



SWOT Analysis of Farmers' Perceptions on Farmer Producer Companies: A Study in Maharashtra, India

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Authors' contributions

This work was carried out in collaboration among all authors. Author SBRL tabulated the data, managed the literature searches and performed statistical analysis. Author GJ performed the statistical analysis and wrote the first draft of the manuscript. Author KCG designed the study and gave necessary suggestions for finalizing the report. All authors read and approved the final manuscript.

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ABSTRACT

The present study was conducted in the state of Maharashtra with an objective to analyze the farmers' perceptions on Farmer Producer Companies (FPCs) in the state of Maharashtra. Member farmers were selected as sample respondents for the study. The results of the present study revealed that after association with producer company, there has been an improvement in the yields as stated by 96.66 per cent of the farmers under category I, 82.73 per cent of the farmers in category II and 77.50 per cent of the farmers under category III. It was also observed that there was an improvement in the quality of the produce and a majority of the farmers were happy with the price for their produce received after joining FPCs. It was also interesting to note that the problems faced by the farmers were different in all the three categories of FPCs. However, the common problem faced by the farmers in category II and III was manipulation of quotas and quality specifications by some of the companies. The SWOT analysis revealed that the major strengths identified by the farmers were more or less same in the selected FPCs like provision of inputs and production services, higher yields due to better management, minimizing the prices risk and better bargaining for small holders. The adoption of new production technology was a common weakness

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and pro-government policy was an important opportunity of all the producer companies as perceived by the farmers. The common threats to the producer companies of all categories include problem of sustaining long term operations, cut throat competition among companies, social and cultural constraints.

Keywords: Competition; constraints; FPCs; SWOT analysis; price risk.

1. INTRODUCTION

Agriculture being backbone of Indian economy, it is the primary source of livelihood for about 48% of India's population and contributes to 13 per cent of Gross Domestic Product (GDP). During 2018-19, India has achieved a record food-grain production of 295.11 million tones and the production of horticulture crops was estimated at a record 320.48 million MT in FY20 as per second advance estimates. India has the largest livestock population of around 535.78 million, which translates to around 31 per cent of the world's population and the milk production in the country is expected to increase to 208 MT in FY21 from 198 MT in FY20, registering a growth of 10 per cent year on year. Yet, Indian farmers still face many challenges as majority of them are small and marginal farmers accounting for more than 86 per cent of the farming population. Being small holders, these farmers suffer from some inherent problems such as fragmented land holdings, absence of economies of scale, access to information and their inability to participate in the price discovery mechanism. The participation of farmers is observed to be restricted by limitations like poor vertical and horizontal linkages and limited access to market, training and finance [1]. The problem of access to market is even more pronounced for small and marginal farmers.

The challenge now is to optimize benefits through effective and efficient means of aggregation models like Farmer Producer Organizations/ Companies (FPOs/FPCs) which is emerging as the most effective tool to cater the needs of farmers at the grass root level like availability of quality inputs, technical guidance, easy access to markets for their produce, exports and so on.

A producer company is basically a corporate body registered as a Producer Company under Companies Act, 1956 (As amended in 2002). The same provisions have been retained for FPC after the amendment of Companies Act in 2013. The basic objective of the FPO concept is to link small farmers to technology as well as to the markets in association with private, corporate or

cooperative sector and if necessary, by providing backward and forward linkages. And hence, the Ministry of Agriculture has come up with an equity grant and credit guarantee fund to promote the development of farmer producer organizations in the agricultural sector, thus declaring the 2014 as the year for FPOs. Most farmer organizations act as multipurpose organizations and offer a wide range of services to their members independent of the specific type of organization [2]. Its main activities consist of production, harvesting, processing, procurement, grading, pooling, handling, marketing, selling, export of primary produce of the members or import of goods or services for their benefit. It provides for sharing of profits/benefits among the members. FPC members are able to leverage collective strength and bargaining power to access financial and non-financial inputs and services and appropriate technologies leading to reduction in transaction costs. Members can also collectively tap high value markets and enter into partnerships with private entities on equitable terms.

