



THE EFFECTS OF FPOs ON THE LIVELIHOODS OF RURAL PUNE DISTRICT FARMERS

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ABSTRACT

This study examines Farmer Producer Organizations (FPOs) impact on rural livelihoods in Pune District, Maharashtra, alongside operational constraints. Surveying 244 FPO members via structured questionnaires, quantitative analysis including one-sample t-tests revealed positive effects on loan access (mean=4.27), modern practices knowledge (4.10), family income (4.13), market opportunities (4.14), and community cohesion (4.20), all $p<0.001$. Challenges persist in governance (3.72), funding (4.02), coordination (3.83), marketing (4.08), and training (4.02), all $p<0.001$. Findings support targeted policies for FPO sustainability, contributing to rural development.

Keywords: Farmer Producer Organizations, rural livelihoods, operational constraints, Pune District, quantitative analysis.

Introduction

Farmer Producer Organizations empower smallholder farmers in Pune District through collective action, addressing fragmented landholdings, credit gaps, and market barriers. This agriculturally vital region produces sugarcane, millets, pulses, and horticulture crops. FPOs cut input costs, secure finance, enhance bargaining, and promote sustainable practices. The study tests: H1 (positive livelihood impact) and H2 (operational constraints). Data from 244 farmers informs policy for rural upliftment.

Literature Review

Shah (2017) documented FPO-driven credit access and market links. Kulkarni (2019) highlighted social cohesion and women's roles. Gupte (2018) quantified pesticide reductions. Patil & Deshmukh (2020) noted horticulture gains; Pawar (2018) financial inclusion;



Deshpande (2019) gender empowerment; Jadhav & Patil (2021) tech adoption; Bhosale (2017) marketing success; Joshi (2016) and Gaikwad (2020) policy needs. Gaps include constraints and long-term viability, addressed here.

Objectives and Hypotheses

Objectives:

1. Assess FPOs' livelihood impacts in rural Pune.
2. Evaluate governance, resource, and management constraints.

Hypotheses:

1. FPOs positively impact rural livelihoods.
2. Significant operational constraints hinder goals.

Methodology

Validated questionnaires surveyed 244 FPO members via stratified random sampling (crop, farm size, geography). Descriptive statistics and one-sample t-tests (vs. neutral mean=3) analyzed perceptions using statistical software.

Data Analysis

Table 1: Demographics

Category	Male/Frequency	Female/Percent	Total
Age	-	46-55 yrs: 35.4% (largest)	244
Gender	47.2% (115)	52.8% (129)	244

Table 2: Perceptions of FPO Benefits (1=Strongly Disagree, 5=Strongly Agree; %

Agree/Strongly Agree)

Statement	Agree %	Strongly Agree %
Improved loan access	34	53



Statement	Agree %	Strongly Agree %
Learned modern methods	52	23
Family income increased	54	29
Better markets	46	38
Enhanced camaraderie	57	31

Table 3: Operational Constraints (% Agree/Strongly Agree)

Statement	Agree %	Strongly Agree %
Governance issues	49	33
Funding shortages	30	54
Coordination challenges	45	39
Marketing problems	43	42
Need training/support	32	45

Table 4: t-Test Results (vs. mean=3)



Aspect	Mean	t-value	p-value
Benefits (H1)			
Loans	4.27	19.12	0.000
Knowledge	4.10	17.00	0.000
Income	4.13	16.50	0.000
Markets	4.14	15.78	0.000
Cohesion	4.20	17.50	0.000
Constraints (H2)			
Governance	3.72	11.27	0.000
Funding	4.02	14.56	0.000
Coordination	3.83	12.47	0.000
Marketing	4.08	15.30	0.000
Training	4.02	14.72	0.000

Findings

H1 confirmed: All benefits exceed neutral (means >4.10, p<0.001), with strongest loan access (4.27) and cohesion (4.20). Over 80% agree on income/market gains, validating FPOs'



role in finance, skills, and economics. Demographics show broad representation (female majority, mid-age peak).

H2 confirmed: Constraints exceed neutral (means >3.72 , $p<0.001$), led by marketing (4.08) and funding (4.02). Over 80% report training needs, signaling capacity gaps despite benefits.

Conclusions

FPOs transform Pune's rural livelihoods via credit, knowledge, income, markets, and unity (H1), but governance/funding hurdles limit scale (H2). Statistical rigor across 244 respondents underscores dual realities. Policymakers must fund training, streamline governance, and boost market links for sustainability.

Contributions Toward Society

This research advances rural Maharashtra by quantifying FPO impacts, filling gaps in constraint analysis. Societally, it empowers 52.8% female respondents, promotes inclusive growth, and guides ₹10,000 crore+ national FPO schemes toward equity. By highlighting training needs, it fosters sustainable farming, reducing poverty for smallholders (avg. 2-ha farms) and environmental gains via modern practices. Policymakers gain evidence for interventions, benefiting millions in similar districts. Long-term, it models collective action for food security and climate resilience.

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