

ORGANIC RETAIL  
SMALL  IS BEAUTIFUL.....

# Foreword

This small booklet, presenting a few successful and inspiring cases of direct marketing by farmers, retail marketing for organic produce and an emerging Community Supported Agriculture model, is meant to showcase the possibilities that exist with such enterprises. The possibilities are related to both production-end issues as well as consumption-end. The objective however is to ensure that agri-producers have a better deal when they negotiate with markets and that consumers have access to safe, diverse and nutritious food, in addition to making informed choices regarding their buying behaviour (choices that determine sustainability and safety around food consumption).

The idea for this booklet emerged from inspiring case studies presented in a workshop called “Markets That Empower Farmers & Consumers” organized in Bhubaneswar by Xavier Institute of Management-Bhubaneswar and ASHA (Alliance for Sustainable & Holistic Agriculture) in 2012.

We often come across people who want to do something to support the cause of organic farming and farmers’ livelihoods. We had conceived this book as a sort of a manual – not a strict, step-by-step prescriptive manual, but something that would leave behind a set of ideas from real life experiences of some entrepreneurs who tried out many things. The narration is by the entrepreneurs themselves sharing their stories. We hope that the principles and values at work here will be adopted, with the full understanding and appreciation that each situation requires its own local models to be adopted.

This booklet is also to present possibilities with alternative perspectives of markets. Mainstream markets function with certain core beliefs – that scale matters; that measuring the success of an enterprise is by looking at profits earned; that competition is necessary and good, that bottom line is all that matters - to name a few. They also claim that the ‘customer is the king’. That

price determination is done by demand and supply forces. However, here are examples of how this paradigm has been turned on its head. While some might write these off as isolated experiments and experiences and therefore not scaleable, we believe that a multitude of such small scale initiatives is indeed possible, to improve the livelihoods situation of many farmers even as they provide healthy food to 'empowered' consumers.

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# Small Organic Retail is Beautiful

An often-heard refrain from organic producers in particular (who do not want to sell their toxin-free produce in the same supply chain as the chemical-laden one, after the effort they have put in to clean up their production system of unsustainable practices), and producers in general is that markets are unremunerative for them; many organic producers also find that existing markets cannot accommodate their entire organic produce. Producers in general point out that the price that they receive in the markets does not even cover their cost of cultivation. Further, price fluctuations have been particularly problematic for vegetable producers with their perishable produce.

For the cultivators, markets are not in their control and it is not clear how prices are determined (the farmer in the village is hardly aware of the domestic pricing and procurement policies or export-import policy decisions). Additionally, farmers are caught in the local credit trap and are forced to sell to the local traders at prices determined by them. Moreover, for millions of small farmers, the volumes are so low that it is not worth the effort of marketing in a more systematic fashion (since marketing for fair price involves losing wages, incurring transportation costs and having to contend with an opaque and unequal trading system elsewhere). Lack of integrity with regard to weights and measures or to timely payment of price is also a common experience faced by small producers in their encounters with the market.

Apart from price is the issue of appropriate crop choice that a farmer is able to make, or not, depending on the growing conditions. Very often, farmers end up growing crops that may not be appropriate for their particular agro-ecological and socio-economic conditions, lured by the market. However, crop choices can end up being irrational in the medium and long term.

Other than price and crop choices is the issue of "trust" (or lack of it) related to production practices and quality of produce, often actualized in the

form of 'certification' in organic supply chains. To satisfy consumers' need to rely on some agency that will lend that **'trust factor'**, organic farmers spend a **considerable amount on certification**, which sometimes works out to be tedious and quite expensive, especially if they have to adhere to international standards.

On the other hand, consumers also end up with a bad deal on many fronts. Safety of the food that they consume is the first casualty in addition to the fact that no real choices seem to exist for them either. When it comes to prices, consumers also lose out due to fluctuations and often resent the high prices that they have to pay for their food.

### **SOLUTIONS EXIST!**

It is in this general situation that we bring to you some initiatives which are inspiring and seem to be creating a win-win situation for both producers and consumers. The success of these initiatives hinges, amongst other things, on:

- consumer education
- transparency about producer, production practices, price determination etc.
- cooperation and collectivization
- localized supply chains from production to consumption

### **"THE MODELS"**

Experiences of different kinds exist – broadly, these can be classified as not-for-profit retail outlets, which have mainly invested on consumers at the urban end, while sourcing from numerous farmers (reStore in Chennai is an example); of direct marketing efforts whereby a platform for building producer-consumer relationship is created (Thanal's Organic Bazaar in Trivandrum is an example); of entrepreneurs tying up with one farmers' collective at the production end and a group of chosen consumers at the retail end

to encourage Community Supported Agriculture (Hari Bhari Thokri in Mumbai is an example); of farmers collectivizing themselves, taking up careful production planning, processing and value addition at their end, in addition to tying up with urban consumers and organic outlets (Organic Food Club of Belgaum is an example) and of farmers collectivizing themselves and managing the supply chain including the retail outlet (Vish Mukht Dukaan in Wardha is an example).

In all these models, **increasing profits for the retail entrepreneur is not the bottomline; effort is mostly to break even and be viable** (diversify into other related businesses if need be, like Vish Mukht Dukaan's restaurant business) but ensure that the largest possible margins accrue to producers.

**CONSUMER EDUCATION:** The success of these efforts hinges upon consumers internalizing fair trade principles and coming forward to support organic producers, even as they themselves benefit through safe food. The activities on this front take various forms in different initiatives around the country – **taking consumers to the farmers' fields for exposure and interaction with producers; organizing melas in the urban centres; organizing lectures and film screenings** to initiate deeper dialogues on issues pertaining to food and farming; **mandatory orientation session** to all consumers before they are enrolled in an initiative; drawing in celebrities to drive home the message; personal interactions with consumers at the retail end.

It is to be noted that most of these initiatives have been around urban middle class consumers. To some extent, appealing to their good sense around **issues of safe food** or **fair trade** or **support to farm livelihoods** is **not a difficult** matter given their relatively high incomes.

These case studies do not cover rural-rural markets, which pose a greater challenge. It is not clear how poor producers can benefit by catering to the safe food needs of poor consumers (since they cannot afford to spend

more on food than what they are already doing) apart from getting the state to support the producers in procuring their organic produce and in turn using it in existing food schemes meant for poor consumers. However, there are many initiatives around popularizing traditional foods amongst rural consumers also, mainly by way of 'melas' and 'jatharas' (festivities, folk media, songs, exhibitions etc., thrown in). Some initiatives like the Deccan Development Society's 'market of the walk-outs' (not featured in this booklet) relies on such popularization of traditional foods amongst rural communities themselves through *jatharas*<sup>1</sup>. However, the picture of economic surpluses that can be moved to producers from poor consumers is not very clear in such a rural producer-rural consumer market model. There is a possibility of some savings both as a producer and as a consumer, however, if collectivized to leverage the advantages at both ends.

**SCALE & LOCATION:** Where the initiatives have begun at the farmer end, the scale has usually ranged from ten farmers to around 75 farmers in one initiative. Where the enterprise began at the retail end, farmers are not drawn from one location nor collectivized; they are dispersed and sometimes, products are sourced from distant farmers' groups. In that sense, a wider range of farmers are covered. **However, retailers end up procuring a very tiny proportion of what an organic cultivator produces.** Unless a **group of retail outlets** procure from **a group of farmers** – as the example of the informal Nelamangala Savayava Krushikara Sangha, outside Bangalore, demonstrates, the organic producers will feel dejected at lack of markets for all their produce.

In terms of location, the direct marketing efforts have chosen to either **deliver at the doorstep** of the consumers (especially big residential complexes, or offices) or to a central location where supply/sales is from the **mobile van** itself. Some of these efforts have chosen to have different locations on designated days to make themselves more accessible to the consumers.

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<sup>1</sup> <http://www.ddsindia.com/www/default.asp>

The retail initiatives have kept themselves low-key, as in the case of reStore in Chennai which operates out of a garage. The location of sales and spending on making the retail experience a luxurious or even a highly comfortable one has not been a priority in these efforts. Interestingly, that does not seem to impact the sales, defying another modern day marketing notion.

**PRICE:** Most of the initiatives showcased in this booklet have looked at price not as a function of demand and supply or even pegged it against the regular market prices (which themselves are 'rigged', so to speak, with a high volatility that benefits neither farmers nor consumers). **Price is allowed to be determined by producers,** with some margins added for the actual costs incurred post-production. It is observed that producers apply their own logic, mostly based on cost of cultivation when they seek a particular price.

