

Research Paper

Study of Impact of the Members of Tamil Nadu Banana Producer Company (TNBPC) in Tiruchirappalli District- A Socio-economic Analysis

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ABSTRACT

Farmer Producer Organizations (FPOs) are one of the potential solutions to the issues (lack of bargaining strength, extremely small landholdings, insufficient marketing skills and intermediary exploitation) faced by the Indian farmers. In light of the above fact, the present study was carried out in Tiruchirappalli district of Tamil Nadu to find the socio economic impact of TNBPC on the members with the sample respondents of 132. The sample was selected through proportionate random sampling from five villages of Thottiyam block of the state. The findings revealed that about 62 per cent of the respondents had medium level of overall socio economic impact. Majority of the respondents felt improvement in their skill development aspects such as application of biological agents, value addition, ICT usage and sucker treatment. Regarding psychological aspect majority of the respondents felt improvement in self-confidence, motivational level and decision making ability. With regard to social aspect majority of the respondents felt increase in information seeking and sharing among the farmers and regarding economic aspect majority of the respondents felt decreased expenditure on input and increased income from the bunches and value added products.

HIGHLIGHTS

- TNBPC imparts training on skill development on improved practices and value addition in banana.
- TNBPC improving the economic status of the farmers by providing them with improved market linkage and market information's.

Keywords: Banana, economic, impact, personal, social, TNBPC

The green revolution has resulted in a four-fold rise in food grain production in the last five decades. From a meagre food grain production of 51 million tones' in the year 1950-51 to a substantial increase in production of 305.44 million tones' in the year end of 2020-2021 (Ministry of Agriculture and Farmers Welfare, 2020-21). Yet, the increase in the production output has not translated into an increase in cultivator income. Land ownership in India does not promote economies of scale because most farmers are smallholders. According to the tenth Agriculture census report (2015), 86.21 percent of farmers in India are classified as small and marginal,

with an average land ownership of 1.08 hectares. In India, the producer's share of the consumer's rupee is currently between 10 and 23%, compared to 64 to 81 percent in developed nations (FAO 2019). Small farmers must be integrated into modern competitive markets to avoid the negative impacts of globalization. Small farmer collectivization is an effective strategy to improve access to technologies, inputs and markets (Kumar *et al.* (2019)). The most

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effective way to address these tasks and overcome the obstacles is for farmers to band together and form producer organization for more collective action. In light of this, the Indian government has created the notion called Farmer Producer Company (FPC). The notion of a Producer Company emerged in India in 2002 as a result of the recommendations of the Y. K. Alagh Committee (Alagh, 2007). Farmers must band together not only to get inputs at the right time, at a cheap cost and in the right amount, but also to get marketing services and access to local and international markets through FPOs (Mukherjee *et al.* 2018). Since FPO's were playing a unique role in enhancing the socio economic status of its members this current study on Socio Economic Impact of the Members of Tamil Nadu Banana Producer Company (TNBPC) in Tiruchirappalli District was taken.

Methodology

Tamil Nadu Banana Farmer Producer Company (TNBPC) was purposively selected, as accompany has a registered office in Thottiyam block of the Tiruchirappalli district, the Thottiyam block has large number of registered members. This FPC is connected to about 12 villages in the block, out of which, five villages (Seelaipillayarputhur, Srinivasanallur, Alagarai, Sriramasamudram and Unniyur) were randomly chosen for the study. It constitute totally about 265 members out of which fifty percent of the population have been chosen as the survey respondents and the sample size was set to 132. The selection of respondents from each village were done using the proportionate random sampling method and the respondents from each villages viz Seelaipillayarputhur (40), Srinivasanallur (65), Alagarai (45), Sriramasamudram (60) and Unniyur (55) were found. Mean and standard deviation were used to categorize the respondents whereas frequency and percentage analysis were used to quantify the respondents according to their socio economic impact.

RESULTS AND DISCUSSION

Overall socio-economic impact of TNBPC

The overall socio-economic impact of Tamil Nadu Banana Producer Company is measured by the dimensions *viz.*, personal impact, social impact and

economic impact. The aggregate of these dimensions can be used to calculate the overall impact.

Table 1: Distribution of the respondents based on overall socio-economic impact (n = 132)

Sl. No.	Category	Number	Per cent
1	Low	24	18.20
2	Medium	82	62.10
3	High	26	19.70
Total		132	100

From the Table 1 it is clear that 62.10 % of the respondents had medium level of overall socio-economic impact followed by 19.70% of the respondents had high level of overall impact and 18.20 per cent of the respondents had low level of overall impact. We could able to conclude from the Table 1 that about 81.80% had medium to high level of overall impact. The reason for which could be due to the continuous support and involvement of TNBPC in all aspects from production to marketing. They provide them with skill development training on various aspects including value addition and guiding them in marketing which in turn results in better income. The findings are in accordance with the results of Kharsati *et al.* (2018) and Aparna (2020) where they found majority of the respondents with medium level of overall impact due to continuous training on value addition and provided with better marketing services.

