

**RESEARCH ARTICLE :**

Knowledge level of KVK experts about Farmers Producer Company's (FPC)

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SUMMARY : Small and marginal farmer do not have economic strength to adopt advanced production technologies, services and marketing including processing and value addition. Through formation of FPCs farmers will have better collective strength for better access to quality input, technology, credit and better marketing access through economies of scale for better realization of income. Therefore, during lockdown period online study was under taken to measure knowledge level of KVK Subject Matter Specialist (Extension Education), KVK SMS of other disciplines, stake holders from NABARD and ATMA (MACP). Knowledge test was administered to the 65 respondent in the Google form, which has reduced influence of interviewers and ease of filling the interview schedule. A total 65 respondents were selected and a knowledge test consisting of 17 dimensions was prepared to measure their knowledge level. The study revealed that majority of the respondents had awareness regarding farmers producer company's profit sharing, followed by company registration under companies act, information about ownership and management as a share holders and priority sector for formation of farmers producer company's. It is also found that respondent had poor knowledge about processing, marketing, branding of produce by FPC, benefits of formation of FPCs, followed by implanting agencies for FPCs and financial sustainability of FPCs. Categorization of respondents based on their knowledge level indicate that majority of respondent were in high level of knowledge *i.e.* 41.53 per cent respondent have high level of knowledge followed by 32.30 per cent in medium level while 26.15 per cent low level of knowledge category. In order to enhance farmers income and empowers small and marginal farmers promotions of farmers producer company has intervention for agril. entrepreneurship development.

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BACKGROUND AND OBJECTIVES

The Farmers Producers Company concept has emerged as a new generation farmers organization in India. The main objective of farmers producers companys are procurement of inputs, production, harvesting, grading, pooling, handling storage, marketing,

selling the primary produce of the shareholders. In addition, processing of produce of members, manufacturing, sale and supply of machinery. Consumables, conducting training and awareness programme, insurance of crop and livestock and providing guidance for efficient natural

resource management etc. to members.

Small and marginal farmer do not have economic strengths to adopt advanced production technologies, services and marketing including processing and value addition. Through formation of FPCs farmers will have better collective strength for better access to quality input, technology, credit and better marketing access through economies of scale for better realization of income (PIB Release Feb. 2020). FPC are found helpful in transforming live of small and marginal farmers on large scale. Considering the presence of KVKs in their respective district as knowledge and resource hub, NABARD has identified KVK as a Producers Organisation Promoting Institute (POPI) under PRODUCE fund for formation and nurturing of farmers producers companys (FPC). Similarly as an extension agency KVKs are also conducting training and awareness programme of farmers about benefits of Farmers Producers Company. Mostly in all KVKs Subject Matter Specialist (Extension Education) are closely associated FPC activity and are working as a resource person for sustainable functioning of FPC. In circumstances of COVID-19 pandemic, FPC has larger role for direct marketing, collective farming, promoting agri-enterprise through skill development and providing marketing platform to the farmers. Realizing need and significant role of FPC during COVID-2019 pandemic the present study was conducted to study level of knowledge of the SMS (Extension Education) about Farmers Producers Company. These efforts will really help us to develop capacity of Subject Matter Specialist and improve their knowledge level about concepts and applications of Farmers Producers Company model in their operational areas.

RESOURCES AND METHODS

For developing knowledge test about Farmers Producers Company items about farmers producers company were collected from the pertinent literature, personal experience, success stories, guidelines of FPO, and the pilot study conducted on FPC. The items were edited and drafted in such a way that each item highlighted only one idea and did not have any ambiguity and with as logical significance.

Finally, 17 items with options covering all the knowledge aspects of farmers producers company were selected by considering objective criteria as stated above.

Due to lock down period the study was conducted through Web based Online survey tool, by uploading knowledge test items on Google Forms which has saved the time and money and reduced the influence of interviewers and colleagues followed by ease of filling the responses through mobile or internet from the home during lock down period. The free availabilty of the tool and automatic recording of user response in its spread sheet have made data collection and analysis simple (Vasantha Raju and Harinarayana (2016).

The test was administered through Google form link to the intended 94 Subject Matter Specialsit Agril. Extension participants who are the members of All India SMS Agril Extension Whats App group (study sample) of survey. Out of 94 participants 65 respondents have submitted their responses successfully through Google form on e-mail drive of research scholar. Survey answers and data are automatically collected in Google Spreadsheets.

