



Strengthening and Nurturing Farmer Producer Organizations

Study Conducted and Reported by:





CONTENTS

I
LIST OF FIGURES
LIST OF TABLES

01
EXECUTIVE
SUMMARY

08
ENDLINE
ASSESSMENT &
METHODOLOGY

55
CONCLUSION

II
ACKNOWLEDGEMENT

04
INTRODUCTION

12 - 25
ANALYSIS & FINDINGS
- FPO MEMBERS

III
ETHICAL
CONSIDERATION

06
ABOUT THE
INTERVENTION

26 - 54
ANALYSIS & FINDINGS
- STATEWISE



ACKNOWLEDGEMENT

The "Strengthening FPOs – Under Rural Development area of CSE Activities of Bayer" project, carried out across seven states (Bihar, Chhattisgarh, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Odisha), required immense effort, research, and dedication. The successful completion of the endline assessment survey was made possible through the continuous support of all the implementation partners, the project beneficiaries, and the survey team. We extend our heartfelt thanks to each of them for their invaluable contributions.

We are especially grateful to Bayer for their financial and logistical support, as well as for providing essential guidance in the project's implementation. Their CSE initiative was the driving force behind this project's development. We also wish to sincerely thank all the participating Farmer Producer Organizations (FPOs) and their teams for contributing their time and expertise during the endline survey.

Our appreciation goes out to everyone involved in this project, from the staff to the direct and indirect beneficiaries, whose participation was crucial to its success. Once again, we deeply thank the Bayer for their initiative and support in completing the Endline Assessment Survey for the "Strengthening FPOs" project.

ETHICAL CONSIDERATION

Informed consent:

The interviews were done after the respondents gave their consent. Even after the interviews were completed, their permission was sought to proceed with their responses.

Confidentiality:

The information provided by participants has been kept private. At no point were their data or identities disclosed. The research findings have been quoted in a way that does not expose the respondents' identities.

Right to reject or withdraw:

Respondents were guaranteed safety and allowed to refuse to answer questions or withdraw during the study.

Comfort:

The interviews were performed following the respondents' preferences. In addition, the interview time was chosen in consultation with them. At each level, respondents' convenience and comfort were considered.



EXECUTIVE SUMMARY

Bayer supported the “Strengthening and Nurturing Farmer Producer Organizations” (FPOs) project across seven states of India—Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Maharashtra, Odisha, and Karnataka. The project aimed at empowering and strengthening over 40 FPOs through capacity building, technical support, and enhanced market linkages. FPOs were selected following a rigorous due diligence process that considered several criteria, including their readiness and willingness to participate in the project.

The endline assessment of the project, conducted by SGS, utilized a mixed-methods approach, incorporating both qualitative and quantitative tools. Key stakeholders engaged in the evaluation included Board of Directors, CEOs, and shareholder farmers from the FPOs. The assessment sought to measure the impact of the intervention on organizational development, financial sustainability, and farmer livelihoods, while identifying areas for future improvement. Several of the FPOs participating in the project were composed entirely of women, underscoring the focus on gender inclusion and the empowerment of women farmers.

A key achievement of the project has been the enhanced efficiency in input procurement across most of the FPOs. Stakeholders, including the Board of Directors and CEOs, reported that collective purchasing under the FPO model has significantly reduced procurement costs for member farmers. This has translated into direct financial benefits, improving the cost-effectiveness of agricultural operations for farmers.

In the 30 FPOs where discussions were held with functionaries, it was observed that prior to the intervention, FPO members were largely inactive, with minimal participation in organizational activities. However, the project has catalyzed a noticeable increase in membership across all FPOs. This growth in membership signals a stronger belief in the benefits of collective action, alongside increased engagement from farmers who are now more actively involved in the decision-making and functioning of their FPOs.

The project has led to notable improvements in governance across FPOs in the seven states. Key governance practices such as holding annual general meetings (AGMs), board meetings, and developing internal standard operating procedures (SOPs) have been strengthened. These improvements reflect a more structured approach to organizational management and enhanced transparency within the FPOs.

However, the assessment revealed regional disparities in governance practices. While FPOs in states like Maharashtra, Karnataka and Madhya Pradesh showed better progress in governance, the FPOs in Bihar, Chhattisgarh, and Jharkhand were found to lag in terms of their governance and engagement of farmers with FPO activities. The lower engagement levels in these states highlight the need for targeted interventions to improve farmer involvement and governance efficiency.

Among the 30 FPOs interviewed, all had successfully developed output market linkages for the primary crops grown in their regions. Most FPOs connected their member farmers with local mandis or wholesalers to facilitate produce sales. Notably, in Karnataka, the Raichur FPC established a direct market linkage with ITC for chili and turmeric, which is regarded as a highly successful collaboration. This partnership enabled better price realization for farmers and eliminated middlemen. In Maharashtra, FPOs like Devinanda FPC connected with local oil mills, facilitating the sale of soyabean and benefiting over 1,100 farmer members. It was observed that FPOs in states like Jharkhand, Bihar, Chhattisgarh, and Odisha required additional support to establish effective market linkages.

Several FPOs have reported significant growth in their output business, with Maharashtra and Karnataka leading in performance. Notably, Devinanda FPC in Osmanabad reached an annual turnover of INR 1.5 crore, and Raichur FPC surpassed INR 50 lakhs, while FPOs in Bihar, Chhattisgarh, and Jharkhand showed modest gains with turnovers ranging from INR 2 to 5 lakhs.

It has been observed that FPO member engagement has decreased following the completion of the project, with challenges arising in leadership and management in several FPOs. For instance, in Lingasugur FPC, the CEO's resignation has left the organization without leadership, as the new hire has yet to be onboarded, leading to farmers feeling disconnected from FPO activities. Additionally, some FPOs have struggled with maintaining records and managing finances, indicating a decline in organizational efficiency. FPOs from Karnataka, Maharashtra, and other states have expressed that an additional year of support would have further strengthened their operations and sustained their progress.

The lower farmer engagement and poor governance observed in FPOs in Jharkhand and Chhattisgarh indicate structural and operational challenges. These issues undermine the effectiveness of FPOs, limiting their ability to serve their members and achieve their objectives. The lack of active participation from farmers further weakens the collective strength of these organizations, making them less impactful in improving livelihoods.

To address the challenges of low farmer engagement and poor governance in FPOs in Jharkhand and Chhattisgarh, it is recommended to strengthen governance structures through targeted training and capacity-building programs, increase farmer awareness through participatory workshops. Additionally, community mobilization initiatives, regular monitoring and evaluation, and tailored interventions that address socio-economic and cultural barriers should be implemented to enhance participation and improve the overall effectiveness of these FPOs.

INTRODUCTION

Farmer Producer Organizations (FPOs) are essential for improving the socio-economic status of farmers and enhancing agricultural productivity by enabling better market access, reduced input costs, and stronger negotiation power. According to government data, there are over 10,000 registered FPOs in India, with a target set by the government to promote 10,000 new FPOs by 2027 under the Central Sector Scheme.

FPOs primarily serve smallholder farmers, who account for 86% of India's agricultural community. These farmers contribute significantly to the production of vegetables, fruits, and cereals, but they face persistent challenges like fragmented landholdings, lengthy supply chains, and inadequate market linkages, which limit their income potential.

Despite the progress made, FPOs face a range of challenges that hinder their sustainability and impact. One of the major challenges is financial constraints. Many FPOs struggle with inadequate working capital and limited access to credit, as banks are often reluctant to lend due to insufficient collateral. In addition, regulatory burdens like compliance create administrative complexities, and a lack of skilled human resources further exacerbates operational inefficiencies.

Infrastructural limitations, such as poor access to storage and transportation, also affect the ability of FPOs to market agricultural produce effectively. Moreover, climate variability and evolving market demands introduce additional risks for FPOs. Therefore, to ensure the success and sustainability of FPOs, targeted interventions, capacity-building programs, and stronger financial support are essential.

ABOUT THE INTERVENTION

In 2021, Bayer launched a strategic initiative aimed at strengthening the agricultural sector through its Rural Development-focused Corporate Social Responsibility (CSR) activities. This initiative is centered on a unique model of working with Farmer Producer Organizations (FPOs), with a specific focus on reviving defunct FPOs and enhancing their institutional capacities and governance structures. The program is designed to empower FPO members by improving their financial and digital literacy, facilitating stronger market linkages for better access to buyers, and increasing farm productivity through the provision of diverse agricultural inputs and specialized training. Additionally, a key component of the initiative involves educating farmers and FPOs about various government schemes related to agriculture, enabling them to effectively access and utilize available resources. By addressing the challenges faced by defunct FPOs and equipping them with the necessary tools and knowledge, Bayer's initiative contributes to the sustainable growth of the agricultural sector. This approach not only strengthens the operational efficiency of FPOs but also fosters a more resilient and self-sufficient farming community.

Objectives



Build Institutional Capacity and Strengthen Governance



Enable FPOs to create input and output market linkages



Promote awareness on financial and digital literacy



Create awareness and linkages of the available government schemes

One of the major challenges that FPOs face is a lack of direct market access. Lengthy and fragmented supply chains result in reduced profits, as intermediaries take a significant share of the margins. Many FPOs face difficulty in directly reaching larger markets, leading to lower income for their members. Small FPOs, especially those newly formed, often do not have the leverage to negotiate better prices for their produce, which exposes them to market fluctuations. This low bargaining power makes it challenging for FPOs to secure fair prices for their members.

Many FPOs are too small or undercapitalized to purchase inputs in bulk, which would enable cost savings. As a result, they often pay higher prices for agricultural inputs compared to larger buyers. In some cases, FPOs are dependent on local vendors who may not provide quality products or offer competitive prices. This limits the ability of FPOs to negotiate better deals for their members. Due to financial constraints and weak supply chain linkages, FPOs may struggle to ensure timely and consistent procurement of inputs, especially during peak agricultural seasons. This inconsistency affects farmers' productivity.



86% of India's farmers are small and marginal, holding less than 2 ha of land



59% of FPOs face challenges in accessing institutional credit due to poor collateral and lack of credit history



70% of small and marginal farmers in India are not integrated into formal market linkage system



FPOs often **buy inputs at 15-20% higher prices** than larger agribusinesses

Project Outreach

The project has been implemented in 7 states namely Bihar, Jharkhand, Chhatisgarh, Odisha, Maharashtra, Madhya Pradesh and Karnataka.

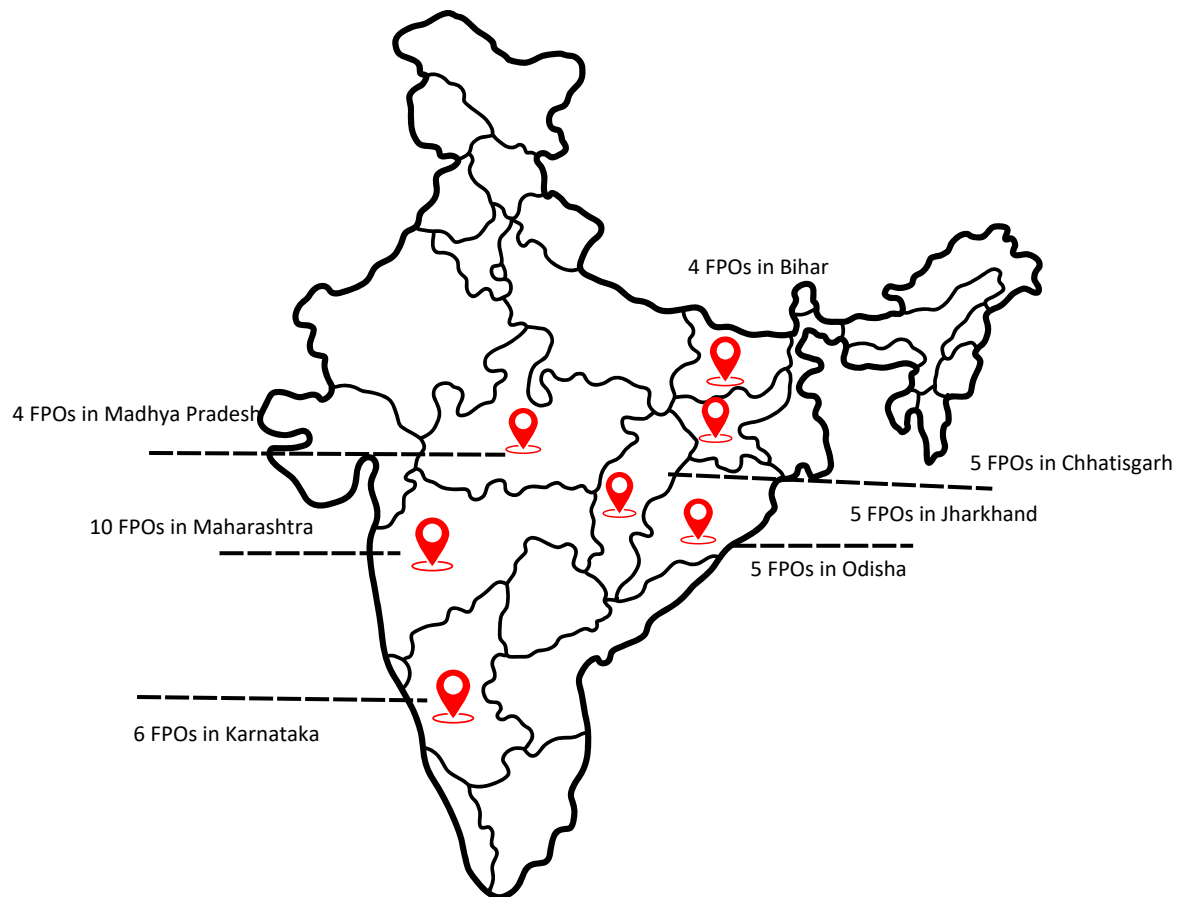


Fig 1: Area of Project Implementation

ENDLINE ASSESSMENT

The endline assessment report intends to outline the progress made by FPOs in various states and the impact it has created through series of intervention. The report details the methodologies, key findings, and major outcomes from the final round of data collection, offering significant insights into the project's progress and effects.

The assessment spans seven states in India—Bihar, Chhattisgarh, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, and Odisha. The main objectives include:

- **Evaluating FPO Progress:** Measuring the growth and operational performance of FPOs in the project areas, and determining how effectively they are serving their member farmers.
- **Support in Inputs, Produce, and Marketing:** Assessing the ability of FPOs to provide essential services to their members, particularly in securing inputs, managing produce, and facilitating market access, ensuring that farmers can effectively obtain and utilize these critical resources.
- **Farmers' Characteristics:** Documenting changes in farmers' characteristics over time, such as landholding size, farming practices, income from agriculture, participation in training programs, and their awareness and utilization of government schemes.

ENDLINE METHODOLOGY

This chapter outlines the key objectives of the impact assessment study, detailing the methodology, tools used, sampling strategy, and data analysis techniques. Bayer commissioned SGS to conduct for endline assessment to assess the impact of the project in 7 states of India. The study employed a mixed-method approach, integrating both qualitative and quantitative data collection techniques, including participatory assessment tools. SGS's approach aimed to provide insights that would help Bayer evaluate the program's overall effectiveness, understand stakeholder perspectives, and inform future strategies. The study concludes with a comprehensive analysis of the gathered data.

The endline assessment was conducted to assess the status of the management of FPOs along with its impact on the farmers. Various stakeholders were surveyed including FPO office bearers and farmers in the districts where these FPOs are functional. The survey methodology included the following steps highlighted in figure below.



Fig 2: Endline Assessment Approach



Phase I: Planning

- The SGS team engaged with the Bayer team to gain a thorough understanding of the project and its objectives. Following discussions, SGS developed qualitative and quantitative tools to be administered during data collection. The SGS team then provided training and orientation to field enumerators assigned to gather data, and a comprehensive field plan was crafted and finalized in collaboration with the Bayer and Implementation partner team.

Phase II: Implementation

- Both qualitative and quantitative tools were created for different stakeholders. Before starting the data collection process, a one-day pilot test was conducted. Following this, data collection commenced.

Phase III: Assessment and Dissemination

- Post-data collection, data was cleaned, coded and analyzed. A report was prepared after analyzing the data.

SAMPLE COVERAGE

Sample Selection:

A purposive sampling method has been employed to select the samples for the endline survey. This survey was conducted in the selected districts of the seven target states where the program is being implemented. These states are Bihar, Chhattisgarh, Karnataka, Madhya Pradesh, Maharashtra, Odisha and Jharkhand. A total of 2563 individuals and 173 FPO office bearers' survey responses were collected and analysed for the endline assessment.