In developing countries, the fundamental objective of POs is to address market imperfections constraining farmers' market participation (commercialization) and access to high-value (international) markets and are often promoted with the aim to address rural poverty, particularly for small farm households. POs are widely seen as a tool for reducing market barriers related to farmers' transaction costs of accessing inputs and output markets, credit, market information, technologies, food safety standards and certifications [3-5].

1.1 Status of FPOs in India

In India, the FPOs are mainly promoted by the Government of India through two apex agencies viz., SFAC and NABARD. Besides, there are number of FPOs being promoted by non-government agencies and state govt. agencies. Over the last 17 years, thousands of PCs have been registered in India, engaged in a wide range of activities such as bulk procurement of inputs, aggregation of produce, value-addition and marketing.

Table 1. No. of producer companies in India during 2013 to 2019

S. no	Year	No. of producer companies registered	% Change over previous year
1	Till 2013	445	-
2	2014	497	11.69
3	2015	551	10.87
4	2016	1691	206.90
5	2017	1477	-12.66
6	2018	909	-38.46
7	2019	1804	98.46

Source: Richa et al, 2020 [7]

As outlined in more general perspective by Richa et al [7], 2020, in India, as of March 2019, there are 7374 FPCs registered and promoted by various agencies covering 4.3 million small producers all over the country, with an average number of shareholders of 582 per Producer Company. Around 92 per cent of these PCs are farm-based and 3 per cent of PCs were formed with only women members. However, around 50 per cent of the total FPCs were registered in only four states namely Maharashtra, Madhya Pradesh, Tamil Nadu and Karnataka. It was also observed that there has been an increase in the number of FPCs Table 1 during 2013 to 2019 but with a decline during the years 2017 (12.66%) and 2018 (38.46%). However, though the number of PCs are being increased year on year, yet there are almost 32 districts in the country with more than one lakh farmers which do not have single PC registered. In addition to this, the top twenty (20) districts with high number of agricultural workers have very few PCs.

When it comes to the case of paid-up capital (PUC), only 20 producer companies contribute for more than 50 per cent of the combined PUC of all the companies out of which 10 companies are dairy producer companies and eight (08) PCs registered for plantation crops. Moreover, only 14 per cent of the PCs have PUC of Rs.10 Lakh or more and 49% of PCs have paid-up capital of Rs.1 lakh or less.

NABARD, SFAC and NDDDB Dairy Services (NDS) reported that small and marginal farmers account for 70-80% of the shareholders of FPCs promoted by them. This will not only help in augmenting income of the farmers but also considerably improve rural economy and create job opportunities for rural youths in villages itself.

With a vision of doubling farmers' income by 2023-24, the Government of India has emphasized the promotion of 10,000 FPOs.

Hence, keeping in view the importance of FPCs, an attempt has been made to analyze the strengths, weakness, opportunities and threats of FPCs as perceived by the member farmers in the state of Maharashtra.

2. MATERIALS AND METHODS

The present study was conducted in the state of Maharashtra, India as it is one of the leading states in setting up FPCs and also host a number of successful FPCs.

2.1 Sample Size

For the purpose of present study, twenty (20) farmer producer companies registered in Maharashtra were selected and classified into three categories based on the Authorized Share Capital (ASC) i.e. category I with Rs.< 5 lakh ASC, category II with ASC Rs. 6 to 10 lakh and category III with ASC Rs. > 1 lakhs. Twenty farmer members representing small, marginal and large farmers were selected from each category and thus the total sample respondents selected for the study were four hundred (400).

2.2 Source of Data

In accordance with the objective of the study, primary data was collected with the help of a well-structured interview schedules from the farmer members of each producer company selected for the study on various aspects like socio-economic conditions of the farmer members, their cropping pattern, business linkage with FPC, opinion of the members, problems encountered, benefits w.r.t. various aspects after being a part of FPCs etc.

2.3 Analytical Tools

The data collected was statistically analysed by using suitable simple descriptive statistics like

frequencies, percentages, weighted averages. In order to analyse strengths, weakness, opportunities and threats of FPCs, SWOT analysis was carried out by using weighted averages.

2.4 Weighted Average

This analytical technique takes into account the varying degrees of importance of the numbers in a data set. In calculating a weighted average, each number in the data set is multiplied by a predetermined weight before the final calculation is made.

