

# Impact Assessment State of Maharashtra's Agribusiness and Rural Transformation Project (Village Social Transformation Foundation)

Corporate Social Responsibility Project by  
Mahindra and Mahindra Ltd.

March 2023

Prepared by,  
KPMG Assurance and consulting services LLP

# Table of Contents



<b>01</b>	Introduction	<b>03</b>
<b>02</b>	Need of the Community	<b>04</b>
<b>03</b>	Project Geography	<b>05</b>
<b>04</b>	Project Progress	<b>06</b>
<b>05</b>	Impact of FPOs	<b>07</b>
<b>06</b>	IRECS Evaluation	<b>08</b>

# About Project

The Government of Maharashtra with support from the world bank undertook the SMART project & goal of the project is to enhance enterprise formation, increase access to markets; promote climate resilience and resource-use efficiency in agriculture.

## Project Objectives

Enhancing institutional capacity to support agricultural transformation



Building risk mitigation mechanisms



Expanding private sector role in the production, processing of crops



Expanding market access and supporting enterprise growth



Ensure effective implementation, monitoring & evaluation



Value addition through commercialization of crops, and livestock products



# Need of the Community

**01**

## 55% Population

Engaged in Agriculture & Allied sectors out of which 80% Rural population is agri dependent.

**02**

## Regulatory Challenges

Global Policies, Trade in Agriculture, Women empowerment in Agriculture, Markets

**03**

## Environment

Dependency on Monsoon and weather, Increasing temperature and rainfall pattern fluctuations

**04**

## Geography

These three regions are constantly affected by drought and other natural calamities.

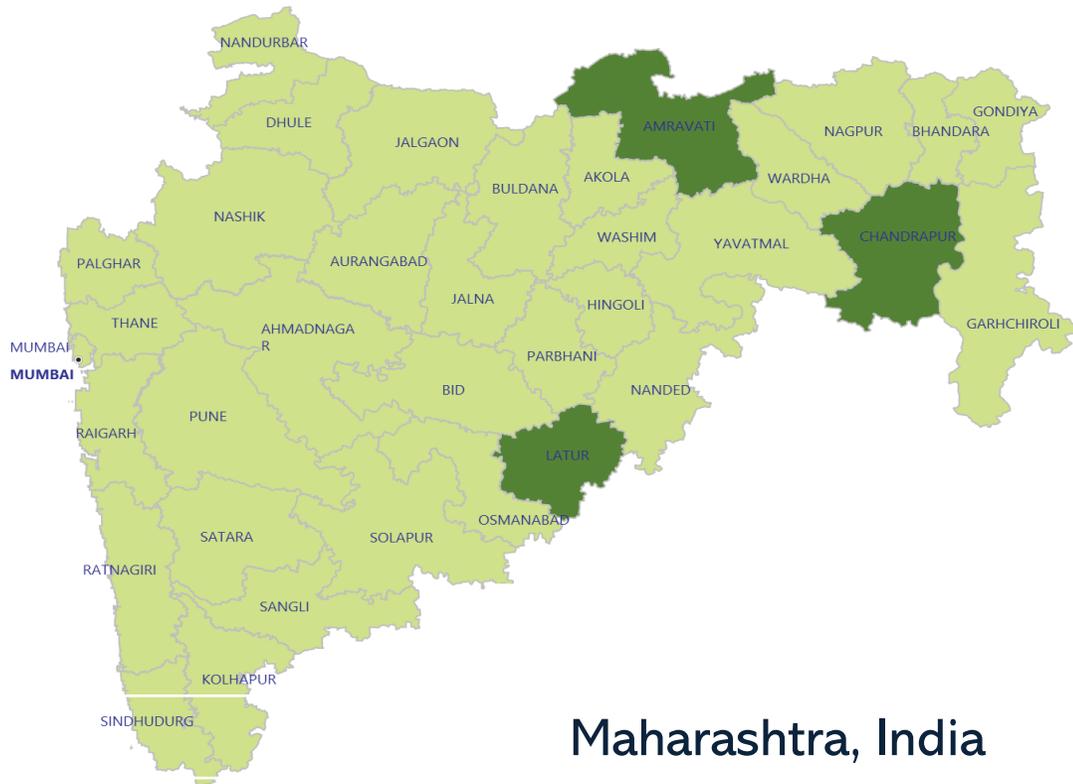
**05**

## Market Issues

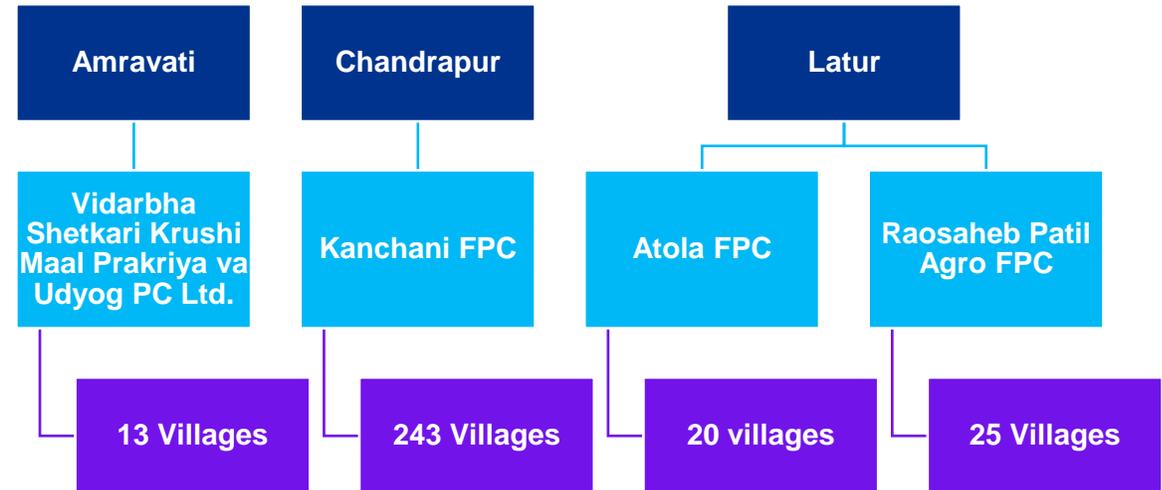
Weak market linkages, low access to markets, less yield, low profitability from produce, absence of proper value chains.

