*Original Research Article*

Management aspects of Farmer Producer Companies (FPCs) in Dharwad District, Karnataka

# Abstract:

Agriculture forms the backbone of India's culture, civilization, and economic stability, with Farmer Producer Companies (FPCs) emerging as key institutional innovations to support farmers. This study examines the management aspects of FPCs in Dharwad district of Karnataka state, focusing on six FPCs established between 2016 and 2021. The study evaluates management dimensions, including planning, communication, organization, coordination, commitment, leadership, decision-making, and control, using a structured scale. Key findings highlight robust coordination and cooperation (92%), strong commitment (89.3%), and participatory decision-making (96.7%), underscoring effective collaboration and governance. However, areas like planning (9.92%), organization (9.02%), and branding (42%) reveal significant gaps in strategic foresight and market outreach.

This research is motivated by the need to address governance disparities and leadership inconsistencies in Farmer Producer Companies (FPCs), particularly concerning gender inclusivity and shareholder engagement. While strong governance frameworks exist, gaps in board diversity, AGM participation, and capacity-building efforts limit their effectiveness. By identifying these structural inefficiencies, the study aims to develop targeted interventions that enhance inclusivity, operational efficiency, and leadership effectiveness. Addressing these gaps is crucial for empowering farmers and ensuring the long-term sustainability of FPCs in rural development.

**Keywords**: Farmer Producer Companies (FPCs), management dimensions, governance, rural development, agricultural sustainability, strategic planning, capacity building.

# Introduction

The foundation of Indian culture, civilization, and heritage is agriculture. The primary feature of agriculture is that it is a source of human existence. Farming natural resources is a way to stabilize human life and predict economic progress (Palaniappan Shanmugam *et al,* 2023). It details the dexterity, interest, and artistry involved in cultivating crops and raising livestock using modern production techniques and cutting-edge technologies (Gour & M, 2016). Farmer Producer Companies (FPCs) play a crucial role in uplifting the socio-economic status of small and marginal farmers in India. By enhancing market access, pooling resources, and strengthening bargaining power, FPCs foster sustainable agricultural practices, paving the way for improved livelihoods and a brighter future for farmers A PO can take the form of a producer company, cooperative society, or any other legal structure that allows for the distribution of profits or benefits among its members (Anonymous ,2015). The Farmer Producer Companies (FPC) is a type of producer Organisation which has provision for sharing of profits/ benefits among the members (Adhikari et al., 2021) The agricultural sector in Karnataka is a cornerstone of the state's economy, employing a significant proportion of its rural population and contributing substantially to rural livelihoods. A significant portion of the state's population depends on agriculture, either directly or indirectly, for their livelihood and security. Supporting the agricultural sector and sustaining high levels of agricultural output is a key responsibility of the Karnataka State Government. Efforts are being made to enhance productivity and boost farmers' income by employing advanced agricultural technologies and providing research-backed support to farmers and extension workers. To address the challenges faced by farmers, including limited access to markets, fragmented landholdings, and inadequate financial resources, Farmer Producer Companies (FPCs) have emerged as a vital institutional innovation. FPCs are collective entities that combine the advantages of cooperative structures with the operational flexibility of companies, aiming to empower farmers through economies of scale, improved bargaining power, and enhanced access to inputs and markets (Singh, 2012; Trebbin & Hassler, 2012).

Agriculture is one of the key sector in India which contribute about The agriculture and allied activities sector contribute approximately 16% of the country's GDP for FY24 at current prices and supports about 46.1% of the population. ([Economic-survey (2024-2](https://www.ibef.org/economy/economic-survey-2024-2)5) and FPC is one the new concept in collectivization of agri producer launched by center govt to overcome the problem faced by farmers in India. Researcher are trying to capture the impact of formation of FPC in farmers income and livelihood. This study attempted to analyse the management aspect of FPCs through various intervention. Study mainly focuses governance aspect of FPCs for its sustainability

Dharwad district is a prominent agricultural region in Karnataka state. The establishment of FPCs has been instrumental in promoting sustainable agricultural practices and improving farmers' socio-economic conditions. The management of these organizations plays a pivotal role in determining their success and sustainability. Efficient governance, transparent financial practices, and strategic market linkages are critical aspects that influence the performance of FPCs (Basavaraj *et al.,* 2020).