A weighted average can be more accurate than a simple average in which all numbers in a data set are assigned an identical weight.

Weighted average = sum of (Number x weighing factor) / Sum of all weights

3. RESULTS AND DISCUSSION

The analysis of primary data on the crops dealing with the producer companies revealed that a wide range of crops were being cultivated and marketed by the selected farmers through producer companies Table 2.

Category-wise analysis Table 2 revealed that the farmer members were involved in cultivation of both food crops like cereals, pulses, vegetables, fruits and non-food crops like cotton and sugarcane.

However, the business of the farmers under first category were restricted to only cereals and pulses, cultivating in an area of 42 and 266 acres respectively, whereas, the member farmers under category II and III were involved in cultivation of all five group of crops.

In the case of FPC with an authorized share capital of ₹ 6 to 10 lakh, cereals were dominating occupying an area of 311 acres followed by pulses (181 acres), cash crops (179.5 acres), vegetables (106 acres) and fruits (50 acres). With respect to FPCs under category

III, highest area was occupied by cash crops (120 acres) followed by vegetables (87.5 acres) with least area under cereals (24 acres).

The analysis of primary data revealed that out of total farmers selected for the study, nearly 84.25 per cent of the farmers were willing to continue business with the same crops because of the following reasons

- Provision of quality inputs and technical guidance
- Higher yields
- Cleaning and grading facilities for the produce
- Assured profitable prices compared to traditional markets
- Easy marketing with low cost of transportation.

The remaining 15.75 per cent of farmers were willing to do business with FPCs by shifting to high value crops like grapes, pomegranate and onion instead of present crops.

3.1 Opinion of the Farmer Members in the Selected Farmer Producer Companies

In order to analyse the performance of FPCs, opinion of the farmers were collected on different aspects like improvement in crop yield, quality of the produce and price received for the produce. As detailed in Table-3, it can be observed that in FPCs under category I, 96.66 per cent of the farmers stated that there has been an improvement in the yields after association with the producer company. While only 40 per cent of the farmers reported that there has been an improvement in the quality of the produce along with an increase in the yields. About 86.67 per cent of the farmers opined that, the price received for their produce is on an average higher than what they receive in traditional markets.

In the case of FPCs with an Authorized Share Capital of ₹ 6 - 10 lakh, 82.73 per cent of the farmers stated that there has been an

Table 2. Details of crops dealing with the producer company (total area in acres)

Sl. no	Category of FPC	Cereals	Pulses	Cash crops	Vegetables	Fruits
1.	I	42	266	-	-	-
2.	II	311	181	179.5	106	50
3.	III	24	54	120	87.5	45

Source: Compiled by the authors from the primary data

improvement in the yields after association with producer company. While 60.45 per cent of the farmers reported that there has been an improvement in the quality of the produce along with an increase in the yields. About 34.54 per cent of the farmers opined that price received for their produce is higher than what they receive in traditional markets.

In FPCs with an authorized share capital of more than ₹ 10 lakh, 77.50 per cent of the farmers stated that there has been an improvement in the yields after association with producer company, while 61.67 per cent of the farmers reported that there has been an improvement in the quality of the produce and only about 14.16 per cent of the farmers opined that price received for their produce is higher than what they receive in traditional markets.

On the whole, it was observed that highest per cent (96.66) of the farmers experienced increased yields in FPC under category I, whereas 61.67 per cent of the farmer members of FPC under category III experienced improved quality of the produce which was highest among the three categories of FPCs. From the results presented in Table 3, it is apparent that, majority of the farmers are happy with the price received after joining FPCs. The higher price realization is linked to quality, wherein most of the farmers except in category III opined that there is an improvement in the quality of the produce. This indicates that, the Board of Management of FPCs with the help of subject matter experts have taken adequate care to improve the quality of the produce. Overall, it can be observed that initial results of joining the FPCs are encouraging as perceived by the member farmers.

3.2 Problems Encountered by the Farmers in doing Business with the FPCs

In any of the policy interventions, in addition to the benefits resulting out of it, there arise or exist some problems or consequences which help in identifying the gap between the current state and desired state. In this regard, certain problems faced by the farmers in doing business with FPCs were elicited and listed in Table 4.

