

**Indian Farmer**

Volume 12, Issue 04, 2025, Pp. 207-214

Available online at: www.indianfarmer.net

ISSN: 2394-1227 (Online)

Success story**Kothabad FPCL: A Case Study in Agroecological Farming and Market-Driven Development****Dr. Sumita Acharya¹, Dr. Surya Narayan Mishra², Dr. Sarbani Das³ and Prof. Prasannajit Mishra⁴**¹Scientist (Home Science), Krishi Vigyan Kendra, Puri.²Senior Scientist & Head, Krishi Vigyan Kendra, Puri.³Joint Director Information, Odisha University of Agriculture and Technology, Bhubaneswar.⁴Dean, Extension Education, Odisha University of Agriculture and Technology, Bhubaneswar.*Corresponding author: sumitaacharya@ouat.ac.in

Received: 16/04/2025

Published: 20/04/2025

ABSTRACT

Kothabad Farmers Producer Company Ltd (FPCL), established in 2018 in the Pipili block of Puri district, Odisha, is a shining example of how farmer collectives can drive agroecological transformation and rural development. Rooted in sustainable practices, the FPO integrates production, processing, and marketing of commodities like mushrooms, poultry, fish, pulses, spices, and organic inputs. It promotes eco-friendly methods such as direct-seeded rice, indigenous paddy, and water hyacinth-based vermicomposting. With support from NABARD, NABKISAN, I-Concept, and KVK, the FPO has built a robust infrastructure, including cold storage, input shops, and processing units. It ensures market readiness through FSSAI, GST, and e-NAM registrations. The FPO has achieved a turnover of ₹62.56 lakh in 2024–25, with a cumulative turnover of ₹2.4 crore, and empowered over 560 farmers, particularly women. Recognized at Vikas Mela 2024, Kothabad FPCL now aims to enhance branding, expand processing, and scale climate-resilient practices to emerge as a regional model for sustainable agribusiness.

Keywords: Farmer Producer Organization (FPO), Market Linkages, Sustainable Agriculture, Rural Development, Organic Farming.

Established on 31st August 2018, **Kothabad Farmers Producer Company Ltd (FPCL)**, based in the Pipili block of Puri district, Odisha, stands as a compelling example of how community-led institutions can transform rural livelihoods through sustainable agriculture and collective enterprise. Rooted in the principles of **agroecology** and inclusive development, the FPO has effectively merged environmentally sound farming practices with market-driven strategies to boost farmer incomes and foster **climate-resilient** livelihoods—an approach echoed in studies by Gliessman (2015) and Rosset & Altieri (2017), who advocate agroecological transitions for sustainable food systems.

Formed with the vision to empower small and marginal farmers—particularly women—through organized production, value addition, and direct market linkages, Kothabad FPCL has demonstrated notable progress within a few years. It has mobilized over 300 shareholder farmers and introduced eco-friendly interventions such as **direct-seeded rice (DSR)**, indigenous paddy varieties, **vermicomposting**, and **mushroom cultivation**, aligning with sustainable intensification principles discussed by Pretty et al. (2018).

With critical support from agencies like KVK, NABARD, NABKISAN, I-Concept Initiatives, and Tanager, the FPO has developed a comprehensive agri-value chain. This includes the establishment of processing units, a 20 MT cold storage facility, and improved market infrastructure—efforts that resonate with findings by Birthal et al. (2020), who emphasized the importance of infrastructure and institutional support in enhancing smallholder participation in agri-markets.

Through participatory planning, capacity building, and convergence with line departments, Kothabad FPCL has emerged as a **model FPO** in eastern India, reflecting the potential of grassroots institutions in promoting **inclusive, sustainable, and market-oriented rural development**.