State	Number of FPOs Covered	Number of Farmers Consulted	Number of FPO Office Bearers Consulted
Bihar	3	334	14
Chhattisgarh	3	323	18
Jharkhand	4	377	27
Madhya Pradesh	4	348	6
Odisha	4	240	7
Maharashtra	8	547	37
Karnataka	4	394	64



ANALYSIS AND FINDINGS - FPO BOARD MEMBERS AND CHIEF FUNCTIONARIES

FINDINGS

To ensure balanced representation from FPOs across all implementation states, consultations were held with key members such as Directors, CEOs, and other chief functionaries of the FPOs. The table below provides a summary of the FPOs that were engaged during this study.

State	FPOs Covered
Bihar	Dehayat FPC RDMO Maize FPC Samanway Agro FPC
Chhatisgarh	Veer Gunadhar FPC Mavali Mata FPC Chowrasi Parganiya FPC
Jharkhand	Johar Latehar FPC Manika Kisan Sansadhan FPC Basudha Beej Utpadak FPC Dumka Vegetable Producer FPC
Madhya Pradesh	Jai Shree Bhilatdev FPC Palasud FPC Bijasani FPC Korku Mahila FPC
Odisha	Dongar FPC Gunapur FPC Nagabali FPC Adibashi Kalyan Parishad FPC

State	FPOs Covered
Maharashtra	<p>Devinanda Agro FPC Peakland FPC Khamasbadi FPC Suryatej FPC Saivishwa FPC Megafarm FPC Varad Vinayak Agro FPC Janki Agro FPC</p>
Karnataka	<p>Raichur FPC Amareshwara FPC Swastya FPC Lingasugur FPC</p>

Institutional Strengthening of FPOs

One of the key aspect of the project was to ensure institutional strengthening by providing targeted training to board and management members. The intent was to focus on governance and leadership development to enhance their decision-making capabilities, improved transparency, and foster more effective organizational management, ultimately empowering the FPO to better serve its members and sustain its operations in the long run.

This section outlines the analysis in three parts i.e Governance, Membership Growth and Capacity Building.

Capacity Buidling

The majority of respondents (79%) found the training provided to the Board of Directors (BODs) to be highly effective and beneficial. Additionally, 85% of respondents acknowledged that the training offered valuable insights into better governance practices and the importance of establishing market linkages. This exposure has contributed to improving their business operations and management, indicating the positive impact of the capacity-building efforts on the overall functioning of the FPO.

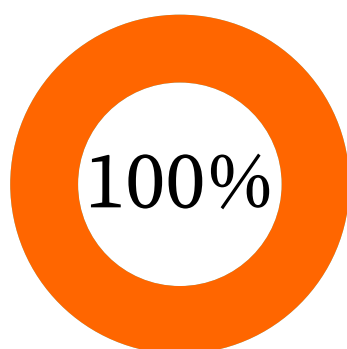


151/173 Respondents affirmed that training provided to them helped them in their role as Board of Directors/ Chief Functionary of the FPO

Half of the respondents (86 out of 173) indicated that the exposure visits were instrumental in helping them understand market linkages and improve their networking skills. These visits provided practical insights, enabling participants to strengthen connections with buyers and other stakeholders, which is crucial for expanding market access and enhancing the FPO's business operations.

Growth in Membership

TFPO members from all of the FPOs consulted under this study highlighted that majority of the FPO members were inactive before this intervention. 30/30 FPOs have observed growth in membership of the farmers with their respective FPO. A rise in membership exhibit a greater farmer engagement and participation in collective agricultural activities. It reflects farmers' recognition of the benefits of collaboration, such as improved access to resources, knowledge sharing, and enhanced bargaining power in the market.

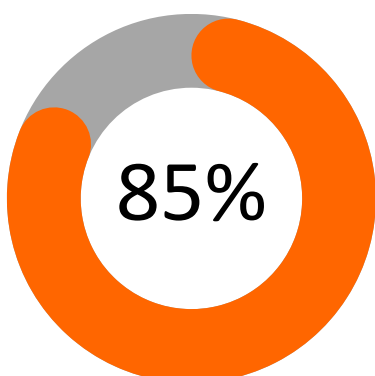


30/30 FPOs have observed growth in membership highlighting increased engagement of farmers

Fig 3: Membership Growth in FPOs

Governance

All of the FPOs reported having established internal Standard Operating Procedures (SOPs) and policies, and claimed to have prepared financial reports. However, the assessment team was unable to validate these claims due to the unavailability of the relevant documents at the time of the visit.



The majority of respondents (85%) indicated a clear understanding of their roles and responsibilities as board members of the FPO. This suggests that the training and capacity-building initiatives have been effective in creating awareness among board members.

Fig 4: Respondents feel clear understanding of roles and responsibility

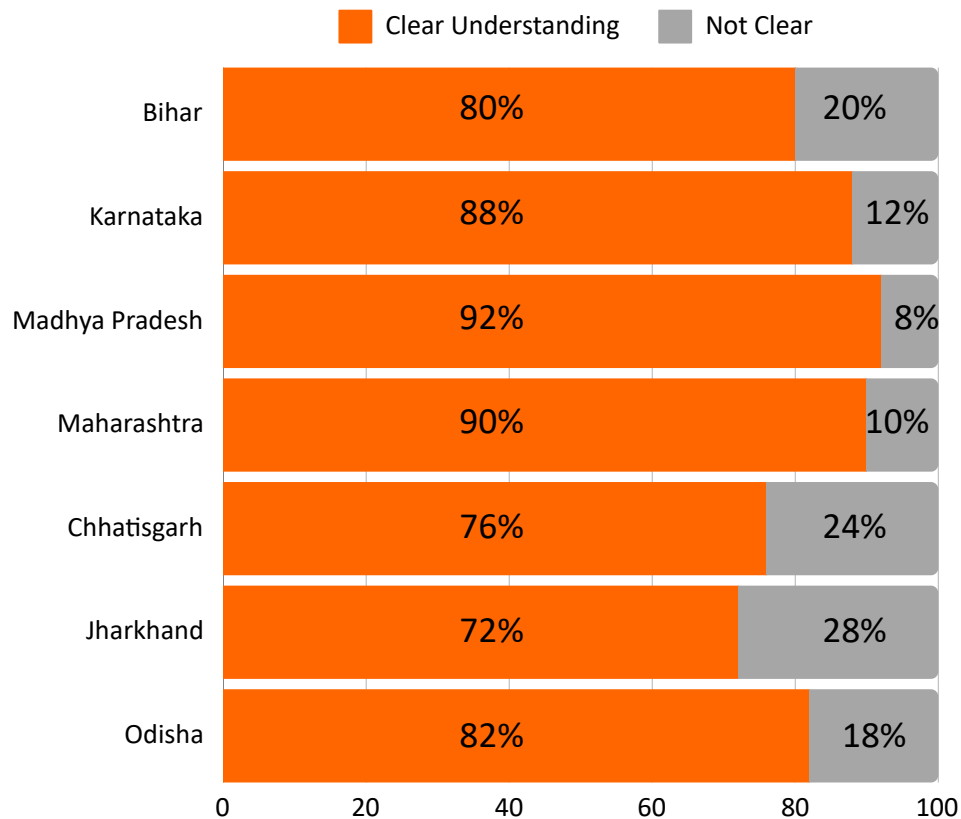


Fig 5: Respondents feel clear understanding of roles and responsibility - Statewise

The majority of respondents across all states demonstrate a clear understanding of their roles and responsibilities with respect to governance of FPO. States like Madhya Pradesh (92%), Karnataka (88%), and Maharashtra (90%) show particularly high percentages of clarity. In contrast, Jharkhand (72%) and Chhattisgarh (76%) show lower percentages of clear understanding, indicating that there may be gaps in communication or comprehension in these regions. This could point to a need for additional training, outreach, or tailored communication strategies to enhance clarity among respondents.

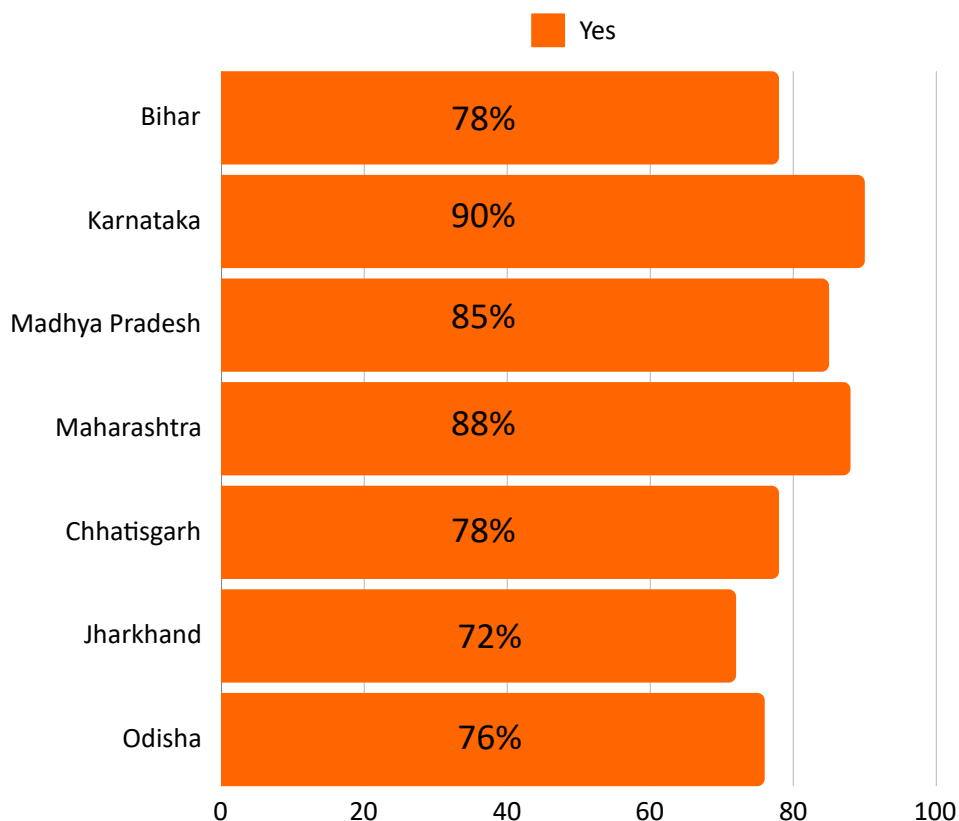


Fig 6: Training helped in Better Governance

The training provided to directors and CEOs of Farmer Producer Organizations (FPOs) has enhanced their governance capabilities. The figure above provided the overview of responses in that regard across states. This training has equipped them with the necessary skills and knowledge to implement effective organizational practices, manage resources efficiently, and promote transparency within their organizations. .

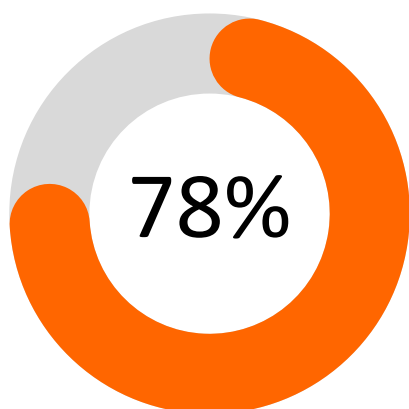


Fig 7: Involvement in AGM/ Board Meetings

Seventy-eight percent of respondents reported their involvement in annual general meetings and board meetings during the project's implementation. However, discussions with Board of Directors and CEOs revealed that these meetings are not being scheduled regularly following the withdrawal of project support. This trend is particularly noticeable in states such as Chhattisgarh, Bihar, Jharkhand, and Odisha.

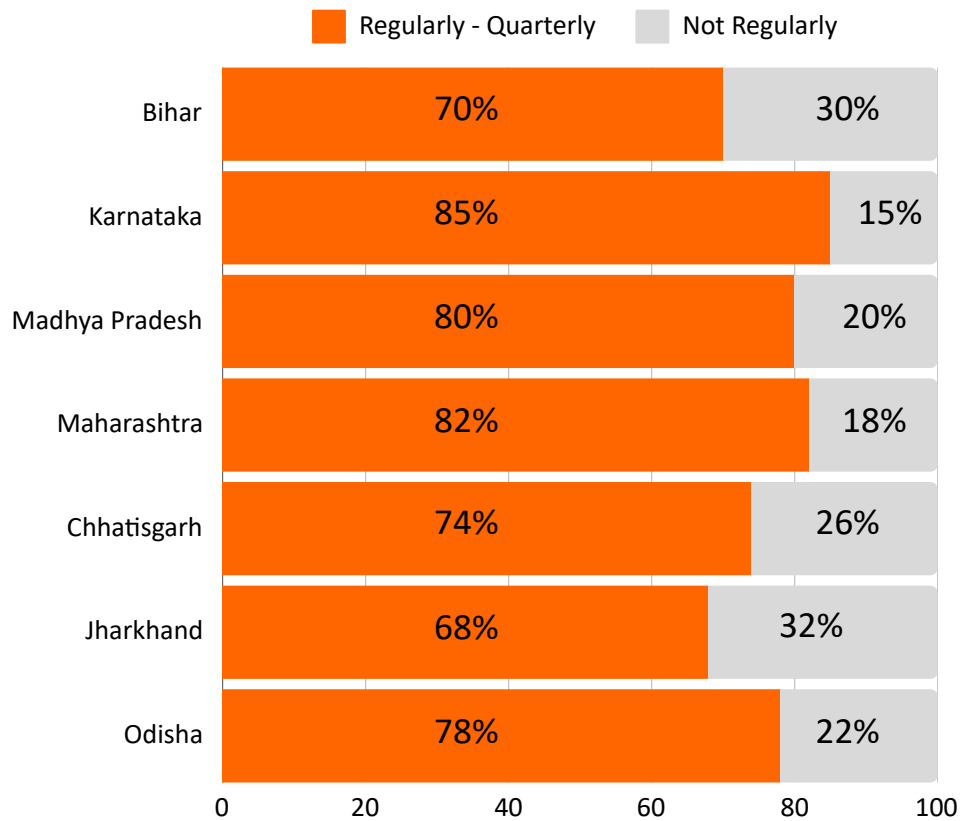


Fig 8: Scheduled Board Meetings and Members Meeting

The discussions with FPO directors and chief functionaries revealed that while farmers or shareholders do attend the meetings, overall, only 20% of total member farmers participate. This low attendance rate indicates a significant gap in engagement among members. Notably, farmers in Madhya Pradesh, Maharashtra, Karnataka, and Odisha tend to be more proactive in attending FPO meetings, reflecting a higher level of involvement and commitment to their organizations. In contrast, farmers in Bihar, Jharkhand, and Chhattisgarh are less active in this regard, suggesting potential barriers to participation or a lack of awareness about the importance of these meetings.

The difference in meeting attendance can significantly affect how well FPOs function and govern themselves. When more farmers participate, it helps create a sense of ownership, encourages openness, and ensures that their opinions are included in important decisions. On the other hand, low attendance in certain states can make it difficult for FPOs to run effectively and meet the needs of their members. This situation highlights the importance of encouraging greater involvement from all farmers to improve the overall performance of FPOs.

Improved Input Access

All FPO members affirmed that collective input procurement has significantly enhanced their ability to engage in collective bargaining, resulting in access to quality inputs at more favorable prices for member farmers. This indicates that the FPO's approach to collective purchasing not only improves cost-effectiveness but also empowers farmers by strengthening their negotiating power in the market, ultimately contributing to better agricultural productivity and profitability.

The graph below reveals a positive trend in respondents' perceptions of improved access to agricultural inputs under the FPO project across various states. In Bihar, 82% of respondents reported significant improvement, while Karnataka showed an even higher rate at 86%. Madhya Pradesh reported the highest percentage, with 92% noting significant improvement. Other states like Maharashtra, Chhattisgarh, Jharkhand, and Odisha also demonstrated strong positive responses, with 87%, 85%, 86%, and 90% respectively indicating improvements. Overall, the data suggests that the project has effectively enhanced access to agricultural inputs for farmers, contributing to better agricultural practices and outcomes across the surveyed regions.