Price is also managed by another mechanism in these initiatives – fixing a band-width of prices for particular kinds of products and not fixing it product-wise (especially in the case of vegetables and fruits). A band of price is used through a steady period of time (not fluctuating on almost a daily basis as is the case with the regular markets) so that it is easier for both consumers and producers to plan their production and consumption activities better. Such stable price support is welcomed by farmers who do not want to face volatility in the market and also appreciated by the consumers.

**INFRASTRUCTURE:** If an enterprise has begun at the retail end, the most that has been invested upon is an outlet space (a regular space in the case of reStore and Thanal Organic Bazaar and different locations in the case of others, but hired in all cases) – enterprises need not wait to obtain a permanent space for themselves in these models. Where there is a regular outlet in a given location, there is some investment on shelves, storage, baskets and crates etc. Additionally, some enterprises have invested in a vehicle for supply around the city or to procure from the farmers and bring it to the city. In the case of Belgaum Organic Food Club, the collective of

farmers has additionally invested on a sugarcane processing facility in addition to storage space for themselves.

**TRUST & CERTIFICATION ISSUES:** Interestingly, most of these enterprises have shunned the idea of conventional organic certification for various reasons. Instead, they themselves stand guarantee to their consumers about the quality and standards of production of the cultivators and the produce. They are able to do so, with the entrepreneurs personally visiting each farm as often as possible, or by maintaining transparency of the sources so that independent verification is possible at any point of time, or by creating a direct contact with farmer-suppliers, or by procuring from a known farmers' collective which in turn has some agency facilitating the organic production process locally. In the case of Belgaum Organic Food Club, they have opted for formal certification by a third party because they also cater to distant, export markets for some products. Whatever the model, it is important to set up some reliable mechanism for ensuring the quality and standards.

**CROPPING DECISIONS & CHOICES – NEED FOR DIVERSITY:** In the case of enterprises that have begun at the retail end (like in the case of reStore), any crop or commodity that a farmer already produces is procured. Similarly, in the case of Belgaum OFC or Hari Bhari Tokri, consumers agree to take whatever mix of vegetables that are sold at any given point of time by the enterprise. However, in the case of enterprises that have begun at the farmers' end, it becomes imperative to do crop planning collectively by the farmers. They need to produce a diverse set of products if they hope to get a market. They also need to stagger the production so that a steady and varied supply is available over a period of time. In the case of Belgaum Organic Food Club, they have managed to create production plans jointly with the help of experts within the group.

**COLLECTIVISATION OF PRODUCERS:** A very important aspect of these efforts to improve farmers' livelihoods through organic supply chains is of collectivizing farmers. This is important especially if the effort is initiated at the farmers' end. This is necessary both for farmer-to-farmer extension

support during production processes as well as pre-production planning to diversify optimally within the group, in addition to achieving scale at the post-production stage. Retail outlets do not always work on such collectivization given that they deal with dispersed group(s) of farmers, but even here, it is important to create a loose network between the farmers.

**CASH FLOWS:** If you are a retail entrepreneur, it is important to keep sufficient cash flow to pay the farmers upfront, without any time lags, for the produce they supply. The various enterprises featured here have dealt with it in different ways. In the case of Organic Food Club in Belgaum or Hari Bhari Thokri, they collect advance payment from the consumers and get the cash flows going. At least 8 weeks' payment is collected initially by OFC so that the same can be invested for operations at the farmers' end. A similar mechanism exists in MOFCA. In that sense, it is truly a movement towards community-supported agriculture (CSA).

**OWNERSHIP & MANAGEMENT MODELS:** In the case of farmers' initiatives related to direct marketing bordering on Community-Supported Agriculture (CSA), the enterprise is managed and owned by the farmers collectively. Experts for different roles would have joined hands or emerged from amongst the group, as witnessed in the case of Belgaum OFC. Interestingly enough, the farmers' groups have shunned formal legal entities in cases like Vish Mukht Dukaan. On the other hand, it is mostly voluntary efforts by urbanites with a not-for-profit motive that has been sustaining initiatives like Hari Bhari Thokri or reStore. Thanal which began as a non-profit has moved to a producer-consumer cooperative model, run by members of a women's SHG. reStore as well as Jatan in Baroda (not featured in this booklet) have evolved towards a model where employees take over the enterprise over a period of time, with livelihood support for one or two families drawn from the enterprise at the retail end.

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# reStory

## (the story of reStore in Chennai)



### I. MOTIVATION & LAUNCH

During 2007 there were lots of discussions amongst a group of friends in Chennai – people who wanted to create a central ‘go-to’ place for sustainable products, ideas and practices to serve Chennai citizens like themselves. In their imagination, it is a place where not only would a shop be run but a community built. People would listen to talks, watch films, try out their hand at different things (like spinning, weaving, gardening, cooking) etc.

As time went on, food became the central theme of these discussions and during late 2007 one of the members introduced millets consumption as a core theme she would like to focus on. Many of these millets were previously unknown to most of the members and they started experimenting with thinai (foxtail millet), saamai (little millet) and so on, including them into regular diets. The group decided to have a launch of an organization with a millet-based banquet and sale of these grains. There was an overwhelming response at this launch function, held on February 16th 2008, with about 300-350 people enjoying the 7-course millet-based

dinner. A short time later, the group was invited to conduct weekly bazaars in the garage at the home of a management professor who also had an organic vegetable farm on the outskirts of Chennai. By this time the group of volunteers had grown to around 10 core members.

## **II. EVOLUTION OF BASIC PRINCIPLES OF RESTORE**

### **Volunteer-run**

The group launched a weekly bazaar of vegetables, greens and a limited range of provisions – millets, rices etc. The remarkable thing about these bazaars was that they were run completely by volunteers. During the weekdays they would spend time with elderly residents of a Home for Aged - women who helped winnow and clean the grains. Careful plastic-free packets were made in two layers of paper. On Saturdays the group got busy from early in the morning, receiving, sorting and cleaning the vegetables from organic producers. Bazaars were lively affairs with lots of people volunteering and spontaneous friendships forming.

After a few months, they recruited the first paid employee, but for at least three years more the twice-weekly bazaars were dependent on volunteers taking turns to speak to customers, do weighing, billing etc. And of course, behind the scenes, developing relationships with producers, ordering, accounts, stock-management and so on was also done by volunteers, though day-to-day physical work was transitioned to staff during this period, to bring about continuity and consistency.

Today, more of the record-keeping, ordering and interacting with producers & consumers is done by paid staff. However the vision, selection of products & sources, management of finances and style of functioning is shaped by volunteers together with staff. A wider participation of community members is still elusive and most consumers treat the store almost like a private service-oriented shop. However many essential activities such as accounts, auditing and legal work, are being done regularly by volunteers. In a sense, the initiative is transitioning from fully-volunteer-run to volunteer-directed.

## Not-for profit

When a formal entity was established (registered as a company) as reStore, there was no question in the minds of the core team that it would run without personal profit to those who started or invested money in it. This was with a view to encouraging participation from community members as volunteers — whether they could give ideas, time, donations of software, equipment or work at the bazaars. This not-for profit and volunteer-driven model helped to keep prices accessible to more people, breaking the perception that organic is an expensive fad only for the rich and elite.

A no-frills model (reused and donated furniture, computers, and shelving, a quick Excel serving as a billing software and so on) shop was set up. This more or less continues though a few essentials required for retail work such as – point of sale system, weigh scales and so on have been purchased first-hand.

## Principles of production

reStore had initially put down certain criteria based on which it would source products – sustainable / ecological production, local material, by marginalized producers like small farmers, artisans, SHGs, less mechanized means of production, “by the masses” rather than “mass production”, and so on.

Today the principles the store adheres to for food products are:

- 100% organic. It does not buy products from partly organic farms or from non-pesticidal management. Value-added foods like snacks and pickles are also made with entirely organic ingredients (not just the main ingredient).
- Geographically, sourcing is done as close to Chennai as possible to reduce “food miles” i.e. distance traveled by food before it reaches the shop.
- Preference for traditional varieties of seeds.

- Weightage given to the ecological and sustainable practices of the farm – e.g. on-farm cow-based inputs, biomass, seed-self reliance etc.
- Preference to small farmers. In most cases reStore is able to source from small and marginal farmers especially those who are marketing their produce via organizations and producer-companies.
- Fair price to producers, mostly determined by the producer.
- Transparency of sources and prices.
- Connecting producers and consumers, and minimizing branded organic products. It was felt that as a group of consumers there should be a relationship developed with local producers and understand their production closely, than depend on branded (and more expensive) products which are not necessarily local.