Focus Areas of Operation

i. Production and Rearing Units

Kothabad FPCL encompasses a diverse range of activities aimed at promoting sustainable livelihoods and resource-efficient farming. These include mushroom cultivation, which provides a quick-return, climate-resilient income source for farmers; vermicomposting, which converts organic waste into nutrient-rich compost for soil health improvement; poultry farming, contributing to both income generation and nutritional security; and fish and fish seed production, enhancing aquatic farming potential and providing livelihood options for rural youth and women. These integrated production activities not only ensure income diversification but also support the ecological balance within the farming system.

ii. Processing Units

Kothabad FPCL focuses on value- addition to locally grown agricultural produce, thereby enhancing marketability and farmer income. The FPC engages in the processing of pulses, including Arhar, Blackgram, and green gram, which are cleaned, graded, and packaged for retail and bulk sales. Additionally, the unit processes spices, catering to the growing demand for local, chemical-free flavoring agents. These activities not only reduce post-harvest losses but also empower farmers through better price realization and access to broader markets.

iii. Trading Commodities:

Kothabad FPCL actively engages in the **trading of various agricultural commodities**, ensuring market access and fair prices for its member farmers. The key traded items include **paddy and rice**, along with a wide range of **vegetables**, including **exotic varieties** that cater to niche markets. The FPC also trades in **dairy products** and **pulses**, contributing to the local food value chain. Additionally, it promotes sustainable farming by marketing **organic inputs** such as **vermicompost**, **farmyard manure (FYM)**, and **bio-fertilizers**, supporting eco-friendly agricultural practices, and strengthening the agroecological model in the region.

iv. Agroecological Focus:

The **Agroecological Focus** of Kothabad FPCL reflects its commitment to sustainable and environmentally friendly farming practices. A key initiative is the **promotion of Direct Seeded Rice (DSR)**, a water-efficient and cost-effective alternative to traditional transplanting methods, which helps conserve resources and reduce labor dependency. The FPO has also taken significant steps in the **revival of indigenous paddy varieties**, aiming to preserve local biodiversity, improve climate resilience, and enhance the nutritional value of rice. Another notable intervention is the **utilization of water hyacinth for composting**, turning an invasive aquatic weed into a valuable organic input. This innovative practice not only addresses waste management but also contributes to improved soil health, making farming more sustainable and eco-conscious.

Infrastructure and Compliance

The Farmer Producer Organization (FPO) operates with a well-equipped infrastructure, including a modern office, a collection center, a 20 MT cold storage facility, and an input shop. The office ensures efficient administration, while the collection center handles and packages produce for the market. The cold storage preserves perishable goods, allowing farmers to store produce and sell at favorable prices. The input shop provides high-quality seeds, fertilizers, and other essentials to members at competitive prices.

To ensure compliance and credibility, the FPO holds key registrations: FSSAI for food safety, E-NAM for online agricultural trade, Seed and Fertilizer License for input distribution, and GST for tax operations. These certifications enable the FPO to operate at a commercial scale, facilitating smooth, legal, and transparent operations and boosting trust in the market.

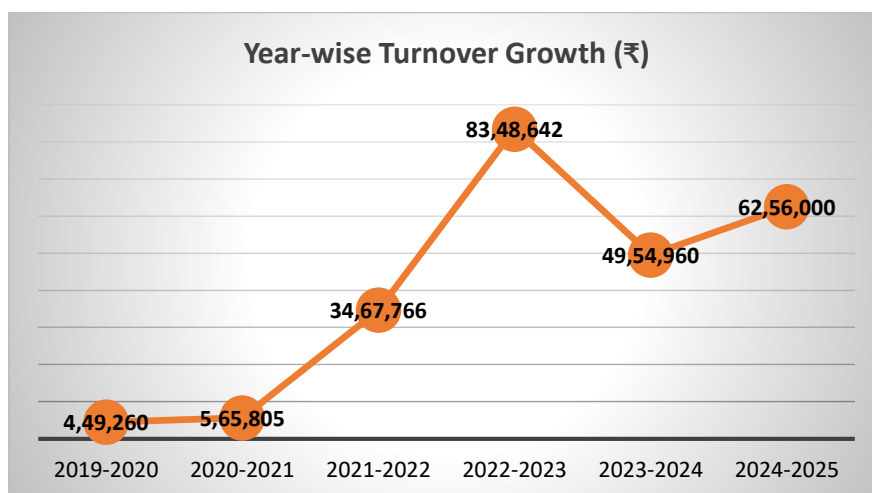
Financial Progress and Market Outreach

The Farmer Producer Organization (FPO) has demonstrated solid financial strength with a paid-up capital of ₹5.61 lakh, providing a strong foundation for its operations. In addition to this, the FPO has secured external financial support from several sources to enhance its growth and sustainability. This includes ₹35 lakh from Samunnati, ₹25 lakh from NABKISAN, and ₹5 lakh from NABARD. These financial contributions empower the FPO to invest in infrastructure, expand its operations, and provide valuable services to its members, ensuring long-term financial stability and the ability to scale its activities.

