

# Powering Economic Opportunity: Create a World that Works

Congratulations! This Entry has been selected as a semifinalist.

## Janani's IT enabled AgriService Venture (JAS) - India

India



Sundara Rajan S...



Organization type: **for profit**

Website: <http://www.janangroup.com>

Project Stage: **Growth**

 SHARE

Budget: **\$1 million - \$5 million**

- Corporate social responsibility
- Information & communication technology
- Marketing
- Microfinance
- Sustainable agriculture
- Sustainability
- Social enterprise

### PROJECT SUMMARY

#### ELEVATOR PITCH

**Concise Summary: Help us pitch this solution! Provide an explanation within 3-4 short sentences.**

Our Goal is to make Agriculture Profitable for small and marginal farmers. This we achieve by bridging the digital divide between rural and urban India through innovative products/services at the farm gate. When farmer produces scientifically, he not only makes more profit, but also provides quality products to the world and improves the environment. We create a robust supply chain networked through an ICT Platform to provide the services/products. We also intend changing the soil and water conditions through reduced usage of chemicals and increased organic inputs. The business model through a franchisee hierarchy creates value in rural India and more job for rural youth, thus preventing migration to urban cities.

#### ABOUT PROJECT

**Problem: What problem is this project trying to address?**

Our Target is small and marginal farmers with less than one hectare land. He is at the bottom of the pyramid (he is not below poverty line, but poor). In spite of farming is a loss, he continues for social and engagement reasons. He is attached to some political party in village. Has high moral and ethical values. We have been associated so far with over 20,000 farmers in various villages across AP in India. Our business model itself came out of their need, which we understood by working with them closely since 2005.

**Solution: What is the proposed solution? Please be specific!**

The social issue is agriculture is a loss making proposition for small and marginal farmers. The productivity is coming down, farming acreages dwindling, urban migration increasing and farmers are committing suicide. The reason is there is a huge gap between technology/service

provides, organized agri business sector and the farmers. We bridge the gap through a value/supply chain network of franchisees on an ICT Platform. The innovation is IT reaching the farm gate thus reducing the cost and improving the efficiency of operations. The chain provides access to farmers for marketing thro various channels. The IT platform enables all stake holders in agriculture to transact efficiently. The infrastructure also provides for other rural services in Healthcare, Education,Livelihoods, etc. This is the only project which is proactive and at arms length to the farmer. IT provides for speed, cost efficiency and transparency. The modular concept enables scalability. Thus the farmer is enabled to produce scientifically (under a scientist's constant vigil), market profitably, procure quality inputs and right prices. Get other services and products without running around. Indirectly this also bridges the digital divide between urban and rural India. Creates jobs for rural youth, preventing urban migration. Improve the soil and water environment. We believe farmer is left to do farming and other services/products should reach him whereas other models expect him to come to their system. No other comparable model has pro-active agro advisories and ICT deployment.

#### IMPACT: HOW DOES IT WORK

##### **Example: Walk us through a specific example(s) of how this solution makes a difference; include its primary activities.**

JAS provides customized, integrated & comprehensive Agri Services/Products to small and marginal farmers at the Farm Gate, by exploiting the latest developments in Agri Sciences and Information & Communication Technologies. The services/products are Agro Advisories (by Agri Scientists continuously from seed to harvest), Linking farmers with various marketing channels, supplying quality Agri Inputs, Agro Information and Financial Services. These are done through a franchisee system networked through a robust ICT network. Timely services and quality products help farmers to produce better at a lower cost, thus improving his profitability. The franchisee network creates a value chain and employment for rural youth. The supply chain provide market access to stake holders in Agriculture.

#### SUSTAINABILITY

##### **Marketplace: Who else is addressing the problem outlined here? How does the proposed project differ from these approaches?**

Completion for Janani is mainly from the un-organized sector in the Villages, viz. The Local Pesticide Dealer, Trader and Money Lender. There are similar models from public and private sector which provides services through Kiosks. But none of them provide all the integrated and comprehensive services under one roof, which is Janani's advantage. The ICT Network with IBM Technology partnership is a unique one and none have it. Janani would facilitate multiple brands/products/services from all major public and private sector organizations to be offered to the farmers and thus encourage competition. This would be advantage to the farmers as they would give their choice, at the fair price and better services

#### ABOUT YOU

**Organization:** Janani Foods Pvt Ltd

#### ABOUT YOU

**First Name**

Sundara Rajan

**Last Name**

Sampath

**Twitter**

**Facebook Profile**

#### ABOUT YOUR ORGANIZATION

**Organization Name**

Janani Foods Pvt Ltd

**Organization Country**

, AP

**Country where this project is creating social impact**

, AP

**How long has your organization been operating?**

1-5 years

**Is the project that you are entering related to this organization?**

Yes

The information you provide here will be used to fill in any parts of your profile that have been left blank, such as interests, organization information, and website. No contact information will be made public. Please uncheck here if you do not want this to happen..