OBSERVATIONS AND ANALYSIS

The findings of the present study as well as relevant discussion have been summerized under following heads:

Farmers Producer Company is corporate body registered as Private Limited Company under following act:

Among the 65 farmers, 48 (73.80%) small and marginal farmers were given the highest preference to form the company under farmers Indian Companies Act-2003.

FPO can accommodate following beneficiaries as a shareholders to participate in ownership and management of Farmers Producer Company:

At an overall level, 47 primary producers (72.30%) were accommodated towards maximum benefit as a shareholders ownership in management of farmers Producer Company in the study area.

Farmers Producer Company should have average membership size of share holder:

Among the overall 65 respondent, 40 famers (60.50 per cent) were consist about 500 members for average membership size of share holder of famers Producer Company.

Knowledge level of KVK experts about Farmers Producer Company's (FPC)

Table 1 : Knowledge score of respondents about Farmers Producer Company		
Sr.No.	Knowledge items	Score of respondents (n=65)
1.	Farmers Producer Company are corporate body registered as Private Limited Company under following act (A) Indian Companies Act-2013* (B) State Co-operative Societies Act (C) Both A and B (D) None of the above	48 (73.8%)
2.	FPO can accommodate following beneficiaries as a shareholders to participate in ownership and management of Farmers Producer Company (A) Primary Producer * (B) Non-farmers (C) Both A and B (D) None of the above	47 (72.3%)
3.	Farmers Producer Company should have average membership size of share holder (A) 500 members * (B) 300 members (C) Both A and B (D) None of the above	40 (61.5%)
4.	Advantage of Farmers Producer Company formations helps farmers to enhance their (A) Greater bargaining power* (B) Access to modern technologies, extension services and quality inputs (C) Both A and B (D) None of the above	29 (44.6%)
5.	FPO model should essentially focus on following aspects as a basic unit for sustainable development (A) Common interest group* (B) Business commercial entities (C) Both A and B (D) None of the above	32 (49.2%)
6.	For improving availability of working capital and development of business activities of FPO's schemes like equity grant fund or credit guarantee fund are offered by (A) SFAC * (B) NABARD (C) NABKISAN (D) None of the above	34 (52.3%)
7.	Farmers Producer Company doing successful business share/split the profit with their registered farmers (A) 50% of profit goes to farmer* (B) No profit sharing done (C) 10% profit sharing done (D) None of the above	52 (80%)
8.	Direct marketing of the produce/product in the open market by Farmers Producer Company stabilizes following (A) Commission agents * (B) Private market players (C) Agri. Input dealers (D) None of the above	39 (60.9%)
9.	For Central sector scheme formation and promotion of FPO's launched during 2019-20 there will be three (3) implementing agencies (IA's) (A) SFAC and NCDC* (B) NABARD (C) Both A and B (D) None of the above	31 (47.7%)
10.	For better processing, marketing, branding and export of produce by Farmers Producer Company will be promoted as under (A) One district one cluster* (B) Commodity based groups (C) Both A and B (D) None of the above	28 (43.1%)
11.	Capacity building, training and skill development of CEO/Board of Director, Accountant and other stake holder will be done by following institutions (A) Bankers Institute of Rural Development (BIRD)* (B) LINAC, Gunigram (C) Both A and B (D) None of the above	44 (68.8%)

Table 1 : Contd.....

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12.	For incorporating Farmers Producer Company in company act minimum members and Board of Directors are required (A) Minimum 100 members and 5 BOD* (B) Minimum 150 members and 10 BOD (C) Both A and B (D) None of the above	41 (63.1%)
13.	In Farmers Producer Company following structure works as a governing body (A) Board of director* (B) CEO (C) Both A and B (D) None of the above	43 (66.2%)
14.	For financial sustainability of Farmers Producer Company following services should be delivered to farmers (A) Agril. Input outlet * (B) Custom hiring center (C) Contract farming (D) All the above	31 (47.7%)
15.	As per central sector scheme priority for formation will be given in following criteria (A) Aspirational district * (B) Tribal area (C) Hilly area (D) None of the above	45 (70.3%)
16.	To become share holder of farmers producer company farmers equity share is rupees per membership (A) Rs.1000* (B) Rs.2000 (C) Rs.5000 (D) None of the above	47 (72.3%)
17.	Eligible FPC Promoting institution like KVK/ NGOs/ ATMA and Govt. agencies should consider existing following groups for organizing them into farmers producer company (A) Farmers club* (B) Water shed development committees (C) Self-help groups (D) All the above	31 (50%)

*Indicates correct option of response

Advantage of Farmers Producer Company formations helps farmers to enhance their :

30 farmers (46.20%) responded that FPC enhances greater bargaining power and access to modern technologies, extension services and quality inputs.

