

Role of FPCs in Promoting Natural Farming

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Abstract

In India, where the majority of farmers are smallholders, natural farming offers a sustainable alternative to chemical-intensive agriculture. This article highlights the critical role of Farmer Producer Companies (FPCs) in advancing agroecological practices. By organizing farmers, facilitating access to bio-inputs, training, and markets, FPCs promote soil health, biodiversity, and income stability. They also enable value addition and direct-to-consumer models, reducing dependence on

middlemen. Supported by government schemes and institutions, FPCs are emerging as key enablers of rural resilience and climate-smart agriculture. Despite challenges such as limited managerial capacity and financial access, targeted policy and capacity-building measures can further strengthen their impact. FPCs represent a promising pathway toward a productive, sustainable, and regenerative agricultural future in India.

Introduction

The convergence of climate change, environmental degradation and global food insecurity has brought sustainable agriculture to the forefront of global and national development agendas. In India, this urgency is magnified by the fact that over 86% of the country's farmers are smallholders (FAO, 2021), often operating on fragmented plots with limited resources, technology and institutional support. These farmers face the dual challenge of increasing productivity and preserving natural resources – a task made more difficult by decades of reliance on chemical intensive farming. Such practices have led to deteriorating soil health, declining biodiversity, and escalating input costs.

In response, natural farming has emerged as a transformative approach that addresses these environmental and economic pressures through ecologically harmonious practices.

Rooted in traditional wisdom and local resource use, it emphasizes the use of bio-inputs like compost, cow dung, cow urine Jeevamrit, Beejamrit and mulching techniques, natural farming not only revitalizes soil health and conserves water but also makes farming more resilient and cost-effective. Importantly, natural farming also reduces environmental footprints by eliminating the use of synthetic chemicals, thereby promoting biodiversity and ecological balance.

Amidst this transition, Farmer Producer Companies (FPCs) have become pivotal change agents. Registered under the Companies Act, FPCs are collective enterprises formed and managed by farmers themselves. They offer a structured platform that allows small and marginal farmers to pool their resources, access markets collectively, and gain bargaining power that would be impossible individually. FPCs play a crucial role in supporting the shift to sustainable agriculture by facilitating shared access to

quality bio- inputs, storage infrastructure, agri-machinery, training and market linkages without sacrificing profitability. FPCs also serve as knowledge-sharing hubs, fostering innovation and peer learning among farmers. Through community based capacity building and promotion of climate smart agricultural techniques, these organizations contribute significantly to rural resilience and adaptation.

The environmental imperative for natural farming

Modern conventional agriculture, heavily reliant on synthetic fertilizers, pesticides, and monocultures, has caused extensive damage to soil health, water quality, and biodiversity. According to the Indian Council of Agricultural Research (ICAR), over 30% of India's soil is degraded (ICAR, 2020). Natural farming, by contrast, regenerates ecosystems through low-input techniques such as

Furthermore, they address systemic inefficiencies in the agricultural marketing system by enabling direct-to-market sales, reducing the role of middlemen, and ensuring that farmers receive fair prices for their produce. This collective approach not only improves income security but also contributes to long-term rural development.

composting, mulching, microbial formulations (e.g., Jeevamrit), and crop diversity. FPCs that adopt natural farming play a vital role in reversing environmental damage. They reduce greenhouse gas emissions by eliminating nitrogen-based fertilizers, minimize chemical runoff, and promote practices that enhance soil organic carbon, which is essential for climate resilience (IPCC, 2021).

The role of fpcs in promoting natural farming

Farmer Producer Companies registered under the Companies Act, 1956 (as amended in 2002) are collective enterprises designed to empower small and marginal farmers. By pooling resources, accessing better markets, and adopting sustainable agricultural practices, FPCs have become key drivers in India's agro-ecological transition. In the domain of natural farming, FPCs act not only as economic entities but also as incubators of innovation, knowledge dissemination, and community mobilization.