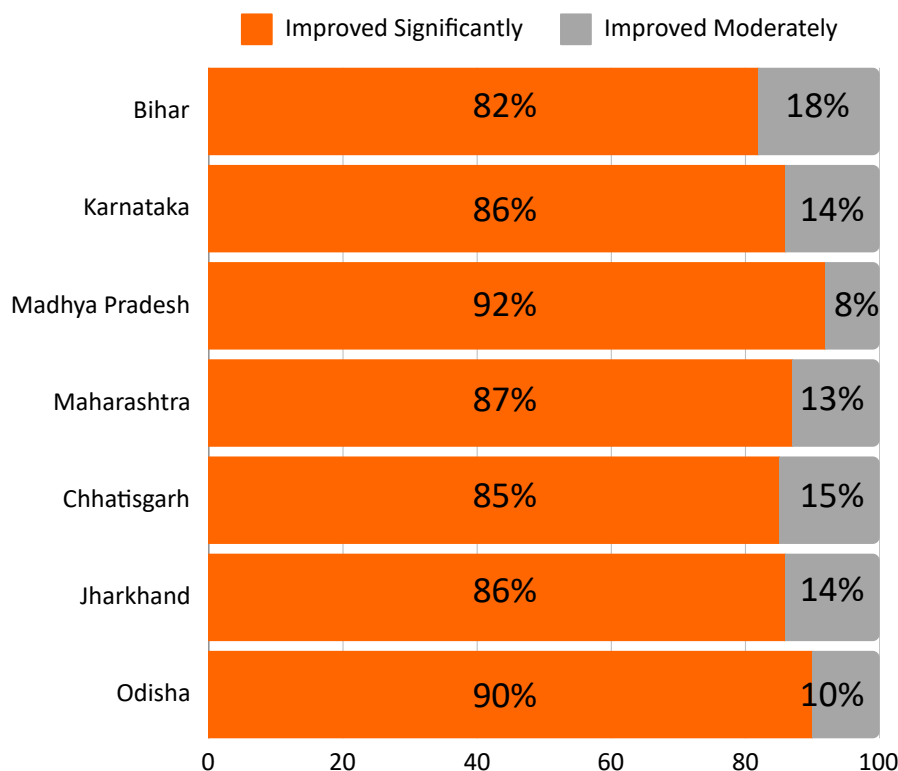


Fig 9: Access to Agriculture Inputs

According to the FPO board members interviewed, the input procurement of seeds, fertilizers, and other essential agricultural supplies under the FPO project had a significant impact on member farmers. By purchasing inputs collectively, FPOs could get better prices, ensuring that farmers receive quality inputs at more affordable rates. This has not only reduced their input-related expenditure but also improved productivity, as access to high-quality seeds and fertilizers led to better crop yields. Additionally, collective procurement helped streamline the supply chain, ensuring timely availability of inputs, which is crucial for optimal planting and cultivation cycles.

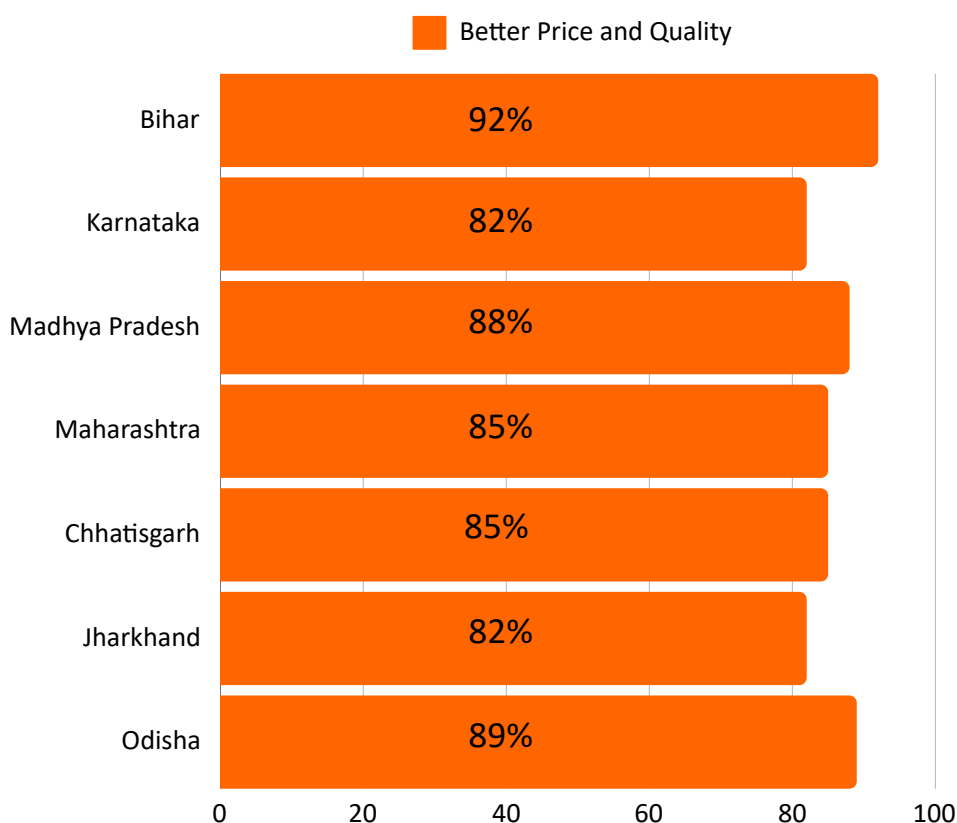


Fig 10: Respondents view on benefit of input procurement

Market Access and Linkages

Among the 30 FPOs scheduled for interviews, all were found to have developed output market linkages for the specific crops or products that are primarily cultivated in their regions. The majority of these FPOs have successfully connected member farmers with local mandis or wholesalers/traders to facilitate the sale of their produce.

In Karnataka, the Raichur FPC has established a market linkage with ITC for chili and turmeric, which is considered one of the most successful collaborations with an Indian conglomerate. Participants noted that ITC procures produce directly from the FPO, leading to better price realization and the complete elimination of middlemen.

In Maharashtra, output linkages have mainly been formed with local oil mills. Oil mills in nearby areas purchase soybean from the FPOs located in Osmanabad, Maharashtra. Devinanda FPC has linked more than 1100 farmer members under this linkage.

Minimum 2 market linkages formed across all FPOs



FPOs in Maharashtra and Karnataka have formed stronger market linkages as compared to FPOs in other states

- Raichur FPC has formed linkage with ITC
- FPOs in Maharashtra has well established linkages with oil mills

The FPOs in Chhattisgarh have successfully established connections between farmers and local mandis, facilitating the sale of their produce. These linkages have enhanced market access for farmers, allowing them to reach buyers directly and potentially secure better prices for their products.

FPOs in Odisha have established linkages with local trading companies for commodities like Tamarind, Cotton, and Vegetables. FPO representatives from Palsud Mahila FPC which is a women only organization mentioned that more than 1000 women farmers have been linked with market linkages.

Better Price Realization

Farmers have experienced improved price realization for their produce, attributed to the effective output market linkages established by FPOs in various regions. These initiatives not only equipped farmers to negotiate better prices but also contributed to their overall economic stability by enhancing market access and reducing reliance on middlemen.

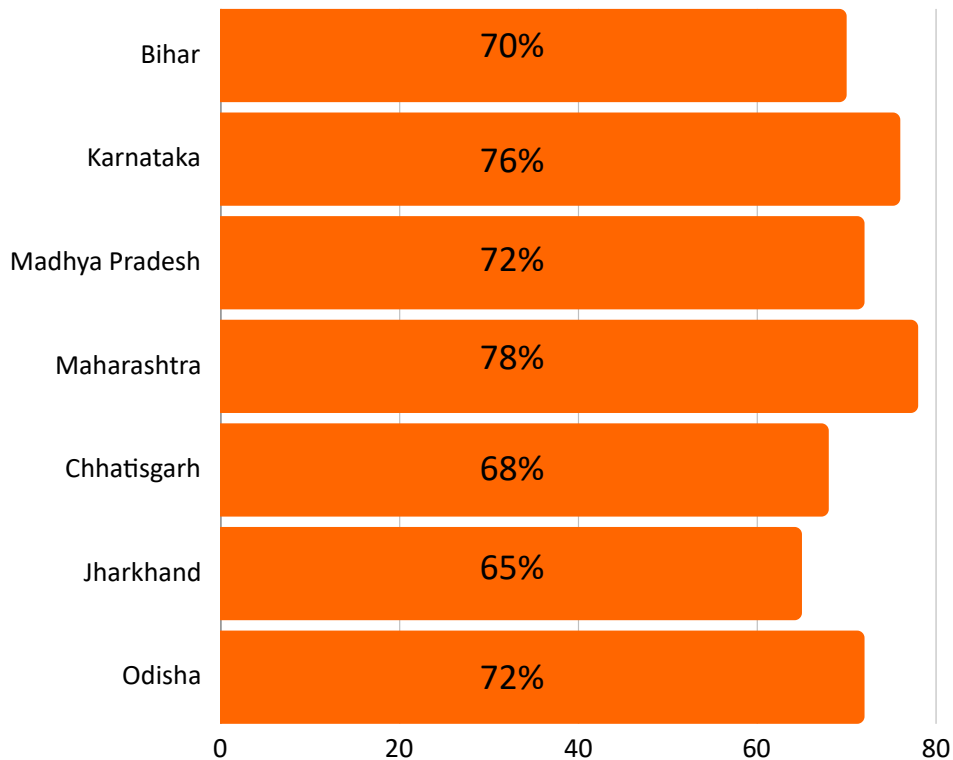


Fig 11: Respondents view on better pricing due to market linkages

Reduced Transaction Cost

FPO members especially in states like Maharashtra, Karnataka and Madhya Pradesh emphasised on reduced transaction cost due to market linkages. They highlighted that it has helped in eliminating middlemen which has reduced transaction costs, allowing farmers to retain a larger portion of the sales price.

Increased Turnover from Output Business

Several FPOs have reported growth in their output business, with those in Maharashtra and Karnataka performing better than their counterparts in other states. The Devinanda FPC in Osmanabad has reached an annual turnover of INR 1.5 crore from its output business, while Peakland FPC has exceeded an annual turnover of over INR 90 lakhs. Although FPOs in states such as Bihar, Chhattisgarh, and Jharkhand have also experienced increased turnover from their output business, the amounts are relatively modest, ranging from INR 2 to 5 lakhs. FPOs like Raichur FPC, Shree Kottureshwara have also achieved output business turnover more than INR 50 lakhs.

Increased Income to Shareholders - Members Farmers

Board members confirmed that collective procurement and market linkages have led to increased income through improved price realization. Additionally, this success can be linked to input linkages, which have enabled farmers to access quality agricultural inputs through collective purchasing, resulting in reduced expenses related to agricultural inputs.

Upto 5 Market Linkages	2 - 4 Market Linkages	Upto 2 Market Linkages
Maharashtra - Effective formal institutional linkages with Oil Mills in and around the are	Karnataka - Institutional Linkages with ITC for Raichur FPC	Odisha
		Madhya Pradesh
		Jharkhand
		Chhattisgarh

Analysis of Women only FPOs

As part of this evaluation, consultations were conducted with FPOs that are exclusively managed by women. These FPOs consist solely of women farmers as members. Total 5 FPOs across Bihar, Madhya Pradesh, Jharkhand and Karnataka were consulted. Table below illustrates the women only FPOs consulted across various states.

State	Names of FPOs
Bihar	RDMO Maize Products Private Limited
Madhya Pradesh	Korku Mahila FPC and Palsud Mahila FPC
Jharkhand	Dumka Vegetable FPC
Karnataka	Koteswar FPC

The project has significantly increased the active participation of women in both leadership roles and as female farmer members who are shareholders. With FPO leadership comprising women board members, the initiative has effectively promoted gender inclusivity. Noteworthy examples include Palsud FPC in Madhya Pradesh and RDMO Maize Products Private Limited in Bihar, which are women-only FPOs specifically designed to enhance women's participation. This emphasis on female leadership not only empowers women within the agricultural sector but also contributes to more diverse decision-making and a stronger community focus.

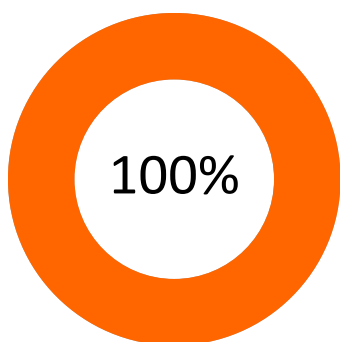
Growth in Membership: All 5 FPOs have observed growth in membership. The growth in membership within women-only FPOs indicates their increasing acceptance and success among women farmers. This trend suggests that such FPOs effectively address the unique needs and challenges faced by women in agriculture, empowering them to actively participate in collective farming and benefit from shared resources and opportunities. Additionally, it highlights the potential of women-led FPOs to contribute to gender equity and economic development in rural areas.

Analysis of Women only FPOs

Formation of Market Linkages: Kottureshwara FPC has formed 2-3 market linkages with retailers and wholesalers for commodities like Jowar and Cotton. FPOs in Bihar and Jharkhand too has formed minimum 2 market linkages.

Governance: FPOs in Karnataka and Bihar exhibit higher levels of activity and engagement compared to those in Jharkhand. This suggests that factors such as governance mechanisms, farmer participation, or external support may be more robust in Karnataka and Bihar. The relatively lower activity in Jharkhand's FPOs highlights the need for targeted interventions to enhance their functionality, such as improving governance structures, fostering member engagement, and providing capacity-building support.

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Over the years, FPOs have seen steady membership growth, with each FPC gaining an average of 100 members. Women FPO members demonstrate a strong understanding of their roles as board members and view governance and decision-making processes as transparent.

2300+

Number of farmers liked to
input shops

14

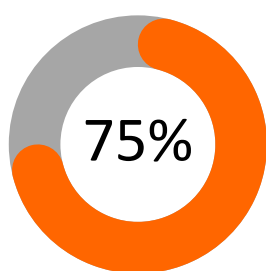
Input Shops established

Improved Access to Water

As part of the project, Bayer has supported water conservation and harvesting initiatives. Respondents from Maharashtra reported that these conservation efforts can improve access to water, particularly during the summer months. Similarly, respondents from Rayagada, Odisha noted that water conservation measures have been implemented and are proving effective. However, they indicated that a more comprehensive analysis of the impact will be possible after experiencing at least one full monsoon cycle.

Deployment of Technology Platform

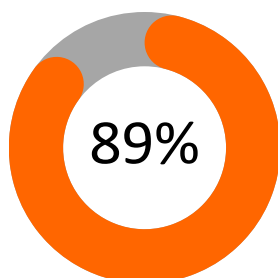
Some of the selected FPOs have received support in the form of a technology platform. The purpose of this platform is to enhance the adoption and seamless integration of processes related to governance, compliance, and stakeholder management within the FPOs.



The FPOs are aware of the FPO concept and actively use digital platforms (relevant for FPOs that have access to digital platforms).

Soil Testing Facility

Through the project, farmer members were provided access to a soil testing facility, enabling them to gain valuable insights into the health and nutrient composition of their soil. For the majority of these farmers, this marked their first experience with soil testing, opening opportunities to adopt scientific farming practices. This initiative not only helped them make informed decisions regarding fertilizer usage and crop selection but also laid the foundation for sustainable and efficient agricultural practices. The availability of this facility has empowered farmers to optimize productivity while reducing input costs, fostering both economic and environmental benefits.



of the beneficiaries reported that access to soil health testing services through the FPO has improved overall farm management practices

Awareness on various government schemes

Through this intervention, member farmers became more aware of various government schemes aimed at supporting agricultural development and farmer welfare. In most states, a significant number of farmers could recall receiving information about the Pradhan Mantri Fasal Bima Yojana (PMFBY), which provides crop insurance against natural calamities. Additionally, schemes like the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN), offering direct income support, and the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), promoting efficient irrigation practices, were also commonly recognized by farmers. This awareness equips farmers to access government benefits and improve their agricultural practices and livelihoods. Respondents also stated that the information about various state specific were disseminated like Biju Krushak Kalyan Yojana in Odisha.



FPO members reported having some level of knowledge about government schemes beyond just financial benefits.



Comparative Analysis of FPOs across states

The performance of Farmer Producer Organizations (FPOs) varies significantly across states, influenced by governance structures, farmer engagement, and operational efficiencies.

States like Maharashtra and Karnataka stand out for their institutionalized governance mechanisms, which contribute to the seamless functioning of FPOs. Farmers in these states demonstrate proactive engagement, actively participating in FPO initiatives. This active participation is likely a key driver behind their success in input procurement and affiliated services. Similarly, Madhya Pradesh showcases fairly established governance mechanisms that support the smooth operation of FPOs, albeit with slightly less farmer engagement compared to Maharashtra and Karnataka.