Market Reach:

Kothabad FPCL is actively engaged in major agricultural markets like Capital Mandi, Krushak Bazaar in Puri, and Pipili, where it plays a significant role in facilitating the sale of produce. These strategic market linkages ensure that the FPO's members have direct access to larger and more profitable markets, enhancing their opportunities for better sales prices and wider market reach. Additionally, the FPO is closely linked with Sabujavarna Organic, a key partner in procuring produce from its 310 shareholder farmers. This partnership ensures a steady supply of high-quality organic products, allowing the FPO to promote sustainable farming practices and meet the growing demand for organic produce in the market. Through these linkages, Kothabad FPCL strengthens its position in the market.

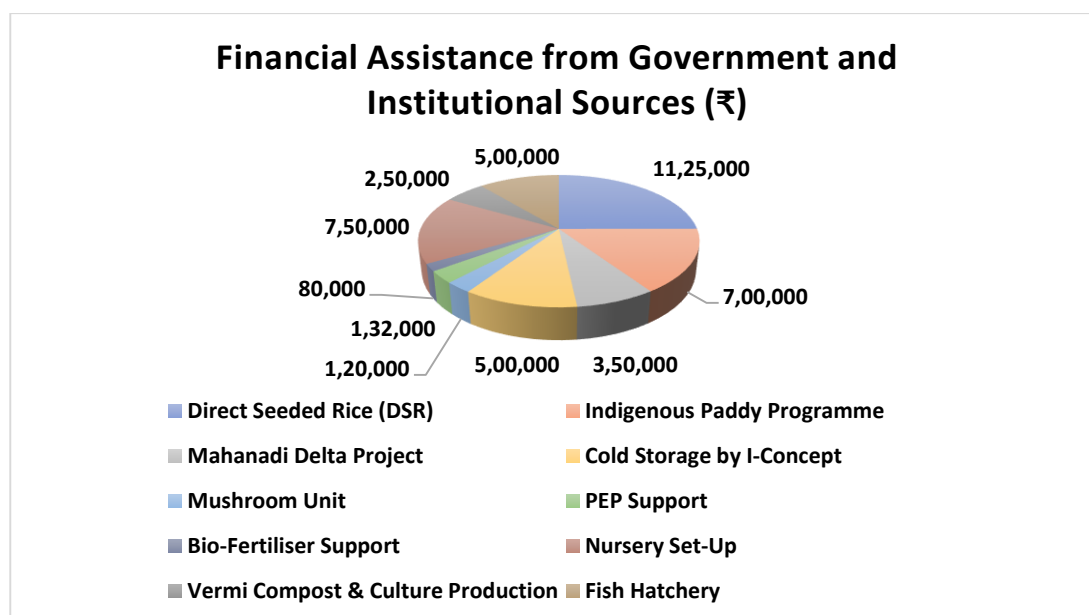
while providing its members with consistent income opportunities and promoting sustainable agricultural practices.



Institutional and Government Support

Kothabad FPCL has received substantial support from various government and developmental agencies, which has played a crucial role in its growth and success. Key partners like the Krishi Vigyan Kendra (KVK) have been instrumental in providing technical training, guidance, and access to research-based agricultural practices, enabling the FPO to enhance its operations and productivity. Financial institutions such as NABARD and NABKISAN have provided vital funding, helping to strengthen the FPO's infrastructure, expand its services, and improve its financial resilience.

Additionally, organizations like I-Concept Initiatives and Tanager have supported the FPO with capacity-building programs, market linkages, and innovative solutions tailored to the needs of smallholder farmers. These partnerships have enabled Kothabad FPCL to implement sustainable farming practices, improve product quality, and create better market access for its members. With the continuous backing of these agencies, the FPO is better positioned to scale its operations, increase farmer incomes, and contribute to the broader goal of agricultural sustainability and rural development.



6. Key Initiatives and Achievements

- **700 ha paddy cultivation** initiated in **Kankadahad, Dhenkanal**.
- Promoted **agroecological practices** among **560 farmers**, including the revival of **indigenous rice varieties**.
- Produced over **500 MT of vermicompost from water hyacinth**, enhancing soil health and reducing reliance on chemicals.
- Encouraged **mushroom cultivation among 28 farmers**, with technical support from **KVK** and convergence with the **Horticulture Department**.
- Awarded at **Vikash Mela 2024** for exemplary contributions to farmer development and organic farming.