It is apparent Table 4 that the problems faced by the farmers with FPCs under Category I are lack of technical guidance as expressed by 33.33 per

cent followed by failure of the growers to comply with the company instructions (5 per cent). On the contrary, with respect to the FPCs under Category II, lack of technical guidance was a very minute problem (1.36 per cent) whereas, almost 24.55 per cent of the farmers opined that there exists a lack of consistency in following modus operandi by some companies which is a major concern followed by manipulation of the quotas and quality specifications (23.64 per cent), farmers sacrifice in the event of higher market price (21.82 per cent). Almost 5 per cent of the farmers could not respond to any the problems faced by them and remained neutral.

As far as farmers of FPCs under category III were concerned, high rejection rate was a major problem (23.33 per cent) followed by irregular payment (15.83 per cent), manipulation of quotas and quality specifications (15.83 per cent), indulging in corruption (15.83 per cent), and failure of growers to comply with company instructions (15.83 per cent).

On the whole, it is interesting to note that the problems faced by the farmers were different in all the three categories of FPCs. However, the common problem faced by the farmers in category II and III was manipulation of quotas and quality specifications by some of the companies. It was also observed that poor technical guidance was a major concern in category I.

The problems encountered by the farmers were expressed by a very few farmers except for category I. Hence over a period of time, the Board of Management of FPCs may take adequate care to overcome the problems of the farmers.

3.3 SWOT Analysis

According to Wikipedia 2021, SWOT analysis is a strategic planning technique used to help a person or organization identify strengths, weaknesses, opportunities, and threats related to business competition or project planning. It is used to assess the internal and external factors and also the current and future potential of a project. The strengths, weakness, opportunities and threats of the producer companies as perceived by the member farmers under three categories were analyzed and presented as follows.

Table 3. Opinion of the farmer members in the selected Farmer Producer Companies

S.no.	Opinion of the farmers	Farmer Producer Companies								
		Category I (n= 60)			Category II (n = 220)			Category III (n = 120)		
		Yes	No	Neutral	Yes	No	Neutral	Yes	No	Neutral
1	Improvement in yield after joining FPC?	58(96.66)	2(3.33)	-	182(82.73)	19(8.64)	8(8.64)	93(77.50)	19(15.83)	8(6.66)
2	Improvement in quality of produce after your association with FPC	24(40.00)	24(40.00)	12(20.00)	133(60.45)	31(14.09)	56(25.45)	74(61.67)	31(25.83)	15(12.5)
3	Price given for your product by FPC in comparison to traditional markets	1 (1.67)		3(5.00)	0 (0.00)	-	38(17.27)	0 (0.00)	-	43(35.83)
-	Low									
-	High	04 (6.67)			76(34.54)			17(14.16)		
-	Average	52(86.67)			104(47.27)			60 (50.00)		
-	Poor	0 (0.00)			2 (0.91)			0 (0.00)		

Source: Compiled by the authors from the primary data

Table 4. Problems encountered by the farmers in doing business with the FPCs

S. no.	Problem faced by farmers	Category I (n= 60)		Category II (n= 220)			Category III (n = 120)		
		Yes	No	Yes	No	Neutral	Yes	No	Neutral
1.	Poor technical guidance from company	20(33.33)	40(66.67)	3(1.36)	200(90.91)	17(4.25)	6(5.00)	107(89.17)	7(5.83)
2.	Unsuitable technology and crop incompatibility	1 (1.67)	59(98.33)	37(16.82)	179(81.36)	4(1.00)	5(4.17)	108(90.00)	7(5.83)
3.	Irregular payment	2 (3.33)	58(96.67)	27(12.27)	172(78.18)	21(5.25)	19(15.83)	94(78.33)	7(5.83)
4.	Manipulation of the quotas and quality specifications by the company	0 (0.00)	60(100.00)	52(23.64)	154(70.00)	14(3.50)	19(15.83)	94(78.330)	7(5.83)
5.	Higher rejection rate	2(3.33)	58(96.67)	38(17.27)	162(73.64)	20(5.00)	28(23.33)	85(70.83)	7(5.83)
6.	Low price	1(1.67)	59(98.33)	25(11.36)	175(79.55)	20(5.00)	16(13.33)	97(80.83)	7(5.83)
7.	Lack of consistency in following modus operandi by some companies	1(1.67)	59 (98.33)	54(24.55)	151(68.64)	15(3.75)	18(15.00)	95(79.17)	7(5.83)
8.	Sometimes company representatives deceive and may indulge in corruption	2(3.33)	58(96.67)	38(17.27)	161(73.18)	21(5.25)	19(15.83)	94(78.33)	7(5.83)
9.	In the event of higher market price, farmer has to sacrifice	1(1.67)	59(98.33)	48(21.82)	158(71.82)	14(3.50)	10(8.33)	103(85.83)	7(5.83)
10.	Failure of growers to comply with company instruction	3(5.00)	57(95.00)	38(17.27)	164(74.55)	18(4.50)	19(15.83)	94(78.33)	7(5.83)