In contrast, FPOs in states like Jharkhand, Chhattisgarh, Bihar, and Odisha struggle with weaker governance structures and less active farmer participation. Data highlights that these limitations hinder their performance, particularly in fostering effective farmer engagement and operational efficiency.

The analysis reveals significant differences in the establishment of market linkages by Farmer Producer Organizations (FPOs) across states. FPOs in Maharashtra and Karnataka have better formal market linkages, outperforming FPOs in other states within the scope of this study. These linkages provide them with direct access to larger markets, ensuring better pricing and higher returns for their members.

Conversely, FPOs in Jharkhand, Chhattisgarh, and Bihar have not achieved comparable success in building effective market connections. The lack of formal linkages in these states limits their access to competitive markets, thereby constraining the benefits that can be delivered to their member farmers.

The disparity underscores the critical role of governance and farmer involvement in determining the success of FPOs. Institutional support, farmer awareness, and capacity-building efforts are essential to bridging the performance gap and enabling underperforming states to leverage the potential of FPOs effectively.

The table below illustrates the state-wise performance of FPOs based on three key parameters: input linkages, governance, and market linkages.

	Input Linkages	Governance	Market Linkages
Good	FPOs in all states have done fairly well with respect to input procurement	Maharashtra, Karnataka	Maharashtra, Karnataka
Average		Madhya Pradesh, Odisha, Bihar	Madhya Pradesh, Odisha, Bihar
Needs Improvement		Jharkhand, Chhattisgarh	Jharkhand, Chhattisgarh

It was noted that the Boards of Directors in FPOs located in Jharkhand and Chhattisgarh are largely inactive. Additionally, the office operations are nearly non-functional, and there is a lack of active participation from member farmers.

The Boards of Directors in the FPOs surveyed in Maharashtra are the most effective among all the states. Furthermore, farmers in Maharashtra exhibit the highest level of active participation compared to their counterparts in other regions. The implementation partner has also performed well in supporting the FPOs.

Strong Leadership and Governance: The effectiveness of the Boards of Directors in Maharashtra highlights the presence of strong leadership and well-structured governance mechanisms, which contribute significantly to the success of FPOs.

High Farmer Engagement: The active participation of member farmers suggests a strong connection between the FPOs and their members, indicating that farmers in Maharashtra recognize and trust the value of these organizations.

Role of Implementation Partner: The commendable performance of the implementation partner underscores the importance of external support in strengthening FPO operations, building governance capacity, and fostering farmer engagement.

Model for Other States: Maharashtra's success can serve as a model for other states. Replicating the governance structures and farmer engagement strategies, along with ensuring effective implementation partnerships, could improve the performance of FPOs in underperforming regions.



ANALYSIS AND FINDINGS - MEMBER FARMERS

BIHAR

In the state of Bihar, a total of 334 farmers who are the beneficiary of the project were interviewed across 4 FPOs namely Dehayat FPC, Mahananda Agro FPC, Samanway Agro FPC and RDMO Maize FPC.

Name of FPO	Representation (%)
Dehayat FPC	55%
Mahananda Agro FPC	16%
Samanway Agro FPC	15%
RDMO Maize FPC.	15%

The data shows that in Bihar, 59% of FPO farmer members have landholdings of less than 2 hectares, while 41% own land between 2 and 5 hectares. This indicates that a majority of farmers associated with FPOs in Bihar are smallholders, cultivating less than 2 hectares of land. Figure below shows the gender wise representation of respondents in the survey.

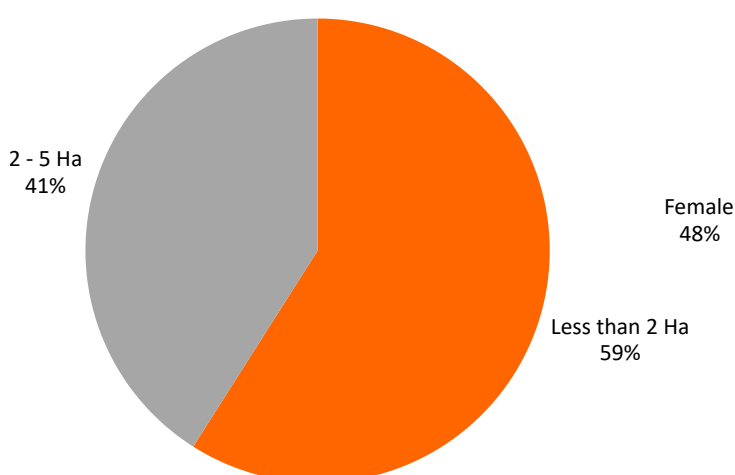


Fig 12: Landholding Size - Bihar

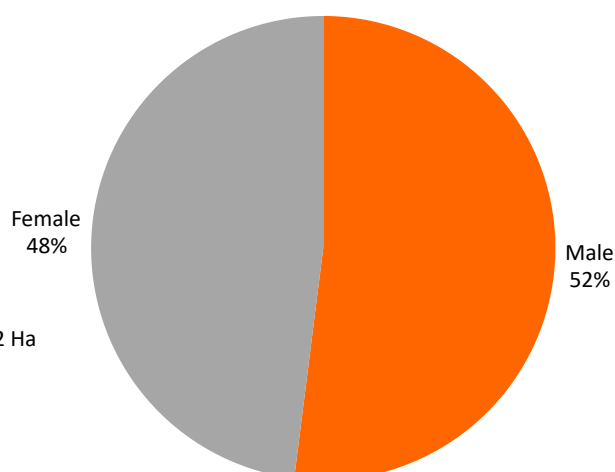


Fig 13: Gender Representation - Bihar

The figure below reflects the respondents' motivations for joining FPOs, with 78% citing access to agricultural inputs as their primary reason. This highlights that the availability of quality inputs, such as seeds, fertilizers, and equipment, is a major driving factor for farmers. Following this, 62% of respondents joined to gain better access to markets, highlighting the importance of securing reliable and profitable market channels for selling their produce. Finally, 56% were motivated by the training opportunities aimed at improving agricultural yields, indicating that while training is valued, it is slightly less of a priority compared to inputs and market access.

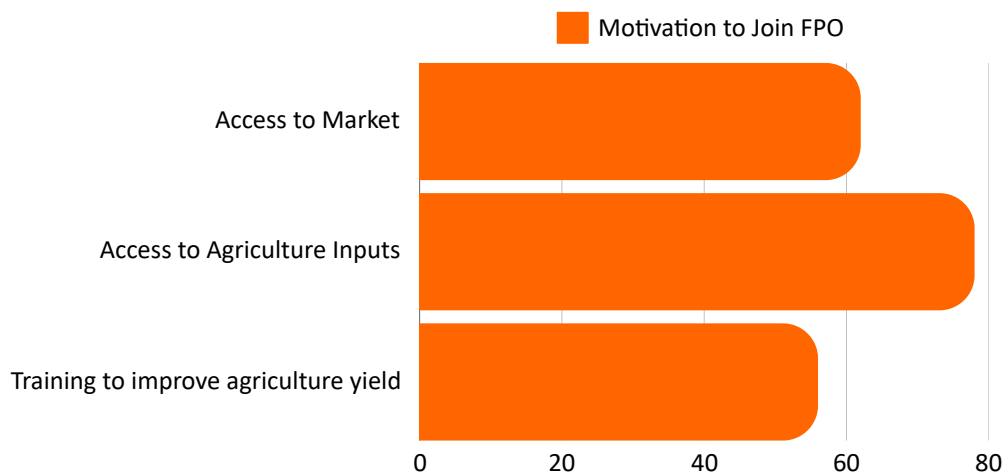


Fig 14: Motivation to join FPO - Bihar (in %)

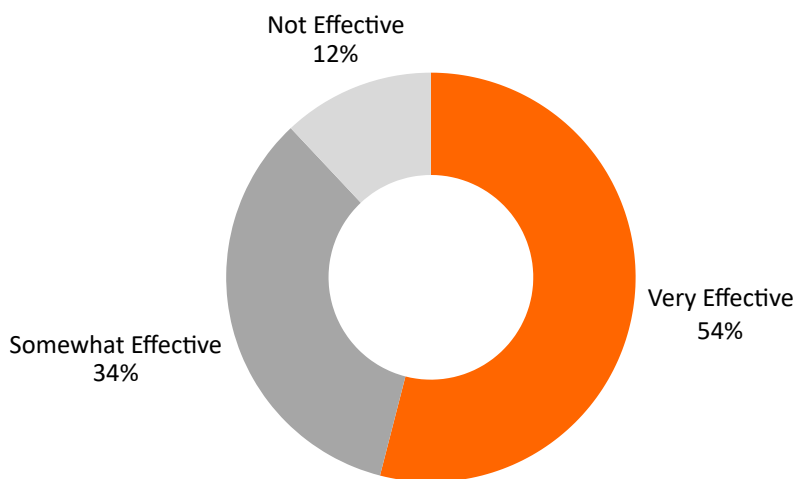


Fig 15: Effectiveness of Training - Bihar

The figure reveals respondents' perspectives on the effectiveness of the training provided by FPOs. 54% of respondents found the training to be very effective, suggesting that over half of the participants felt the training significantly enhanced their agricultural practices or knowledge. 34% rated the training as somewhat effective, indicating that while they gained some benefits, there might still be room for improvement in content or delivery. Lastly, 12% considered the training not effective, pointing to potential gaps in relevance, quality, or accessibility of the training for certain participants.

INPUT PROCUREMENT

The data shows that all respondents acknowledged that their FPOs played a crucial role in helping them procure high-quality agricultural inputs such as seeds and fertilizers, highlighting the value FPOs provide in accessing essential resources. 58% reported that the inputs were procured in a timely manner, 32% of respondents stated that their FPO ensured proper distribution of these inputs to farmer members.

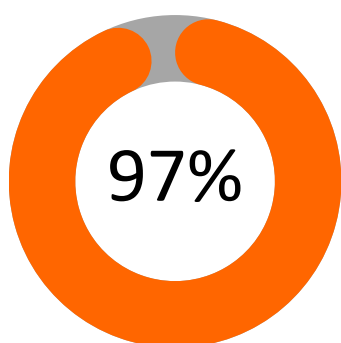


Fig 16: Respondents feel inputs are affordable - Bihar

The data shows that 97% of respondents found the agricultural inputs provided by their FPO to be affordable. This high level of satisfaction highlights the effectiveness of FPOs in reducing input costs for farmers through collective purchasing. By pooling their demand and buying in bulk, FPO members benefit from lower prices on seeds, fertilizers, and other essential inputs. This reduction in input costs has directly contributed to savings for farmers, enhancing their financial stability and increasing their profit margins.

79% of the respondents reported savings worth INR 10 - 20K due to FPO input procurement

96% of the respondents are satisfied with agriculture inputs

ACCESS TO MARKET

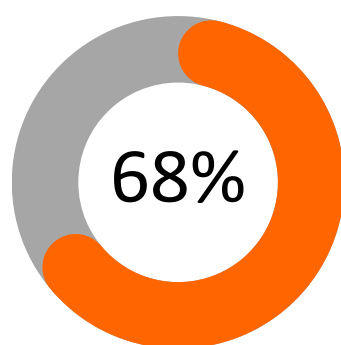


Fig 17: Respondents feel market linkages are effective - Bihar

68% of farmers feel that their FPOs have established effective market linkages. While a majority of farmers recognize the role their FPOs play in connecting them to markets, this figure suggests that a significant 32% of farmers may still face challenges in accessing profitable or reliable market channels. This gap highlights the need for further strengthening of market linkages to ensure that all members benefit from collective selling opportunities. Respondents stated that market linkages have been established with local merchants, sabji mandis, but no effective institutional linkages have been formed.

Respondents reported that collective selling of their produce has helped them in earning more money than before. 58% of the respondents mentioned that their annual agriculture income has increased up to 20K due to the intervention.

GOVERNANCE

The responses on satisfaction with FPO governance show that 56% of farmers are moderately satisfied, indicating that while they see value in the governance of their FPO, there is room for improvement. 34% of farmers are very satisfied, reflecting a positive experience with FPO leadership and decision-making processes among a smaller group. However, 10% of respondents are not satisfied, signaling dissatisfaction that may stem from governance challenges such as lack of transparency, limited farmer participation, or inefficiencies in decision-making.

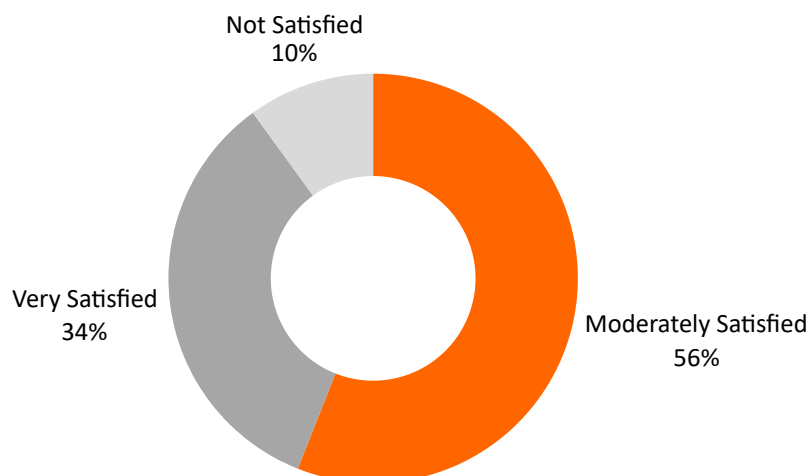


Fig 18: Satisfaction with governance - Bihar

78% of the respondents were aware about the financial management including financial records and activity of the FPOs. Respondents also mentioned that their FPO encourage them to participate in the FPO linked activities. 67% of the respondents rated the leadership quality of their FPOs as Good, 21% of the respondents were not satisfied with the leadership of FPOs. As far as financial health of the FPOs are concerned, 52% of the respondents are satisfied with the financial health of the FPOs. 52% of the respondents were not aware about the digital platform that their FPO has deployed.

When asked about how the FPO has been most beneficial, 53% of respondents highlighted input procurement as the greatest advantage, while 47% pointed to market linkages as the key benefit. This indicates that nearly half of the farmers value the FPOs for their role in securing quality inputs such as seeds and fertilizers at reduced costs, which is critical for improving productivity. Meanwhile, the other half emphasizes the importance of market linkages, which help them access better sales channels and prices for their produce. This split reflects the dual value that FPOs provide, addressing both input access and market challenges, with farmers benefiting from both aspects depending on their immediate needs and priorities.

CHHATISGARH

In Chhattisgarh, a total of 323 farmers who are beneficiaries of the project were interviewed from across five FPOs, as detailed below:

Name of FPO	Representation (%)
Veer Gundhar FPC	8%
Dharohar Unnat FPC	7%
Dandakaranaya FPC	12%
Mavali Mata FPC.	36%
Chaurasi Paraganiya FPC	37%

The data indicates that in Chhattisgarh, 88% of FPO farmer members have landholdings of less than 2 hectares, while 12% own land ranging from 2 to 5 hectares. This suggests that the majority of farmers affiliated with FPOs are smallholders, managing less than 2 hectares of land. The figure below illustrates the gender representation of respondents in the survey.

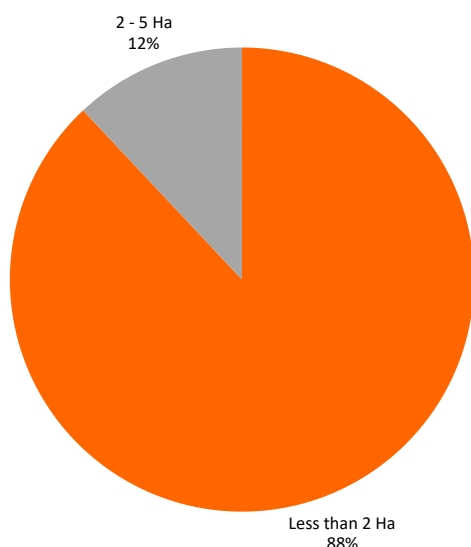


Fig 19: Landholding Size - Chhattisgarh

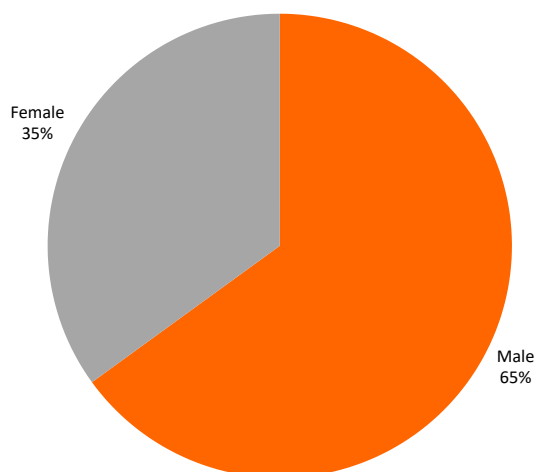


Fig 20: Gender Representation - Chhattisgarh

The figure below illustrates the reasons respondents joined FPOs, with 82% citing access to agricultural inputs as their main motivation. That shows values these farmers see in having quality inputs like seeds, fertilizers, and equipment available to them. Additionally, 65% of respondents indicated that they joined to improve their access to markets, emphasizing the need for reliable and profitable channels for selling their produce. Meanwhile, 32% were motivated by the training opportunities designed to enhance agricultural yields, suggesting that although training is appreciated, it ranks slightly lower in priority compared to access to inputs and market opportunities.

