SOPA
INTERNATIONAL
SOY CONCLAVE
UNFOLDING NEW OPPORTUNITIES
08-09 October 2022
Brilliant Convention Centre, Indore

Role of FPO's in Soybean Development

Soybean SWOT Analysis

Sahyadri farms
Seeding goodness

Strength

- Minimum Investment compare to other Crops
- Easy Management & Crop Practices
- Low labor cost
- Less Water Requirement
- MSP
- Non-GM / Organic Production

Weaknesses

- Low Productivity
- Low Income
- Availability of Quality Seed
- Lack of Variety

Opportunities

- Best Protein Source, demand is increasing
- Demand in Nutritional Food Sector
- Demand in Animal Feed
- Meat Industry is growing
- Edible Oil
- Energy

Threat

- Farmers can shift on another crop, due to low Income

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Soybean Farmers Challenges

Farm-level

- **Shrinking land holding**
- Low Productivity
- 5-8 Quintal vs Global 35 Q
- High Cost of Production
- Seed Quality / Variety
- Input Availability
- Unpredictable weather
- Weak Finance System
- Crop Insurance

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POST HARVEST

- Inadequate Post Harvest Facilities
- Procurement Cost is high
- Transport cost is high
- Weight Loss
- Lack of Capable Professionals
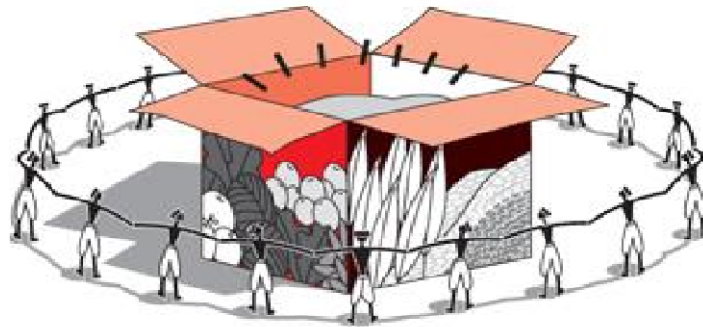- Un-Skilled force

MARKET

- Dependency on MSP
- Unaware of Market Potential
- Weak Market Linkages
- Sufficient Working Capital
- Scattered Processing

Soybean is not Farmers Choice, its Product of Water Scarcity

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NEED OF AN HOUR
FARMER PRODUCER ORGANISATION

| PRODUCER COMPANIES | COOPERATIVES | SHG'S |

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Pvt Owned Value Chain vs Farmer owned value chain

Privately Held Value Chains

- Farmer is only supplier
- Investors interest protected and focused compared to farmer/supplier
- 100 % profit orientation, which some times leads to exploitation of farmers
- No commitment to Farmers
- Farmers participation always remains minimal, mainly restricted to Sale-Purchase
- Productivity/Finance/Insurance/Input need of the farmers may not be addressed
- Sustainability for all stake holders may not be addressed

Farmer Owned Value Chains

- Farmer is a supplier as well owner/shareholder
- Farmers being shareholders, their interest is always expected to get protected
- Profit orientation. However, farmers aspect will always be at the centre stage
- Commitment to Farmers
- Farmers participation always remains maximum, not only restricted to Sale-Purchase
- Productivity/Finance/Insurance/Inputs need of the farmers will be addressed
- Sustainability for all stake holders will be addressed

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FPC adds 'Value' at Both End