## INNOVATION

**What stage is your project in?**

Operating for 1-5 years

**Share the story of the founder and what inspired the founder to start this project**

The Founder, Mr Sundara Rajan, is primarily a Management and Marketing professional, with vast experience in Rural Markets of India. The Founder and his associates wanted to start a vegetable processing unit and found that the backward integration is crucial but missing. Thus the concept of Agri Serve was conceived, developed and successfully piloted with alliance of some of the top notch public and private sector organizations in Andhra Pradesh, India. The original idea was to provide Agro Advisory services to farmers, through expert agri scientists, continuously from seed to harvest by exploiting the ICT. But the farmers' needs in other allied activities like inputs, marketing, finance, insurance, etc. led the founder to create the business model. The support he received from organized agri business institutions motivated him to structure a viable and scalable business model which is now poised for scaling up.

## SOCIAL IMPACT

**Please describe how your project has been successful and how that success is measured**

It is proved by impact studies conducted by an external agency that Janani farmers earn an extra USD 200 per acre in the form of reduction in cost, improved quality and therefore better yield and price. Our business model is proved viable, funded by a Bank and received government subsidy as well.

**How many people have been impacted by your project?**

1,001- 10,000

**How many people could be impacted by your project in the next three years?**

More than 10,000

**How will your project evolve over the next three years?**

Project which is in pilot stage now, will be scaled up in 2 Districts in 2011-12 with IBM's association (Test Bed Phase). In year 2 we will scale up more in AP and move to 2 more States in India. Year 3 will be for international launch. We will be moving from 2000 farmer base to over 10,000 to 50,000 to 200,000.

## SUSTAINABILITY

**What barriers might hinder the success of your project and how do you plan to overcome them?**

Funding - We need funds urgently to scale up

Farmers Indifference to the products/services - We are able to overcome this by demonstrating the benefits and using the locals as franchisees

Quality Manpower - We propose to engage retired agri professionals and also part time employment to professionals in University, Government, Private enterprises

**Tell us about your partnerships**

Our Major partner is International Institute for Information Technology (IIIT) Hyderabad the co-owner of eSagu (e-cultivation process).

IBM India has consented to provide the back end IT Platform on a revenue sharing basis.

Other partners are ICICI Bank, Major agri input suppliers both MNCs and top Indian enterprises.

We also intend to work with multiple commodity exchange for an aggregator of farmer concept.

We are in the process of connecting the farmers with many reputed exporters, food processing industries and large format retail chains.

**Explain your selections**

The project is totally funded by my family and my friends who are professionals and Directors in the Board. We have tied up with some well known business organizations. We are engaged in a dialogue with the State Govt. for scaling up across the State using their machinery and schemes. Of course the customers (farmers) support us through paid services.

**How do you plan to strengthen your project in the next three years?**

We would like to scale up to 2 Districts in Andhra Pradesh with 100 centers this year. Plan is to enrich Andhra Pradesh in 5 years time. Move to 2 more States in year-3. Roll out internationally in 5 years.

For this we would like to partner with agri business organizations, universities and research institutions.

**CHALLENGES****Which barriers to employment does your innovation address?**

Please select up to three in order of relevancy to your project.

**PRIMARY**

Lack of access to information and networks

**SECONDARY**

Lack of skills/training

**TERTIARY**

Lack of visibility and investment

**Please describe how your innovation specifically tackles the barriers listed above.**

We create the ICT and Supply chain network which would enable the rural youth to get the employment. We also provide initial and continuous training for them to be more productive. Our model and partnership provides for visibility and opportunities for investment by organized financial institutions and govt. agencies.

**Are you trying to scale your organization or initiative?**

If yes, please check up to three potential pathways in order of relevancy to you.

**PRIMARY**

Enhanced existing impact through addition of complementary services

**SECONDARY**

Leveraged technology

**TERTIARY**

Influenced other organizations and institutions through the spread of best practices

**Please describe which of your growth activities are current or planned for the immediate future.**

We plan to grow geographically and enrich at least 2 districts in the Andhra Pradesh State.

**Do you collaborate with any of the following: (Check all that apply)**

Government, Technology providers, NGOs/Nonprofits, For profit companies, Academia/universities.

**If yes, how have these collaborations helped your innovation to succeed?**

The Govt. has provided with the PPP model of operation. Technology providers like IIIT and IBM gives us the edge in the market, innovative products and speed/cost efficiency. Others provide us with the network for business operations.

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