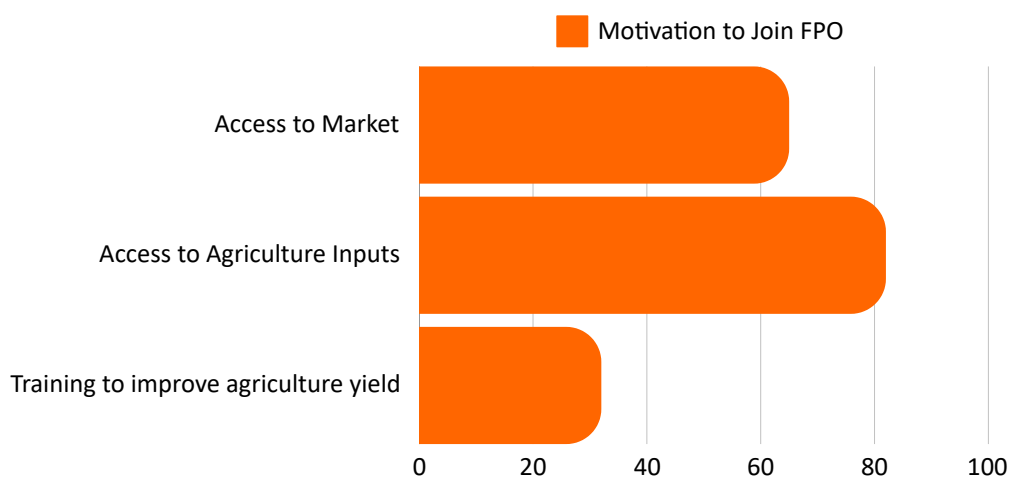


Fig 21: Motivation to join FPO - Chhatisgarh (in %)

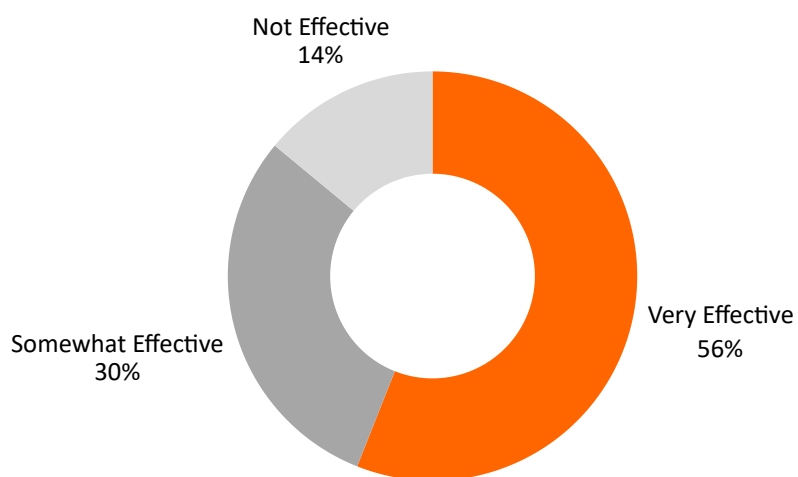


Fig 22: Effectiveness of Training - Chhatisgarh

The figure illustrates respondents' views on the effectiveness of the training offered by FPOs. 56% of respondents rated the training as very effective, indicating that more than half felt it significantly improved their agricultural practices or knowledge. Meanwhile, 30% classified the training as somewhat effective, suggesting they experienced some benefits but also believe there is room for improvement in either content or delivery. Lastly, 14% regarded the training as not effective, highlighting potential issues with the training's relevance, quality, or accessibility for some participants. 88% of the respondents mentioned that they have undergone soil testing post intervention.

INPUT PROCUREMENT

The data indicates that majority of the respondents recognized the significant role their FPOs played in assisting them in acquiring high-quality agricultural inputs like seeds and fertilizers, emphasizing the essential support FPOs offer in accessing vital resources. 52% of respondents noted that the inputs were obtained in a timely fashion, while 46% stated that their FPO effectively ensured the proper distribution of these inputs to farmer members.

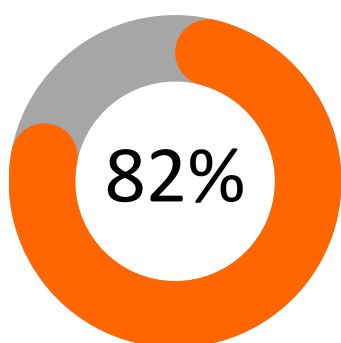


Fig 23: Respondents feel inputs are affordable - Chhatisgarh

The data indicates that 82% of respondents consider the agricultural inputs provided by their FPO to be affordable. This underscores the effectiveness of FPOs in lowering input costs for farmers through collective purchasing strategies. By aggregating demand and buying in bulk, FPO members can secure lower prices on essential items such as seeds, fertilizers, and other agricultural inputs. This reduction in costs directly translates into savings for farmers, thereby improving their financial stability and enhancing their profit margins.

68% of the respondents reported savings upto INR 10K due to FPO input procurement

66% of the respondents are satisfied with agriculture inputs

ACCESS TO MARKET

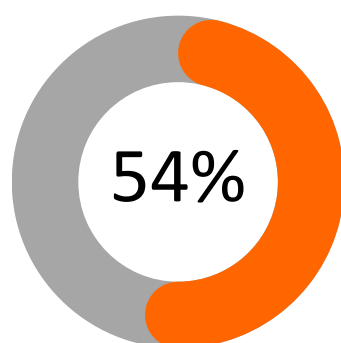


Fig 24: Respondents feel market linkages are effective - Chhatisgarh

With only 54% of respondents believing that these linkages are effective, it suggests a significant gap in the expected benefits of market access. This dissatisfaction may stem from limited connections with local markets or ineffective negotiation strategies that fail to secure better prices for their produce. The findings highlight the need for FPOs to enhance their market strategies, potentially by diversifying their linkages to include more reliable and profitable market channels.

GOVERNANCE

The survey results regarding satisfaction with FPO governance indicate that 48% of farmers are moderately satisfied, suggesting that they recognize some value in their FPO's governance, yet see potential for improvement. 30% of farmers reported being very satisfied, indicating a positive experience with the leadership and decision-making within their FPO. However, a notable 22% of respondents expressed dissatisfaction, which may be attributed to governance issues such as a lack of transparency, insufficient farmer participation, or inefficiencies in decision-making processes.

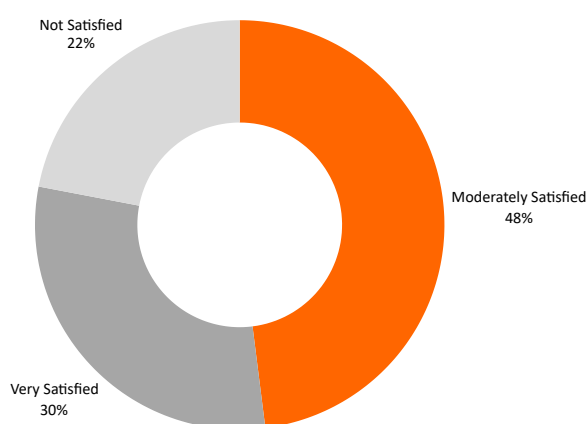


Fig 25: Satisfaction with governance - Chhatisgarh (in %)

54% of respondents reported being familiar with financial management practices, including the financial records and activities of their FPOs. Participants noted that their FPO encourages them to take part in activities associated with it. 52% rated the leadership quality of their FPOs as good, while 25% expressed dissatisfaction with the leadership. Regarding the financial health of the FPOs, 48% of respondents felt satisfied. However, 58% were unaware of the digital platform that their FPO had implemented.

When inquired about the most significant benefits of their FPO, 56% of respondents identified input procurement as the greatest advantage, whereas 44% pointed to market linkages as the primary benefit. This suggests that nearly half of the farmers appreciate FPOs for facilitating access to quality inputs, such as seeds and fertilizers, at lower costs, which is essential for enhancing productivity. Conversely, the other half underscores the importance of market linkages, which enable them to access better sales channels and prices for their produce. This division highlights the dual benefits provided by FPOs, addressing both input accessibility and market challenges, allowing farmers to benefit based on their immediate needs and priorities.

JHARKHAND

A total of 377 farmers benefiting from the project were interviewed across five FPOs in Jharkhand, as outlined below.

Name of FPO	Representation (%)
Chalaayo FPC	22%
Dumka Vegetable FPC	18%
Johar Latehar FPC	20%
Manika FPC	17%
Vasudha Beej Utpadak FPC	23%

The data reveals that in Jharkhand, 53% of FPO farmer members possess landholdings of less than 2 hectares, while 47% own land between 2 and 5 hectares. This indicates that most farmers associated with FPOs are smallholders, managing less than 5 hectares of land. The figure below shows the gender representation of the survey respondents.

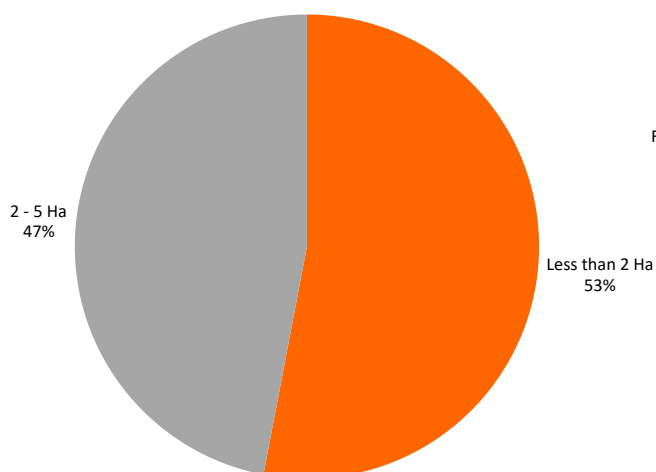


Fig 26: Landholding Size - Jharkhand

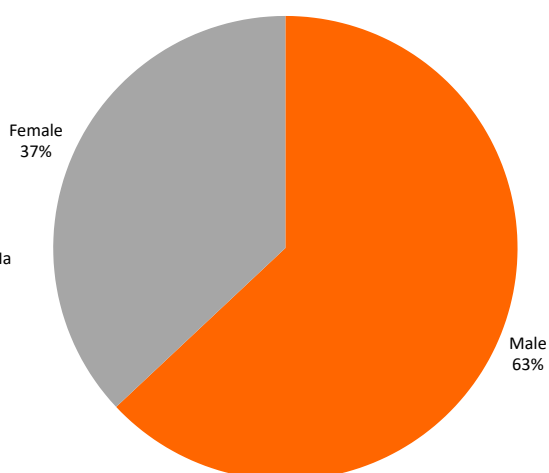


Fig 27: Gender Representation - Jharkhand

The figure below shows the motivations behind respondents' decisions to join FPOs, with 62% citing access to agricultural inputs as their primary reason. This highlights the importance these farmers place on having quality resources, such as seeds, fertilizers, and equipment, readily available. Additionally, 34% of respondents indicated that they joined to enhance their access to markets, underscoring the need for reliable and profitable channels to sell their produce.

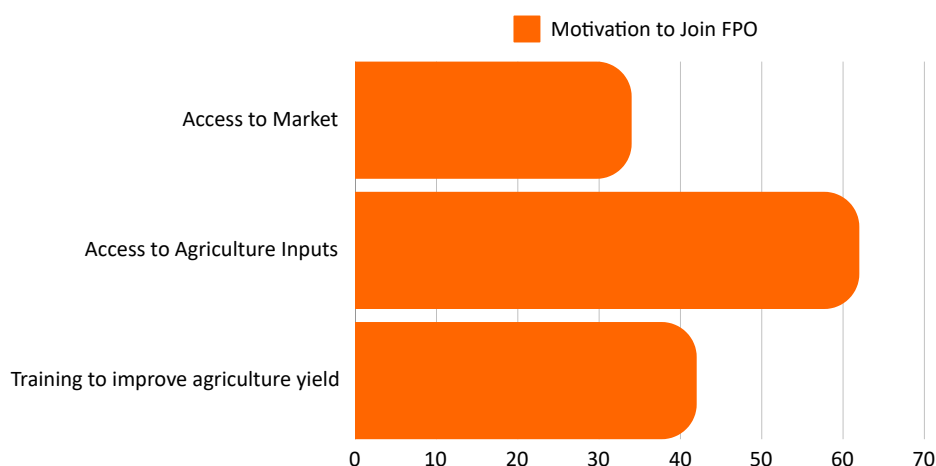


Fig 28: Motivation to join FPO - Jharkhand (in %)

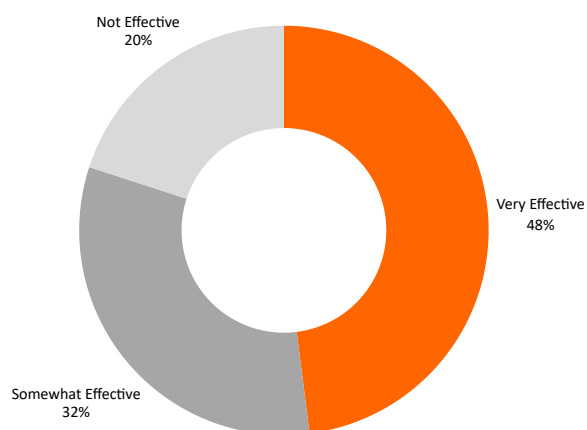


Fig 29: Effectiveness of Training - Jharkhand

The respondents' ratings of the training's effectiveness reveal mixed opinions. 48% of participants found the training to be effective, indicating that nearly half felt it improved their skills and knowledge. Meanwhile, 32% rated the training as somewhat effective, suggesting they experienced some benefits but also saw room for improvement. However, 20% considered the training not effective, pointing to potential shortcomings in content, delivery, or relevance.

INPUT PROCUREMENT

The data shows that most respondents acknowledged the crucial role their FPOs play in helping them secure high-quality agricultural inputs such as seeds and fertilizers, highlighting the vital support FPOs provide in accessing essential resources. 56% of respondents reported that these inputs were procured in a timely manner, while 32% indicated that their FPO ensured proper distribution of these inputs to farmer members.

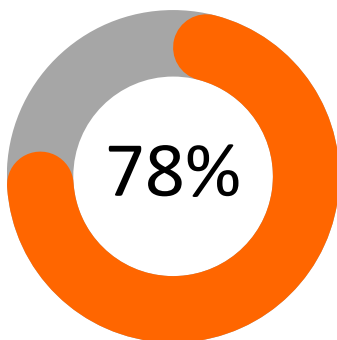


Fig 30: Respondents feel inputs are affordable - Jharkhand

The data reveals that 78% of respondents view the agricultural inputs supplied by their FPO as affordable. This highlights the effectiveness of FPOs in reducing input costs for farmers through collective purchasing strategies. This decrease in costs leads to direct savings for farmers, enhancing their financial stability and increasing their profit margins.

52% of the respondents reported savings upto INR 10K due to FPO input procurement

62% of the respondents are satisfied with agriculture inputs

ACCESS TO MARKET

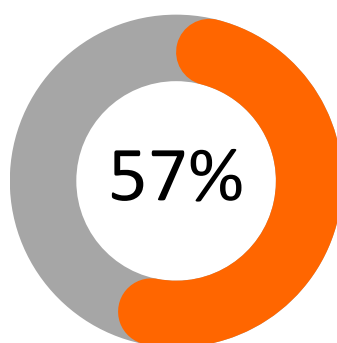


Fig 31: Respondents feel market linkages are effective - Jharkhand

With only 57% of respondents believing that these market linkages are effective, there appears to be a significant gap between expectations and actual benefits regarding market access. The findings indicate a need for FPOs to improve their market strategies, possibly by diversifying their linkages to include more reliable and profitable market channels. It is also imperative that majority of the farmers are incorporated in this aspect.