This study focuses on examining the management aspects of FPCs in Dharwad, this study helps to evaluates the management functions and their effectiveness of FPCs across several key dimensions, including planning, communication, organization, coordination and cooperation, commitment, leadership, decision-making, and control. By analysing these dimensions, the study seeks to identify best practices and challenges faced by FPCs, contributing to a deeper understanding of their role in enhancing farmers' incomes and fostering rural development. The findings aim to inform policymakers, stakeholders, and practitioners about effective management practices for strengthening FPCs in Karnataka.

# Methodology

# The present paper concentrates on the FPCs of Dharwad. This district had 22 functional FPCs sponsored by different agencies Anonymous(2023) and there were no similar studies conducted previously in this district. To assess the management aspects of the FPCs, care has been taken to select those FPCs which have been established and completed three years of their existence for checking financial stability and management aspects of FPcs. Accordingly, three FPCs each in Dharwad and Kalghatgi taluk and one each in Navalagund, Hubbali and Kundgol taluk were fulfilling the criteria. Hence, two FPCs from Dharwad, two FPCs from Kalghatgi, one from Hubballi and Navalagund taluks were selected for the study. Thus, total six FPCs were selected from nine for the study. which formed 66.67 per cent of a FPCs which have completed three years of their existence. The secondary data were collected from the records of selected FPCs with regard to the business performance of FPC.

# To assess the management aspects of the FPCs, pre developed scale by Shwetha (2021) was used which include Planning, Communication, Organization, Co-operation and coordination, Commitment, Leadership, Decision making and Control. The responses were sought on five-point continuum scale viz., SA-strongly agree, A-agree, U-undecided, DA-disagree, SD-strongly disagree and the assigned score value was 5,4,3,2,1 respectively. Statement wise score order was multiplied by weights. The weighted scores were summed up for each dimension to get total score. And the index was computed by following.

List 1 : Categorization of the responses

|  |  |  |
| --- | --- | --- |
| **Sl.No.** | **Category** | **Criteria** |
| 1 | Low | Less than (mean-0.425\*SD) |
| 2 | Medium | Between (mean0.425\*SD) |
| 3 | High | Less than (mean+0.425\*SD) |

# 

The responses were grouped using frequency and percentage. Based on obtained score the respondents were classified namely ‘low’, ‘medium’ and ‘high’ using mean and standard deviation as a measure of check.

The following percentage and mean formula were used to calculate the percentage and mean for each dimension.

**Percentage:**

This measure was used for simple comparisons

**Percentage**

**Mean:**

The arithmetic mean is the sum of the scores divided by their number. This measure was used to assess the management aspects of selected FPCs

**Mean**

**Standard deviation (SD):**

A standard deviation (or σ) is a measure of how dispersed the data is in relation to the mean.

√ (xi-x̅)

**SD =** ————

N

Where,

SD**=**Standard deviation

xi= Score of each respondent.

 = mean

# Results and Discussion

**General features of FPCs selected for the study:**

**Table 1: General features of FPCs selected for the study**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Sl. No.** | **Parameters** | **Selected FPCs** | | | | | |
| **FPC1** | **FPC2** | **FPC3** | **FPC4** | **FPC5** | **FPC6** |
| 1. | District | **Dharwad** | | | | | |
| 2. | Name of the FPC | DFPC | SGMFPC | KFPC | SGFPC | SSFPC | JFPC |
| 3. | RI/CBBO | ICCOA | ICCOA | SCOPE. | ICCOA | ICCOA | ICCOA |
| 4. | Year of establishment | 2016 | 2020 | 2020 | 2021 | 2021 | 2021 |
| 5. | Location | Dummawad | Garag | Hullambi | Managundi | Bhandiwad | Javoor |
| 6. | Total no. of members | 720 | 650 | 576 | 700 | 560 | 531 |
| 7. | Share capital  (G:\15rupee11.jpg in lakh) | 7.20 | 6.50 | 5.76 | 7.00 | 5.60 | 5.31 |
| 8. | Major crops | Mango | Chilli & Soybean | Maize | Maize& Soybean | Sugarcane & Cotton | Chilli & Maize |
| 9. | Area of operation (No. of Villages) | 9 | 4 | 8 | 8 | 5 | 7 |
| 10. | Membership fee (G:\15rupee11.jpg) | 1000 | 1000 | 1000 | 1000 | 1000 | 1000 |
| 11. | No. of linkage agency | 6 | 4 | 5 | 7 | 8 | 2 |

