



GRAMEENA SUVIDHA KENDRA (GSK): A CSR INITIATIVE OF MULTI COMMODITY EXCHANGE (MCX) FOR ECONOMIC STABILITY OF THE FARMERS - A STUDY

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ABSTRACT :

Grameena Suvidha Kendra (GSK), a CSR initiative of Multi Commodity Exchange (MCX) started in 2006 with the mission of empowering the farmers. The reason behind the advent of GSK is to include the farmers in the modern commodity market eco-system so that they mitigate the price and other associated risk. GSK serves as a rural service center to educate the farmers on market price for their produce in the future, expert advice on farm-related issues, better warehousing facilities, funding against warehouse receipts, quality testing and grading facilities that are provided by the exchange. To perceive that GSK reaches large number of farmers of India, MCX collaborated with India Post, as it has great network of villages, under Private Public Partnership (PPP) model. This program provides value-added services by assisting farmers in formulating a cropping strategy and maximizing returns; creating awareness, providing knowledge/guidance and value added services helping the farmers to raise their standard of living. This basket of services has increased multiple since its inception. Local agricultural experts, field visits and exposure visits enable farmers to adopt good agricultural practices, new techniques, processes and innovations maximise productivity and enhance their livelihoods and have social impact. Access to market price, redressal of crop related queries, exposure to different agriculture universities and KrishiVigyanKendras, technical knowledge of new techniques like FLD, SRI, organic farming, etc. save cost, enhance soil productivity and increase yield and enrich bio diversity. The recent initiatives like e-NAM facilitating the farmers to sell their crop anywhere in the country and its other intervention of Minimum Support Price (MSP) benefit the farmers if they function in their true sense.



KEYWORDS : GSK, MCX, CSR, PPP, e-NAM, MSP.

INTRODUCTION

Grameena Suvidha Kendra (GSK), a CSR initiative of MCX advented in 2006 with the mission of empowering the farmers. The primitive reason behind the inception of GSK is to include the farmers in the modern commodity market eco-system so that they mitigate the price and other associated risk. GSK serves as a rural service center to educate the farmers on market price for their produce in the future, expert advice on farm-related issues, better warehousing facilities, funding against warehouse receipts, quality testing and grading facilities that are provided by the exchange. To perceive that GSK reaches large number of farmers of India, MCX collaborated with India Post, as it has great network of villages, under Private Public Partnership (PPP) model.

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increased multiple since its inception. Local agricultural experts, field visits and exposure visits enable farmers to adopt good agricultural practices, new techniques, processes and innovations maximise productivity and enhance their livelihoods and have social impact. Access to market price, redressal of crop related queries, exposure to different agriculture universities and Krishi Vigyan Kendras, technical knowledge of new techniques like FLD, SRI, organic farming, etc. save cost, enhance soil productivity and increase yield and enrich bio diversity.

REVIEW OF LITERATURE

Ashok Gulati (2017) advocates that developing agri-futures is as much the responsibility of the policy maker and the regulator as that of Commodity Exchanges, and both need to work in harmony for the benefit of various stakeholders, especially peasants who need useful information about future prices for their products while they are planting those crops.

Debapratim Purkayastha (2012) explains how MCX engaged in activities that were in alignment with its core business. GSK was one such initiative that it took up in underserved rural communities to simultaneously improve the lot of the small and marginal farmers while guaranteeing long-term project sustainability, scalability, as well as the business interests of MCX and its collaboration partners. This paper studies the start-up phase of the model and seeks to identify its critical success factors.

FICCI BLOG (2012), the blog post the information on how GSK enables the farmers to take informed decisions on various aspects related to crop production and sale. In addition it also mentions that the Government bodies like Forwards Market Commission and NABARD has been an active partner in MCX's endeavor to make futures market prices available right to the bottom of pyramid through the GSK project.

ICMR (2010) illustrates how MCX sought to use its domain strengths to make India's process of economic growth more inclusive by providing small and marginal farmers with a level playing field and new opportunities in the domain of agricultural marketing, risk management, and finance. The company adopted a proactive approach to CSR and viewed these as 'Corporate Social Opportunities' (CSO).

Niraj Shukla says that a well-developed commodities futures market help farmers to predict their earnings and plan their future investments. It has been observed that futures' trading of agricultural commodities at NCDEX has reduced price volatility in commodities. Getting fair and remunerative prices of agricultural produce is major challenge in a country where majority of the farmers are small and marginal ones and a national level online platform of NCDEX has provided them a level playing field.

RESEARCH METHODOLOGY

The present study is descriptive in nature and it updates on GSK functioning as a sequel of earlier papers. Data is been collected from the secondary source i.e., primarily from MCX website, FICCI Blog, and other relevant research publications. Tables are presented to show the number of GSK centers situated at present.

