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EFFECTIVENESS OF FARMER PRODUCERS ORGANIZATION IN DELIVERY OF SERVICES - A CASE OF KUREL KISAN PRODUCER COMPANY

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Abstract: The study was conducted in Bundi district of Rajasthan to assess the effectiveness of a farmer producers organization, Kurel Kisan Producer Company Limited (KKPCL) in technology delivery and advisory services. The data was collected from 150 member farmers having more than two year's association with the organization. The effectiveness of the producers organization in technology delivery and advisory services was measured by effectiveness index developed for this purpose. The study revealed that the extension services rendered by KKPCL were found to be high in effectiveness by majority of the farmers. The farmer producer organization provided inputs, services, which is better in accessibility, quality and timeliness to the farmers. The constant advisory support in addition leads to better adoption of technologies which further leads to increase in yield and income and ultimately satisfaction of the farmers.

Keywords: Effectiveness; Kurel Kisan Producer Company Limited; farmer, producer organization.

Introduction

Agriculture in Bundi district of Rajasthan is a small farm activity. Majority of land holding belongs to small and marginal holdings. Being small farmers they have natural disadvantage to achieve scale to justify high investment. Low investment capacity of the farmers which have made traditional farming as a subsistence and uneconomic. Access to critical inputs such as quality seeds, fertilizers, irrigation water, power and credit have created an extremely disabling ecosystem for these farmers. Most farmers do not have access to efficient market and therefore are forced to sell their produce to the intermediaries operated in their locality. This reduces their profit margin, making the farming a non-viable venture. Collectivization of farmers, especially small and marginal farmers has emerged as one of the most effective pathways to address the many challenges of agriculture but most importantly, improved access to investments, technology, inputs and markets. There is a gradual recognition that

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farmers' collective, be they are producer company, cooperative, interest group, club or, any other form, provide a possible way of dealing with these concerns. It has tremendous possibility to become a model for enhancing sustainable livelihood of small and marginal farmers in India and for income enhancement (Mukherjee, 2018). The approach is considered to be helpful in integrating the farmers directly to market, for both, inputs and output. The approach envisions collective processing and marketing whereas production is largely left to the individual small farms, as they too, are considered to have some unique advantages to raise productivity, increase income through diversification and high value agriculture.

Realizing the fact, Krishi Vigyan Kendra, Bundi (Rajasthan) identified farmer producer organization as the most appropriate institutional form, around which, to mobilize farmers and build their capacity to collectively leverage their production and marketing strength. Initially 50 farmers were collected and incorporated into Kurel Kisan Producer Company Limited (KKPCL) in May, 2016. During the short span of time its membership has reached to 750 spreading in 12 villages. Kurel Kisan Producer Company Limited (KKPCL) works for mutual assistance to farmers in the direction of collective efforts for agricultural production, collective bargaining, sale of products, risk mitigation, promote welfare measures and facilities for the member farmers. By joining forces farmers could improve production and obtain better prices and services and the commercialization of their produce. In order to reach a huge population of farmers of India, the role of extension in transferring technologies has to be effective and efficient. Therefore, it is necessary to assess the effectiveness of extension agencies working at ground level. Keeping this in view, the study was conducted to assess the effectiveness of a farmer producers organization, Kurel Kisan Producer Company Limited (KKPCL) in technology delivery and advisory services.

Methodology

The study was conducted in Bundi district of Rajasthan. Kurel Kisan Producer Company Limited (KKPCL) is an association of persons who are individually engaged in the agricultural production and other allied activities, who associate with each other for the common purpose of collective procurement of inputs, combined production, aggregation of their skills and produce, undertaking product processing, value addition and marketing activities. KKPCL is incorporated and registered as Producer Company under The Companies Act, 1965 and The Companies Act 2013, with membership to farmer producer. Company adopted 'Mutual Assistance Principles' with the operational and business flexibility available under The Companies Act. For the present study an *ex-post facto*

research design was used. The data was collected from 150 farmers, who had taken the membership of *KKPCL*. A structured interview schedule was developed to collect the data from respondents. The effectiveness of KKPCL was measured in term of i) Input delivery system, ii) Types of service provided by the organization and iii) Farmers perception about the organization's performances which reflects their satisfaction.

Input delivery system, availability of inputs, accessibility, quality, cost of inputs etc. were studied on three point continuum scale. The highest was scored 3 and lowest 1. Timeliness of service was scaled in two point continuum i.e. Yes-2 and No-1.