**Note:** **DFPC**-Dummawad Horticulture Farmer producer company Ltd. **SGMFPC**- Shri Guru Madiwaleshwara Farmers producer company Ltd**, KFPC**-Krishijyothi Farmers producer company Ltd, **SGFPC** - Shri Gramadevi Farmers producer company Ltd, **SSFPC-**Shri Siddayyajja Farmers producer company Ltd, **JFPC**-Javoor Horticulture Farmers producer company Ltd, **ICCOA** -International Competence Centre for Organic Agriculture **SCOPE**- Society for Community Participation and Empowerment. **CBBO** -Cluster- Based Business Organizations. **RI**- Resource Institute

Before delving into the management of FPCs, it was felt necessary to introduce the general features of FPCs as it gives an insight into the area coverage, crop covered capital structure etc… The Table 1 provides a detailed comparative overview of selected for the study FPCs located in Dharwad district. All FPCs were supported by the RI/CBBO ICCOA, while KFPC was supported by SCOPE. The FPCs were established between 2016 and 2021, with DFPC being the oldest, founded in 2016, and the others formed between 2020 and 2021. The locations of these FPCs were spread across different areas within the district, including Dummawad, Garag, Hullambi, Managundi, Bhandiwad, and Javoor. The total number of members varied significantly, with DFPC having the highest membership at 720 and JFPC the lowest at 531. Correspondingly, the share capital ranged from Rs. 7.20 lakh for DFPC to Rs. 5.31 lakh for JFPC. The DFPC, established in 2016, had more time to grow its membership base and accumulate share capital. As the DFPC oldest FPC among the six, it had developed more robust networks and garnered greater trust among farmers Major crops grown by the members these FPCs included Mango (DFPC), Chilli and Soybean (SGMFPC), Maize (KFPC), Maize and Soybean (SGFPC), Sugarcane and Cotton (SSFPC), and Chilli and Maize (JFPC).

The area of operation was measured by the number of villages each FPC covered, which ranged from 4 villages for SGMFPC to 9 villages for DFPC. Membership fees were generally uniform at Rs. 1000. The number of linkage agencies, which provided crucial support and resources, varied widely, with SSFPC having the most (8) and JFPC the least (2). SSFPC had the highest number of linkage agencies at 8, which indicated a well-established network for support and resources. This extensive network enhanced the FPC's capacity for technical assistance, market access, and financial support. In contrast, JFPC had only 2 linkage agencies, suggesting that it was still in the process of building its network. The limited linkages affected the availability of external support and resources, potentially hindering its growth and development.

**Management aspects of selected FPCs**

**Group dynamics and governance of selected FPC**

Table 2 provides an overview of the management profiles of selected FPCs, highlighting board composition, CEO qualifications, and employee numbers. A common feature across these FPCs was the predominantly male composition of their boards. Most boards consisted of nine male directors and one female director, except for KFPC, which had a slightly smaller board with five male directors and one female director. This resulted in board sizes ranging from six members (KFPC) to ten members (DFPC, SGFPC, SSFPC, and JFPC).The male dominance in board composition could reflect traditional gender roles and societal norms, limiting women's participation in leadership positions. KFPC’s smaller board size and relatively higher female representation might reflect alternative strategies or specific organizational circumstances.

The qualifications of the CEOs showcased diverse educational backgrounds, reflecting varying leadership approaches suited to the unique needs of each FPC. CEOs of DFPC and KFPC held Bachelor of Arts (BA) degrees, potentially emphasizing broad-based administrative skills. Meanwhile, SGMFPC’s CEO, with a Bachelor of Science in Agriculture (B.Sc. (Agri.)), and SGFPC’s CEO, with a Diploma in Agriculture, brought specialized agricultural expertise to their roles. SSFPC’s CEO had a Bachelor of Commerce (B. Com), signaling a focus on financial acumen, and JFPC’s CEO held a Master of Arts (MA) degree, hinting at a more advanced academic grounding.Regarding total employment, SGMFPC and SGFPC led in staffing, with three employees each, while the other FPCs operated with two employees each. This suggests that SGMFPC and SGFPC may require greater human resources due to their operational demands or service scope. Over all the management structures of these FPCs reflect both common trends and unique variations in governance, educational leadership, and workforce composition. These elements collectively influence their capacity to address the diverse needs of their farmer members.

