

Value Chain Analysis

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Village: Gandharpalle		Mandal: Papannapet				Block/ District: Khammam			
Date of exercise		27 october 2017							
Participants		Mahender, Jayanta, Shoab, Naresh, Atish, Rajni, Vishal							
Facilitated		Mr. Jitendra							
Item of the value chain		Paddy							
	Inputs	Pre-Production /collection	Production / collection	Post-production /collection	Local value addition	Local market	Mandal/Block market	District/State level market	End Users
Activity	Land, Seeds, Labour, Machinery, Fertilizers, Gunny Bags, pesticide, water, electricity	Ploughing, Using Cultivator, Rotavator with tractor, seeding, weeding, water supply, making levees, seeding	Irrigating and maintaining logging up to 120cm, planting, weeding, fertilizer, pesticide as per needs	Harvesting, Drying, Storage, Cleaning & Segregation, Milling,	Cooperative	Wholesalers and retailers	Rice mills collect paddy from either cooperative or wholesalers or retailers	Stocking, packing and branding	Daily consumers
Cost analysis (for one acre, one season)	Aman Seed(1010)= 750₹ Soil preparation = 3500 ₹ x 7 week Urea = 1 bags (50 kg each) x 650 ₹	Plantation= 15 labour x 200 ₹ Weeding = 4 member x 200 ₹	DAP = 4 bags (50 kg each) x 900 ₹ Urea = 2 bags (50 kg each) x 650 ₹	Drying = 500 ₹, transportation=600₹ Harvesting=4800₹ / 2 hours Cleaning = 400₹ Milling = 10 ₹ / quintal	Actual cost= 505 ₹ Cooperative = 2000 ₹ Value addition= 2000-505=1495 ₹	Wholesaler buys @ = 1795 ₹ Value addition = 1795-505=1290 ₹	Rice mill gives = 2800 ₹	Final rate of rice = 35 ₹ / kg	37 ₹ / kg depends on transportation , needs and market
Risks involved	Less yield due to Low quality seeds, excessive use of fertilizer, inadequate fertilizer, Lack of labour and credit	Drought, Lack of machineries	Inadequate and over use of fertilizers(due to lack of knowledge)	Lack of proper Storage system, Rice mill is far away from village, Harvester is brought from outside at very high cost.		Market price	Market price	Company takes care of these things	

Gender	Irrespective of male and female.	Irrespective of male and female.	Irrespective of male and female.	Majority of work is done by male.				
Labour cost	₹ 3000/month	Individuals fetch the milk by themselves.	3000 / month					
Total Income	35bags*67 kg=2345kg	Total income from paddy=24*@2000 per quintal=48000						
Total Net cost(in 1 acre)	35 bags*67 kg=2345kg Transportation charges= 800 Irrigation=1740 Fertilizer and Pesticides (DAP+uria) = 4900 Seed =750 Soil preparation=3500 Plantation=3000 Weeding=800 Drying, cleaning, and milling=1140 Overhead=400 Total= 12130							
Profit/ Loss	No lost occurred. Reduction in profits may happen, but lost for collection centre does not take place.							
Limitations	1.Credit force 2.Lack of labour interruptions 3. Electricity breakdown of levees due to heavy rainfall 4.	seed quality not good sometimes, draught, breakdown of levees due to heavy rainfall	excess absorption of water leads to less logging, excess use of fertilizers leads to infertility, pesticides are toxic in nature	unavailability of sufficient storage, lack of good road from village to storage center	Delay in decision making & implementing, Government rules	Giving less price	Inefficient processing	
Gaps	infertility of soil, unskilled labour, unavailability of fuel locally, distance	delay in ploughing, improper distribution of water	bad quality fertilizer and pesticide	Vehicles not available always				
Possible interventions	Knowledge and skill to labour	More scientific approach	Help from scientific institutes like ICAR rice research institute	Proper management				