Source: Compiled by the authors from the primary data

Table 5. Strengths of FPCs identified by the farmer members

Sl. no.	Particulars	Category I (n=60)		Category II (n=220)		Category III (n=120)	
		WA	Rank	WA	Rank	WA	Rank
1.	Inputs and production services are provided by the company	19.67	I	68.00	XI	43.67	I
2.	Facility of credit	16.33	X	63.33	XI	33.83	XII
3.	Enables adoption of new technology	18.67	VII	73.00	X	39.50	VII
4.	Development of skills	18.83	V	78.83	I	43.33	II
5.	Minimizes price risk	19.17	III	74.33	VI	42.83	III
6.	Opening of new markets	19.00	IV	74.67	V	37.00	X
7.	Better bargaining for small holders	19.33	II	73.83	IX	41.50	V
8.	Income stability due to assured price	18.83	VI	77.83	III	38.17	IX
9.	Initiation of welfare fund for growers	17.00	VIII	74.17	VII	36.67	XI
10.	Higher yields due to better management	16.67	IX	78.33	II	41.67	IV
11.	Minimization of the problem of oversupply since quota is fixed in advance	19.33	II	74.00	VIII	41.00	VI
12.	Record keeping by the grower	19.67	I	76.33	IV	39.33	VIII

Source: Compiled by the authors from the primary data

3.3.1 Strengths

The strengths describe what an organization excels at and what separates it from the competition. The major strengths identified by the farmers in three categories of FPCs are as follows Table 5.

3.3.1.1 Strengths of FPCs under category I

Provision of inputs and production services by the company and record keeping by the growers were ranked first with a weighted average of 19.67, followed by better bargaining for small holders (19.33) and minimization of the problem of oversupply (19.33), minimising the prices risk (19.17), opening of new markets (19.00) etc. Jerzy et al. 2018 [6]. also stated that a vast majority of Producer Organizations (48 of 59) reported an improvement in the bargaining power of their members relative to purchasers of their products (processors, retailers), while 40% of POs (23 POs) reported an improvement in their bargaining power relative to providers of inputs, which resulted in lower prices of inputs or higher quality.

Figures in the parenthesis indicate percentage to total farmers; WA: Weighted Average.

3.3.1.2 Strengths of FPCs under category II

Development of skill (78.83) was an important strength followed by higher yields due to better

management (78.33), income stability due to assured price (77.83), record keeping by the growers (76.33) and opening of new markets (74.67) etc.

3.3.1.3 Strengths of FPCs under category III

Provision of inputs and production services (43.67) by the company ranked first followed by skill development (43.33), minimising the prices risk (42.83), higher yields due to better management(41.67) and better bargaining for small holders (41.50) etc.

3.3.2 Weaknesses

The weakness of an organization restricts it from performing at its optimum level. They are areas where the business needs to improve to remain competitive. The weaknesses of the selected FPCs were detailed in Table 6.

3.3.2.1 Weakness of FPCs under category I

The top weakness is with regard to adoption of new production technology and market failures (13.17) followed by other weaknesses which includes weak legal backup for the growers (12.00), lack of better infrastructure facilities (10.83), poor quality inputs (10.67) and competition from private trade (10.5) etc.