### **Livelihood and working environment**

As reStore transitions to a livelihood opportunity rather than volunteer organization (with employees slowly taking over the enterprise), an important recent focus has been reStore’s role as a healthy place to work – socially, financially and otherwise. We are engaged with several aspects of reStore as a workplace. For instance,

- having non-English speaking staff and their prospect for better incomes, personal growth and satisfaction than a typical urban job would provide;
- a decent living wage in an urban context for a small family and how to enable the same. A portion of (the small) profits is shared out to the staff of reStore. Despite this, their incomes are not sufficient for their needs, more so to meet many common urban aspirations such as English-medium education for their children.
- democratic open working style between the initiating “core members” and the staff, rather than hierarchical power structures.

- Access of staff and supporting people (who are not direct employees) to the organic foods that they transport, clean, pack and sell. It is troubling that those doing the hard work are unable to afford the foods. Hence a model is being worked out where at least some of the foods, especially nutrient-rich nuts, dried fruits etc., are accessible to their families and growing children. Potluck lunches at reStore on working days, to experiment with millets and engage with healthy cooking and eating practices have been started.

## **Certification**

When the store was started, organic certification was mainly done by foreign agencies and was expensive for individual farmers. The goal however was not to create a model of organic retail but just to connect urban citizens with sources of their food – of course with a focus on organic, local etc. Hence the approach was one of ensuring personal rapport with producers, established via a visit by a core member. Some members of the core group were already aware of the pioneering work done in spreading organic farming and marketing services for smaller farmers, by groups such as Timbaktu, Tribal Health Initiative and CIKS. Hence, members started by visiting them and sourcing foods marketed by these and similar groups as well as individual farmers, based on their adherence to the principles of production.

Over the last four to five years, reStore has persisted with the above approach, irrespective of whether the producer has third party certification. For staple grains and provisions, it eschewed branded organics, preferring to buy from farmers and taking care of cleaning and packing. A limited number of products such as tea, coffee, soaps and cleaners, noodles, snacks etc. are branded by the producers – usually individuals or small organizations who have done an amount of value addition, adhering to the principles the store values.

## Price-setting

Pricing of organic products at reStore can be divided into two categories, viz., dry groceries and fresh produce.

- In the case of dry groceries, the open market price does not appear to be highly fluctuating though there is inflation over the period of a year or more. The prices reStore pays farmers is around 10% more than non-organic market price (for equivalent quality, graded, cleaned seed variety), and the prices are set by the farmers themselves. Being a not-for profit, reStore's selling prices are among the lowest in organic retail.
- When it comes to Fresh produce, as there is no established distribution network for organic fresh produce many producers sell in the open market. Hence their fortunes are dependent on pegging their prices to market rates, with a premium tagged on for being organic. reStore has attempted to work with producers to remove the fluctuations due to market mechanisms. Instead it asks farmers to set a fair price across several varieties of vegetables that will remain unchanged for a season. Sometimes depending on the nature of produce (for example, products that are more challenging to grow in local conditions) two or more such 'slabs' are created. The produce is then grouped into slabs at reStore and the price is fixed across varieties and for a long period of time. As such the traditional vegetables growing in Tamil Nadu such as gourds, brinjal, tomatoes, etc. which are the "Local veggies" were fixed at Rs. 25 initially, then Rs. 30, 35 and are now at Rs. 38 /kg. "Hill veggies" grown in higher altitudes such as carrots, cauliflower, cabbage, beans and so on were started at Rs. 40 /kg and subsequently Rs. 45 and now Rs. 48 a kilo.

## Consumer involvement

reStore has instituted a "pre-order" system for fruits and vegetables, by which we collect order forms/indent for every week's bazaar, in advance of

the start of the month. The form gives a list of produce expected in the coming month, and the consumer fills in their requirement for each weekly bazaar. About 50-60 consumer families currently procure their fresh produce via this system. By collating the order quantities, the store is able to give a better idea of its requirements to farmers supplying to reStore. The pre-order (“pop” in reStore slang) system entails a deposit of Rs. 500 paid as a commitment towards the orders, which helps farmers plan their growing.



### III. CHALLENGES

**Sourcing from small and marginal farmers:** Not much fresh produce is marketed through NGOs, and furthermore the distribution network of organic fresh produce is still not established. Hence small organic farmers isolated geographically find it easier to sell their produce through existing distribution networks in the open market and their produce gets mixed with chemical-based produce.

**Open and non-hierarchical functioning has many challenges.** Running a grocery store is in many ways an intense and stressful activity. Dynamics within colleagues and interactions with others need creative and attentive

engagement to overcome conditioning and power equations based on gender, age, and elitism, for example. Almost daily a lack of respect and regard is observed, towards non-English speaking people by many of the elite consumers who walk into reStore. While this is not a universal phenomenon it is common enough to be troubling.

reStore's experience proves that [an involved and committed consumer group](#) can source organic foods reliably from producers with or without third party certification. However involvement and commitment should be emphasised. Neither should groups act as informal 'certifying agencies' even as farmers might scale up the volumes by reselling a neighbor's produce; similarly, creating distribution channels without regular and systematic visits can become problematic. Other groups or shops wanting to use this approach should make their own efforts to develop personal relationships with producers and connect consumers with them.

[Flat pricing for fresh produce](#) has an obvious advantage to producers in that they get a decent and fair price even when there is a glut in the market for a certain item.

However the challenges are:

- a) reStore is unable to off-take the entire produce of a farmer, hence they cannot use this model if a part of the produce is going to the open market;
- b) in times of high market price the producer is tempted to sell at the more favourable market rate.

Though reStore's pricing is fair and predictable, scaling it up as a model has been difficult. Perhaps the 'boutique model' of a small shop which can logistically only cater to a limited number of consumers cannot adequately address the issue. [Forming an alliance among Chennai retailers](#) is being worked on, primarily to address this.

[POP system](#): The tendency among consumers is to assume that the system is a "service for a fee" and that they pay the deposit as a guarantee of

privileged service. However reStore constantly emphasises that the system is intended as a support to farmers. It is hoped that this group of consumers will get involved in more meetings and farm visits. Also, that they would lend a hand to select, weigh and set aside these pre-orders on bazaar days, as volunteers themselves.

**Ecological packaging:** One of the strongest convictions of reStore was around avoidance of plastic packaging, and secondly to make a serious case for a sustainable model for retail. Hard work went into developing different kinds of eco-friendly paper packets for nearly six months. The two-layer packets made by students at a school for disabled were expensive though well-made. However, a season of north-east monsoon in Chennai proved very expensive in terms of product loss to fungus as the extent of humidity was very high. Hence, the store reluctantly switched to HDPE covers, which have been the mainstay of grain packaging.

Oils are never packed in plastic /PET bottles as such bottles are less recyclable (oil is difficult to clean) and the plastic may also leach into the oil. In the initial days, the store cleaned, dried and used Horlicks jars for oil-sales. It was a lot of hard work for volunteers and very soon it was decided that consumers should bring reusable stainless steel containers. The quality and aroma of cold-pressed organic oils has been sufficient motivation for people to take to this practice! Recently reStore has also started selling liquid soaps and shampoos “direct from the can” into a reused bottle brought by the consumer.

reStore also encourages “**from the bin**” sales so people can take grocery items in their own bag or container. The lack of grain storage facility and know-how in modern homes impedes this kind of buying, however. The reality of most sales being in plastic covers necessitated research into biodegradable plastic.

#### **IV. NON-RETAIL WORK**

Urban gardening: There is a very positive response to non-retail initiatives such as reStore gardens which is a volunteer group promoting urban

edible gardening in both private (roof-tops, balconies, backyards) and public (sidewalks, common areas, balwadis, hospitals, parks) spaces. In several cases groups of people from the local neighborhood are coming together regularly to create such gardens. Workshops, seed and sapling sharing, and a website to bring together people, techniques and events are developed by a core group of volunteers driving this initiative. The Cancer Institute, a very old hospital in the city of Chennai has requested reStore to help develop an organic garden on their premises with principles of permaculture and community / volunteer participation in its maintenance.

Activism and participation in larger organic movement: The campaign against Bt-brinjal came close on the heels of the launch of reStore. Hence right from the beginning at least some reStore volunteers were closely involved in the campaign. Sangeetha and subsequently Ananthoo took lead roles in the creation of the Safe Food Alliance in TN. Furthermore, Ananthoo's engagement with a variety of NGOs in the state, such as Exnora and travel to many farms deepened reStore's relationships with other organizations and with individual activists in Tamil Nadu. Later, Ananthoo's participation in the Kisan Swaraj Yatra/core role in ASHA and extensive travel throughout the country has sealed reStore's special status in the minds of many a producer group, and those fighting 'in the trenches' against corporate-controlled, chemical or GM-based agriculture. Organizationally reStore has taken part in petition drives, led awareness events at educational and corporate venues, and used its mailing list and facebook page to generate public opinion.