**Group dynamics and governance of selected FPC**

Table 3 presents a comprehensive analysis of the group dynamics and governance practices across selected Farmer Producer Companies (FPCs) selected for the study, showcasing variations in shareholder composition, membership percentages, and organizational practices.

All the FPCs were established under the Companies Act of 2013, ensuring a uniform legal framework. The number of female shareholders ranged from just 19 in JFPC to 120 in SGFPC, the latter benefiting from its strong association with self-help groups. Male shareholders ranged from 512 in JFPC to 638 in DFPC, resulting in total shareholder numbers spanning from 531 in JFPC to 720 in DFPC. The membership percentages relative to the maximum allowed limit (1,500 members) varied from 35.40% in JFPC to 48.00% in DFPC. DFPC’s higher membership percentage likely reflects its longer establishment, which provided more time to foster trust and attract members.

In terms of Farmer Interest Groups (FIGs), DFPC led with 37 FIGs, representing 49.33 per cent of the permissible maximum (75), while JFPC had the fewest, with 24 FIGs (32.00%). These variations underline differences in outreach and mobilization efforts among the FPCs.

Governance practices among the FPCs were robust, with all conducting monthly board meetings, reinforcing consistent oversight and decision-making. Attendance rates at Annual General Meetings (AGMs), however, varied significantly, reflecting differences in member engagement. SGMFPC had the lowest AGM attendance rate at 50 per cent, while JFPC achieved the highest at 70 per cent. This disparity highlights the importance of effective communication and member involvement in organizational activities.

Financial transparency and accountability were uniformly upheld, as all FPCs conducted regular annual audits and maintained compliance with statutory requirements. These practices were critical for fostering stakeholder trust and ensuring operational integrity. While all FPCs adhered to strong governance frameworks, differences in shareholder composition, FIG participation, and AGM attendance rates illustrate the diverse challenges and achievements shaped by each organization's regional context, history, and strategies. These dynamics reflect the evolving nature of FPCs as they strive to balance growth, inclusivity, and member engagement.

**Management functions and effectiveness of selected FPCs**

Table 4 presents an in-depth evaluation of the management functions and their effectiveness in selected Farmer Producer Companies (FPCs) across key dimensions: planning, communication, organization, coordination and cooperation, commitment, leadership, decision-making, and control. The findings offer valuable insights into strengths and areas for improvement within these organizations.

***1. Planning***

Among the planning functions, "strategic production" stood out with the highest score of 135 points (90%), highlighting the FPCs' strong focus on production strategies. "Resource mobilization" followed closely with 124 points (82.67%), while "network linkages with other organizations" scored 98 points (65.33%). However, "brand building and promotional activities" received only 63 points (42%), indicating a significant gap in marketing and promotional efforts. This aligns with Babu et al. (2019), who emphasized the importance of strategic planning for the success of Farmer Producer companies (FPCs).

***2. Communication***

In communication, informal relationships among members scored the highest at 132 points (88%), closely followed by open discussions leading to constructive feedback, which scored 131 points (87.3%). High scores for "appreciating each other's opinions" (124 points, 82.7%) and "freely sharing ideas" (123 points, 82%) reflect an overall effective communication framework, although the slightly lower score for idea-sharing suggests room for fostering more open dialogue**.**

***3. Organization***

The organization dimension showcased excellent effectiveness in the "division of directors into committees," which scored 146 points (97.3%), reflecting a well-structured organizational framework. Opportunities for interaction among directors scored 130 points (86.7%), while "capacity building of members" lagged behind at 106 points (70.7%), revealing a need for enhanced training programs. These findings differ from those of Nikam et al. (2019) and Swetha (2021), who reported lesser contributions from organizational structures to overall FPC management.

