



RESEARCH NOTE

Factors Associated with the Sustainability of Farmers' Producer Organization (FPOs)

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ABSTRACT

The Farmer Producer Organizations are playing a major role in developing the standards of livings of the farmers. The present study was conducted in Cooch Behar district of West Bengal. The multistage, purposive, and random sampling techniques were followed in case of selecting the area and the respondents of the present study. A total of 100 FPO members were taken for the study. A total no. of 10 factors were identified for the study. It is found from the study that the most important statements which were selected by majority of the respondents from all ten categories of factors were regular audit of the FPO, timely payment to farmers from the market, preparation of plan of group activities, mutual understanding in selection of group activities, coordination in group meetings, listen patiently to what others say, participation in meeting to identify problems, sharing of knowledge, participation in social activity, ethical and transparent dealings and transactions.

Key words: Farmers' Producer Organizations; Sustainability; Economic development; Entrepreneurship.

In India, most of the farmers are very small and marginal. Therefore, a need was felt in developing effective technology delivery system which can fulfil the specific need of small and marginal farmers. The focus of the hour should be on to increase the profitability of the Indian farmers. Indian farmers can produce a good amount of commodities but they fail to efficiently market their produce for remunerative prices due to scarcity of effective technology delivery model consisting of a strong local level organisation leads to unavailability of markets, poor infrastructure facility and poor marketing skills of farmers. To overcome the challenges there are various alternatives but one of the potential alternative for efficient farming, information sharing, delivery of inputs, marketing and profit making

is mobilizing farmers for group action through developing farmer's organizations. The government of India has been promoting a new form of collectives called Farmer Producer Organizations (FPOs) under Companies Act, 1956. Farmer producer organizations are groups of rural producers coming together based on the principle of membership, to ensure specific common interests of their members and developing technical and economic activities that benefit their members and maintaining relations with partners operating in their economic and institutional environment. For effective functioning of FPOs, there is a need to find out the factors affecting the sustainability of FPOs. *Khandawe et al (2019)* in her research findings stated that the results of correlation analysis clearly indicated that the independent variables

namely age, education, occupation, social participation, annual income, knowledge, attitude, sources of information and extension participation were had positive and significant association with their entrepreneurial behaviour of member. The present study focuses on the factors associated with the sustainability of FPOs.

METHODOLOGY

The present study was conducted at Coochbehar district of West Bengal. The multistage, purposive and random sampling techniques were followed in case of selecting the area and the respondents of the present study. The district Cooch Behar has been selected purposively. The Cooch Behar block-I, Cooch Behar block-II, Dinhata block-I, Dinhata block- II, Tufanganj block- I, Tufanganj block- II from the selected district were also selected with the help of simple random sampling procedure.

A total of 20 FPOs were selected purposively for the present study due to their success in enterprise development, sustainability and extension delivery. From each FPO, 5 members and or office bearers (respondents) were selected randomly among the twenty (20) numbers of office bearers or governing body members. In this way, the total one hundred (100) FPO members and or office bearers in the study area constituted the sample for this study. *Venkattakumar (2017)* in his research followed was 'ex-post facto' research design through case study approach. Personal interview was the method adopted to collect primary data from farmers and office-bearers of the companies. Well-structured interview schedules were constructed separately to collect data from farmers and office bearers

A total of 10 types of factors were identified and selected for the study. Each factor was constructed with a structures schedule and the data was collected based on the structured schedule.

RESULTS AND DISCUSSION

Table 1(1) indicates that most important technical and organisational factors associated with the sustainability of FPO are regular audit of the FPO, followed by provision of extension support (training program, demonstration, meeting, exposure visit), provision of timely proper inputs and the least important technical and organisational factors are linkage with the

nearby agricultural university and publication of farm literature for its members.

Table 1(2) presents the marketing factors associated with sustainability of FPOs according to their importance are timely payment to farmers from the market, followed by well-developed storage structures, well equipped transport facilities (available when required) and well developed grading and packaging facilities respectively.

Table 1(3) reveals that among the cooperation factors associated with the sustainability of FPO the preparation of plan of group activities and maintenance of good environment within organisations are important followed by marketing activity of the produce.

According to Table 1(4), the important accommodation factors associated with the sustainability of FPO are mutual understanding in selection of group activities, mutual dependence on each other in organisational activities and formation of coordination committee to resolve conflicts. The compromise in financial contribution is not an important accommodation factors associated with the sustainability of the FPO.

Table 1(5) reveals that the assimilation factors associated with the sustainability of FPO agreed by most of the FPO members and/or office bearers according to the importance are coordination in group meetings, friendliness and brotherhood and giving equal opportunity to contribute and the assimilation factors associated with sustainability of FPO, namely the believe in same ideology is not accepted by most of the FPO members and/or office as an important one.