A more sustained effort to recruit volunteers to focus on campaign work on behalf of reStore, SFA, Tharchaarbu Iyakam, ASHA will be required to take reStore's organizational role much beyond retail.

## **V. WHAT NEXT**

- reStore looks forward to including other sections in retail, such as sustainably produced daily-use products, arts and crafts, bamboo furniture, organic cotton clothing and so on.

- reStore retail is on the verge of becoming an enterprise owned and operated by staff members, with an advisory board from the original “restore” not-for profit volunteers.
- reStore looks forward to fostering other urban enterprises based on city-farming initiatives - for instance urban bee-keeping, terrace-gardening, container making, value additions and so on.
- reStore is also eager to explore other avenues to reach organics to a wider audience, via existing retail avenues such as push cart vendors, small neighborhood provision shops and so on.

– as presented by Radhika Rammohan and Ananthoo.

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<http://restore.org.in>

# Organic Bazaar, Thiruvananthapuram – *An initiative of Thanal*



Thanal, a public-interest advocacy and research organisation based in Kerala, opened the doors to its “Organic Bazaar” in 2003, in Thiruvananthapuram, the capital city of Kerala, with two women’s self-help groups and a couple of part time farmers; the opening bazaar held in the city had 10 consumers in attendance. At the point when the Organic Bazaar began, there were very few organic outlets in Kerala and none in Thiruvananthapuram. Organic Bazaar (affectionately referred to as OB or Bazaar by farmers and consumers) began as a monthly affair held every second Saturday. In 2007, it moved to a bi-weekly/semi-weekly cycle and in late 2011, to the current six days-a-week cycle. Since the last few years, the special Bazaar on second Saturday is listed in the city events by major newspapers and attracts a fairly large crowd.

The four guiding principles of Organic Bazaar are environmental stewardship, alternatives, accountability and transparency. The aims of Organic Bazaar include: providing high quality organic food to consumers,

enabling producers of organic food to earn a decent livelihood and earn respect, developing a link between producers & consumers and a relationship of mutual trust, promoting biodiversity-based organic farming and raising consumer awareness about food free of toxins and contamination.

## **How it all began**

Active thinking about organic food marketing began within Thanal in parallel to its foray into organic farming in a panchayat called Venganoor, where it encouraged small farmers to go organic. Thanal researchers found that the farmers who were willing to go organic had no outlets to sell their produce and had to sell it at un-remunerative prices in the local market, thereby discouraging them from moving to organic farming. At the same time, a visit to California by a Thanal researcher exposed him to the dynamic and beautiful organic markets there and seeded the idea of creating a similar space at Thanal. This desire, combined with the concept of 'Organic Bazaar' proposed as a marketing system by the Institute of Integrated Rural Development (IIRD) in Aurangabad, culminated in the Thanal Organic Bazaar. Thanal was one of the four groups in the country which took up the initiative. This small initiative, begun tentatively, grew and evolved mostly in response to the increasing awareness among many people in Kerala about pesticides in food and an acute felt-need for safe, organic food.

## **Quality Assurance & Standards**

OB relies on creating a localized platform for consumers and farmers to get to know each other. The principles of Participatory Guarantee System (PGS) are followed to ensure the authenticity of the organic/natural produce that the bazaar sells, though the Bazaar does not rely on PGS certification either. Organic producers who supply to Thanal are mostly not certified by third party agencies either, except a few large producers (who also supply to numerous such outlets) because most of them own very small pieces of land, some are kitchen gardeners and some others farm on leased land.

This is very typical in the Kerala context where most farmers own very small patches of land and acquiring organic certification is many times an unaffordable option. In this scenario, entities like OB that work on the PG system based on direct interaction between the farmers and consumers are essential to grow the organic food segment in Kerala.

Organic Bazaar has also developed its own local standards for organic farming that can assist the farmers to understand and implement the organic principles on their own farms. This takes into account the local agro climatic situation, the size of land, ownership, cultural aspects etc. The standards include strict guidelines like ban on burning plastic and excluding farms next to workshops and places where there is possibility of chemical exposure, in addition to routine standards.

## **Sourcing**

The farmers from Venganoor (with whom the whole thought process began) and a few nearby panchayaths namely, Balaramapuram, Vizhinjam, Kattakada, Karakulam, Neyyatinkara, Aruvikkara and Thiruvananthapuram Corporation area continue to be the main source of local vegetable supply to the bazaar. The dry provisions come from all parts of Kerala and in some cases from Tamilnadu and Karnataka also. Many times OB runs out of vegetables and fruits, the most coveted items, which could lead to some disappointment and misunderstandings, if not for the efficient but bureaucratic token system introduced to follow the first-come, first-serve principle. OB also markets interesting value-added products from various small producers' groups. Different types of honey, pickles, cool drinks, preserves without chemicals, chutney powders, vattal, cold pressed oils, rice puttu powder and various value-added rice products are a big draw with the consumers.

In response to consumer demand, the Bazaar began procuring popular produce from other states, mainly vegetables that do not grow in the hot, wet climate of Kerala (cauliflower, carrots, broccoli, zucchini and such). Popularly called as "Ooty vegetables", they are a big attraction with many

families who, as is the urban norm today, have transitioned to these vegetables from the traditional gourds and greens. However, OB is also making a concerted effort to encourage farmers to grow and consumers to buy and use many forgotten, nutritious and delicious traditional vegetables, most of them not even visible in regular urban markets and vegetable shops anymore.

Since 2010, OB is working in conjunction with the Save Our Rice campaign<sup>2</sup> to introduce and familiarise the public to traditional rice varieties, their properties and to develop a clientele for these varieties. Interesting varieties from Wayanad like Gandhakasala, Mullankazhama, the always-popular Jeerakasala, the famous medicinal Njavara and the Thavalakannan from Palakkad have all gained fans among the bazaar customers. A rice mela, which was organized in June 2012, attracted thousands of people, resulted in sales of numerous traditional rice varieties, brought in new customers into OB and a list of regular traditional rice buyers. 36 rice varieties have been sold in the bazaar in the last six months as part of this collaboration, which revived rice diversity both in production and consumption.

### **Zero-waste and small footprint**

Avoiding plastics and non-biodegradable packaging is something that the Bazaar works assiduously towards; supported by Thanal's unswerving commitment to Zero Waste and its pioneering work in this space. OB does not provide plastic bags, encourages customers to bring their own bags, supplies cloth bags at a price, packs most items in paper covers (produced and supplied by a small women's group) and tries to get oil, honey and pickles in bottles (doesn't succeed 100% in this effort, admittedly).

As regards the biodegradable waste generated by the Bazaar, a good part is composted in the Thanal office compound and then used as manure for the office kitchen garden and now Thanal also hosts a biogas plant to deal

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<sup>2</sup> The campaign works in 5 states and works to conserve and promote indigenous and traditional rice varieties, protect rice eco systems and promote rice farmers and seed savers. The aim is to promote rice as an ecologically biodiverse system.

with some of this waste. So the effort is to keep the food miles low and the footprint small.

One of the delightful sights on a relatively free afternoon at OB is of the staff chatting, making paper covers (using Maida paste and recycled paper) while keeping an eye on the provisions put out in the sun to dry.

## **Organization and administration**

OB began as a very informal initiative and initially, the farmers took turns to come to sell their produce and interact with the consumers, assisted by volunteers. Gradually, as the volumes and the number of customers and farmers grew, OB became more structured so as to manage its growth and volumes. Today, OB is registered as a Society with organic producers and consumers as members. In 2006, a structure was put in place with a Manager – who is overall in charge of the Bazaar; an Organic Farming Coordinator to manage the relationship with farmers, a Producer Coordinator who takes care of all producers and a person to manage accounts. These roles were all fungible and Thanal staff jumped in to help – writing accounts on a busy day, unloading vegetables another day or talking to customers- as and when required.

Currently, OB is primarily managed by a six-member team including three women who began as part-time farmer-suppliers to the bazaar and then went on become the fulcrum of the bazaar- Saji, Latha, and Laila. They have confidently grown into the role of facilitators, managing thrice-a-week collection of produce, inspection of farms at regular intervals, identifying new farmers and also hand-holding small farmers (many of them kitchen gardeners) including converting some consumers to producers. Babychan and Asokan ably manage the many other roles including sourcing provisions from different parts of Kerala, managing relationships with suppliers and customers, and transportation logistics. Deepak is the technical person who helps and visits farms providing technical inputs and support for organic farming, pest management practices and further farm improvements.