# Project Geographies

## Project Districts in Maharashtra



## FPC's Supported by M&M



# Project Progress



## Amravati: Krushi maal Prakriya wa Udyog Producer Company Ltd.

- Scope to introduce new market channels & group approach to marketing, contract farming in production.
- Transportation costs is intended to be brought down by establishing collection centers within reach of farmers.

**No of Shareholders: 1025**



## Latur: Atola FPC & Raosaheb Patil Agro FPC

- Lowering of costs of production for small and marginal farmers
- Lower procurement and operational costs
- Increased risk mitigation for volatility of prices

**No of Shareholders: 1310**



## Chandrapur: Kanchani FPC

- Able to develop forward linkages and market Access for small and marginal farmers
- 68000 beneficiary are going to get benefitted indirectly
- Will reduce wastage & Post Harvest losses

**No of Shareholders: 2026**

# Impact of Farmer Producer Organisations

**Strong backward and forward linkages and market access**

**Reducing migration of farmers to other occupations**

**Shareholder farmers, access to Finance**



**Direct and indirect employment**

**Increased exports & reduction of post-harvest losses**

# IRECS Evaluation

## Inclusiveness

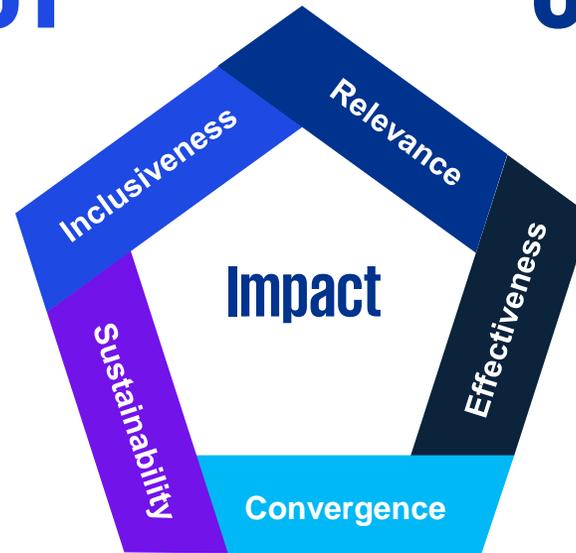
The project focuses on enhancing institutional capacity for rural transformation and expanding market access for small and marginal farmers. On and average, 82% of the beneficiaries have been small and marginal farmers from 4 project locations.

01

02

## Relevance

The Project is highly relevant as it will be helpful in the transformation of agricultural practices among small and marginal farmers through infrastructure, market linkages, enhancing crop production, financial benefit and information dissemination through CBOs and FPO.



## Sustainability

The project has created FPO and CBOs along with providing infrastructure which would help in sustaining the project over a long period of time.

05

03

## Effectiveness

The project is effective as it help small and marginal farmers with the infrastructure and market linkages along with enhancing produce and financial benefit.

04

## Convergence

The project has provided multiple convergence opportunities through the formation of multiple organisations under Productive Partnerships, community-based organisations (CBOs), Farmer Producer Organisations (FPOs) and Market Access Plans.

# Thank You

## Disclaimers:

- This report has been prepared for Mahindra and Mahindra Ltd. ("Client") based on the terms of the Contracts ("Contract") executed between Mahindra and Mahindra Ltd. and KPMG Assurance and Consulting Services LLP ("KPMG" or "we").
- The performance of KPMG's services and the report issued to the Client are based on and subject to the terms of the Contract.
- This report sets forth our views based on the completeness and accuracy of the facts stated to KPMG and any assumptions that were included. If any of the facts and assumptions is not complete or accurate, it is imperative that we be informed accordingly, as the inaccuracy or incompleteness thereof could have a material effect on our conclusions.
- While performing the work, we assumed the genuineness of all signatures and the authenticity of all original documents. We have not independently verified the correctness or authenticity of the same.
- While information obtained from the public domain or external sources has not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information.
- Performance of our work was based on information and explanations given to us by the Client. Neither KPMG nor any of its partners, directors or employees undertake responsibility in any way whatsoever to any person in respect of errors in this report, arising from incorrect information provided by the Client.
- Our report may make reference to 'KPMG Analysis'; this indicates only that we have (where specified) undertaken certain analytical activities on the underlying data to arrive at the information presented; we do not accept responsibility for the veracity of the underlying data.
- In accordance with its policy, KPMG advises that neither it nor any of its partner, director or employee undertakes any responsibility arising in any way whatsoever, to any person other than Client in respect of the matters dealt with in this report, including any errors or omissions therein, arising through negligence or otherwise, howsoever caused.
- In connection with our report or any part thereof, KPMG does not owe duty of care (whether in contract or in tort or under statute or otherwise) to any person or party to whom the report is circulated to and KPMG shall not be liable to any party who uses or relies on this report. KPMG thus disclaims all responsibility or liability for any costs, damages, losses, liabilities, expenses incurred by such third party arising out of or in connection with the report or any part thereof.
- By reading our report, the reader of the report shall be deemed to have accepted the terms mentioned hereinabove.