Challenges and Solutions

One of the major challenges faced by Kothabad FPCL was the preservation of high-value vegetables during transportation and marketing, which often led to spoilage and reduced market value. To address this issue, the FPO has commissioned a 20 MT capacity cold storage facility, a significant step towards improving the shelf life and quality of perishable produce. This cold storage not only helps preserve the freshness of vegetables but also prevents post-harvest losses, ensuring that farmers can transport their produce to markets without worrying about spoilage. The facility has benefited over 100 farmers by providing them with a reliable storage solution, enabling them to sell their produce at optimal prices and reducing the pressure to sell immediately due to perishability. This initiative has enhanced the profitability and sustainability of the FPO's members while improving their overall market competitiveness.

Community Impact

Kothabad FPCL has made a significant community impact by driving transformative changes among its members. The FPO has fostered strong solidarity among its 310 shareholder farmers, creating a supportive network that collaborates for mutual benefit. It has actively promoted women's participation in processing and agribusiness, empowering them to contribute to value-added activities and enhance their economic independence. The FPO has also strengthened marketing channels for chemical-free traditional crops, ensuring that farmers can access premium markets that value sustainability and organic practices. Through capacity-building initiatives by POPI and regular exposure visits, the FPO has enabled its members to manage their operations independently, equipping them with the skills and knowledge needed to thrive in the agricultural sector. These efforts have not only improved the livelihoods of the farmers but have also contributed to the overall economic and social development of the community.

Future Roadmap

Kothabad FPCL has a forward-looking roadmap to further strengthen its operations and impact on the community. The FPO plans to develop commodity-specific product clusters, allowing farmers to focus on niche products with higher market demand and value. There are also plans to expand mushroom and vermicompost production, tapping into sustainable agricultural practices and increasing profitability for members. The establishment of processing units for rice, pulses, spices, and millets is another key objective, which will add value to local produce and open new revenue streams for farmers. Additionally, the FPO aims to launch its brand for bulk trading, enhancing its market presence and negotiating power.

To further empower its members, the FPO intends to promote vegetable aggregation, seed and fertilizer sales, and maintain regular market linkages, ensuring consistent demand for produce. A strong emphasis will also be placed on building a robust FPO management system, improving efficiency, and ensuring transparency in all operations. Finally, the FPO seeks to enhance convergence with line departments, facilitating wider support for farmers through government schemes, technical assistance, and financial resources. This comprehensive roadmap will help Kothabad FPCL scale its operations and better serve its members, contributing to long-term agricultural sustainability and economic growth.

CONCLUSION

The success of Kothabad FPCL highlights the transformative power of grassroots-level institutions in reshaping smallholder agriculture. By effectively combining traditional agricultural practices with modern business strategies, the FPO has created a model that promotes both ecological sustainability and economic resilience. Through its innovative approaches, such as organic farming, value addition, and community collaboration, Kothabad FPCL has not only improved the livelihoods of its farmers but also contributed to the overall development of the region. This success story serves as a testament to the potential of farmer collectives to drive long-term agricultural growth, empower local communities, and build a more sustainable and inclusive agricultural future.

REFERENCES:

- Birthal, P. S., Jha, A. K., & Pal, S. (2020). Strengthening agricultural markets in India: Issues, options, and policies. *Agricultural Economics Research Review*, 33(1), 1–13.
- Gliessman, S. R. (2015). *Agroecology: The Ecology of Sustainable Food Systems*. CRC Press.
- Kumari, A. Aruna & Vidhya, A. (2024). Farmer Producer Organisations: A comprehensive overview and role in agriculture. *FnBNews.com*.
- Pretty, J., Benton, T. G., Bharucha, Z. P., et al. (2018). Global assessment of agricultural system redesign for sustainable intensification. *Nature Sustainability*, 1(8), 441–446.
- Rosset, P. M., & Altieri, M. A. (2017). *Agroecology: Science and Politics*. Fernwood Publishing.

Good quality photographs:**Procurement of Paddy from the farmer****Attended OUAT Krishi Fair**



DSR Field Photo



Processing & Packing of Vermi Compost