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# The Pharma Innovation



ISSN (E): 2277-7695 ISSN (P): 2349-8242 NAAS Rating: 5.23 TPI 2023; 12(6): 381-383 © 2023 TPI www.thepharmajournal.com

Received: 01-03-2023 Accepted: 05-04-2023

#### Rajeev Ranjan Patel

Research Scholar, Department of Agricultural Extension, Banda University of Agriculture and Technology, Banda, Uttar Pradesh, India

#### Rishabh Kumar Maurya

Research Scholar, Department of Agricultural Extension & Communication, S.V.P. University of Agriculture and Technology, Meerut, Uttar Pradesh, India

#### Nisha Yadav

PG Scholar, Department of Agricultural Extension, Banda University of Agriculture and Technology, Banda, Uttar Pradesh, India

#### Deepak Kumar Pathak

Research Scholar, Department of Agricultural Extension, Banda University of Agriculture and Technology, Banda, Uttar Pradesh, India

#### Navneet Maurya

Research Scholar, Department of Agricultural Extension, Banda University of Agriculture and Technology, Banda, Uttar Pradesh, India

#### Pawan Kumar Gupta Research Scholar, Department of

Agricultural Extension, CSAUAT, Kanpur, Uttar Pradesh, India

#### Ayush Kumar

Research Scholar, Department of Agricultural Extension, Banda University of Agriculture and Technology, Banda, Uttar Pradesh, India

#### Gaurav Mishra

Research Scholar, Department of Agricultural Extension, Banda University of Agriculture and Technology, Banda, Uttar Pradesh, India

#### **Corresponding Author:**

Rajeev Ranjan Patel Research Scholar, Department of Agricultural Extension, Banda University of Agriculture and Technology, Banda, Uttar Pradesh, India

## A brief study over farmers producing organizations in Banda

### Rajeev Ranjan Patel, Rishabh Kumar Maurya, Nisha Yadav, Deepak Kumar Pathak, Navneet Maurya, Pawan Kumar Gupta, Ayush Kumar and Gaurav Mishra

#### Abstract

Farmers Producers Organizations (FPOs) are voluntary organizations controlled by their farmermembers who actively participate in setting their policies and making decisions. The paper has evaluated the basic profile, service offered, suggestion and Economic activities of FPOs in Banda district. The study is based on primary data collected through pre tested schedule. Out of twenty one FPOs, four *viz.*, Durgapur Kisan Producer Company Ltd (DKPCL), Bamdev Kisan Producer Company Ltd (BKPCL), Tanu Kisan Producer Company Ltd (TKPCL) and Shaktipeeth Kisan Producer Company Ltd (SKPCL) FPOs were selected randomly which is promoted and Supported by Manvodaya Sansthan NGO and NABARD respectively. The result revealed that in DKPCL, have the highest number of members (159) and the highest turnover (Rs. 500,000) among all four FPO.

Keywords: Farmers producing organizations, DKPCL, BKPCL, TKPCL, SKPCL

#### Introduction

The importance of agriculture cannot be overstated in developing nations. Small and marginal farmers own approximately 85% of India's operating land holdings (Agriculture census, 2011). Small farmers are more dependent on their crops since they have less negotiating power and are vulnerable to monopolistic exploitation under formal contracts. On the other hand, integrating small farmer producers is challenging due to a number of issues, such as the fact that small farmers are not a homogeneous group and the majority lack entrepreneurial skills; dispersed locations cause issues with logistics, such as packaging, storing, and consolidating; small-scale production and lack of value addition and primary processing weakens their bargaining position; and inability to adapt to changing market conditions. The Indian government looked for new institutional alternatives to close the gap between farmers and consumers and give farmers a level playing field in the modern agro-food network. Any registered legal entity of primary producers involved in farm/farm economic operations is referred to as a farmer producer organisation. They serve the interests of the shareholders and distribute a portion of the earnings to the shareholders' members. According to section IXA of the Indian Companies Act 1956, FPOs became a legal entity in 2002, enabling and enhancing the negotiating power, net incomes, and standard of living of small and marginal farmers and producers (Venkatesan and Sontakki, 2017)<sup>[1]</sup>. The two main organisations at the national level that are promoting FPOs in the nation are SFAC and NABARD. The paper has evaluated the basic profile, service offered, suggestion and Economic activities of FPOs in Banda district.

#### Methodology

A total of 21 FPOs are registered in Banda district, out of these 21 FPOs, 4 FPOs have been selected by simple random sampling method. The primary data was collected from each director of 4 FPOs Banda district of Uttar Pradesh through personal interview. The sample FPOs which were intensively studied *viz.*, Durgapur Kisan Producer Company Ltd (DKPCL), Bandev Kisan Producer Company Ltd (BKPCL), Tanu Kisan Producer Company Ltd (TKPCL) and Shaktipeeth Kisan Producer Company Ltd (SKPCL).