3.3.2.2 Weakness of FPCs under category II

Competition from private trade (54.50) was ranked very high as a weakness of FPC and

then follows adoption of new production technology (53.33), lack of better infrastructure facilities (52.33), exploitation by the firms (51.00), rift between growers and representative company officials on adoption of production practices (50.67) etc.

Figures in the parenthesis indicate percentage to total farmers; WA: Weighted Average

3.3.2.3 Weakness of FPCs under category III

Market failure (31.33) was a major weakness identified by the farmers of FPC and ranks first followed by adoption of new production technology (30.17), competition from private trade (29.00), rift between growers and representative company officials on adoption of production practices (24.50) and exploitation by the firms (26.67) etc.

On the whole, it was noticed that adoption of new production technology was a common weakness in all the producer companies.

3.3.3 Opportunities

The opportunities refer to favourable external factors that could give an organization a competitive advantage Table 7.

3.3.3.1 Opportunities of FPCs under category I

The most important opportunity was pro-government policies for encouragement of the system (21.00) followed by economical procurement of inputs (20.00), reduced migration from rural villages (20.17) etc.

3.3.3.2 Opportunities of FPCs under category II

Sharing of ideas among the growers (79.50) was an important opportunity ranking first followed by support from local scientific agencies and government (77.67), emergence of strong farmer group (77.33), reduced migration from rural villages (77.00) and pro-government policies for encouragement of the system.

3.3.3.3 Opportunities of FPCs under category III

The major opportunities identified by the farmers ranking top five were sharing of ideas among the growers (41.50), quality production (41.17), emergence of strong farmer group (40.17), pro-government policies for encouragement of the system (39.33) and participation of firms in community affairs (39.00) etc.

Table 6. Weakness of FPCs identified by the farmer members

Sl. no.	Particulars	Category I (n= 60)		Category II (n=220)		Category III (n = 120)	
		WA	Rank	WA	Rank	WA	Rank
1.	Problem in adoption of new production technology	13.17	I	53.33	II	30.17	II
2.	Market failures	13.17	I	49.33	VIII	31.33	I
3.	Denying to purchase the specified quota	10.17	VI	50.17	VI	26.33	VI
4.	Unreliable firms	10.00	VII	49.00	IX	25.33	VIII
5.	Exploitation by the firms	9.8	VIII	51.00	IV	26.67	V
6.	Corrupt practices by the staff of the FPC	10.00	VII	49.67	VII	24.33	X
7.	Weak legal backup for the growers	12.00	II	48.67	X	23.00	XIII
8.	Lack of better infrastructure facilities	10.83	III	52.33	III	25.50	VII
9.	Rift between growers and representative company officials on adoption of production practices	10.17	VI	50.67	V	27.50	IV
10.	Delay in payment proceeds	10.50	V	47.67	XI	24.00	XI
11.	Poor quality inputs	10.67	IV	47.67	XI	24.50	IX
12.	Charging higher prices for inputs	10.17	VII	48.67	X	23.33	XII
13.	Competition from private trade	10.50	V	54.50	I	29.00	III

Source: Compiled by the authors from the primary data

From the above findings, it can be observed that pro-government policy was an important opportunity felt by farmer members of all the producer companies.

Figures in the parenthesis indicate percentage to total farmers; WA: Weighted Average

3.3.4 Threats

Threats refer to the factors that have the potential to harm an organization. The producer companies also face some of the threats as detailed in Table -8.

3.3.4.1 Threats of FPCs under category I

The problem of sustaining long term operations and non-adherence to quality specifications by the growers with a weighted average of 11.17 each and were found to be the major threats to the producer companies. Social and cultural constraints ranked second position (11.00) followed by cut throat competition among companies (10.83) and economic viability (10.50) etc.

Figures in the parenthesis indicate percentage to total farmers; WA: Weighted Average

3.3.4.2 Threats of FPCs under category II

The top five major threats were identified as Economic viability (58.17) followed by government policies affecting trade (55.50), social and cultural constraints (53.83), cut throat competition among companies (53.33) and problem of sustaining long term operations (53.00) etc.