OBJECTIVES

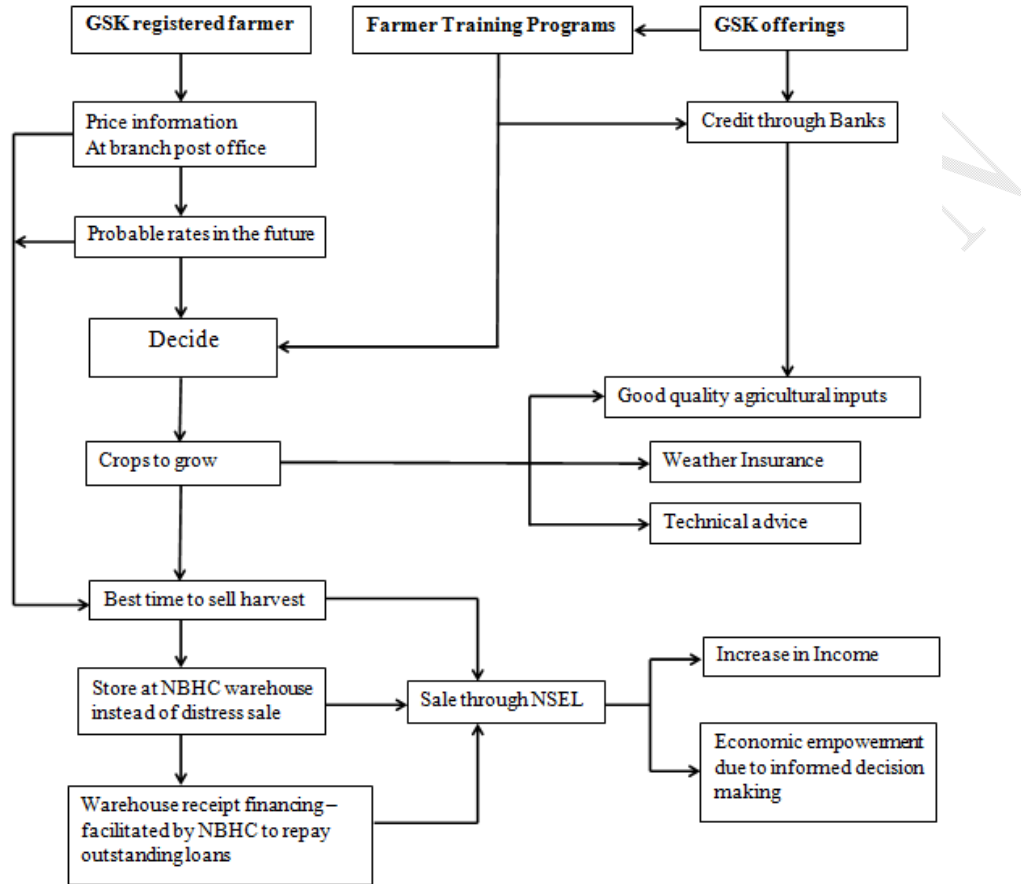
1. To study an overview of Grameena Suvidha Kendra (GSK) initiative.
2. To present the penetration of GSK centers till the end of FY 2017.

LIMITATION

If the study is conducted by collecting the primary data from the farmers seeking the assistance of GSK, the study would have brought a view on the success of GSK in meeting its primary objective of

empowering the farmers. However, for any dissertation work one can carry out an in-depth research on GSK across the given states.

1. Chart showing the GSK mechanism and the role of other stakeholders in agriculture value chain.



Explanation: The above figure illustrates how GSK helps the farmers for taking informed decision so that avoid the distress sale. Several stakeholders in the process that assist farmers in combating the key deficiencies in agriculture value chain.

Activities undertaken under the GraminSuidha Kendra (GSK) Program during FY 2017-18 are as under:

(i) Capacity Building Events for Knowledge Development:

Farmer training and awareness programmes: Through these programmes agricultural experts from different agricultural universities and KrishiVigyanKendras discuss the benefits of advanced agriculture techniques, etc. During the period, 148 such training programmes were conducted.

Farmer exposure visit: To provide farmers with knowledge on productivity, quality management, crop diversification, marketing, newly developed seed varieties and other valuable agricultural information, exposure visits were organized to different agriculture colleges, universities, KrishiVigyanKendras, KrishiMelas, etc.

Awareness programme of the Postal staff: GraminSuidha Kendra organized Branch Post Masters' training programme at Sausar (MP) and Tankara and Paddhari (Gujarat) with an objective to provide comprehensive knowledge on GraminSuidha Kendra programme.

Agri. expert visit/organizing field day: To resolve the different problems related to various stages of crop cycle, field visit of the agri. expert and organizing field day has become a regular event across all GraminSuvidha Kendra centres.

(ii) Agriculture Productivity Enhancement Programme:

Front Line Demonstration (FLD) programme: FLD is an agriculture technology which is evolved by the Indian Council of Agricultural Research. It's a field demonstration which is conducted under the close supervision of agri. scientist. The basic purpose is to demonstrate newly released crop varieties and its management practices in the farmers' field under different agro-climatic regions and farming situations. Total 248 were benefitted by this programme.