Farmers

- Farmer is a supplier as well owner/shareholder
- Farmers being shareholders, his interest is always protected
- Profit orientation. However, farmers aspect is always be at the centre stage
- Commitment to Farmers
- Productivity/Finance/Insurance/Inputs need of the farmers is addressed
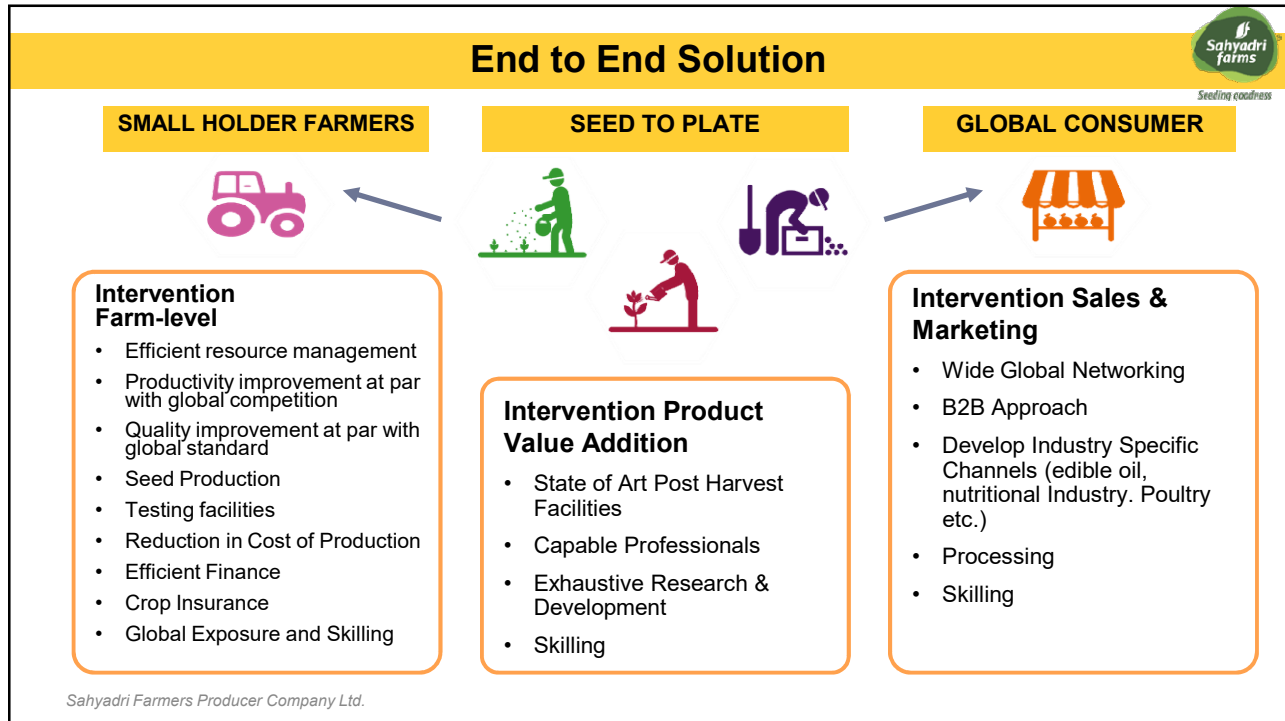- Sustainability for all stake holders is addressed

Buyer

- Unique Product procurement with SCALE
- Consistent supply
- Primary Processing
- Essential value addition
- Certifications
- specific markets norms
- Traceability & Transference

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Soybean FPO's Challenges

- FPO's are not aware about the potential of the Soybean
- FPO's are engaged in primary trading
- Most of the FPO's are dependent on Govt' procurement program
- FPO's are focusing on quality production & Yield
- FPO's don't have focus on Seed Production Program
- Working Capital is critical issue
- "SCALE'' is the biggest missing link in FPO's Business Model
- FPO Leadership have a very short vision, they are not looking beyond the trading

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End to End Solution

SMALL HOLDER FARMERS	SEED TO PLATE	GLOBAL CONSUMER

Intervention Farm-level
- Efficient resource management
- Productivity improvement at par with global competition
- Quality improvement at par with global standard
- Seed Production
- Testing facilities
- Reduction in Cost of Production
- Efficient Finance
- Crop Insurance
- Global Exposure and Skilling

Intervention Product Value Addition
- State of Art Post Harvest Facilities
- Capable Professionals
- Exhaustive Research & Development
- Skilling

Intervention Sales & Marketing
- Wide Global Networking
- B2B Approach
- Develop Industry Specific Channels (edible oil, nutritional Industry. Poultry etc.)
- Processing
- Skilling

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Thank You

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