Table 1(6) shows that the inter-personal communication factors associated with the sustainability of FPO according to the importance are listen patiently to what others say, try to give suggestions, encourage others to raise questions respectively and the inter-personal communication factor associated with the sustainability of FPO namely analysis and evaluation of the problems is not accepted by the FPO members and or office bearers as an important factor.

Table 1(7) reveals that the participation factors associated with the sustainability of FPO according to their importance are participation in meeting to identify problems, participation in planning and decision making, information sharing with other members and availability of quality raw materials respectively.

According to Table 1(8), the group motivation factor

Table 1. Factors associated with the sustainability of farmers' producer organization (FPOs)

Statement	Agree (No./%)		Disagree (No./%)	
<i>1. Technical and organisational factors</i>				
It provides proper inputs timely	57	57	43	43
It provides extension support (training program, demonstration, exposure visit)	85	85	15	15
It has tie-up with the nearby agricultural university.	1	1	99	99
It publishes farm publication and literature for its members	1	1	99	99
Regular audit of the FPO	100	100	0	0
<i>2. Marketing factors</i>				
It has well developed storage structures	0	0	100	100
It has well equipped transport facilities (available when required)	0	0	100	100
It has well developed grading and packaging facilities	0	0	100	100
Timely payment to farmers	5	5	95	95
<i>3. Cooperation factors</i>				
In preparing plan of group activities	100	100	0	0
In marketing activity of the produce	89	89	11	11
In maintaining a good environment in the organization	100	100	0	0
<i>4. Accommodation factors</i>				
Have mutual understanding in selection of group activities	98	98	2	2
Compromises over financial contribution	24	24	76	76
Mutually depend on each other in organisational activities	86	86	14	14
Form coordination committee to solve conflicts related to orgl. management	79	79	21	21
<i>5. Assimilation factors</i>				
Coordinated in group meetings	100	100	0	0
Believe in same Ideology	11	11	89	89
Are friendly with each other in any activity	100	100	0	0
Given equal opportunity to contribute	95	95	5	5
<i>6. Inter-personal communication factor</i>				
Listen patiently to what others say	100	100	0	0
Encourage others to raise questions	90	90	10	10
Analyse and evaluate the problems	24	24	76	76
Try to give suggestions	100	100	0	0
<i>7. Participation factor</i>				
I participate in meetings to identify the problems faced by the organisation	100	100	0	0
I participate in planning and decision-making process of the organisation	99	99	1	1
I do inform other members about improved methods of production	99	99	1	1
I see that good quality raw materials are made available to our organisation	99	99	1	1
<i>8. Group motivation factor</i>				
Easier to get loan	1	1	99	99
Availability of subsidy	70	70	30	30
Easy access to community resources	1	1	99	99
Sharing technical knowledge with fellow farmers	96	96	4	4
Helps to counter labour problems	82	82	18	18
<i>9. Social empowerment factors</i>				
Participate in social activities	100	100	0	0
Participate in village administration	94	94	6	6
Have more knowledge on improved technologies	96	96	4	4
Get recognition in my neighbourhood/society	82	82	18	18

Continue

Am aware of socio-economic development programmes	99	99	1	1
Am actively involved in addressing social issues and problems	99	99	1	1
Ensure that the children are sent for higher studies	100	100	1	1
Have a sense of leadership	94	94	6	6
Feel self-confident in decision making	96	96	4	4
Improve my communication skills	96	96	4	4
Have organizational skills	96	96	4	4
Feel motivated in doing social work	100	100	0	0
Have a sense of social responsibility	100	100	0	0
Help other people in solving their problems	100	100	0	0
<i>10. Social equity factors</i>				
Equitable access to organizational assets	97	97	3	3
Involvement of poor and marginal farmers in the organization	74	74	26	26
Ethical and transparent dealings and transactions	100	100	0	0

associated with the sustainability of FPO based on their importance are sharing of knowledge, helping to cope labour issue, availability of subsidy respectively. The group motivation factors associated with the sustainability of FPO namely easier to get loan and easy access to community resources are not accepted by the FPO members and or office bearers as an important factor.

According to Table 1(9), the social empowerment factors associated with the sustainability of FPO on the basis of their importance are participation in social activity, motivation for social work, sense of social responsibility, helping other people to solve problem, sending children for higher studies, socio-economic development awareness, addressing social issues and problems, knowledge for improved technology, having organisational skill, improving communication skill, having self confidence in decision making, having sense of leadership, participation in village administration and

get recognition in society respectively.

According to Table 1.10, the factors associated with social equity agreed by most of the FPO members and office bearers according to the importance are ethical and transparent dealings and transactions, equitable access to organizational assets and involvement of poor and marginal farmers in the organization.

CONCLUSION

Here in this study, factors regarding technical & organizational, marketing, cooperation, accommodation, assimilation, inter-personal, participation, group motivation, social empowerment and social equity have been recognized based on their frequency and percentage expressed by the respondents. So the relevant department should focus on the factors with high frequency and percentage so that those factors can be used to improve the sustainability of FPOs.

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