FPO model should essentially focus on following aspects as a basic unit for sustainable development:

Among the respondent 32(49.20%) have given highest preference to common interest group.

For improving availability of working capital and development of business activities of FPO's schemes like equity grant fund or credit guarantee fund are offered by:

34 farmers (52.30%) were preferred to SFAC for improving availability of working capital and development of business activities of FPO's schemes like equity grant fund or credit guarantee fund of farmers Producer

Company. Similarly, 26 farmers (40.00 %) were prepared to NABARD and 3 farmers (4.60 %) were prepared to NABKISAN.

Farmers Producer Company doing successful business share/split the profit with their registered farmers:

52 responded (80%) were believed on farmers producer company due to 50 per of profit goes to farmers while 4 respondents (6.20%) were consistent about 10 per cent profit sharing from farmers producer company.

Direct marketing of the produce/product in the open market by Farmers Producer Company stabilizes following :

39 farmers (60.90%) were given the opinion about marketing of produce/ product in the open market through commission agents in farmers producer company. Similarly, 12 farmers (18.80%) were given the opinion

about marketing of produce/ product in the open market through private market players in farmers producer company .

For Central sector scheme formation and promotion of FPO's launched during 2019-20 there will be three (3) implementing agencies (IA's):

Among the respondent 31(47.70%) has given preference to option one SFAC and NCDC as a implementing agency.

For better processing, marketing, branding and export of produce by Farmers Producer Company will be promoted as under :

28(43.10%) respondent of the study has given preference to one district one cluster option preferably by government.

Capacity building, training and skill development of CEO/Board of Director, Accountant and other stake holder will be done by following institutions:

45(68.80%) respondent has given preference to Bankers Institute of Rural Development (BIRD) as a option for capacity building of BOD and other stake holders.

For incorporating Farmers Producer Company in company act minimum members and Board of Directors are required :

41(63.10%) respondent has given preference to Minimum 100 Members and 5 BOD.

In Farmers Producer Company following structure works as a governing body:

43 (66.20%) has preferred board of director as a governing body of FPC to make sustainable functioning.

For financial sustainability of Farmers Producer Company following services should be delivered to farmers:

31(47.70%) respondent has preferred to agriculture

input outlet for financial sustainability of FPCs FPC.

As per central sector scheme priority for formation will be given in following criteria :

45 (70.80%) respondent has responded aspiration district as a priority area for formation of FPC.

To become share holder of farmer's producer company farmer's equity share is Rupees per membership :

47(71.20%) has responded member ship fees of Rs. 1000/- per member for FPC.

Eligible FPC Promoting institution like KVK/ NGOs/ATMA and Govt. agencies should consider existing following groups for organizing them into farmers Producer Company:

Among respondent 32(49.20%) given highest score that KVK/ NGOs/ATMA and Govt. agencies should preferred farmers club as a agency for establishing farmers producer company.

The respondent were categorized into three groups Low,(21-40%) Medium (41-60%) and High (61-80%) level of knowledge (Table 2) The data reveal that 41.53% of the respondent possessed high level of knowledge while 32.30% on in medium category and about 26.15% possessed low level of knowledge about Farmers Producer Company.

Conclusion:

Farmers Producer Company is a legal from of the company. In 2002 an Act was passed in parliament and this legal from was created. It takes care of the flaws in the cooperative societies but keeps its strengths. It has also borrowed the strengths of the corporate companies. According to the new laws, only farmer producer can be members of the FPC and the farmer members themselves will manage this company.

Paid staff can be employed to help the farmer producers run the FPC. These FPCs will be promoted by the farmers, will be run by the farmers and for the

Table 2 : Knowledge level of respondent about farmers producer company		
Knowledge level	Frequency	Per cent
High (61- 80%)	27	41.53
Medium (41 -60%)	21	32.30
Low (21-40%)	17	26.15

benefits of the farmers. Over the years, the surplus would be shared among the farmers only.

In order to enhance farmers income,empower small and marginal farmers and increase their bargaining power,promotion of FPC has evolved as a best intervention in the study.

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