***4. Coordination and Cooperation***

Coordination and cooperation were strong, with "planning activities" and "equitable distribution of inputs" both scoring 138 points (92%). "Maintaining harmony" scored slightly lower at 135 points (90%), while "mutual trust" and "equal importance to members" received 130 points (86.7%). While generally effective, fostering deeper trust and inclusivity could further strengthen these dimensions.

***5. Commitment***

Commitment levels were high, with "active involvement in meeting expectations" scoring 134 points (89.3%) and "hard work with dedication" following at 133 points (88.7%). However, "motivation to work better" scored only 121 points (80.7%), suggesting potential challenges in sustaining high motivation among members.

***6. Leadership***

Leadership was most effective in "providing positive feedback," which scored 143 points (95.3%), followed by "approachability" at 131 points (87.3%). Lower scores for "influencing decision-making" (123 points, 82%) indicated a need for more impactful leadership to drive strategic outcomes.

***7. Decision-Making***

Decision-making effectiveness was highest in "decisions suggesting improvement" with 145 points (96.7%), and "discussing alternatives" scored 138 points (92%). However, "performance-focused decisions" received a slightly lower score of 128 points (85.3%), reflecting the need for more results-oriented strategies.

***8. Control***

In control, "effective allocation of capital" led with 136 points (90.7%), and "risk mitigation and quality control" closely followed with 135 points (90%). "Transparent accounting" scored 129 points (86%), indicating room for improvement in financial transparency, a critical aspect of building trust and accountability**.**

The above findings reveal robust internal management processes in strategic production planning, communication, and leadership. However, critical areas for improvement include marketing and branding, capacity building, motivation strategies, impactful leadership, performance-focused decision-making, and financial transparency. Addressing these gaps will be essential for enhancing the overall effectiveness and sustainability of FPCs.

FPC Management dimensions and score and percentage

Table 5 provides a comprehensive analysis of the management dimensions of selected Farmer Producer Companies (FPCs), highlighting their strengths and areas for improvement. Coordination and Cooperation emerged as the most effective dimension, contributing 15.85 per cent to overall management effectiveness, reflecting the FPCs’ strong ability to collaborate, distribute resources equitably, and maintain collective harmony. Commitment, accounting for 15.28 percent, underscored members' dedication to achieving shared goals through diligent efforts, aligning with Swetha's (2021) findings on the critical role of management team commitment in FPC operations. Communication (12.05%) and Decision-Making (12.90%) demonstrated robust internal communication frameworks and participatory governance, fostering constructive feedback and effective decision-making processes. Leadership (12.40%) and Control (12.59%) highlighted strengths in providing guidance, approachability, and resource management, ensuring accountability and positive engagement within the FPCs.

However, Planning (9.92%) and Organization (9.02%) scored lower, revealing gaps in strategic foresight and structural efficiency. Improved planning could enhance preparedness for future challenges, while better organizational frameworks could optimize workflows and operational effectiveness. Overall FPCs excelled in coordination, commitment, communication, and leadership, addressing weaknesses in planning and organization is essential for enhancing overall efficiency and achieving long-term success. These findings underscore the importance of strategic improvements to strengthen management dimensions and drive sustainable growth.

**Distribution of members according to management dimensions FPC**

Table 6 provides an insightful analysis of member distribution across various management dimensions within Farmer Producer Companies (FPCs), categorized into low, medium, and high-performance groups, based on responses from 30 participants.

In the leadership dimension, 66.66 per cent of members were categorized as high, reflecting strong guidance and support within the FPCs. The decision-making dimension also demonstrated strength, with 63.33 per cent of members in the high category, indicating inclusive and effective decision-making processes. Conversely, 16.66 per cent of members rated leadership as low, highlighting potential inconsistencies in leadership quality across different FPCs. Similarly, 13.33 per cent of members were in the low category for the organization dimension, while 70 per cent fell into the medium category, suggesting room for improvement in structural and operational efficiency.

These findings highlight the importance of addressing gaps in leadership and organizational effectiveness through targeted training and development initiatives. Strengthening these areas could significantly enhance management capabilities and operational performance across the FPC.

