



Seeds of Change: How Women-led FPOs Strengthen Livelihoods

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Abstract

Women remain at the heart of Indian agriculture, yet they continue to face systemic barriers in accessing resources, markets, and leadership opportunities. In recent years, women-led Farmer Producer Organisations (FPOs) have emerged as dynamic enterprise-based collectives that enable smallholders to aggregate produce, secure better market access, and enhance incomes. Distinct from Self-Help Groups and cooperatives, FPOs prioritize productivity, profitability, and integration into agricultural value chains. By strengthening bargaining power, advancing financial inclusion, and fostering women's leadership, these organisations not only improve livelihoods but also challenge entrenched gender norms. Empowering women-led FPOs is thus vital for building inclusive rural economies and driving sustainable agricultural growth in India.

Keywords: WFPOs, Self Help Groups, Women Farmers, Farmer Producer Organisations, Cooperatives, financial inclusion, livelihood

Introduction

Women are the invisible strength behind India's rural agriculture. They sow, harvest, and sustain farming communities, yet continue to face entrenched socio-economic barriers that restrict their access to education, credit, markets, and leadership opportunities. Despite this marginalization, collective institutions such as Self-Help Groups (SHGs), cooperatives, and more recently Farmer Producer Organizations (FPOs) have emerged as powerful vehicles of change.



With women constituting nearly 80% of economically active women, one-third of the agricultural workforce, and almost half of self-employed farmers (MoA&FW, 2021), these platforms are enabling them to pool resources, strengthen bargaining power, and enter markets that were once beyond reach. More importantly, they are helping women challenge restrictive gender norms, gain voice in farming systems, and assert agency in community decision-making.

As India advances toward global commitments like SDG 2.3 (doubling smallholder productivity) and SDG 5 (achieving gender equality), empowering women through collective action is no longer optional, it is essential for inclusive and sustainable rural development. Women-led FPOs, in particular, represent a transformative model that not only enhances livelihoods but also redefines leadership and participation in agriculture.

From Self-Help to Collective Power: Models of Rural Organization

A Self-Help Groups (SHGs) are small, voluntary associations where members pool savings, manage their own funds, and collectively meet credit needs to gain better control over resources (Roul, 1996). Rooted in *Dr. Muhammad Yunus's* pioneering microfinance model in Bangladesh (1983), SHGs spread rapidly in India during the 1997–2002 Five-Year Plan, becoming a cornerstone of women's empowerment by reducing dependence on money lenders and fostering financial self-reliance.

Cooperatives are autonomous, member-driven associations formed to meet shared economic, social, and cultural needs. They operate through jointly-owned and democratically-controlled enterprises, embodying the principle of *“unity for mutual benefit.”*

Producer Organizations (POs) are formal rural collectives where farmers organize to improve incomes through better production, marketing, and processing activities (Rondot, 2001). They provide a structured platform for smallholders to collaborate and strengthen their market presence.

Farmer Producer Organizations (FPOs) are legally registered entities under Part IXA of the



Companies Act or relevant State Cooperative Acts (Government of India, 2020). Unlike SHGs that focus on microfinance or cooperatives that emphasize service delivery, FPOs are specifically designed to enhance agricultural productivity and profitability. By leveraging economies of scale in production and marketing, they enable farmers, especially women to access larger markets, negotiate better prices, and build sustainable agribusiness ventures.

Women at the Helm: Leading FPOs with Purpose

Women-led FPOs (WFPOs) are collectives where women hold the majority in both membership and leadership, exercising control over governance, decision-making, and business operations. By organizing around shared goals, these groups amplify women's bargaining power, expand access to resources and markets, and enable stronger participation in agricultural value chains through activities such as aggregation, processing, and direct marketing.

Importantly, WFPOs go beyond improving incomes. They challenge entrenched gender norms by placing women in visible leadership positions, fostering greater mobility, and strengthening their voice in agricultural and community decision-making. In doing so, WFPOs not only enhance livelihoods but also reshape the social fabric of rural economies, positioning women as central agents of change in agriculture.

The Growing Footprint: Women FPOs across India

As of **3rd February 2025**, a total of **9,836 Farmer Producer Organizations (FPOs)** have been established under the Government's flagship programme, benefiting **27.15 lakh farmers**. Notably, women account for **10.24 lakh members**, underscoring their growing presence and leadership in collective agribusiness ventures across India.