GOVERNANCE

The survey results concerning satisfaction with FPO governance reveal that 52% of farmers are moderately satisfied, indicating they recognize some value in their FPO's governance but also see room for improvement. Only 12% of farmers reported being very satisfied, suggesting a generally positive experience with the leadership and decision-making within their FPO. However, a significant 36% of respondents expressed dissatisfaction, likely due to governance challenges such as a lack of transparency, inadequate farmer participation, or inefficiencies in decision-making processes.

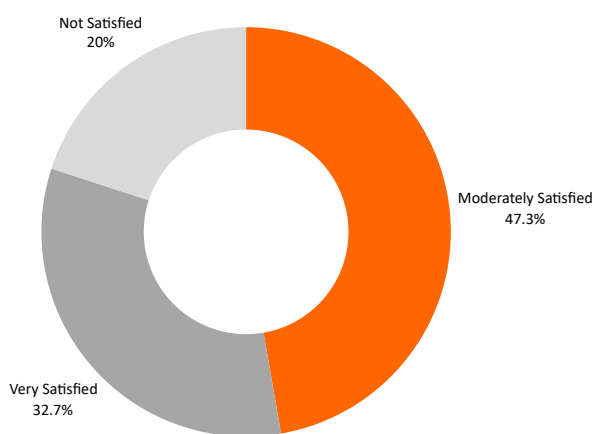


Fig 33: Satisfaction with governance - Jharkhand

Only 42% of respondents indicated they are familiar with financial management practices, including the financial records and activities of their FPOs. Participants mentioned that their FPO encourages them to engage in related activities. Additionally, 42% rated their FPO leadership quality as good, while 38% expressed dissatisfaction with it. In terms of the financial health of the FPOs, 42% of respondents felt satisfied; however, 46% were unaware of the digital platform implemented by their FPO.

When asked about the most significant advantages of their FPO, 52% of respondents identified input procurement as the top benefit, while 48% pointed to market linkages. This indicates that nearly half of the farmers value FPOs for providing access to quality inputs, such as seeds and fertilizers, at lower costs, which is crucial for improving productivity. Conversely, the other half highlights the importance of market linkages, which facilitate access to better sales channels and pricing for their produce. This division illustrates the dual benefits offered by FPOs, addressing both input accessibility and market challenges, allowing farmers to benefit according to their immediate needs and priorities.

MAHARASHTRA

A total of 547 farmers participating in the project were interviewed across seven FPOs in Maharashtra, as detailed below.

Name of FPO	Representation (%)
Devinanda FPC	13%
Khamasbadi FPC	15%
Megafarm FPC	9%
Peakland FPC	18%
Sai Vishwa FPC	16%
Surva Tej FPC	14%
Munedi FPC	15%

The data indicates that in Maharashtra, 68% of FPO farmer members have landholdings of less than 2 hectares, while 32% possess land ranging from 2 to 5 hectares. This suggests that the majority of farmers affiliated with FPOs are smallholders, managing less than 5 hectares of land. The figure below illustrates the gender representation of the survey respondents.

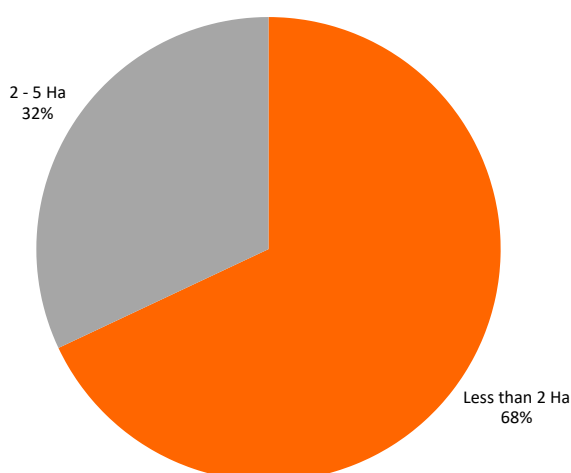


Fig 34: Landholding Size - Maharashtra

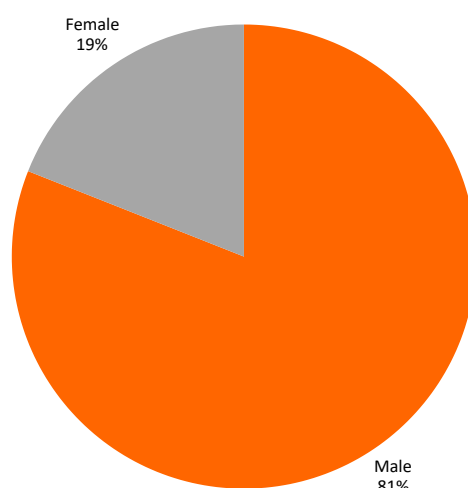


Fig 35: Gender Representation - Maharashtra

The data indicates that 46% of farmers joined FPOs mainly for access to markets, underscoring the need for dependable and profitable avenues to sell their products. Furthermore, 44% of respondents expressed that their motivation was driven by the necessity for agricultural inputs, highlighting the importance of obtaining quality seeds, fertilizers, and tools. Conversely, only 10% of farmers identified training to enhance agricultural yields as their primary motivation, indicating that, although training is valuable, it is less prioritized compared to the immediate needs for market access and input resources.

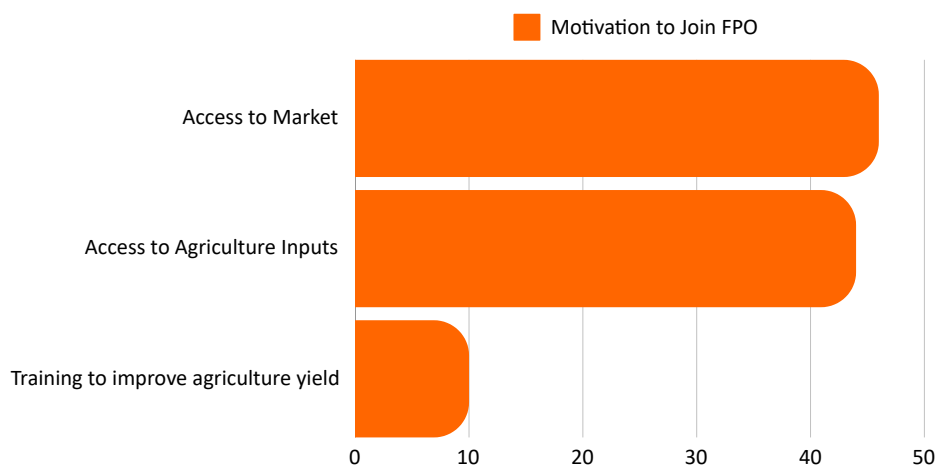


Fig 36: Motivation to join FPO - Maharashtra (in %)

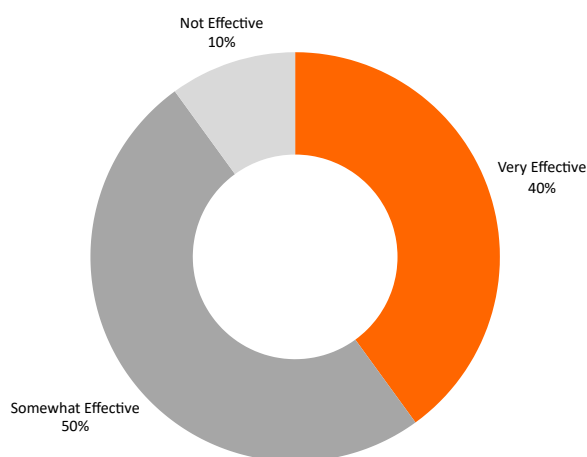
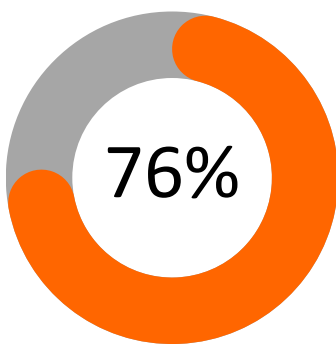


Fig 37: Effectiveness of Training - Maharashtra

94% of the respondents reported that they engaged in soil testing as part of adopting new technologies. The data indicates that the majority of beneficiaries perceive the training provided to be effective, with 40% rating it as very effective and 50% as somewhat effective. This suggests that a significant portion of participants find value in the training programs, likely attributing improvements in their agricultural practices to the knowledge gained. However, 10% of respondents viewed the training as not effective, indicating that there are areas for improvement.

INPUT PROCUREMENT

The data indicates that 88% of beneficiaries found purchasing inputs from their FPO to be advantageous. This perception is largely due to the timely procurement of inputs, which ensures farmers have the necessary resources when they need them. Additionally, the collective purchasing approach leads to reduced costs, benefiting members financially. The decentralized distribution system further enhances accessibility, allowing farmers to receive inputs closer to their locations. This highlights the significant impact of FPOs in streamlining the supply chain and improving farmers' access to essential agricultural resources.



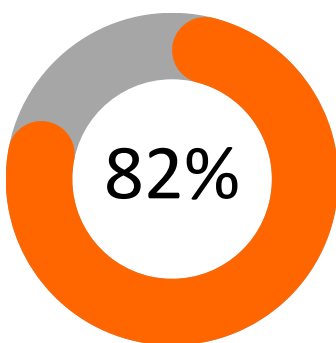
The data shows that 76% of respondents consider the agricultural inputs provided by their FPO to be affordable. This underscores the effectiveness of FPOs in lowering input costs for farmers through collective purchasing methods. Such reductions in costs translate into direct savings for farmers, thereby improving their financial stability and enhancing their profit margins.

Fig 38: Respondents feel inputs are affordable - Maharashtra

75% of the respondents reported savings upto INR 10 - 15K due to FPO input procurement

78% of the respondents are satisfied with agriculture inputs

ACCESS TO MARKET



The data indicates that 82% of respondents perceive the market linkages established by their FPOs as very effective. This suggests a strong confidence among farmers in the ability of their FPOs to connect them with lucrative sales opportunities. Specifically, many FPOs in Maharashtra have successfully linked farmers to soyabean and oil mills, which enhances their market access. Additionally, connections to local markets further increase the options available for selling their produce. Overall, the findings indicate that FPOs in Maharashtra excel in creating effective market linkages, providing significant value to farmers in the region.

Fig 39: Respondents feel market linkages are effective - Maharashtra

GOVERNANCE

The data indicates that 32% of respondents are moderately satisfied with the governance of their FPOs, while 50% express overall satisfaction, and 18% report dissatisfaction. This suggests that a majority of the farmers feel positively about the governance structures in place, reflecting a sense of trust and confidence in their FPOs. However, the notable percentage of dissatisfied respondents indicates there are areas for improvement.

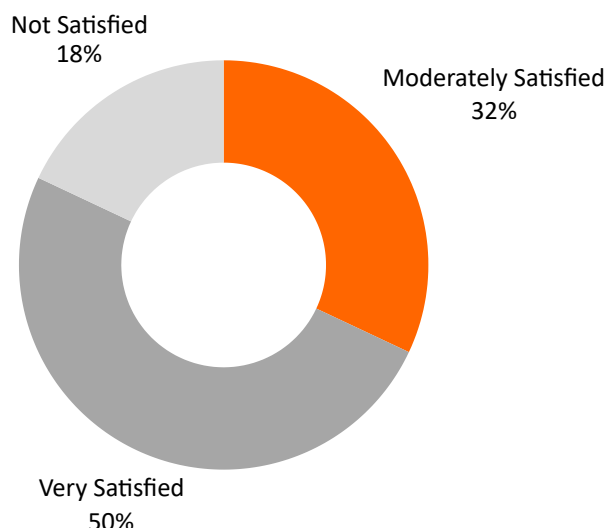


Fig 40: Satisfaction with governance - Maharashtra

68% of respondents reported being knowledgeable about financial management practices, including their FPO's financial records and activities. They noted that their FPO encourages participation in related activities. Furthermore, 68% rated the quality of leadership in their FPO as good, whereas 32% expressed dissatisfaction. Regarding the financial well-being of the FPOs, 68% of respondents felt satisfied. However, 32% were not aware of the digital platform introduced by their FPO.

The data indicates that 68% of respondents believe they have primarily benefited from market linkages established to sell their produce. This suggests that these linkages have been effective in providing farmers with reliable and profitable sales channels, enhancing their income and market access. On the other hand, 32% of respondents mentioned that the collective procurement of agricultural inputs has also been beneficial. This highlights that while market linkages are the more significant advantage for most farmers, there is still notable value in the collective purchasing of inputs, which helps in reducing costs and improving access to quality resources. Overall, the findings emphasize the dual advantages that FPOs offer through both market connections and collaborative input procurement.

MADHYA PRADESH

A total of 348 respondents were interviewed from four FPOs in Madhya Pradesh, allowing for a comprehensive understanding of the experiences and perceptions of farmers within these organizations. The interview process involved gathering qualitative and quantitative data, focusing on how these FPOs have impacted farmers' access to resources, market opportunities, and overall satisfaction with their governance structures.

Name of FPO	Representation (%)
Bijashani FPC	28%
Jai Bhilat Dev FPC	18%
Korku Mahila FPC	16%
Palsud Mahila FPC	38%

The data indicates that a significant majority of respondents have relatively small landholdings, with 52% owning less than 2 hectares and 45% owning between 2 to 5 hectares. This suggests that most farmers associated with the FPOs are smallholders, which is common in many agricultural communities where land fragmentation often limits the size of individual plots. Only 3% of respondents reported having landholdings greater than 5 hectares, indicating that larger farms are rare in this group. The figure below illustrates the gender representation of the survey respondents. Higher female representation can be attributed to two women FPOs predominantly.

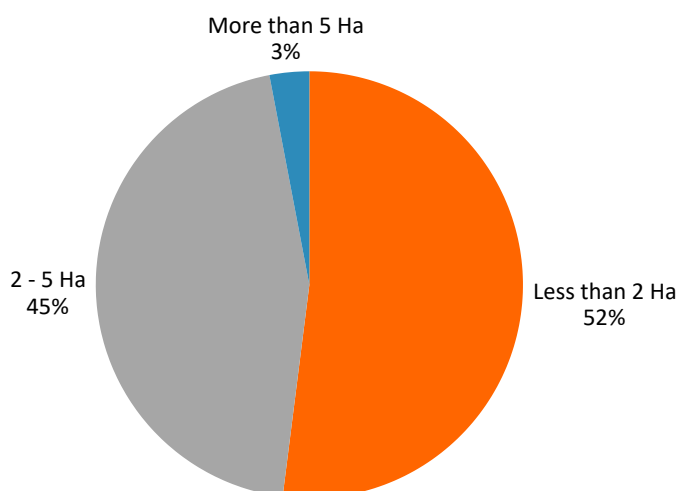


Fig 41: Landholding Size - Madhya Pradesh

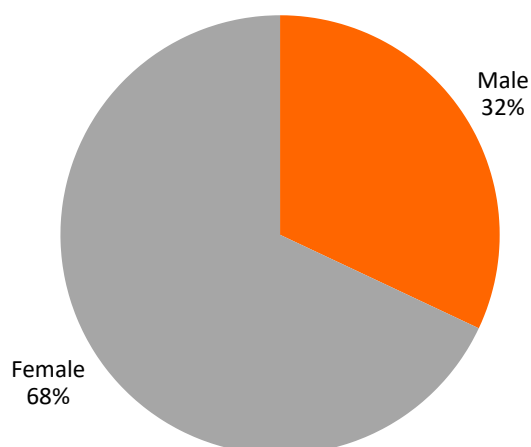


Fig 42: Gender Representation - Madhya Pradesh

The data shows that 58% of farmers joined FPOs mainly to access markets where they can sell their produce, which highlights how important it is for them to find good sales opportunities. 49% of respondents said they were motivated by the need for agricultural inputs, like seeds and fertilizers, which are essential for their farming. Only 28% of farmers mentioned that training to improve their yields was their main reason for joining. This suggests that farmers focus more on immediate needs like market access and getting quality inputs rather than educational programs, reflecting their urgent priorities in agriculture.