**Table 2: Management Profile of selected FPCs**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Name of the FPC | **No. of Board of Directors** | | | CEO Qualification | Total No. of employees |
| Male | Female | Total |
| DFPC | 9 | 1 | 10 | BA | 2 |
| SGMFPC | 8 | 1 | 9 | B.Sc. (Agri.) | 3 |
| KFPC | 5 | 1 | 6 | BA | 2 |
| SGFPC | 9 | 1 | 10 | Diploma in Agri. | 3 |
| SSFPC | 9 | 1 | 10 | B. Com | 2 |
| JFPC | 9 | 1 | 10 | MA | 2 |

**Table 3: Group dynamics and governance of selected FPC**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Particular | DFPC | SGMFPC | KFPC | SGFPC | SSFPC | JFPC |
| Registration of FPCs | Companies Act 2013 | | | | | |
| No. of Shareholders | | | | | | |
| Female | 63 | 42 | 35 | 120 | 30 | 19 |
| Male | 638 | 593 | 541 | 580 | 532 | 512 |
| Total | 720 | 650 | 576 | 700 | 560 | 531 |
| Percentage of membership to the maximum (max.1500) | 48.00 | 43.33 | 38.40 | 46.67 | 37.33 | 35.40 |
| No. of FIGs as a member | 37 | 32 | 28 | 35 | 30 | 24 |
| Percentage of FIG to the maximum (max.75) | 49.33 | 42.67 | 37.33 | 46.67 | 40.00 | 32.00 |
| Frequency of Board meetings conducted | Monthly | Monthly | Monthly | Monthly | Monthly | Monthly |
| AGM attendance (Per cent of members attended) | 54% | 50% | 65% | 69% | 55% | 70% |
| Annual audit / compliance | Regular | Regular | Regular | Regular | Regular | Regular |

**Table 4:** **Management functions and effectiveness of selected FPCs**

| **Management Dimensions** | **Total score** | **Mean** | **Percentage** | **Rank** |
| --- | --- | --- | --- | --- |
| **Planning** | | | |  |
| Strategic production and marketing plans | 135 | 22.5 | 90.00 | I |
| Resource mobilization | 124 | 20.7 | 82.67 | II |
| Network linkages with Organisations | 98 | 16.3 | 65.33 | III |
| Brand building and promotional activities | 63 | 10.5 | 42.00 | IV |
| Total | 420 |  |  |  |
| **Communication** | | | | |
| Freely and frequently sharing of ideas and opinions among members | 123 | 20.5 | 82.0 | IV |
| Each others opinions and skills are appreciated | 124 | 20.7 | 82.7 | III |
| Open arguments leading to constructive feedbacks among members | 131 | 21.8 | 87.3 | II |
| Informal relationship among members and other office bearers | 132 | 22.0 | 88.0 | I |
| Total | 510 |  |  |  |
| **Organization** | | | | |
| Division of directors into various committees for effective functioning | 146 | 24.3 | 97.3 | I |
| Capacity building of Members | 106 | 17.7 | 70.7 | III |
| Provision of opportunities for interaction of directors for team work | 130 | 21.7 | 86.7 | II |
| Total | 382 |  |  |  |
| **Coordination and Co-operation** | | | |  |
| Coordination in planning the activities in FPC | 138 | 23.0 | 92.0 | I |
| Co-operation in equitable distribution inputs and benefits of FPC | 138 | 23.0 | 92.0 | II |
| Co-operation to maintain harmony in FPC | 135 | 22.5 | 90.0 | III |
| Experience of mutual trust | 130 | 21.7 | 86.7 | IV |
| Equal importance to all members | 130 | 21.7 | 86.7 | IV |
| Total | 671 |  |  |  |
| **Commitment** | | | | |
| Commitment to common goals and development of FPC | 131 | 21.8 | 87.3 | III |
| Hard work with dedication | 133 | 22.2 | 88.7 | II |
| Active involvement in bringing expectations of FPC into reality | 134 | 22.3 | 89.3 | I |
| Motivation to work better with team spirit | 121 | 20.2 | 80.7 | V |
| Activities carried out by confirmation rather assumption | 128 | 21.3 | 85.3 | IV |
| Total | 647 |  |  |  |
| **Leadership** | | | | |
| Leaders influence members in decision making | 123 | 20.5 | 82.0 | IV |
| Leaders provides positive feedback to the members | 143 | 23.8 | 95.3 | I |
| Leaders identifies problems and helps members in both work and personal life | 128 | 21.3 | 85.3 | III |
| Leaders are lively and approachable every time | 131 | 21.8 | 87.3 | II |
| Total | 525 |  |  |  |
| **Decision making** | | | | |
| Decisions are made focusing on performance instead of personal relationship | 128 | 21.3 | 85.3 | IV |
| Alternatives are discussed before decision making | 138 | 23.0 | 92.0 | II |
| Participatory decision making is practiced including members opinions | 135 | 22.5 | 90.0 | III |
| Decisions made always suggests for improvement of FPC | 145 | 24.2 | 96.7 | I |
| Total | 546 |  |  |  |
| **Control** | | | | |
| Allocation of capital for operations effectively | 136 | 22.7 | 90.7 | I |
| Regular monitoring of operational expenditures through transparent accounting System | 129 | 21.5 | 86.0 | IV |
| Adherence to rules and regulation of FPOs | 133 | 22.2 | 88.7 | III |
| Risk mitigation and quality Control | 135 | 22.5 | 90.0 | II |
| Total | 533 |  |  |  |