1) Catalyst for Natural Input Supply and Knowledge Dissemination:

- One of the core functions of FPCs in natural farming is the facilitation of input supply chains. Through bulk procurement and localized production of bio-inputs like *Panchagavya*, *Beejamrit*, and compost, FPCs help reduce costs and ensure the quality and availability of essential inputs.
- Many FPCs collaborate with Krishi Vigyan Kendras (KVKs), state agriculture departments, and NGOs to conduct farmer field schools, demonstrations, and hands on workshops. These training initiatives empower farmers with the knowledge to

adopt regenerative techniques and reduce dependency on chemical inputs.

- Model farms established and maintained by FPCs act as demonstration units or live laboratories where natural farming's benefits are visibly demonstrated, encouraging peer adoption.

2) Environmental and Economic Impacts of Natural Farming via FPCs

FPCs engaged in natural farming have shown multiple environmental and economic benefits:

Soil Health Restoration: Use of compost and microbial formulations has led to increased soil organic matter, enhanced water retention, and reduced erosion (FAO, 2020).

Carbon Sequestration: Practices like agroforestry, cover cropping, and minimal tillage facilitated by FPCs contribute to carbon capture, mitigating climate change (IPCC, 2021).

Water Conservation: Natural farming reduces irrigation demand due to improved soil structure and moisture retention.

3) Income Stability: By eliminating costly synthetic inputs and ensuring premium pricing through direct marketing or organic

certification, farmers earn higher net incomes. A survey by the Centre for Sustainable Agriculture (CSA) in 2022 found that farmers under FPC-led natural farming programs in Andhra Pradesh and Maharashtra reported up to 25% increase in net income with lower yield variability compared to chemical-based systems.

4) Market Linkages and Value Addition through FPCs

FPCs address this through

Branding and Certification: While reduced input cost make natural farming appealing, its long term viability or sustainability depends on securing premium price. Certification through PGS-India and INDOCERT helps FPCs brand their produce as organic or naturally grown, accessing premium urban and export markets that offer 20-40% higher prices.

Direct-to-Consumer Models: Using e-commerce, weekly farmer markets, and cooperative retail outlets, FPCs bypass intermediaries, delivering fresh, traceable produce to consumers.

Processing and Value Addition: FPCs are increasingly involved in small-scale processing—packaging, drying, and preserving natural produce—thereby increasing shelf life and revenue.

Policy Support and Institutional Collaboration: The role of policy and institutional support in strengthening FPCs cannot be overstated. Initiatives like *Paramparagat Krishi Vikas Yojana (PKVY)* and *National Mission on Sustainable Agriculture (NMSA)*, provide financial and technical assistance to FPCs promoting natural farming.

- NABARD provides grants and working capital support to FPCs for infrastructure like bio-input labs and storage units.

Conclusion

Farmer Producer Companies are becoming the backbone of India's agroecological transition. By organizing farmers, enabling access to

Marketing is the touchstone of farming. Farmer cannot sustain without fair returns to his crop produce. Small, poor and less educated farmers find it hard to handle the market inequality and exploitation. FPC's bridge this gap by aggregating produce and providing collective bargaining power. They enable direct sales to local, metro, inter-state or export market, often ensuring that farmers receive 60 to 70% of the final consumer price.

- SFAC (Small Farmers' Agribusiness Consortium) facilitates FPC formation, credit linkages, and market access (SFAC, 2023)
- Public-private partnerships and collaborations with academic institutions (e.g., ICRISAT, MANAGE) further enhance the effectiveness of FPCs in implementing sustainable practices.

Challenges and Recommendations: Despite significant achievements, FPCs face hurdles such as:

- Professional management gaps: Many FPCs lack trained personnel for business planning, financial management, and marketing.
- Market volatility and low consumer awareness: Organic and natural produce often struggles in unorganized markets without adequate consumer education.
- Limited access to green finance and insurance: Most FPCs are excluded from mainstream green credit and climate resilient financial instruments.

To overcome these barriers , the following steps are Recommended:

- Strengthen managerial training for FPC directors.
- Develop traceability and block chain-based platforms to certify natural produce.
- Encourage green bonds and climate finance instruments tailored for FPCs.

natural inputs, training, and markets, FPCs are not just improving rural incomes but also serving as custodians of the environment. With

robust policy backing, financial innovation, and community participation, they hold the key to a future where Indian agriculture is not

only productive but also sustainable and regenerative.

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