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# Analysis Of Farmer's Attitude Towards Farmers Producer Organizations (FPOs) in Eastern Uttar Pradesh, India

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## Authors' contributions

*This work was carried out in collaboration among all authors. All authors read and approved the final manuscript.*

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## ABSTRACT

The study was carried out in Gorakhpur and Basti District of eastern region of Uttar Pradesh state by conducting a personal interview with 400 FPOs members those were selected through proportionate random sampling technique from 10 FPOs and 20 members were selected from each of the FPO. The study was carried out under objective "To study the analysis of farmer's attitude towards farmers producer organizations." Out of 400 respondents 52.25 per cent respondents have high level of attitude towards FPOs followed by 34.50 per cent medium and 13.25 per cent have low level of attitude. The average mean of attitude observed to be 58.72 with a range of minimum 40 and maximum 74.

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## 1. INTRODUCTION

Agriculture exerts a significant influence on every facet of India's economic life. The agricultural landscape in India is primarily characterized by numerous small and widely dispersed landholdings. The majority of the country's farmers fall into the small and marginal category. These small and marginal farmers constitute the largest group of cultivators in Indian agriculture, with 85 percent of operational holdings being smaller than or around two hectares. Among these holdings, 66 percent are less than one hectare in size [1]. Over 90 percent of these small and marginal farmers rely on rainfall for their crop irrigation. In terms of sheer numbers, there are approximately 90-100 million small and marginal farmers in India who derive their income and employment from agriculture. Owing to this fragmentation and lack of organization, these farmers find it economically unfeasible to embrace modern technology, employ high-yielding seed varieties, and utilize inputs such as seeds, fertilizers, and agrochemicals. Additionally, they face challenges in realizing fair returns from their surplus produce when selling individually in the market.

The production of diverse agricultural products in India is a multifaceted process, and the marketing of these products presents a complex challenge. Farmers often lack direct access to the market, leading them to sell their produce to intermediaries who function within the market. Unfortunately, this intermediary involvement reduces the profit margins for farmers and renders their farming endeavours financially unsustainable. The rising number of suicides among small and marginal farmers [2] is a stark indicator of the difficulties they face in maintaining their livelihoods. While indebtedness is frequently cited as the immediate cause of distress [3], there are deeper-rooted issues related to vulnerability and risks in agricultural production. These issues encompass the small scale of agricultural operations, the lack of timely access to essential inputs, insufficient information, poor communication links with broader markets, and the resulting exploitation by intermediaries in input procurement and the marketing of fresh produce. Additional challenges involve access to credit and its associated costs, and in isolated cases, aggressive loan recovery practices [4].

Different forms of community organizations such as large cooperatives, Primary Agricultural Credit Societies (PACS), Self-Help Groups (SHGs), Federation of SHGs, Common Interest Groups (CIGs), Farmers Clubs, Producer Companies, etc. However, a Producer Company is a special case of producer organization that is registered under Section IXA of the companies Act, 1956 [5].

Various types of community organizations exist, including large cooperatives, Primary Agricultural Credit Societies (PACS), Self-Help Groups (SHGs), Federations of SHGs, Common Interest Groups (CIGs), Farmers Clubs, and Producer Companies, among others. It's worth noting that a Producer Company is a distinct type of producer organization that operates under the regulations outlined in Section IXA of the Companies Act, 1956 [5].

Farmer Producer Organizations (FPOs) are firmly rooted in values such as self-help, self-responsibility, democracy, equality, equity, and solidarity. Members of FPOs are expected to uphold ethical values such as honesty, openness, social responsibility, and a genuine concern for the welfare of others. The ownership of a Producer Organization rests squarely with its members, making it an entity created and operated by the producers, for the producers [6-8]. While one or more institutions or individuals may have played a role in promoting the establishment of the FPOs by providing support in mobilization, registration, business planning, and operations, ultimate ownership and control always remain in the hands of the FPO's members, with management overseen by representatives chosen from among the members.

The governance structure of a Producer Company involves the active participation of its members/shareholders, a Board of Directors, and various office bearers. The Board of Directors (BoD) is chosen through elections conducted among the members. The BoD can make collective decisions only during their meetings [9,10]. Office bearers, on the other hand, are individuals appointed to oversee the day-to-day operations of the Producer Company, and they may include roles like Chief Executive Officer (CEO) and Accountant. All the office bearers are compensated with salaries for their roles.