**Note:** Max score is 150 for each statement (maximum score of 5 assigned by 30 respondence (BODs& Employees for each statement).

Table 5: FPC Management dimensions and score and percentage

|  |  |  |  |
| --- | --- | --- | --- |
| Management Dimensions | Total score | Mean | Percentage |
| Planning | 420 | 70.0 | 9.92 |
| Communication | 510 | 85.0 | 12.05 |
| Organization | 382 | 63.7 | 9.02 |
| Coordination and Co-operation | 671 | 111.8 | 15.85 |
| Commitment | 647 | 107.8 | 15.28 |
| Leadership | 525 | 87.5 | 12.40 |
| Decision making | 546 | 91.0 | 12.90 |
| Control | 533 | 88.8 | 12.59 |
| Grand total | 4234 |  | 100 |

**( n=30)**

**Table 6: Distribution of members according to management dimensions FPC**

**(n=30)**

|  |  |  |  |
| --- | --- | --- | --- |
| Dimensions | Category | Frequency | Percentage |
| Planning | Low (<13.15)  Medium (13. 15-15.51)  High (>15.51) | 8  8  14 | 26.67  26.67  46.67 |
| Mean=14.33 | SD= 2.78 | | |
| Communication | Low (<16.07)  Medium (16.07-19.28)  High (>19.28) | 6  10  14 | 20  33.33  46.66 |
| Mean=17.67 | SD= 3.77 | | |
| Organization | Low (<12.32)  Medium (12.32-14.21)  High (>14.21) | 4  21  5 | 13.33  70.00  16.66 |
| Mean=13.26 | SD= 2.27 | | |
| Coordination and Co-operation | Low (<21.94)  Medium (21.94-24.45)  High (>24.45) | 7  5  18 | 23.33  16.66  60.00 |
| Mean=23.2 | SD= 2.96 | | |
| Commitment | Low (<20.25)  Medium (20.25-23.54)  High (>23.54) | 10  13  17 | 33.33  10  56.66 |
| Mean=21.9 | SD= 3.88 | | |
| Leadership | Low (<16.70)  Medium (16.70-18.96.)  High (>18.86) | 5  5  20 | 16.66  16.66  66.66 |
| Mean=17.83 | SD= 2.66 | | |
| Decision making | Low (<18.23)  Medium (18.23-19.49)  High (>19.49) | 7  4  19 | 23.33  13.33  63.33 |
| Mean=18,86 | SD= 1.47 | | |
| Control | Low (<17.54)  Medium (17,54-19.45)  High (>19.45) | 6  8  16 | 20  26.66  53.33 |
| Mean=18.5 | SD= 2.25 | | |