Recently OB has emerged into a producer-consumer cooperative. It is putting in place new processes, administrative and legal mechanisms and slowly trying to stand on its own feet as an entity apart from Thanal, but very much part of Thanal culture and ethos. The members of the cooperative meet regularly and strategic and operational issues are discussed; so is the ever-present topic of further expansion!

### **Dilemmas and challenges**

At any point in time, one of the focus areas of OB has been to keep prices reasonable to make good quality, organic food affordable to all. However, on the flip side, this has led to years of Thanal having to subsidise OB and now with increased volumes it is able to manage on its own. However, it is clear that enterprises like this will need support for some of the capital investment, events and some management expenses at least initially.

Another challenge for OB has been its location. As in any city in India, commercial space is prohibitively expensive in Thiruvananthapuram as well. Therefore OB is located in Thanal premises within a residential area, thereby not as visible as it would have been if a commercial space could have been rented in a shopping street of the city. Efforts are being made for visibility and bringing in new customers through events, organic melas and through media stories; however, random walk-ins are few and far between.

The growth of OB has been slow and organic, due to a combination of reasons - some self-imposed and others due to external compulsions. Ambitious business plans to expand OB are suggested by customers, friends and well-wishers who love the ambience, quality of produce and the whole concept. However, a major constraint that puts paid to these ambitions has been the very slow growth in farmer members. Kerala is a land-scarce state and Thiruvananthapuram sitting at the peninsular tip and highly urbanised has few farming pockets around, therefore efforts to lease land to grow vegetables have come to naught.

Finding new small farmers is an equally challenging task with young people exiting farming in large numbers and farmers being wary of

changing to organic cultivation. Therefore it is a constant debate between whether to expand after procuring from further away—which would increase cost, complicate logistics and increase energy footprint or, wait patiently for more supplies locally.



### **OB today**

Today OB can boast of 250 farmers and 350 customers and a monthly turnover of two and a half lakh rupees (Rs. 2.5 lakhs). The popularity of OB among its regular customers is such that Mondays, Wednesdays and Saturdays (the days when fresh vegetables arrive), there is a small crowd of waiting customers in the morning, many of who have also begun to treat trips to the bazaar as a social outing, interacting with staff at Thanal, bringing their children and slowly getting more involved in OB activities. Recently on World Food Day on Oct 16th, 2012, an event was organized to honour farmers. Many regular customers of OB actively participated in organising the event and also contributed towards the cash awards and certificates to farmers.

OB has also been the source of inspiration for many groups and individuals. Many groups that have visited OB have been inspired to start organic

outlets in their towns/organizations. One of the major learnings from OB is that to promote organic farming one requires to promote alternative markets as fervently as converting farmers into organic producers. Many prominent personalities in Thiruvananthapuram including state ministers, bureaucrats, and film artists buy their provisions and produce from the OB, giving visibility to the initiative.

As Organic Bazaar approaches its tenth year of existence what is required is many more such small initiatives with vibrant interactions and personal involvement where trade is enriched by trust and cooperation!

*– as presented by Sreedevi Lakshmi Kutty*

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# MOFCA's Hari Bhari Tokri<sup>3</sup>

## Philosophy and Background

It is generally agreed that earning a profit as opposed to earning a living is not compatible with farming and food supply that is carried out in the spirit of ahimsa (non-violence). Despite food being a basic everyday need, or perhaps precisely because it is one, the proportion of income spent on food decreases as income increases. Farmers and their farm lands face increasing exploitation because food has been turned into a 'cheap' commodity.

Mumbai Organic Farmers and Consumers Association (MOFCA) began in 2009 as an informal collaboration between farmers in the Upper Konkan region and consumers in Mumbai. Its main thrust was to reclaim food from the clutches of commodification and promote food that is sustainably and ethically grown and consumed within our region. After discussing the possibilities and challenges of several different initiatives, Hari Bhari Tokri (HBT) was started as a Community Supported Agriculture<sup>4</sup> or 'Farm Sharing' project.

## How Hari Bhari Tokri works

### Pre-harvest

Each season, MOFCA estimates the yield per week based on the number of participating farmers and the available acreage. For example, in the current winter season (2012- 2013) there are 35 small/marginal farmers, 4 urban farmers and approximately 8 acres of land available for vegetable farming. From past experience it is estimated that a yield of 500 to 600 kilos will be

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<sup>3</sup> Hari Bhari Tokri, in hindi, literally translates to Green Full Basket.

<sup>4</sup> **Community-supported agriculture (CSA)** is an alternative food network - a socio-economic model of agriculture and food distribution wherein individuals pledge support to a farming operation and where the growers and consumers share the risks and benefits of food production. CSAs usually consist of a system of weekly delivery or pick-up of vegetables and fruit, in a [vegetable box scheme](#), and sometimes include dairy products and meat.

harvested each week for about 16 weeks. Knowing this, MOFCA has offered 250 farm shares or weekly tokris for consumers. This estimation is based on an assumption that a small family (2 adults and 2 children) might on an average consume at least 2-2.5 kilos of vegetables (and at least 4-6 varieties) in a week while continuing to supplement this with vegetables from the local market.

In order to register as a shareholder or partner, individuals must attend an orientation meeting at the start of the season and pay an investment cost of 3800/-<sup>5</sup>. This is a one-time cost to the consumers that covers the cost of the vegetables, the logistics of supplying them (e.g. transport and packaging etc) and additional activities of recipe-sharing etc which facilitate their transition to eating local, seasonal, organic food. The cost also represents their investment into the work done to support the farmers.

## Harvest

Once harvest begins, each week an SMS is sent to consumers asking if they will pick up their tokris that week. Once consumers reply, a list is compiled with the totals and those individuals picking up, grouped by pickup point. (To prevent wastage, tokris are packed for only those who reply). This list is taken out to the collection centre on harvest day.

On harvest day, a tempo collects all the vegetables from each village. A preliminary quality check of each farmer's vegetables is done and the quantities noted when picked up. Farmers are paid for the previous week (or weeks') harvest. The tempo brings the vegetables to the sorting point (a participating farm) where a women's self-help group (SHG) has been hired to weigh, sort and pack the tokris and a volunteer supervises the process.

At the sorting point, all the vegetables are sorted into categories, once again checked for quality, and the total harvest divided equally among the tokris. Since consumers cannot choose their vegetables nor customise

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<sup>5</sup> Winter 2012-2013 tokri cost.

their mix, an attempt is made to vary the composition of the tokris from week to week to prevent too much repetition and boredom. Averaging across the season, each tokri has a total weight of 2- 2.5 kilos, with at least 4 to 6 varieties, each weighing between 250 to 500 grams. Each season's harvest typically starts slow, with less variety and quantity at the beginning and a peak towards the middle of the season. The tokris are packed in large brown paper bags and further into stackable crates. These are transported back to Mumbai and delivered the next day to each of several participating pick-up points<sup>6</sup> in the city and to the dabbawalas<sup>7</sup> for home delivery. Individuals pick up their tokris the same day from their designated pickup point, within the hours specified.

### **Journey so far**

#### **Tokri beginnings: Winter 2010-2011**

HBT started its first season with 7 farmers; 3 city farmers and 4 rural, marginal farmers working on a total of 1.5 acres of land. 150 consumer families were drawn in, mostly friends, family and some acquaintances to support the core team of HBT. The typical CSA model was modified to suit Mumbaikars. What was requested from the consumer families was: 1. Rs. 500/- refundable deposit to register and, 2. payment for each tokri at the time of pickup.

Every Sunday, for 14 weeks, vegetables were collected from the farms and delivered to a volunteer's house in the city. On Monday mornings four or more volunteers sorted, weighed, distributed and packed the tokris which were then delivered to pickup points around the city, several of them also volunteers' homes. Consumers would then pick up their tokris from their respective pickup points.

Production in the first season was much below what was expected and planned for. At the height of the season, a maximum of 80 tokris could be

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<sup>6</sup> Pick up points are typically shops, offices and residences of people, mostly those connected to the HBT project or the sustainable agriculture- food movement and those willing to support this work. A small nominal inconvenience fee is given to them at the end of each season.