Types of service provided, three sub category of service viz. Advisory services, Diagnostic services and Extension services were analyzed. Here also availability of service, timeliness and nature of problem solving were studied. Among this, availability was measured on three point continuum and rest two on two points.

The satisfaction level of participating farmers' for the services provided was also assessed. The farmer's satisfaction measured through index prepared by Kumaran and Vijayaragavan (2005) after necessary modification. There were total 5 statements which had been scored on five point continuum *viz*., strongly agree (5), agree (4), undecided (3), disagree (2) and strongly disagree (1). The possible highest score could be obtain on this was 25 and lowest 5. The responses were summed up to get satisfaction score. The satisfaction index was calculated with the help of following formula.

$$\text{Farmers satisfaction index} = \frac{\text{Individual score obtained}}{\text{Maximum score}} \times 100$$

Based on satisfaction index, the respondents were classified into three categories namely low, medium and high level by dividing the score into three classes of equal interval.

Results and Discussion

The effectiveness of input delivery system evaluated in term of availability of inputs, accessibility of inputs, quality, timeliness of inputs supply, and cost of inputs. The responses of 150 member farmers of Kurel Kisan Producer Company Limited (KKPCL) were analyzed and presented in Table 1. It was observed from the results that majority of respondents reported that KKPCL ensured high availability of inputs to its member farmers. The inputs were found to be high in accessibility by 77.33 % of farmers. In case of quality of inputs, it was found to be high by 76.00 % of farmers. As per farmers response about timeliness of input delivery was found to be high to nearly 50 % of farmers. The cost of inputs was

perceived as low to majority of farmers as compared to the local market of the same inputs. In inputs delivery, the availability and accessibility of inputs were high in Kurel Kisan Producer Company Limited (KKPCL) denoting the effectiveness in delivery mechanism especially supply of inputs of all crops growing seasons and delivering through the different spokes. Similar finding were also reported in earlier studies by Venkattakumar and Sontakki (2012), Singh and Singh (2014), NABARD (2015) and Venkattakumar *et al*. (2017).

Table 1. Effectiveness of Inputs Delivery (N=150)

Response category	Availability		Accessibility		Quality		Timeliness		Low Cost	
	No.	%	No.	%	No.	%	No.	%	No.	%
Low	17	11.33	4	2.67	2	1.33	24	16.00	39	26.00
Medium	50	33.33	30	20.00	34	22.67	52	34.67	51	34.00
High	83	55.33	116	77.33	114	76.00	74	49.33	60	40.00

The delivery of different services like crop advisory services, services to farm machinery, entrepreneurial services, communication services, diagnostic services etc. of Kurel Kisan Producer Company Limited (KKPCL) was further examined under availability, accessibility and problem solving in nature. The results are depicted in Table 2.

Table 2. Effectiveness of Delivery of Services (N=150)

Response category	Availability		Accessibility		Problem solving	
	No.	%	No.	%	No.	%
Low	30	20.00	14	9.33	35	23.33
Medium	73	48.67	53	35.33	53	35.33
High	47	31.33	83	55.33	62	41.33

Table 2 presented the services rendered by Kurel Kisan Producer Company Limited (KKPCL) were found to be high (31.33 %) to medium (48.67 %) in availability. Accessibility of services was found to be high by majority of farmers (55.33 %). In case of problem solving nature of services were found to be high by maximum number of farmers. Provision of different services to the farmers is one of the mandates of KKPCL. These shows the organization is efficient in delivering the services to farmers. Findings are inline with that of Murray (2009), Singh (2012) and Venkattakumar *et al*. (2017).

The extent of satisfaction level of respondent farmers over services provided by KKPCL was measured by Client Satisfaction Index (CSI) and results presented in Table 3. It was observed from Table 3 that majority of the respondent farmers expressed high (44.66 %) to the medium (36.00 %) level of satisfaction regarding the services provided by KKPCL. Whereas, very few (19.33) percent of respondents expressed lower level of satisfaction. The high to medium level of satisfaction with respect to performance of variety indicate stronger conviction that in turn it would lead to higher adoption.

Table 3. Extent of farmers satisfaction **(**N=150**)**

Satisfaction level	Satisfaction index class	Number	Per cent
High	5.00 -11.67	67	44.66
Medium	11.68-18.33	54	36.00
Low	18.34-25.00	29	19.33

Conclusion

The *KKPCL* initiative provide inputs, services, which is better in accessibility, quality and timeliness to the farmers. The constant advisory support in addition leads to better adoption of technologies which further leads to increase in yield and income and ultimately satisfaction of the farmers. The study has inquired each and every level, denoting the effectiveness of the farmer producers organization.

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