Conclusion

The analysis of management profiles, governance practices, and operational effectiveness in Farmer Producer Companies (FPCs) reveals a nuanced picture of strengths and areas for improvement. The male-dominated board compositions reflect societal norms, though KFPC stands out for its relatively higher female representation, suggesting potential for progressive governance strategies. CEOs varied educational backgrounds highlight tailored approaches to leadership, while staffing patterns reflect differences in operational needs. Robust governance practices, including monthly board meetings and regular audits, demonstrate a strong foundation of accountability. However, disparities in AGM attendance and shareholder composition point to challenges in member engagement and inclusivity. Coordination and cooperation emerged as the most effective management dimension, fostering equitable resource distribution and collective harmony. Commitment, communication, and decision-making also scored highly, reflecting strong internal collaboration and participatory governance. Conversely, weaknesses in planning, organization, and branding highlight critical areas needing attention. Limited focus on capacity building, marketing, and strategic foresight restricts growth potential. Leadership inconsistencies and structural inefficiencies further emphasize the need for targeted interventions.

To ensure long-term sustainability and effectiveness, FPCs must address these gaps through enhanced training, capacity building, and strategic planning. By leveraging their strengths and addressing identified challenges, FPCs can better serve their members and drive sustainable development in the agricultural sector.

**COMPETING INTERESTS DISCLAIMER:**

Authors have declared that they have no known competing financial interests OR non-financial interests OR personal relationships that could have appeared to influence the work reported in this paper.

Disclaimer (Artificial intelligence)

Option 1:

Author(s) hereby declare that NO generative AI technologies such as Large Language Models (ChatGPT, COPILOT, etc.) and text-to-image generators have been used during the writing or editing of this manuscript.

Option 2:

Author(s) hereby declare that generative AI technologies such as Large Language Models, etc. have been used during the writing or editing of manuscripts. This explanation will include the name, version, model, and source of the generative AI technology and as well as all input prompts provided to the generative AI technology

Details of the AI usage are given below:

1.

2.

3.

**References**

Adhikari, A., Pradhan. K., Chauhan. J K., & Reddy. S. K., (2021). Analysing the perceived impact of farmers’ producer organization (FPOs) on sustainable economic development. *Indian Research Journal of Extension Education,* 21(2&3), 80-82**.**

Anonymous, (2015), Farmer Producer Organisations - Frequently Asked Questions (FAQs). Farm Sector Policy Department, Farm Sector, Mumbai, pp.9.

Anonymous., (2023). Total of FPCs in Dharwad district, Department of Agriculture, Dharwad.

Anonymous., (2023). Total of FPCs in Karnataka. [www.pharmajounal.com](http://www.pharmajounal.com)

Anonymous., (2024-25).contribution of agriculture and allied sector to Indian GDP, <https://visionias.in/current-affairs/economic-survey/2025/chapter-9/agriculture-and-food-management-sector-of-the-future>.

Basavaraj, G., Alur, A,S., Prabhakar, I., Manjunath, M., Shashibhushana, G., Kumar, S., & Parameshwarappa, K ,J., (2020). Role of farmer producer organization post covid in marketing of perishables in Karnataka,.*Current Journal of Applied Science and Technology*, 39(28), pp.65-72.

Gour, M., (2016). Organic farming in India: status, issues and prospects. SOPAAN-II, 1, 26-36. <https://pib.gov.in/FactsheetDetails.aspx?Id=148588>.

Nikam, V., Singh, P., Ashok, A., & Kumar, S., (2019), Farmer producer organisations: Innovative institutions for upliftment of small farmers. *The Indian Journal of Agricultural Sciences*, 89(9): 1383-1392.

Palaniappan Shanmugam, V., & DN, D., (2023). Management and Governance Status of FPO in Thiruvarur and Nagapattinam Districts of Tamilnadu. *Debendra, Management and Governance Status of FPO in Thiruvarur and Nagapattinam Districts of Tamilnadu*.10(4): 16-20.

Singh, S., (2012). New markets for smallholders in India: Exclusion, policy and mechanisms. Economic and Political Weekly, pp.95-105.

Swetha, K, P., (2021). A study on management effectiveness of farmer producer organizations in north eastren Karnataka, Ph.D. (Agri.), Thesis, University of Agricultural Sciences, Raichur, Karnataka, India.

Trebbin, A., & Hassler, M., (2012). Farmers' producer companies in India: a new concept for collective action?ss. Environment and Planning A, 44(2), pp.411-427.