## 2. METHEDOLOGY

The exploratory research design was followed in this study. The study was carried out in Gorakhpur and Basti District of eastern region of uttar pradesh state by conducting a personal interview with 400 FPO members those were selected through proportionate random sampling technique from 10 FPO and 20 members were selected from each of the FPO. The primary data were collected personally through a pre-tested interview schedule which was prepared on the basis of objectives of the study. The variable was measured with the help of schedule developed for the study that consisted 16 statements. The responses were recorded on a five-point continuum ranging from strongly agree, agree, undecided, disagree and strongly disagree. The positive statements were scored 5, 4, 3, 2 and 1 for strongly agree, agree, undecided, disagree and strongly disagree and for negative statements, the scoring was reversed. The final score was worked out by summing scores obtained by respondent for all statements. According to total score of the FPO members, categories were made on the basis of mean  $\pm$  SD. The FPO members were categorized in three groups as under.

- (a) Low Attitude level = Score up to (Mean - S.D.)
- (b) Medium Attitude level = Score (Mean - S.D. to Mean + S.D.)

- (c) High Attitude level = Score above (Mean + S.D.)

## 3. RESULTS AND DISCUSSION

Attitude refers to the “degree of positive or negative feelings associated with some psychological object” [11]. In the present study, attitude was conceptualized as positive, neutral or negative feelings of FPO members towards the Farmers’ Producer Organization.

Table 2 & fig 1 reveals that out of 400 respondents 52.25 per cent respondents have high level of attitude towards FPOs followed by 34.50 per cent medium and 13.25 per cent have low level of attitude. The average mean of scores of attitude observed to be 58.72 with a range of minimum 40 and maximum 74. The study is similar to the finding of Singh et. al. [12].

### 3.1 Association Between Independent Variable and Attitude of Farmers Towards FPOs

Out of 13 variables age, caste, education, material possession, risk orientation and scientific orientation were found highly significant with attitude level of respondents. Only 3 variables type of family, social participation and extension contact were found significant with attitude level. Remains 4 variables annual income, marital status, land holding and size of family were found non-significant with attitude level of respondents.

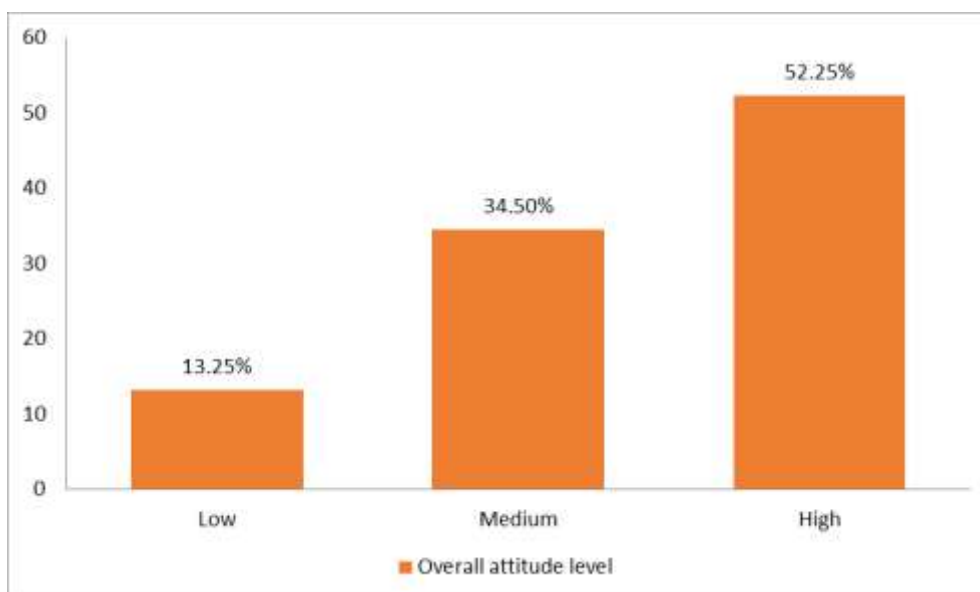


Fig. 1. Distribution of respondents according to their overall attitude level towards the FPOs

**Table 1. Distribution of respondents according to statement wise Attitude level towards the FPOs**

S.N.	Statements	SA		A		UD		DA		SDA	
		f	%	f	%	f	%	f	%	F	%
1.	Small and marginal farmers get encouragement for doing farming as a professional business due to the farmers' producer organization.	153	38.3	148	37.0	57	14.3	34	8.50	8	2.00
2.	Farmers can purchase inputs conveniently due to FPO.	80	20.0	156	39.0	134	33.5	28	7.00	2	0.50
3.	The Board of Directors does not treat all the farmer members with equality.	116	29.0	123	30.8	117	29.3	38	9.50	6	1.50
4.	The co-ordination between the farmers and Agricultural Department has increased due to FPOs.	98	2.70	130	32.5	107	26.8	61	15.3	4	1.0
5.	Scientific information provided by the FPO is not up to date.	144	36.0	145	36.3	89	22.3	13	3.3	8	2.00
6.	Processing and storage of agricultural produce of farmer members of FPO is done neatly.	63	15.8	150	37.5	114	28.5	64	16.0	9	2.30
7.	Farmers face difficulties in use of improved scientific technology in spite of their participation in FPO.	183	45.8	199	5.5	16	4.00	2	0.50	00	00
8.	The capacity of the farmers to sale agricultural produce has increased due to FPO.	36	9.00	147	36.8	128	32.0	89	22.3	00	00
9.	Loan and subsidies are not provided by the Government to the FPOs in appropriate quantities.	68	17.0	69	17.3	133	33.3	114	28.5	16	4.00
10.	Farmers receive good profits due to common sale of their agricultural produce by FPOs.	94	23.5	144	36.0	103	25.8	39	9.80	20	5.00
11.	Financial transactions of FPO lack transparency.	58	14.5	139	34.8	167	41.8	20	5.00	16	4.00
12.	Participation in farmers' producer organization saves labor, time and money of farmers.	183	45.8	199	49.8	16	4.00	2	0.50	00	00
13.	Some farmers from FPO are deprived from the process of decision making.	36	9.00	147	36.8	128	32.0	89	22.3	00	00
14.	FPOs prove useful in agricultural disaster management.	68	17.0	69	17.3	133	33.3	114	28.5	16	4.00
15.	FPO scheme initiated by the government is just namesake.	94	23.5	144	36.0	103	25.8	39	9.80	20	5.00
16.	Farmers' producer organization is a good concept for the development of small and marginal farmers.	58	14.5	139	34.8	167	41.8	20	5.00	16	4.00

**Table 2. Distribution of respondents according to their Overall attitude level towards the FPOs**

S. No.	Categories (Score value)	Respondents	
		f	%
1.	Low (up to 52)	53	13.25
2.	Medium (16 to 20)	138	34.50
3.	High (67 and above)	209	52.25
	<b>Total</b>	<b>400</b>	<b>100.00</b>

Mean- 58.72, S.D.- 5.95, Min.- 40, Max.- 74

**Table 3. Distribution of respondents according to their correlation coefficient between different variables and attitude level of towards FPOs**

S. No.	Variables	Correlation coefficient
1.	Age	0.222263175**
2.	Caste	0.097204344**
3.	Education	0.283995987**
4.	Annual income	0.049075485 <sup>NS</sup>
5.	Marital status	0.035586089 <sup>NS</sup>
6.	Land holding	0.042513796 <sup>NS</sup>
7.	Type of family	0.064600559*
8.	Size of family	0.014562458 <sup>NS</sup>
9.	Material possession	0.205505096**
10.	Social participation	0.062501353*
11.	Risk orientation	0.334413272**
12.	Scientific orientation	0.281274135**
13.	Extension contact	0.062639668*

\*Significant at 0.05% probability level

#### 4. CONCLUSION

The village is a key institution dedicated to comprehensive rural development. The research focuses on assessing the farmers' Attitude levels, and the findings indicate that a majority of farmers possess a high degree of attitude regarding Farmers Producer Organizations (FPOs). It is imperative for extension agencies to actively engage in creating awareness among farmers about FPOs and the services they offer. This can be achieved through training sessions, group discussions, and field trips. Recognizing the significance of FPOs, there is a pressing need to establish a viable and sustainable agricultural system, ensuring the judicious use of resources. This approach aims to guarantee that future generations do not experience deprivation in meeting their essential needs, particularly in terms of food.

#### COMPETING INTERESTS

Authors have declared that no competing interests exist.

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