<sup>7</sup> At an extra cost, the Mumbai dabbawalas deliver the tokri home to those who are unable to pick up.

filled. The consumers were therefore divided into two groups and supply was alternated between the two. Receiving tokri vegetables at such large intervals meant that in the interim, consumers were compelled to go to the regular vegetable source and consequently, were less committed to pick up their tokris even when available. With no penalty on registered consumers for not picking up their tokris, the HBT team was left with considerable wastage and financial loss. From some, who may have had an insufficient understanding of the larger purpose of the project, who thought of the volunteers as bhajiwalas or delivery persons, the HBT team was also left with many complaints about the variety, quantity and quality of vegetables as well as the inconvenience of the model.

The first season was therefore a mixed bag of results for MOFCA. The model was not economically viable nor structurally stable but the volunteers were highly motivated and encouraged to believe that what they were attempting was possible and worth the risk. They believed that they could make the necessary changes to create a working model.

### **Tokri settling in: Monsoon 2011, Winter 2011 - 2012, Monsoon 2012**

After an in-depth evaluation, several significant changes were made, starting in the second season. Firstly, the HBT team began to emphasise the mission to promote sustainable farming rather than allow consumers to think of the initiative as another “vegetable vendor”. To do this, orientation meetings were started for consumers, something that was not done before. Only if they participated in one of these, could they register or partner for the season. HBT also reverted back to the original CSA model where support is pledged and committed to at the start of the season.

In the second season (monsoon 2011), 17 additional rural farmers requested to join the initiative and by winter there were a total of 32 farmers, increasing to 50 in monsoon 2012. In spite of problems on the consumer end, at the farmer end because they observed the income generated by the initial four rural farmers involved in growing for HBT, neighbouring farmers came forward, ready to make similar efforts. 200

farm shares were offered in each season till monsoon 2012 when 250 farm shares were offered.

With the quantities tripling, weekly logistics were systematized and more precise planning and accounting for the work began. Sorting and packing was moved out of the city and hired help became necessary. The sorting and packing continues to be done largely by the women's SHG with a volunteer supervising the process, simultaneously training farmers and the SHG to adopt quality standards that will ensure continued consumer support.

As happened with sorting and packing, when the volumes increased the pickup points were also increased, moving out of homes to shops and office spaces that were willing to support the movement. For those who found pick-up impossible, the project sought the services of the Mumbai Dabbawallas<sup>8</sup>. While these "scaling up" changes may have resulted in additional distance between each link of the chain, they appeared necessary given the circumstances that existed.

After the first season, a great improvement was felt in terms of variety and quality of vegetables. There was a consistent supply of all the tokris every week, with an average monsoon tokri of 2kgs for 14 weeks and an average winter tokri of 2.5 kgs for 17 weeks. Unfortunately because of the erratic monsoon, the most recent monsoon season lasted only for 10 weeks although the quantities supplied were considerably more than the previous year's. A bi-weekly pick up of vegetables was started in monsoon despite its greater logistical cost to the project, because it allowed for delivery of fresher vegetables during a season when over maturation of vegetables could occur in a couple of days. On various occasions, fruit and other produce from farmers that form part of MOFCA or its extended network were also made available (at an additional cost),

To help sustain the demand for local, seasonal, organic vegetables, HBT also introduced a few consumer-focused initiatives. Consumers had

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<sup>8</sup> Consumers who chose this service pay a separate amount that is then given to the dabbawallas.

expressed difficulty with the transition to a local, seasonal diet-unfamiliarity of certain vegetables or boredom from repetition. The HBT team began to send out recipes from time to time, either in print with the tokri or via email. Members were also encouraged to connect more to their food and its production by visiting the farms and helping with sorting and packing. Those who did often returned with a greater commitment to the project. Some members also helped in starting a website and a blog. While some people still request exotic varieties which they have access to in other markets, HBT is encouraged by the increasing proportion of continuing loyal consumers each season.

Support to the farmers begins with plot and seed selection and continues with sharing practices of soil building, natural pest management, water harvesting, planting schedules etc. Considering the inexperience of the farmers in growing vegetables this aspect of the HBT project was successful because of the collaboration between MOFCA and ML Dhawale Trust (MLDT). Two members of the trust have been part of MOFCA since inception and they along with their support staff are completely dedicated to their work with the agriculture and livelihood department. As part of their efforts, they also network with other organic farming groups to share resources and learning with the farmers. Additionally, a few of MOFCA's city farmer members also share their experience and expertise to strengthen the rural farmers' skills and confidence in organic and sustainable farming practices. Their interactions with the rural farmers offer the group a much richer perspective of the realities of farming as a profession.

Along with some consumers, city farmers make several trips during the season to interact with the rural farmers thus establishing and strengthening a trust based model<sup>9</sup> that MOFCA prefers over third party certification of farms/ farmers/ produce.

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<sup>9</sup> MOFCA has been working on its own version of the Participatory Guarantee Systems (PGS) with participating farmers, consumers and MOFCA members for quality monitoring.

**TURIA PATRA NU SHAAK**

2 medium sized turia  
2 small cucumber/ridge gourd  
6 alu/colocasia leaves

**FOR THE FILLING:**  
2 tbsp chick pea flour  
1 tbsp jaggery powder  
1 tbsp beaten yogurt  
1 tsp red chilly powder  
1 tsp coriander powder  
1 tsp cumin powder  
1 tsp turmeric powder  
1 tsp oil  
A pinch of salt and  
asafoetida each

**FOR THE TADKA:**  
1 tsp oil  
1 tsp mustard seeds  
1 tsp cumin Seeds  
A pinch of salt



- POSTCARD -



As with spinach and mustard greens, avoid reheating cooked maat (chulai or amaranth greens). The nitrates in the leaves can get converted to nitrites and nitrosamines which are considered carcinogenic.

Salt and drain the baingan (brinjal) to reduce the amount of fat absorbed during cooking.

Try also minimising the processing - steam or eat raw whatever you can.

Eat your bhindi (ladyfingers) steamed with a little stuffing - as a salad. Let the sliminess stay inside, it'll

be useful to clean out your digestive system. And keep the tip on, it has the most nutrients.

Leave the skin on. Most veggies have the most nutrients in or just under the skin. And since you've been so wonderful, we will soon be sending you a recipe on how to make chutney out of the skins of (not bitter) cucurbits - good things come to those who wait!

Tune in to tokri talk on  
<http://blog.mofca.in/>

### Looking forward: Winter 2012-2013 and after

This season, HBT has already experienced a fresh round of challenges in the pre harvest processes. To start with, the sowing and planting has been delayed. This is partly due to climatic reasons - the late monsoon showers

delayed the rice harvesting which in turn delayed the planting of vegetables.

The second challenge is somewhat more complicated but also related to the delay. In the past there had been difficulties and inefficiencies both at the times of lowest yields as well as at the peak of the season. Farmers generally plant as much as they can at the beginning of the season to compensate for potential losses along the way and are less likely to be worried about forecasting and precisely planning for consistent yields. In the initial years when total yields were low, MOFCA made a commitment to buy all the farmers' produce. But now that the number of farmers has increased, the costs of this as well as the impracticality of giving overly large tokris to consumers led HBT to re-evaluate this strategy. For the first time since Hari Bhari Tokri was started, seeds and saplings were distributed in a regulated way. This unfortunately left the farmers feeling cheated and unhappy and therefore dragging their feet about sowing. More time and energy was spent this season explaining the rationale behind these seemingly restrictive measures, repairing the relationship with the farmers and in general, trying to communicate more clearly with each other the different perspectives and ground realities.

Many of the challenges of the past seasons have shaped the kind of "community" that MOFCA is, and is becoming. Since the community is made up of so many different stakeholders, with different situations, needs and perspectives, any solutions are likely to be imperfect and temporary - till one can do better. MOFCA as a community is messy and inconvenient. And real. Consumers seek convenience and choice, rural farmers are attracted more by the money than the philosophy and the urban farmers are limited in their numbers and their willingness to simply "produce" for a market. And yet, the community is not able to exclude any one voice<sup>10</sup>. Perhaps they have somehow stumbled upon one of Nature's lessons about community - that it is diverse and inclusive. Not simply about people and ideas we agree with but also those we don't.

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<sup>1</sup> After their first season, MOFCA was turned down for institutional support (financial and non - financial) because their "primary beneficiaries" and criteria for choosing which farmers to help were not clearly outlined. That further strengthened their resolve to rely on "community" rather than institutional support.

The experiences of the past two years as well as the current situation are teaching valuable lessons about the importance and the potential of limits to scale and staying local. On the one hand, there are pressures to scale up (from would-be funders or collaborating institutions, for example) and to take on more farmers and consumers or both. On the other hand, there is the challenge of building a truly inclusive community among diverse stakeholders and with limited resources. There are pressures to survive in the competitive market paradigm where organic is newly fashionable and lucrative (even as organic means different things to different people). These contradictions offer tremendous possibilities for creating local solutions.