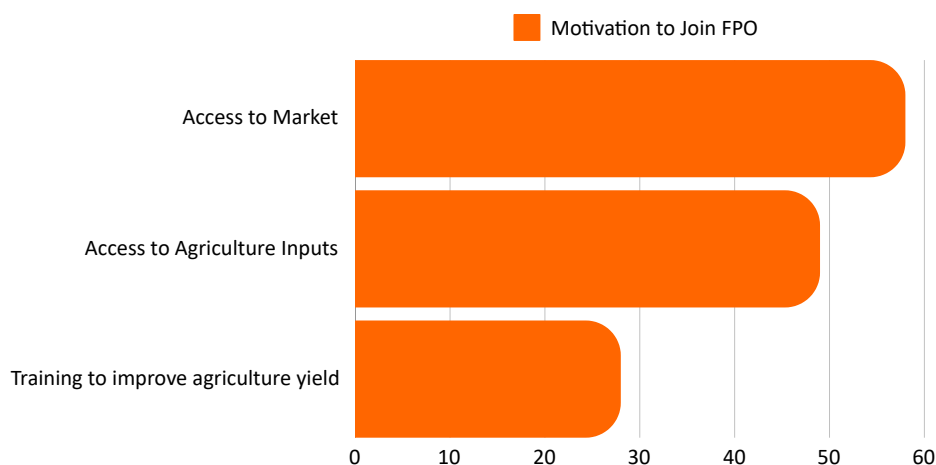


Fig 43: Motivation to join FPO - Madhya Pradesh (in %)

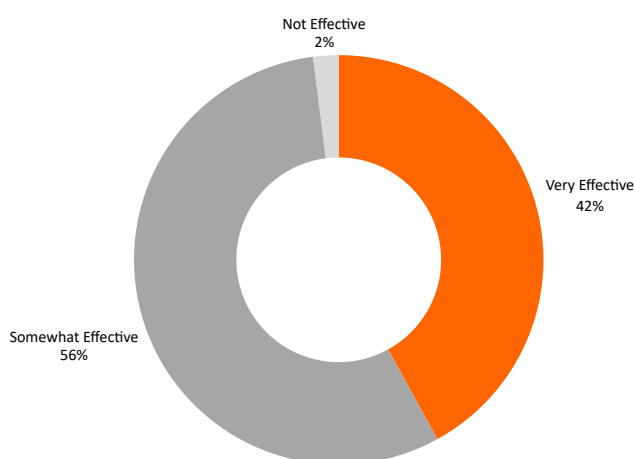
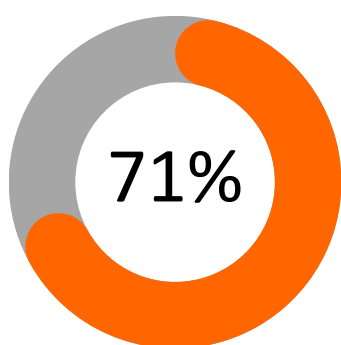


Fig 44: Effectiveness of training - Madhya Pradesh

Ninety-two percent of respondents indicated that they participated in soil testing as part of adopting new technologies. The data shows that most beneficiaries consider the training they received to be effective, with 42% rating it as very effective and 58% as somewhat effective. This indicates that many participants find the training programs valuable and likely attribute improvements in their farming practices to the knowledge they acquired. However, 2% of respondents felt that the training was not effective, suggesting there are still areas that could be improved.

INPUT PROCUREMENT

The data shows that 91% of beneficiaries believe that buying inputs from their FPO is beneficial. This positive view is primarily due to the timely availability of inputs, ensuring that farmers have the resources they need when required. Furthermore, the collective purchasing strategy helps lower costs, providing financial advantages to the members. The decentralized distribution system also improves accessibility, enabling farmers to obtain inputs closer to their farms. Overall, this demonstrates the significant role of FPOs in optimizing the supply chain and enhancing farmers' access to crucial agricultural resources.



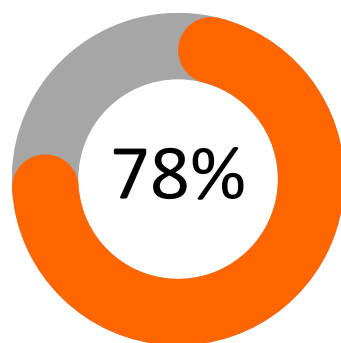
Seventy-one percent of respondents believe that the agricultural inputs provided by their FPO are affordable. This highlights the success of FPOs in reducing input costs for farmers through collective buying strategies. These cost savings lead to direct financial benefits for farmers, enhancing their financial security and increasing their profit margins.

Fig 45: Respondents feel inputs are affordable - Madhya Pradesh

73% of the respondents reported savings upto INR 10K due to FPO input procurement

88% of the respondents are satisfied with agriculture inputs

ACCESS TO MARKET



The data shows that 78% of respondents believe the market linkages formed by their FPOs are very effective. This indicates that farmers have some confidence in their FPOs' ability to connect them with profitable and convenient market linkage opportunities.

Fig 46: Respondents feel market linkages are effective - Madhya Pradesh

GOVERNANCE

The data reveals that 69% of respondents are satisfied with the governance of their FPOs, indicating a generally positive perception of leadership and management within these organizations. Meanwhile, 28% of respondents are moderately satisfied, suggesting that while they see some value in the governance, there is still room for improvement. Only 3% reported dissatisfaction, which points to minimal concerns among the majority. Overall, these findings highlight a favorable view of FPO governance, although efforts to enhance satisfaction among the moderately satisfied group could further strengthen the organization's effectiveness.

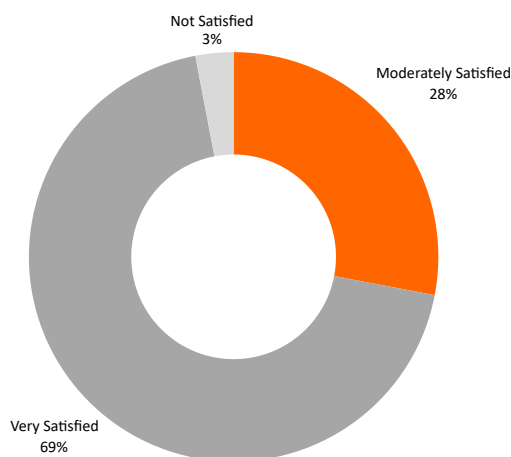


Fig 47: Satisfaction with governance - Madhya Pradesh

The data reveals that 62% of respondents believe that the procurement of agricultural inputs has been the most beneficial aspect of their FPOs, highlighting the critical role these organizations play in ensuring farmers have access to essential resources. Additionally, 40% of respondents recognized the importance of market linkages established by their FPOs, indicating that while access to inputs is a significant advantage, there is also a notable appreciation for the role of these linkages in facilitating sales opportunities. This suggests that FPOs are effectively supporting farmers in multiple areas, but enhancing market connections could further strengthen the overall impact on farmers' livelihoods.

ODISHA

A total of 240 respondents were surveyed across five Farmer Producer Organizations (FPOs) in Odisha. This survey aimed to gather insights into the experiences and perspectives of farmers who are beneficiaries of the FPO interventions in the region. By sampling farmers from multiple FPOs, the survey was able to capture a diverse range of responses, reflecting various aspects of agricultural input procurement, market linkages, training effectiveness, and FPO governance.

Name of FPO	Representation (%)
Adivasi Kalyan Parisad FPC	15%
Dangar FPC	18%
Gunupur FPC	10%
Nagabali FPC	12%
Nirakara FPC	45%

The data indicates that 79% of respondents own less than 2 hectares of land, while the remaining 21% hold between 2 and 5 hectares. This suggests that the majority of farmers associated with the FPOs are smallholders with limited land resources, likely facing challenges typical of small-scale farming such as lower production capacity and higher vulnerability to market fluctuations. The distribution highlights the critical role of FPOs in supporting smallholders by providing access to affordable inputs and market linkages, which can help improve their productivity and profitability despite their smaller landholdings.

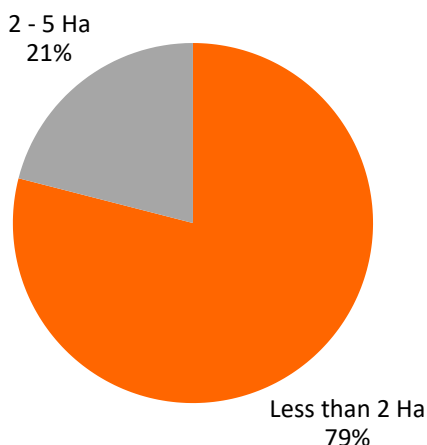


Fig 48 Landholding Size - Odisha

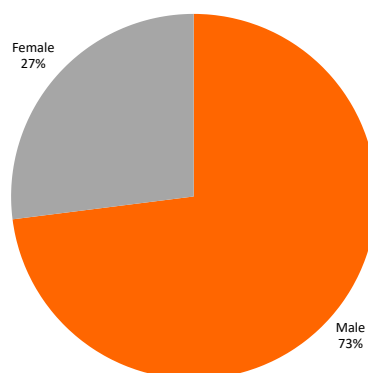


Fig 49: Gender Representation - Odisha

The data reveals that 54% of farmers primarily joined FPOs to gain better access to markets, emphasizing the need for reliable and profitable sales channels for their produce. Additionally, 62% of respondents were motivated by the necessity for agricultural inputs, reflecting the importance of securing quality seeds, fertilizers, and tools to improve their farming operations. Meanwhile, 38% of farmers highlighted training to boost agricultural yields as their main reason for joining, indicating that while training is valuable, market access and input availability are seen as more critical for most farmers.

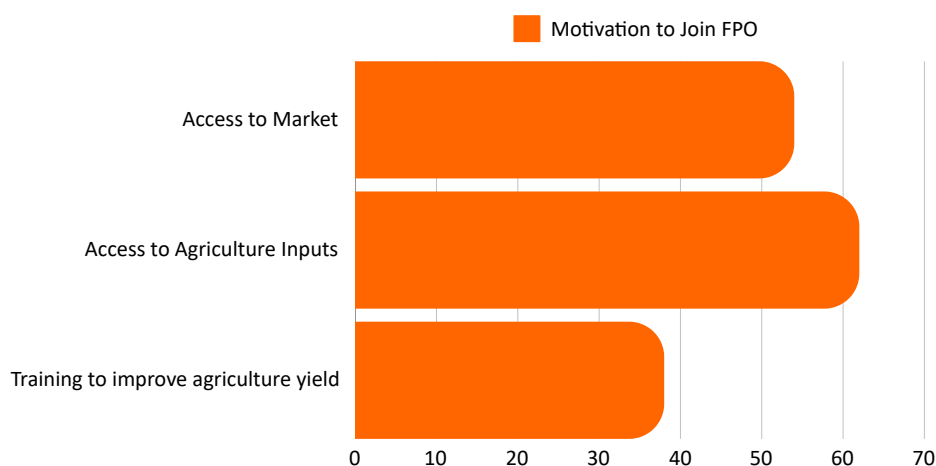


Fig 50: Motivation to join FPO - Odisha (in %)

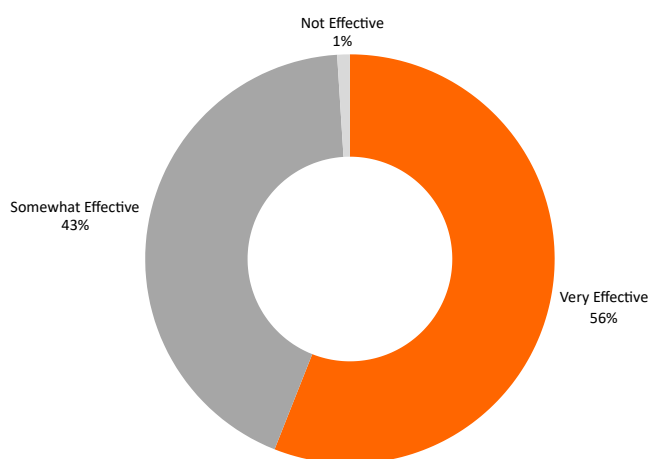


Fig 51: Effectiveness of Training - Odisha

81% of the respondents reported that they engaged in soil testing as part of adopting new technologies. The data on the effectiveness of training shows that 56% of respondents found it "Very Effective," indicating a strong positive impact on their agricultural practices and knowledge. Another 43% rated the training as "Somewhat Effective," suggesting they saw some benefits but also areas for potential improvement. Only 1% of respondents considered the training "Not Effective," pointing to a minor portion of participants who felt that the training did not meet their expectations. Overall, the training appears to be well-received by the majority of beneficiaries.

INPUT PROCUREMENT

The data suggests that respondents had similar opinions regarding the effectiveness of their FPOs in ensuring both timely procurement and proper distribution of agricultural inputs. This indicates that FPOs are performing well in these areas, providing farmers with essential resources when needed while also managing the distribution process efficiently. Such balanced feedback highlights the FPOs' role in streamlining input delivery, crucial for enhancing agricultural productivity. 51% appreciated the timely procurement and availability of inputs, while the rest 49% appreciated effective planning and distribution.

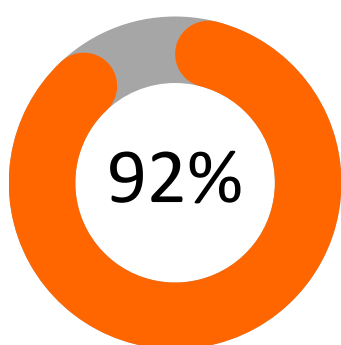


Fig 52: Respondents feel inputs are affordable - Odisha

The data reveals that 92% of respondents believe that the agricultural inputs, such as seeds and fertilizers, were procured at lower and more affordable rates through their FPO without compromising on quality. This suggests that the collective purchasing power of the FPOs effectively reduced costs for farmers while maintaining high standards, allowing them to access essential inputs at competitive prices. This highlights the significant role FPOs play in improving farmers' financial efficiency while ensuring the quality of their agricultural resources.

95% of the respondents reported savings upto INR 10K due to FPO input procurement

94% of the respondents are satisfied with agriculture inputs

ACCESS TO MARKET

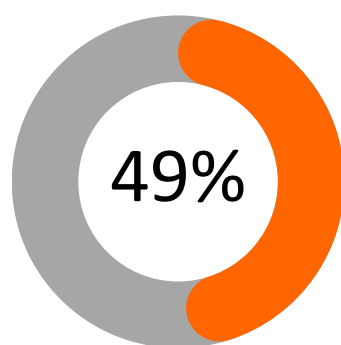


Fig 52: Respondents feel market linkages are effective - Odisha

The data shows that only 49% of respondents believe the market linkages created by their FPOs are effective. This suggests a significant portion of farmers may feel dissatisfied with the connections their FPOs have established for selling their produce, potentially indicating room for improvement in securing better sales channels and negotiating more favorable market opportunities. The findings highlight a need for FPOs to enhance their strategies for market access to ensure that more farmers benefit from reliable and profitable linkages.

GOVERNANCE

The data reveals that 46% of respondents are moderately satisfied with the governance of their FPOs, while 48% express overall satisfaction, and only 4% report dissatisfaction. This suggests that a majority of the farmers hold a positive view of the governance structures in place, reflecting a general sense of trust and confidence in their FPOs' leadership and decision-making processes.

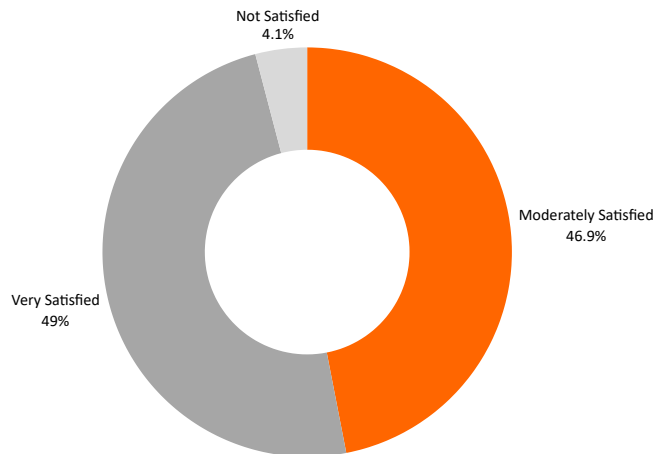


Fig 53: Satisfaction with governance - Odisha

The data indicates that 59% of respondents have a full understanding of the financial management processes of their FPO, while 41% possess only partial awareness. This suggests that while a majority of farmers are well-informed about their FPO's financial activities, a significant portion still lacks complete knowledge, indicating potential gaps in communication or transparency that could be addressed to ensure broader awareness among all members. In addition to this, 58% of the respondents feel that they have no role to play in decision making.