To capture this momentum, the following section presents a **state-wise distribution of Women-led FPOs (WFPOs)**, categorized by the proportion of women shareholders as of **31st December 2024**. This snapshot highlights how women's participation is reshaping rural economies and strengthening inclusive agricultural development.

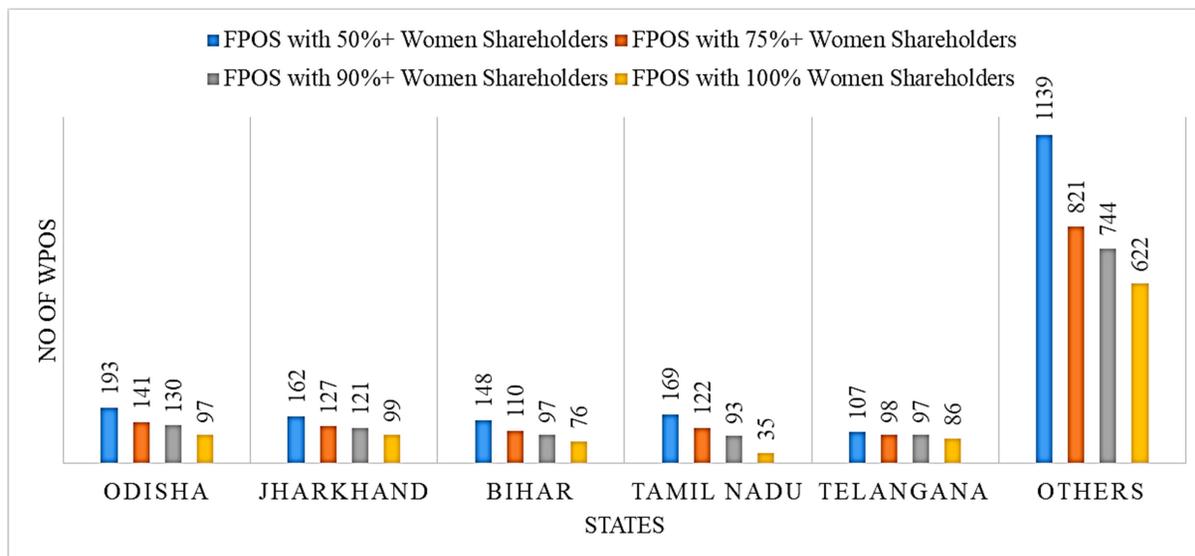


Figure 1: State-wise distribution of Women-led FPOs (SFAC, 2025)

The Support System: Policies, Schemes, and Institutions Behind FPOs

Institution/Scheme	Key Provision/Support	Remarks
Formation and Promotion of 10,000 Farmer Produce Organizations (FPOs).	Implemented by Ministry of Agriculture and Farmers Welfare and SFAC and NABARD	Management Cost: ₹18 lakh per FPO over three years. Matching Equity Grant: Up to ₹2,000 per member (capped at ₹15 lakh per FPO). Credit Guarantee: Coverage for loans up to ₹2 crore.
Women Entrepreneurship Platform (WEP)	Launched by NITI Aayog to support women entrepreneurs.	Offers mentorship and networking support to women entrepreneurs.



Mahila Kisan Sashaktikaran Pariyojana (MKSP)	Implemented under DAY-NRLM	Focuses on strengthening women farmers' capacities through collectivization, skill development, and improved access to agricultural practices
Stand-Up India Scheme	Government of India	Facilitates bank loans ranging from ₹10 lakh to ₹1 crore to women entrepreneurs.

In addition to government initiatives, a wide network of NGOs plays a pivotal role in strengthening Women-led FPOs. Organizations such as **PRADAN (Professional Assistance for Development Action)**, **SEWA (Self-Employed Women's Association)**, **MYRADA (Mysore Resettlement and Development Agency)**, **BAIF (Bharatiya Agro Industries Foundation)**, **ASA (Action for Social Advancement)**, **Kudumbashree (Kerala State Poverty Eradication Mission)**, **JSLPS (Jharkhand State Livelihood Promotion Society)**, and **BRLPS - JEEViKA (Bihar Rural Livelihoods Promotion Society)** actively support these collectives. Their contributions range from *mobilizing women members and nurturing governance and financial management skills, to facilitating access to credit, developing value chains, and connecting producers with markets and institutions.*

Together, these NGOs act as catalysts helping women farmers transform FPOs into platforms not only for economic empowerment but also for social change and community leadership.

