damage during transportation. They are paid Rs. 200/- day from the *Sangha* as honorarium. The flowers are supplied to a wholesale trader. The transportation expenditure is borne by *Vrindavan Pushpa Utpadak Sangha*.

The rates of flowers in the market vary on a daily basis depending upon the demand and supply position. The trader makes payment to the *Sangha* on monthly basis based on the prevailing rates for each day. Payment is made by the trader in cash, which is deposited in the bank account of the *Sangha* at Vikramgad on a monthly basis.

The secretary of the *Sangha* keeps the records of income and expenditure and arrives at the rate per kg of the flower to be paid to the producers. Payment is made in cash on monthly basis in the monthly meeting where all executive members are present. Initially, MITTRA played an active role in maintaining records and making payments. This role has now been taken over by the *Sangha*.

Each member contributes Rs. 10 per kg of flower sold to the Sustainability Fund of the *Sangha*. This fund is used for purchasing inputs for cultivation. The inputs are provided to the members at cost. Since the scale of operation is small, the requirement of investment is not a constraint and financial institutions are not approached for funds. Some families are supported by funds available in the tribal sub plan. In addition, each member saves Rs. 10 per kg of flowers in the *Sangha* as their personal saving.

Table 1: Scale of production

Year	Flowers (MT)	Rate/Kg (Rs)	Gross Income (Rs in lakh)
2007 - 08 (Sept - March)	1.3	111	1.9
2008 -09	7.5	141	10.2
2009 -10	11.3	139	15.4
2010 -11	22.3	201	39.8
2011 -12	36.9	196	63.8
<b>Total</b>	<b>79.4</b>	<b>158</b>	<b>131.1</b>

Fig. 1: Supply Chain of Flowers



Around 79 million tonnes of jasmine flowers worth Rs. 1.31 crores have been sold in the Dadar market since 2007 (See Table 1).

### Conclusion

Income from floriculture is substantial. The farming families have used this income for improving water resources and generating assets. Income from floriculture has helped farmers diversify their income sources (crop, livestock, manual labour etc) ensuring better sustainability. There has been an improvement in the quality of life of the families undertaking floriculture. All this has been possible due to collectivization of produce.

As the *Sangha* is still evolving, the handholding support by the NGO cannot be underplayed. As the confidence level in the tribal farmers is low, an external support is important during the initial periods. MITTRA has been instrumental in bringing about this change in Vikramgad.

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