Staying local has thrown up all kinds of interesting perspectives and opportunities. In becoming a community, MOFCA's approach to "fair" pricing has become more complex, subtle and nuanced. Fair to whom? Farmer or consumer? Similarly, in working with the unpredictable and hugely variable nature of agriculture the challenge is to include as many practical options as is possible, always remembering that the smallness and interconnectedness of the community will offer almost instant feedback in terms of results. Like it or not, as occurred with the regulation of seed sowing this winter, MOFCA believes that it will know sooner rather than later if its actions are failures or successes. So far, this community seems to be repeatedly learning the lessons of Nature. To respect diversity. To stay local. And to evolve. Thus far, MOFCA finds itself sufficiently challenged to survive the present, to develop resilience. And in equal measure, sufficiently blessed to work towards what it hopes to be.

– as presented by Neesha Noronha.

Additional information is available at <http://mofca.in/>  
Tokri experiences shared on the Tokri Talk blog at <http://blog.mofca.in/>  
To contact, email [hari.bhari.tokri@gmail.com](mailto:hari.bhari.tokri@gmail.com)

# Belgaum Organic Food Club

This is the story of a small group of farmer-entrepreneurs who not only changed their own farms and production practices, but also drew in dozens of other farmers into the initiative, which is called the Belgaum Organic Food Club.

This initiative consists of organic and bio-dynamic farmers considered pioneers in their field – like Abhay Mutalik Desai, Basavaraj Siddappa Kapsi, Suresh Desai and Ashok Tubachi. The “epicenter” of the effort is Yamkanmardi village near Belgaum, Karnataka.

The legal entity is registered as a Society. OFC identifies and promotes the produce of member organic farmers, mostly drawn from Belgaum district, who are growing vegetables, fruits, pulses, sugarcane and other crops without the use of chemicals at any stage of cultivation. Today, the effort extends to 82 farmers and 410 acres (in a radius of 25 kms), including 27 vegetable-cultivating farmers who are NPOP-certified. Most of the farmers are however ones who own more than 3 acres of land. While the initiative began with around 24 farmers in the border areas of Maharashtra and Karnataka shifting to organic farming, it was only in 2002 that OFC was registered as a Society. The main objective of OFC is to establish a fair marketing system for their member-farmers, by direct marketing without intermediaries, and creating a direct relationship between the farmers and around 500 urban households in Belgaum city. Through these 500 families of dedicated consumers, OFC manages to market nearly 45% of its members’ agricultural produce. The rest is dispatched to Bangalore and Mumbai to various organic outlets. According to Mr Ashok Tubachi of OFC, no produce is sold in the regular market, and all the produce from their farmers maintains its organic identity till the consumption point.

The interventions of OFC are very systematic starting from the farm; key members of OFC have specific expertise, and therefore roles that they play. For instance, while some of them focus on capacity building of other farmers, and ensuring quality control and addressing production related problems, others are into innovation – both in production and processing

of output; some members focus on marketing and tying up with government agencies. All the member farmers benefit in the process. A unique feature is that most interventions have happened with the voluntary contributions and efforts of the farmers themselves, without much external support including from the government.



In 2002, when around 25 farmers joined hands to set up the OFC, they brought in a capital of ten thousand rupees each (2.5 lakh rupees in all). Marketing to Belgaum consumers began in 2003, with just about 84 families drawn in initially, mostly from Rotary Club, Lion's Club etc., in the city. Today, the OFC employs two full-time staff members to take care of production-related issues, certification support and for marketing activities. Planning of crop combinations to grow is given by OFC to all its members, based on the resources of individual members as well as the overall marketing plans of the organization.

Over the years, even as associated members increased in numbers, the organization built 3 godowns with investments coming from members. Similarly, it also owns a jaggery-processing unit which was set up with a cost of 18.60 lakh rupees – once again, put in by the members. While the government supported group certification costs initially for three years, in the recent past, OFC bears the certification costs of its members.

Regular engagement with both farmer-members and the large base of dedicated consumers is one of the key strategies adopted by OFC. Meetings are held in Yamkanmardi village once in three months with the consumers, who are encouraged to come with the whole families on a specific second Sunday. Similarly, monthly meetings are held with member-farmers.

The OFC calculates that it can notch up 40% margins just by direct marketing and elimination of intermediaries; further, on non-perishable items, it makes 25% more on the conventional market prices. Stable price bands are applied for the vegetables, irrespective of the prices in the regular market, with the main criterion being cost of production. Consumers are asked to pay advance money for 8 weeks and farmer members are paid within 15 days of procurement from them. The consumers get a weekly vegetable basket of 12 kilos, covering 4 vegetables, 2 salad items, 2 leafy vegetables, in addition to onion, potato, chilli, garlic, ginger and coriander. Further, dry items like wheat, dals, jowar etc., are also supplied. Between the farmers, more than 13 vegetables are cultivated. The standard price fixed for the weekly vegetable basket is Rs. 200/12 kilos. Every week, about 30 MT of vegetables (about 4.8 lakhs of business), in addition to 3-4 MT of dry items are sold to the Belgaum consumers, by deploying around 6 hired vehicles to go on fixed routes to cover the consumers. OFC reports very rare losses to its members – only in case of heavy rains or heavy pest infestation etc. It is upto individual members whether they would get their crop insured or not, while crop planning and technical advice is provided by OFC experts.

Around 52 farmers are into sugarcane cultivation and jaggery production by improved methods taught by OFC (sustainable sugarcane initiative was started with 25 of these farmers with NABARD support). The organic jaggery production from OFC has been increasing at an impressive rate over the years – from around 15 MT of sugarcane processed before 2008 to around 60 MT in 2011-12 (where they had to hire a certified processing unit earlier, they now have their own unit). Members are encouraged to go in for just 5 kuntas (40 Kuntas = 1 acre) of sugarcane cultivation, which when converted into powder-jaggery gives enormous price differential (Rs. 45/kilo of jaggery lump and Rs. 60/kilo of jaggery powder), compared

to selling it as sugarcane to local sugar factories (Rs. 2200 per ton of sugarcane). In this manner, OFC seeks to take up value addition for improving the net returns of the farmers. This jaggery is sold to nearly 200 retailers around the country.

OFC believes that quality control and ensuring genuineness of produce cannot be through legal means but must be grounded in a moral basis. A high degree of social regulation seems to be in place within its member-farmers. Further, third party certification in the form of Control Union (formerly SKAL), at Rs. 86,000/year for group certification is also in place. OFC gives trainings to its members on ICS to be adopted. Members are also encouraged to prepare farm inputs at their own level, without resorting to externally-procured inputs.

OFC's Founder Members remain permanently on the Board, in addition to 7 members selected from amongst the member-farmers each year. The organization takes up transparent accounting and minuting of all its decision-making processes and activities. Ashok Tubachi of OFC believes that the government coming forward to provide free outlet space, in addition to processing and value addition equipment and space would go a long way in giving a boost to organic farmers' marketing enterprises. He also feels that the government should come forward to purchase non-perishable goods from the farmers.

*– Written by Kavitha Kuruganti & Ananthoo, based on conversations with Ashok Tubachi and signed off by Abhay Mutalik Desai*

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<sup>11</sup> THIS PART ONWARDS OF THIS NOTE IS EXTRACTED FROM ORGANIC FARMING SOURCE BOOK, OTHER INDIA PRESS, GOA

# Gandhi Jilla Vish Mukat Shet Maal Utpadak Ghat (Vish Mukat Dukaan)



This is an initiative of a few farmers, some of whom are not full-time farmers, to create marketing avenues for organic farmers, initiated in Wardha in 2003.

The key person in this initiative is Dhyaneswar Dhage who shifted to organic farming around 1995. While there were indeed challenges in the initial years during the transition, after a few years, other farmers also started adopting organic practices. "I was one of the prominent citizens of the village, and when I started obtaining net returns, others started following", he says. He shifted to organic because he wanted to be as self-reliant as possible. This was on five acres of land of Giroli Dhage village. Others started emulating him around 2000 and called themselves Gram Raksha Pariwar.

It was in 2003 that the idea of direct marketing first emerged. 5 farmers from 4 villages who were growing vegetables through organic practices decided to start direct sales in Wardha and that was an initiative that set up Vidarbha's very first poison-free vegetable sales point. Initially, using the small space provided in front of an NGO's office, they started selling different kinds of vegetables thrice a week. The inauguration of this small sales point was done with much media publicity and word spread amongst Wardha's citizens and there was much demand for these vegetables.