The data indicates that 71% of respondents believe they have significantly benefited from agricultural input procurement, while only 29% feel that they have gained advantages through market linkages. This suggests that the majority of farmers perceive the procurement of agricultural inputs, such as seeds and fertilizers, as a more impactful benefit of their FPOs compared to the market linkages established for selling their produce. This disparity highlights the critical role that access to quality inputs plays in enhancing agricultural productivity and farmer satisfaction, indicating a need for FPOs to strengthen their market linkages to better serve the needs of their members.

KARNATAKA

A total of 394 responses were collected from six Farmer Producer Organizations (FPOs) in Raichur, Karnataka. This survey aimed to gather insights from farmers regarding their experiences and perceptions of the FPOs' impact on their agricultural practices and livelihoods.

Name of FPO	Representation (%)
Amareshwara FPC	17%
Divya Jyothi FPC	15%
Lingasugur FPC	18%
Raichur FPC	19%
Shree Kottueshwara FPC	16%
Swastya FPC	15%

The data reveals that the majority of respondents, 79%, have land holdings between 2 to 5 hectares, indicating that a significant portion of farmers in this sample fall within the smallholder category. In contrast, only 3% of respondents own less than 2 hectares, while 18% have land holdings exceeding 5 hectares. This distribution suggests that while most farmers are smallholders, there is a notable presence of medium to large-scale farmers as well.

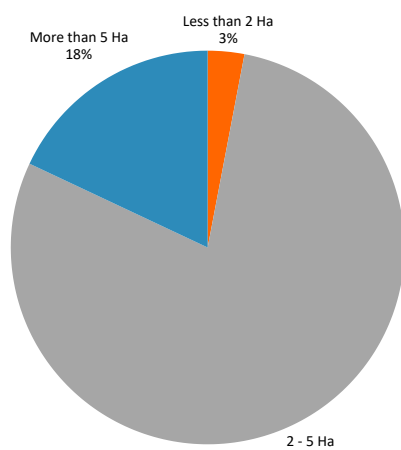


Fig 54: Landholding Size - Karnataka

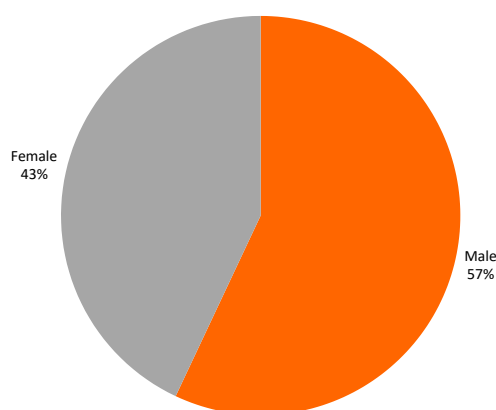


Fig 55: Gender Representation - Karnataka

The data indicates that farmers have varying motivations for joining FPOs, with 62% prioritizing access to agricultural inputs as their main reason. This highlights the critical need for quality seeds, fertilizers, and tools among farmers, reflecting their reliance on FPOs to meet these essential resource needs. Meanwhile, 56% of respondents identified access to markets as a significant motivation, emphasizing the importance of reliable sales channels for their produce. Additionally, 43% of farmers cited training aimed at improving agricultural yields as a key factor, indicating a desire for skill enhancement to boost productivity.

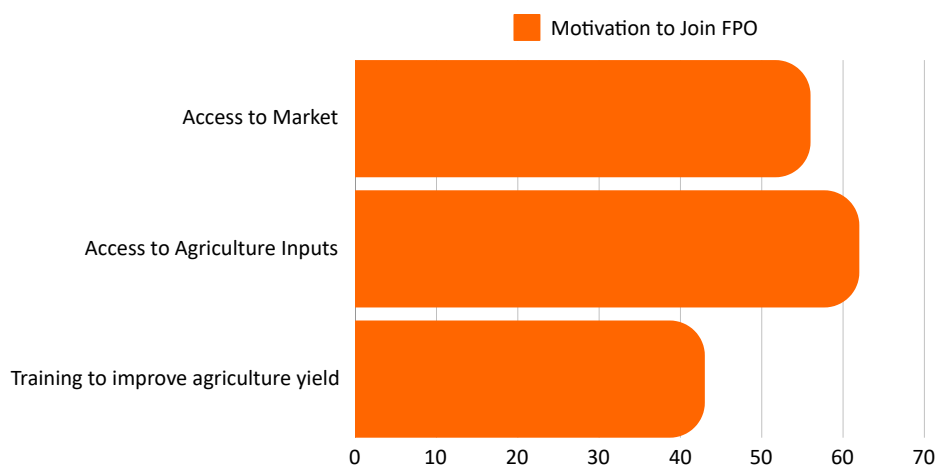


Fig 56: Motivation to join FPO - Karnataka (in %)

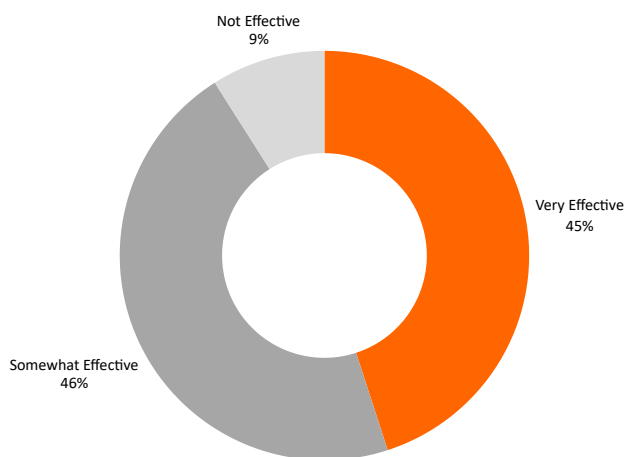
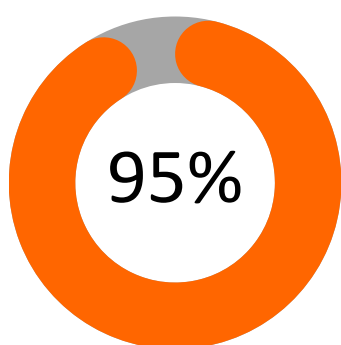


Fig 57: Effectiveness of Training - Karnataka

The data shows that 40% of respondents have adopted new crops, such as chili and turmeric, due to established market linkages. This indicates that the market connections facilitated by their FPOs have successfully encouraged farmers to diversify their crop choices. The ability to sell these new crops in established markets likely provides farmers with better financial incentives and access to higher-value products. Almost 98% of the respondents affirmed that they have tested the soil quality under this initiative.

INPUT PROCUREMENT

The data reveals that 92% of beneficiaries perceive buying inputs from their FPO as beneficial. This favorable view stems mainly from the timely acquisition of inputs, ensuring that farmers have the necessary resources available when needed. Moreover, the collective purchasing strategy results in lower costs, providing financial benefit for members. The decentralized distribution system further improves accessibility, enabling farmers to receive inputs closer to their farms. This emphasizes the crucial role of FPOs in optimizing the supply chain and enhancing farmers' access to vital agricultural resources.



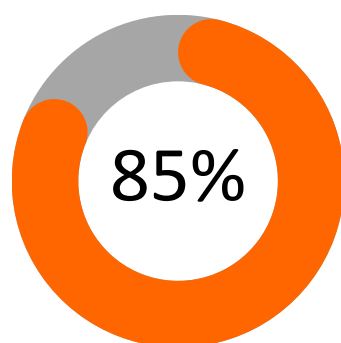
The data indicates that 95% of respondents view the agricultural inputs supplied by their FPO as affordable. This highlights the success of FPOs in reducing input costs for farmers through collective purchasing strategies. Such cost reductions lead to significant savings for farmers, enhancing their financial stability and increasing their profit margins.

Fig 58: Respondents feel inputs are affordable - Karnataka

71% of the respondents reported savings upto INR 10K due to FPO input procurement

95% of the respondents are satisfied with agriculture inputs

ACCESS TO MARKET



FPOs in Karnataka have successfully established strong market linkages with various institutions, making them some of the most effective among FPOs across states. Notably, the Raichur Farmers Producer Company (FPC) has formed a partnership with a major FMCG company to market produce such as chili and turmeric. These connections not only enhance market access for farmers but also ensure they receive better prices for their products, which is crucial for improving their overall economic stability. This strategic approach demonstrates how FPOs can leverage collective strength to tap into larger markets, benefiting individual farmers and the agricultural community as a whole.

Fig 59: Respondents feel market linkages are effective - Karnataka

GOVERNANCE

A significant portion 39% expressed moderate satisfaction. This suggests that while these individuals see some merit in the governance practices, there may be specific areas for improvement that could enhance their overall satisfaction. A majority of respondents 48% reported being satisfied with governance, indicating a positive perception of governance among the participants. 13% reported being not satisfied. This relatively small number implies that, while there are some concerns, they do not represent a large segment of the population surveyed.

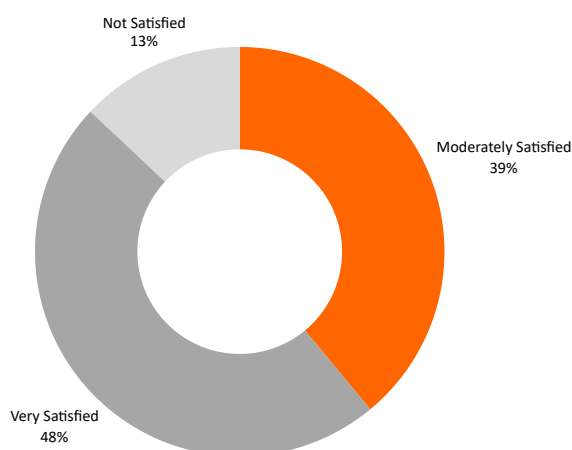


Fig 60: Satisfaction with governance - Karnataka

56% of respondents reported awareness on financial management of FPOs, while 44% reported that they are not fully aware of the overall financial management of FPOs. Majority of the respondents stated that they are encouraged to participate in FPO activities like regular meeting, annual general meeting etc. 29% of the respondents feel that they have no role to play in decision making. Majority of the respondents also affirmed that their CEOs and board of directors operate transparently. 54% of the respondents feel that the financial health has improved under the current leadership of FPO post support through this intervention.

A substantial 65% of respondents indicated that the most significant impact they have observed stems from the procurement of agricultural inputs. This highlights the critical role that access to quality inputs (such as seeds, fertilizers, and tools) plays in enhancing agricultural productivity and success. Additionally, 52% of respondents noted that market linkages have been beneficial in selling agricultural produce. This indicates that establishing connections between farmers and potential buyers has effectively reduced the time and effort required for selling their products. The ability to efficiently reach potential buyers has enhanced farmers' income and reduce post-harvest losses, which are often critical challenges in agriculture. The findings suggest an interconnectedness between the procurement of agricultural inputs and market access. Enhanced access to quality inputs likely leads to improved crop yields, which in turn increases farmers' capacity to engage in market linkages. Thus, addressing both aspects simultaneously could amplify overall benefits for the agricultural community.

CONCLUSION AND RECOMMENDATIONS

The "Strengthening and Nurturing Farmer Producer Organizations" project has delivered significant achievements in improving the operational efficiency, membership engagement, and governance of FPOs across seven states in India. One of the key successes of the project has been enhancing input procurement, where collective purchasing has led to reduced costs for member farmers, resulting in direct financial benefits. Furthermore, the project has been instrumental in revitalizing member participation, with FPOs experiencing a notable increase in membership and active farmer involvement.

Governance has also improved, with strengthened practices such as annual general meetings, board meetings, and the development of internal SOPs. However, regional disparities in governance and farmer engagement were noted, particularly in states like Bihar, Chhattisgarh, and Jharkhand, indicating a need for targeted interventions to further enhance organizational efficiency in these areas.

In terms of market linkages, all FPOs successfully developed connections for the sale of their produce, with standout performances in Karnataka and Maharashtra. Collaborations such as the Raichur FPC's partnership with ITC and Devinanda FPC's linkage with local oil mills demonstrate the potential for sustainable market integration. Despite these successes, FPOs in states like Jharkhand, Bihar, Chhattisgarh, and Odisha require additional support to strengthen their market access.

In conclusion, FPOs at the state level have been categorized below based on their performance and current status.

High Performing States – Karnataka and Maharashtra:

FPOs in these states are in advanced stages of development with strong farmer engagement, higher share capital, and robust institutional market linkages. They have established connections with large buyers like ITC and local oil mills, leading to better price realization and significant output business turnover. These FPOs appear more resilient and better positioned to sustain their operations even after the withdrawal of the implementing partner's support.

CONCLUSION AND RECOMMENDATIONS

Few of the recommendations basis current state of FPOs in these states are as below,

- **Building Financial Resilience:** Encourage the accumulation of share capital and promote financial literacy among members to increase the FPOs' self-reliance.
- **Knowledge Sharing:** Establish a peer-learning framework where advanced FPOs mentor and guide developing FPOs, sharing best practices for governance, market linkages, and operations.
- **Minimizing Dependency on Implementing Partners:** Gradually build the managerial capacity of FPOs through leadership training and exposure visits to prepare them for independent operations.

Medium Performing States – Odisha and Madhya Pradesh:

FPOs in Odisha and Madhya Pradesh have shown moderate progress, with some success in farmer engagement and market linkages, though they still require additional support to reach their full potential. While they have developed market linkages, these remain less extensive compared to the high-performing states, and further capacity building is needed to strengthen their operations. Few of the recommendations are Odisha and Madhya Pradesh are as below.

- **Enhanced Capacity Building:** Conduct targeted training programs for FPO leadership and members to improve governance, business planning, and market negotiation skills. This will help FPOs in Odisha and Madhya Pradesh strengthen their operational efficiency and build resilience.
- **Expanding Market Linkages:** Facilitate partnerships with institutional buyers and larger markets, providing these FPOs access to broader and more lucrative opportunities. Support in identifying and approaching buyers, along with ensuring quality standards, can significantly improve their market reach.
- **Promoting Farmer Engagement:** Launch awareness campaigns and participatory workshops to encourage active involvement from farmers. Demonstrating the benefits of collective action and creating platforms for regular interaction between members and leadership can help solidify trust and commitment.
- **Support for Infrastructure Development:** Provide financial and technical assistance to develop infrastructure for storage, processing, and transportation, enabling FPOs to offer value-added products and enhance their competitiveness in the market.

- Strengthening Financial Resources: Facilitate access to credit and working capital through government schemes, banks, and financial institutions. Increasing the share capital base and encouraging investment from members can also enhance financial stability.
- Mentorship and Peer Learning: Establish mentorship programs where FPOs from high-performing states share their best practices and strategies, enabling knowledge transfer and fostering a culture of continuous improvement.

Low Performing States – Bihar, Chhattisgarh, and Jharkhand :

FPOs in these states have struggled with lower farmer engagement, weaker governance structures, and limited market linkages. The turnover from output business has been relatively modest, and challenges in leadership and governance have hindered their growth. These FPOs require substantial support to improve their governance, market access, and overall performance.

- Provide comprehensive refresher training for Board of Directors and key leadership to enhance their understanding of governance, accountability, and decision-making processes.
- Develop clear operational guidelines and promote transparency in financial and operational activities to build trust among members.
- Increasing Farmer Engagement: Conduct awareness campaigns and interactive sessions to highlight the benefits of FPO membership, fostering greater participation and ownership among farmers. Encourage the inclusion of women and youth in leadership roles to diversify representation and drive active participation.
- Enhancing Market Linkages: Collaborate with government agencies and private sector players to establish partnerships with institutional buyers and larger markets.
- Organize exposure visits to successful FPOs to help members and leaders learn about effective market linkage strategies.
- Building Capacity for Leadership and Management: Provide targeted capacity-building programs for FPO leaders and staff on business planning, financial management, and market strategies.
- Facilitating Access to Financial Resources: Support FPOs in accessing government schemes, grants, and low-interest loans to improve their operational capacity and infrastructure.
- Encourage members to increase their share capital to enhance the financial stability of the FPOs.
- Developing Infrastructure: Invest in the creation of essential infrastructure such as storage facilities, processing units, and transportation to enable value addition and reduce post-harvest losses.
- Establishing Peer-Learning Networks: Facilitate knowledge exchange with high-performing FPOs to share best practices, innovative approaches, and proven solutions to common challenges.



Strengthening and Nurturing Farmer Producer Organizations

Study Conducted and Reported by:

