

FARMERS PRODUCER ORGANISATION



6/19/2020

Dr Durga Prasad Padhi,
Centurio University

CONTENT:

- What is FPO?
- Difference b/w FPO and FPC.
- Structure of FPO
- Services by FPO
- Advantages of FPO
- Support for FPO
- Conclusion

WHAT IS FPO

- Farmer organization is a primary producer group with special interests and concerns with developed structure, formal membership, status and functions for its members and with a set of byelaws and rules.
- It is a hybrid of co-operative and private company
- It basically covers: Production, crop insurance, harvesting, processing, procurement, grading, pooling, handling, marketing, selling, better bargaining power, elimination of middle man, credit sources, export of primary produce of the Members or import of goods or services for their benefit.

SEVEN PRINCIPLES TO FORM FPO

- Voluntary and open membership
- Democratic farmer member control
- Farmer-Member Economic participation
- Autonomy and independent
- Education, Training and Information
- Co-operation among FPOs
- Concern for the community

DIFFERENCE B/W FPO & FPC

FPO	FPC
It mainly focuses on all the farmers in FPO	It mainly focuses on the shareholders of FPC
Primary function- Production stage	Primary function- Marketing stage
It requires only ATMA certificate	It requires ROC registration
Mainly focus is on welfare of all the farmers	Equity returns are followed
Ex- Kalikamatha FPO in Kalwadi	Ex- Deccan valley FPC
An FPO doesn't originate from FPC	An FPC originates from FPO only
Year of formation-2005	Year of formation-2016

STRUCTURE OF FPO

Structure of FPO



SERVICES BY FPO

- **Financial services:** The FPO will provide loans for crops, purchase of tractors, pump sets, construction of wells, laying of pipelines. The FPO will provide various insurance like Crop Insurance, Electric Motors Insurance and Life Insurance.
- **Input Supply Services:** The FPO will provide low cost and quality inputs to member farmers. It will supply fertilizers, pesticides, seeds, sprayers, pump sets, accessories, pipelines
- **Procurement and Packaging Services:** The FPO will procure agriculture produce from its member farmers; will do the storage, value addition and packaging.
- **Marketing Services:** The FPO will do the direct marketing after procurement of agricultural produce. This will enable members to save in terms of time, transaction costs, weight losses, distress sales, price fluctuations, transportation, quality maintenance etc.
- **Technical Services:** FPO will promote best practices of farming, maintain marketing information system, diversifying and raising levels of knowledge and skills in agricultural production and post-harvest processing that adds value to products.
- **Networking Services:** Making channels of information (e.g. about product specifications, market prices) and other business services accessible to rural producers; facilitating linkages with financial institutions, building linkages of producers, processors, traders and consumers, facilitating linkages with government programs.

ADVANTAGES OF FPO

- Farmers Producers Organizations influence policies and demand for required services.
- Farmers can participate in the decision making process of the developmental activities.
- Service system becomes more effective and accountable
- They get better access to latest markets and technology
- FPOs can involve in Farmer and market led extension activities
- Build interactions between research, extension and farming systems
- Enable farmers to organize themselves for action or to share resources
- Analyze farmers problems with extension support
- More services can be made available to farmers through

SUPPORT FOR FPO

- NABARD
- SFAC
- Govt departments
- Corporate
- Domestic and international Aid agencies
- NGOs

CONCLUSION

- The main aim of PO is to ensure better income for the producers through an organization of their own.
- Small producers do not have the volume individually (both inputs and produce) to get the benefit of economies of scale. Besides, in agricultural marketing, there is a long chain of intermediaries who very often work non-transparently leading to the situation where the producer receives only a small part of the value that the ultimate consumer pays.
- Through aggregation, the primary producers can avail the benefit of economies of scale. They will also have better bargaining power vis-à-vis the bulk buyers of produce and bulk suppliers of inputs.

THANK YOU

kisan MELA

SEED SAMPLE HERE

Rs.10

FPO FORM
NOW..



6/19/2020

Dr Durga Prasad Padhi,
Centurio University.