However, there were problems at the production end – there was no planning amongst the farmers and there was also over-production (including of particular vegetables) at times, without proportionate increase in sales. Around 2 quintals of vegetables were sold every day in the initial days, of around 8-10 varieties, with loyal consumers who were willing to pay more queuing up. On the opening day itself, this small initiative had five thousand rupees' worth of sales.

For three years, this enterprise, which now covers more farmers, continued marketing organic vegetables (with volumes touching 4-5 quintals each day). Even though they were not making the kind of profits and margins they initially experienced, this informal enterprise was ensuring that farmers got more here than in conventional market.

However, when Dhyaneshwar ji and others moved their attention to opening a retail outlet in the Gram Sewa Mandal's premises and started thinking about managing costs and the business from this outlet, the vegetable business started floundering. This was the time when the farmers shifted to marketing of grains (wheat, different kinds of pulses, spices etc.), by taking on rent a fairly large place next to Magan Sangrahalaya (one of the most prominent places in Wardha). For bearing the overheads, ten farmers came forward to put in ten thousand rupees each. This effort did not require farmers to be paid as and when their produce was procured – all farmers were willing to wait out until the actual sales proceeds accrued. The monthly overheads were around Rs. 5000/- at that time. In the first year, nearly 400 quintals of wheat was supplied by

organic farmers of the district and a large part of it did not find customers. Nearly 100 quintals remained unsold and had to be sent to an organic enterprise in Yavatmal.

However, in 2007-08, when Bt cotton entered the scene in a big way, it swept away the work of farmers, according to Dhyaneswar. Most farmers, including ones who were shifting to organic along with Vish Mukht Dukaan's help shifted to Bt cotton. The number of farmers growing organic food grains and supplying to this enterprise fell drastically.

Today, around 50 farmers supply wheat and pulses and this is not sold in small retail packs. Most of the produce is moved in bulk with consumers placing orders that cannot be less than 25 kilos per order. Around 200 quintals of wheat was sold last season this way.

The retail effort of Vish Mukht Dukaan is paying its overhead costs by diversification into sugarcane juice business, gramodyog products and a restaurant, to the point that farmers get the full retail price paid by Wardha's consumers, without any margins being cut for running costs by the enterprise (in the initial years, a fixed amount of hundred rupees per quintal of grain was kept back by the enterprise for its costs, out of the retail price paid by consumers).

From the organic sugarcane juice sales in just 6 months, the enterprise made nearly one lakh rupees gross income and from this, running costs were met. This goes to show the importance of value additions.

Further, 32 farmers in the group make their own processed products (papads, medicines, juices, ambadi-based products etc.) – while these are not 100% organic, the main ingredients are organic and this aspect of the business started in 2007-08. The sales of these products constitute around 1.5 lakh rupees' worth of sales per month on an average in the enterprise today.

The restaurant, which has traditional cooking and simple food of Jhunka-Bhakar as its USP, was started 3 years ago and is now the most popular aspect of this enterprise. Nearly 200 people eat in the restaurant every day

(lunch and dinner). With around 5000 to 6000 rupees' turnover each day, this restaurant makes around 20% profits, after 80% goes into running costs.

In the past two years, the main promoters of this enterprise also got involved in advocacy work under a forum called Kisan Adhikar Abhiyan, which took away energies from the enterprise. The vegetable market is limited to just two farmers at this point of time.

The promoters of Vish Mukht Dukaan are now planning to once again plan out their marketing efforts for organic produce in a more systematic fashion, since they see that the retail outlet has been stabilized for now.

This goes to show that there is a favourable organic market even in small towns. This model though not 100% organic is show cased to espouse the opportunity in small town and how efficiently small groups of farmers can collectivise and create functional and profitable markets for themselves.

*– Written by Kavitha Kuruganti & Ananthoo based on conversations on July 27<sup>th</sup> 2012 with Dhyaneswar Dhage, Anantrao Thakare and Vinod Rajgude.*

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## To Sum Up.....

IF YOU ARE STILL LOOKING FOR SIMPLIFIED STEP-BY-STEP INSTRUCTIONS ON HOW YOU CAN INITIATE ORGANIC RETAIL OPERATIONS OR SUPPORT FARMERS WITH DIRECT MARKETING, READ ON!

1. Decide if you can venture into beginning at the farmers' end, especially if a group of practicing organic farmers are already present in one location and are looking for marketing avenues. If you cannot work at the farmers' end – which is a more challenging task, given that extension support is required for production operations and organizational support is required for collectivizing farmers and might also require investments in some processing and storage-related infrastructure – stick to the retail end of operations. You can of course initiate Community-Supported Agriculture (CSA) by working at both ends, as MOFCA has shown.
2. If it is the retail end, ensure that you create awareness amongst consumers, other than publicity around the initiative. Why should consumers opt to buy at this outlet or procure directly from consumers should be clearly enunciated.
3. Locate your suppliers. Ensure that you personally get to know each farmer and her/his farm and can stand guarantee for the quality and standards to be maintained. Figure out mechanisms for maintaining a live contact with the producers.
4. Create price bands for the products that are determined by the producers, explained transparently to consumers, based mainly on cost of cultivation and other actual costs.
5. If cash flow is a problem, ensure that consumers pay up in advance and the same is used to pay farmers for delivery of produce.
6. For vegetables, creating a weekly or bi-weekly schedule helps.
7. If you are facilitating direct marketing by farmers, having a vehicle for door delivery or at a central pick up point might be required.

8. Keep your own costs to the minimal, by having a no-frills approach to the business. If there are employees running the retail end effort, it is best to move slowly towards management and ownership being handed over to the employees, so that the model can be replicated by you elsewhere.
9. If you have begun at the farmers' end, huge volumes would be a challenge to begin with. Diversification into various commodities, some amount of processing and value addition and finding enough number of consumers to deal with the full quantities of produce would be essential.
10. Creating as many avenues as possible to allow a direct consumer-farmer interaction is important for various reasons.

AND TELL US IF YOU HAVE INITIATED SOMETHING INSPIRED BY THE CASE STUDIES CAPTURED IN THIS BOOKLET!!!

# Annexure

## **Pest control and grain storage:**

Organic grains and produce are attractive for pests too. It is important for customers and others to realize that such attraction to pests is in itself a proof of authenticity. More importantly these pests are not dangerous like the chemicals that are sprayed to avoid them and can be easily managed (both before and after incidence). Simple cleaning with water or sun drying can in most cases help.

In storage one needs to adhere to more discipline. Ideally elders around in the town will have know-how on ingenious local practices to preserve grains, oil and seeds. One should make efforts to collect them and implement accordingly. Even record them for posterity! Some generic practices are given below:

- Fumigation of store rooms with leaves like Neem (*Azadirachta indica*/ neem), Nochi (*Vitex Negundo* /Nirgundi ), vasambu (*Acorus calamus* / Vasaka), Lemon grass (*Cymbopogon citratus* / Bhustrina) etc. once a week is advisable
- Grains like rice to be stored in jute sacks and should be opened once a day and shaken. The shaking is to disturb any egg formation or hatching. (Most grains come with eggs manifested. Conducive atmosphere leads to proliferation)
- Castrol oil in small qty is taken in hands and rubbed all through the rice in sacks. That is an old common practice that is effective .
- Vasambu (*Accorus calamus*) root is used as a good pest repellent. Either as a powder or the root pieces are mixed with the grain in the containers. Care should be taken while mixing powder; It should be in very small quantities.
- Placing the legs of shelves in Cups with water will help against ants
- Inverted pet (water) bottles with holes pricked on top half. The bottom conical part should be closed intact with the lid. The insects come to

the holes (on top of the inverted bottle) for air and are trapped as they will be caught in the lower (conical) part and cant escape.

- Lemon grass oil, citronella, turmeric etc. are laid on ground around shelves or containers to avoid/repel insects.
- Some grains have to be stored in air tight containers.
- Oil can be dried in sun once a week to avoid it becoming rancid; to be stored in air tight containers
- Grains like rice, millets if infested need to be Shade-dried and then repacked.
- Dried chillies, vasambu (*Acorus calamus* / Vasaka) or neem leaves when mixed with grains help repel insects.
- It is better to make grains in to flour on a weekly basis- that way they remain fresh and are not prone to pest attack
- Keeping track of Shelf life and occurrence of pest is important
- Cleaning all spills immediately as well as regular cleaning and mopping is a must.
- Regularly check for small holes that help mice/rat entry and seal them immediately.

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