System Rice Intensification (SRI): The System of Rice Intensification known as SRI is an agro ecological methodology for increasing the productivity of rice and more recently other crops by changing the management of plants, soil, water and nutrients. The objective of the programme is to increase the productivity of irrigated rice. However it helps to raise household incomes, enhance soil fertility, and protect crops against climatic, pest, and disease stresses. Total 319 farmers were benefitted during the year.

(iii) Income Enhancement:

- ✓ Floriculture initiative for small and marginal farmers: To increase the household income, GraminSuvidha Kendra promoted floriculture with 108 farmers at different GraminSuvidha Kendra centres of Madhya Pradesh, Uttar Pradesh and Maharashtra.
- ✓ Kitchen garden initiative for empowering women: To provide support to women farmers with a sustainable livelihood option, MCX has supported kitchen garden programme by encouraging women to grow vegetables in their back yard and help them to enhance income and better health.
- ✓ Wadi/Fruit orchard: With intent to provide an additional income and empower women, Wadi/Fruit orchard program has been initiated. GSK assisted and has encouraged 76 women to develop fruit orchards by cultivation of drought tolerance fruit plants like mango, lime, jackfruit, etc.

(iv) Sustainable Practices:

- ✓ Under this initiative GSK helps in Construction of vermi compost to improve the soil quality for enhance yield,
- ✓ Sustainable (Organic) Agriculture to enhance soil productivity with better quality of crop at low input cost by use of bio fertilizers and biological pest controls that help to conserve bio-diversity.
- ✓ Soil testing initiative to assess soil fertility and recommend suitable and economic nutrient doses through chemical fertilisers and organic manure for different crops.
- ✓ The Dug well intervention is the most effective in terms of its success, in providing water for irrigation and domestic requirements for household consumption and for livestock needs and promotes household livelihood security.

(v) Livelihood alternatives:

Nurseries for small and medium farmers: For the purpose of creating local employment opportunity and making plants available locally for the purpose of the future GraminSuvidhaKendra activities, the Company has contributed of setting of nurseries with the technical support of district horticulture department.

(vi) Other initiatives include Self Help Groups, Convergence with Government schemes, School level awareness programme: Impact of MCX GraminSuvidha Kendra Program.

2. GSK centers: Farmers' Registration as on 31st March-2016

S.No.	Location of Hubs	District	Villages with Branch Post Offices	Total Villages	Registered members as on 31 st March 2016
MAHARSHTRA-7 centers					
1	Jalgaon	Jalgaon	16	44	2145
2	Dhamangaon	Amravati	5	20	1485
3	Akot	AKOLA	22	106	1291
4	Deoli	Wardha	19	76	1605
5	Solapur Market	Solapur	17	42	897
6	Babhulgaon	Yavatmal	18	77	2042
7	Gondia	Gondia	23	111	1647
	Total		120	476	11112
UTTARPRADESH-8 centers					
1	Salon	Raebareli	9	34	1544
2	Dalmau	Raebareli	7	20	1416
3	Jais	Raebareli	8	29	986
4	Maharajganj	Raebareli	18	45	1372
5	Lalganj	Raebareli	12	27	1058
6	Naseerabad	Raebareli	8	23	815
7	Mustafabad	Raebareli	14	34	1381
8	Sardhana	Meerut	16	28	813
	Total		92	240	9385
GUJARAT-10 centers					
1	Unjha	Mehsana	14	43	1712
2	Radhanpur	Patan	25	79	984
3	Viramgam	Ahmedabad	38	115	1743
4	Muli	Surendra nagar	18	24	980
5	Wankaner	Morbi	36	110	1851
6	Bhatiya	DevbhumiDwarka	18	37	693
7	Tharad	Banaskantha	24	81	1328
8	Thara	Banaskantha	9	46	519
9	Deodar	Banaskantha	22	81	785
10	Rajsitapur	Surendra nagar	10	11	368
	Total		214	627	10963
	Grand Total		426	1343	31460

As on March 31, 2016, the reach of this programme had grown to 25(7+8+10) centres, 426 branch post offices spanning 3 states (Maharashtra, Uttar Pradesh and Gujarat), 1343 villages and 31,460 registered farmers. More than 2700 new farmers were registered as members of the programme in FY 2015-16. Moreover, five new GSK are to be opened at Chhindwada district of Madhya Pradesh from June-2016 onwards. However, as per the report of CSR projects implemented by MCX for **FY2017-18**, the programme operates spanning 4 states, across 31 centres, with 36000 registered farmers residing 2100 villages.

CONCLUSION

Grameena Suvidha Kendra (GSK) centers certainly benefit the farmers of the given states by informing the farmers about the future price of their produce of defined quality. GSK centers disseminate the additional inputs such as seeds to be sowed, warehousing facility, and financial assistance. Along with the government initiatives to support the farmers in the form of Minimum Support Price (MSP) to procure the crops, GSK helps in getting optimal revenue while reducing the price risk by including the farmers in modern commodity derivative markets. The recent government initiative of e-NAM also benefits the farmers if it works with true spirit.

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