3.3.4.3 Threats of FPCs under category III

The major threats identifies by the farmer members in the FPCs under category II were the problem of sustaining long term operations (32.83), cut-throat competition among companies (32.67), non- adherence to quality specifications by the growers (31.17), social and cultural constraints (30.83) and government policies affecting trade (30.17) etc.

Hence, it was found that the common threats to the producer companies of all categories include problem of sustaining long term operations, cut throat competition among companies, social and cultural constraints.

Table 7. Opportunities of FPCs identified by the farmer members

S. no.	Particulars	Category I (n=60)		Category II (n=220)		Category III (n=120)	
		WA	Rank	WA	WA	Rank	WA
1.	Economical procurement of inputs	20.33	II	68.17	XII	37.67	XIII
2.	Helps to overcome land constraints	19.67	V	74.83	IX	38.00	X
3.	Quality production	19.67	V	76.17	VI	41.17	II
4.	Tap export markets	19.50	VI	71.33	XI	38.50	VIII
5.	Pro-government policies for encouragement of the system	21.00	I	76.50	V	39.33	IV
6.	Emergence of strong farmer group in the form of FPC	19.70	IV	77.33	III	40.17	III
7.	Sharing of ideas among growers	19.70	IV	79.50	I	41.50	I
8.	Support from local scientific agencies and government	19.33	VII	77.67	II	37.83	XII
9.	The firm may participate in community affairs	19.33	VII	76.00	VII	39.00	V
10.	Increase in private investments	19.00	VIII	75.00	VIII	38.83	VI
11.	Promotion of processing and value addition	19.33	VII	75.00	VIII	37.33	XIV
12.	Reduce migration from rural areas	20.17	III	77.00	IV	38.17	IX
13.	Backward linkage is possible	19.70	IV	72.33	X	38.67	VII

Source: Compiled by the authors from the primary data

Table 8. Threats of FPCs identified by the farmer members

S. no	Particulars	Category I (n=60)		Category II (n=220)		Category III (n=120)	
		WA	Rank	WA	WA	Rank	WA
1.	Problem of sustaining long term operations	11.17	I	53.00	V	32.83	I
2.	Non-adherence to quality specification by growers	11.17	I	51.67	VIII	31.17	III
3.	Breach of contract by FPC	9.83	VII	48.67	X	27.00	VIII
4.	Diversion of inputs by the farmers to other crops	9.83	VII	51.17	IX	29.17	VI
5.	Social and cultural constraints	11.00	II	53.83	III	30.83	IV
6.	Cut-throat competition among companies	10.83	III	53.33	IV	32.67	II
7.	Government policies affecting trade	10.16	V	55.50	II	30.17	V
8.	Lack of trained staff	10.00	VI	52.83	VI	29.17	VI
9.	Economic viability	10.50	IV	58.17	I	30.83	IV
10.	Agent may reject stocks exported	10.00	VI	52.50	VII	28.17	VII

Source: Compiled by the authors from the primary data

4. CONCLUSION

The study concluded that, the farmer members experienced the increased yield, improvement in the quality followed by better price for their produce. Furthermore, in order to reap the benefits of collective activities, FPOs are required to inculcate professionalism. This can be achieved by exploring wider domestic and export markets. For this, FPOs are required to go for value addition, processing, packaging, quality management and branding in conformity with international standards. Even for domestic market, FPOs can target niche consumers through these activities. From the above analysis it was observed that, the major strengths ranking from one to five were found to be more or less same in the selected FPCs. This indicates that, the selected producer companies are striving towards welfare of the farmers through improved yields, assured prices, skill development etc. Adoption of new technology was found to be an important weakness of FPCs which needs to be addressed by organizing various capacity building programs. Moreover prevailing social and cultural constraints also restrict the farmers in joining the FPCs which to some extent can be solved by developing awareness about the concept through different educational programs through mass media. It was also noted that, there exists a lack of consistency in following modus operandi by some companies which might be due to lack of awareness on the legal provisions to be followed. Hence, there is a need to educate the directors as well as the CEOs of the company in these aspects.

CONSENT

As per international standard or university standard, Participants' written consent has been collected and preserved by the author(s).

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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