#### Results

S. No.	Particulars (Name)	DKPCL	BKPCL	TKPCL	SKPCL
1.	Year of registration	2017	2016	2019	2018
2.	Membership status (No.)	159	154	110	115
3	Promoting institutions	Manvodaya Sansthan	Manvodaya Sansthan	Manvodaya Sansthan	Manvodaya Sansthan
4.	Sample districts of U.P.	Banda	Banda	Banda	Banda
5.	No of villages linked	1	1	1	1
6.	Equity base (Rs)	1,50,000	60,000	80,000	50,000
7	Turnover (Rs)	5,00,000	3,00,000	4,00,000	3,00,000
8.	Crops concerned	Wheat (Kathia) Chickpea, Lentil	Wheat (Kathia), Rice, Vegetable (Toria, Spong Gourd Leadyfinger)	Wheat (Kathia), Arhar, Mustard, Lentil	Wheat (Kathia), Arhar, Chickpea
9.	Facility available				
a.	Office space	✓	$\checkmark$	$\checkmark$	✓
b.	Grading facilities	$\checkmark$		$\checkmark$	
с.	Storage structures		$\checkmark$		
d.	Supporting staff	$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$

 Table 1: Basic Profile of FPOs

The basic profile of sample FPOs are depicted in Table 1. DKPCL was found to have highest members as compared to others sample FPOs under study. Equity base was found to b highest (1, 50,000) in DKPCL and lowest (50,000) in SKPCL. It observed that equity capital is positively related to numbers of members of FPOs. DKPCL is performing well with a turnover of Rs. 5, 00,000 while SKPCL and BKPCL has low with 3, 00,000. The most important crops advocated by FPOs are wheat (kathia), chickpea, lentil and arhar, Office space is

found to be available with all the sample of FPOs. Grading facility was found to be available with DKPCL and TKPCL. The BKPCL was the only one having the storage facility to meet the requirements of regular supply of agricultural inputs to the members- farmers. However, none of the FPO had infrastructure facilities like processing, cold storage, vehicles/ transportation to expand their business networks and move up in the retail chains through vertical integration of the available markets.

Table 2: Services	offered	by the	sample FPOs
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S. No.	Particulars (Name)	DKPCL	BKPCL	TKPCL	SKPCL
1.	Marketing of Seeds	✓	✓	✓	✓
2.	Leasing of machinery	✓	✓	✓	✓
3.	Distribution of DAP fertilizers	✓	✓	✓	✓
4.	Arrangements for manures	✓		✓	✓
5.	Distribution of bio-inputs				
6.	Marketing of composting kit				
7.	Marketing of pheromone traps				
8.	Bulk procurement of final produce	✓	✓		
9	Grading of final produce	✓	✓	✓	✓
10.	Conducting extension meetings	✓		✓	✓
11.	Organic/export certification				
12.	Field inspections/supervision	✓	✓	✓	✓
13.	Exposure visits to model farms	✓	✓	✓	✓

The various services offered by the sample FPOs are presented in Table 2. The perusal of the table reveals that the leasing of machinery, marketing of seeds and others inputs is done by all of sample FPOs. The FPOs like DKPCL, TKPCL and SKPCL promote organic cultivation by arranging for supply of manures. Bulk procurements of final produce is done by DKPCL and BKPCL. Grading of final produce, field inspection/ supervision and exposures visits to model farms are service is offered by all sample FPOs and conducting extension meetings service are not offered by only BKPCL and distribution of bio- agents, marketing of composting kit, marketing of pheromone traps and organic/ export certification these services are not offered by any FPOs.

Table 3: Economic	Activities of FPOs
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S. No.	Particulars (Name)	DKPCL	BKPCL	TKPCL	SKPCL
1.	Crop Production	✓	✓	✓	✓
2.	Processing of products	✓	✓	✓	
3.	Seed Production	✓	✓	✓	✓
4.	Dairy	✓	✓		

The various economic activities are done by sample FPOs are presented in Table 3. Crop production and seed production activities is done by all sample FPOs, while processing of products is done by DKPCL, BKPCL & TKPCL FPOs. On the other hand Table 3 reveals that dairy is done by only two FPOs, *viz*. DKPCL & BKPCL.

Table 4: Suggestions by FPOs

S. No.	Suggestions	
1.	More funds and subsidies through various schemes	1
2.	Frequent training for the officials of NGOs	2
3	Easy funding from SFAC and NABARD	3
4.	Reduce the documental procedures in the functioning of FPOs	4
5.	Tax concession for the products traded through producer companies.	5
6.	Improve market information systems	6
7.	Facilitation of norms with respect to export and branding	7

Table 4 reveals about the suggestions given by the FPOs. From table 4, funds and subsidies through various schemes was ranked first, frequent training for the officials of NGOs was ranked was second while Easy funding from SFAC and NABARD was ranked third. Reduce the documental procedures in the functioning of FPOs was considered on 4 as suggestion by FPO which is followed by Tax concession for the products traded through producer companies & Improve market information systems on fifth & sixth rank respectively. Facilitation of norms with respect to export and branding ranked last amongst all.

#### Conclusion

Strengthening FPOs will promote rural development. FPOs have the capacity to transform rural farming communities into much more empowered societies. This paper illustrates the basic profile and general information about the FPOs of Banda. Through this paper it will be easy to understand about Banda's FPO. Ultimately proper functioning of FPOs will lead farmers to get more strong and put up their points where needed. Services & economic activities are needed to be improved & updated. More funds and subsidies through various schemes is the most preferred suggestions by the FPOs sample. This need to be considered by the policy makers & higher authorities.

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