Trailblazers in Women-led FPOs: Inspiring Success Stories

Name of the WFPO	Membership and Capital Raised	Key Activities	Awards
SUSAG Millet Producer Company Limited	960 shareholders with INR 12,30,000 as	Working towards the revival of millets through natural	Vijayalakshmi Das Friend of Women FPO – First prize



(Established on 10 th February 2016 in Andhra Pradesh)	capital	farming, increased local consumption and marketing of surplus produce at higher profits	(2020) Best Women FPO - Second Price (2022), from NABARD
Shreeja Mahila Milk Producer Company Limited (Established on 3 rd July 2014 in Andhra Pradesh)	More than 1.20 lakh member with INR 35 Crores capital	It is into the business of pooling, purchasing, processing of milk of the Members, and marketing of the same	Million Farmer Organization of India Award - 2024 'Innovation in Women Empowerment in the Dairy Sector' - 2023

Benefits of FPOs for Women Farmers:

1. **Better Prices & Market Access:** Collective marketing helps women negotiate fair prices, reduce middlemen, and boost income.
2. **Financial Inclusion:** FPOs open doors to loans, insurance, and savings by leveraging collective strength.
3. **Leadership Opportunities:** Women gain roles in governance and decision-making, building confidence and influence.
4. **Challenging Gender Norms:** Participation empowers women to break traditional barriers and promote equality in rural communities.
5. **Skill Development:** Training in business, technology, and management enhances entrepreneurship and self-reliance.



6. **Community Impact:** Earnings are often reinvested in health, education, and nutrition, benefiting entire villages.

Challenges faced by Women in FPOs

1. **Cultural Norms:** Traditional expectations restrict women's mobility, participation, and leadership roles.
2. **Unequal Access:** Limited control over time, finances, and information disadvantages women compared to men.
3. **Financial Barriers:** Lack of literacy, credit history, or collateral hinders investment and growth.
4. **Technology Gap:** Limited access to digital tools reduces productivity and market reach.
5. **Gender-Blind Services:** Extension programs often overlook women's specific needs.
6. **Policy Shortfalls:** Schemes for FPOs rarely address gender-specific challenges.
7. **Data Deficit:** Absence of gender-disaggregated data makes tracking progress difficult

Policy and Initiative Recommendations to Empower Women in FPOs

1. **Promote Women-Led FPOs:** Promote FPOs owned and managed exclusively by women farmers. Establish specific targets under schemes like the Mahila Kisan Sashaktikaran Pariyojana and the Central Sector Scheme for Formation and Promotion of 10,000 FPOs.
2. **Board Representation and Governance:** Mandate at least 50% women's representation on the boards of FPOs and include gender experts in advisory bodies to ensure women's voices are heard in decision-making.
3. **Incentives and Financial Support:** Provide enhanced equity grants, special subsidies, interest subsidies, and access to subsidized infrastructure for FPOs with significant women participation. Dedicated credit lines should be prioritized for women FPOs.
4. **Skill Development:** Offer targeted training in managerial skills, digital tools, and sustainable farming techniques to strengthen women's leadership and governance in FPOs.
5. **Sector-Specific FPOs:** Creation of FPOs focused on areas like dairy, livestock, and horticulture, where women traditionally hold expertise, which will allow them to leverage their skills.



6. **Market Access and Enterprise Development:** Invest in branding, packaging, and logistics to help WFPOs compete in national and global markets, giving them the chance to expand their businesses.
7. **Data and Evaluation:** Ensure gender-segregated data in applications and evaluations of FPO initiatives, making gender targets mandatory for policy implementation.
8. **Sustainability and Transparency:** Support long-term operations through digital record keeping, transparent management, and equitable access to finance and resources.

Conclusion

Beyond Numbers: Transforming Livelihoods and Gender Norms

Women farmers in India are increasingly stepping into roles of leadership and entrepreneurship through the rise of Farmer Producer Organizations (FPOs). These collectives are not only improving individual livelihoods but are also reshaping entire communities. As more women lead, innovate, and collaborate, agriculture evolves into a system that is both more productive and more inclusive.

With the right policies, targeted support, and sustained investment in skills, Women-led FPOs can continue to expand their impact driving resilience, equity, and prosperity in rural India. In every village where women thrive in FPOs, a new chapter of empowerment and growth is being written, proving that collective action can transform both livelihoods and social norms.

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