

## AMLA approach – A success story

One of the unique qualities of Samunnati's methodology of work is how it leverages social capital and trade capital in buyer-seller relationships via Samunnati Aggregators. This success story of a farmer member, a client of Samunnati, is one of the many examples where Samunnati leveraged social capital to enable his livelihood.

Alanganallur, a village of Virudhunagar District, is prone to uncertain monsoons, on account of which agriculture has always been a challenge. Disheartened by consistent crop failures, the new generation of the village had chosen to migrate to urban areas in search of employment opportunities, resulting in over 25% of houses lying abandoned in the village and a deterioration of society in the area. Although the average size of landholding was more than 2 ha, only 20-30% of the land was being cultivated, primarily to grow fodder crops to support Dairy and Goatery - the main income yielding activities in the region.

The farmer, one of the residents of Alanganallur, owned 2.2 ha of land and two cows. As an alternate source of income, he opened a tea shop but unfortunately, the cattle he owned did not yield sufficient milk to meet the requirements of his tea shop. Given this situation and looking for opportunities to improve income, he attended a Dairy training session organized by an NGO based in the surrounding area. Motivated by the learnings from this training, the farmer decided to hand over his tea shop to his son, and took up dairy as a full-time profession.

While the farmer was pursuing his interest in dairy, Samunnati had also approached the NGO and had expressed a desire to assist a group of small and marginal farmers through its AMLA (Aggregation, Market Linkage and Advisory services) approach. So, when the farmer, in May 2016, approached the NGO for financial assistance to purchase a herd of cattle, he was guided by Samunnati to join an FPO based in his village. After assessing his needs, Samunnati assisted the farmer in purchasing two more cows.

With a total of four cows, the farmer used the health advisory and feeding skills gained from a week-long training to increase milk yield from 3 litres (two cows) to 15 litres (four cows). He repaid the loan fully by May 2017 and availed of a second loan to purchase 10 more cows to grow his business. Currently, the farmer has built a cow shed for his 16 cows, and uses scientific methods of feeding and proper health care, all of which have resulted in him earning INR 28-30 per litre of milk. Samunnati has helped him build market linkage with Aavin Dairy and a collection point has been opened in the village. His annual income now exceeds INR 5,00,000 and he has been appointed as a Director of the FPO.

The farmer's story inspired over 50 villagers to join the FPO. Most of these new members also availed financial assistance from Samunnati to purchase cows. Because of increased animal population, feed suppliers and veterinary doctors are visiting the village regularly and providing services at an affordable cost. This case is a real-life example of how one man's success can change the fate of a village. **The NGO and Samunnati together wish to positively impact livelihoods of farmers, thereby changing the landscape of many more villages.**