Impact on various dimensions

Personal impact

Personal impact analysis aids in understanding the changes in personal characteristics of the respondents.

In skill development aspect, it is evident from the Table 2 that about 80.30% of the respondents had improvement in their skill in integrated pest and disease management especially biological control methods with the use of *Trichoderma viridi* for fusarium wilt, *Beauveria bassiana* to control stem weevil and *Trichoderma harzianum* to control root knot nematode. The pest and disease problem in banana leads to major loss of economic parts. TNBPC with the help of state department and other line departments of horticulture conducting trainings and demonstrations on IPM practices,

Table 2: Distribution of the respondents based on their change in personal aspects (n = 132)

Sl. No.	Particulars	Increased		No change	
		No	%	No	%
(A) Skill development aspect					
1	Application of biological agents viz., <i>Trichoderma viridi</i> , <i>Beauveria bassiana</i> and <i>Trichoderma harzianum</i> .	106	80.30	26	19.70
2	Bunch covering of banana with 2% transparent and perforated polythene sheet	22	16.70	110	83.30
3	Processing into value added products such as solar dried banana, banana cookies, banana chocolate and banana powder etc.	95	72.00	37	28.00
4	Sucker treatment with carbofuron 3G granules	107	81.10	25	18.90
5	Usage of ICT tools like uzHAVAN app, banana info app etc.	115	87.10	17	12.90
(B) Psychological aspect					
1	Self-confidence due to improved decision making after joining the group	80	60.60	52	39.40
2	Satisfaction level of the members in terms of economic benefits they get after joining the group	61	46.2	71	53.80
3	Motivation level as a result of increased group interaction	83	62.90	49	37.10
4	Decision-making ability as a result of timely market intelligence and information which reduces uncertainty	107	81.1	25	18.90

which made them improve in their skill. With respect to bunch covering 83.30% of the respondents felt no change in their skill. As most the respondents possess a farming background, they had a traditional knowledge on bunch covering with the banana leaf. About 72.00% of the respondents had felt improvement in their value addition skill. The perishable nature of the fruit precludes storage, and the enormous volume of arrivals during the season drives down the selling price. Hence, one of the main objectives of TNBPC is to involve the members in value addition on various products such as solar dried banana, banana cookies, banana chocolate and banana powder etc. for which they were conducting continuous training in processing of banana.

About 81.10% of the respondents felt improvement in their skill on treatment of suckers with carbofuran 3G granules which acts as a prophylactic measure to control wilt disease as they have attended the demonstrations conducted by TNBPC on treatment of suckers. Majority (87.10%) of the respondents had felt improvement in their skill in using ICT tools as the company had given training on usage of mobile apps like uzHAVAN app, banana info app and they had created the whatsapp group for sharing the market information and day to day information related to banana cultivation. It is clear from the Table 2 that 60.60% of the respondents had felt

increase in their self –confidence due to improved decision making ability after joining the TNBPC as it acts as a platform for sharing of information and experience with the peer groups and officials of department of horticulture results in increased self -confidence. The 62.90 per cent of the respondents had felt increase in their motivational level as the progressive members motivate the other members in the group in adoption of improved practices to get better price. About 81.10% of the respondents felt improvement in their decision making ability as they were provided with timely market intelligence and information which reduces uncertainty so that they could able to make better decision whereas 18.90 per cent of the respondents felt no change.

Social impact

Table 3 shows the social changes for the members after joining TNBPC. It is clear from the Table 3 that, about 68.90 per cent of the respondents felt no change in their social status. About 80.30% of the respondents felt increase in information sharing among the members. TNBPC provides the platform for the members to interact among themselves which result in increased information sharing. About 58.30% of the respondents felt no change in their leadership ability and 50.80% had no change in innovativeness whereas about 49.20 per cent of

Table 3: Distribution of the respondents based on their change in social aspect (n = 132)

Sl. No.	Particulars	Increased		No change	
		No	%	No	%
1	Improvement in social status after joining the group	41	31.10	91	68.90
2	Information sharing among farmers as they are provided with the platform to interact with other members.	106	80.30	26	19.70
3	Information seeking due to the linkage with various stakeholders	119	90.15	13	9.85
4	Increase in Leadership ability	55	41.70	77	58.30
5	Innovativeness in adoption of improved technology for banana cultivation	65	49.20	67	50.80

Table 4: Distribution of the respondents based on their change in economic aspects (n=132)

Sl. No.	Particulars	Increased		No change		Decreased	
		No.	%	No.	%	No.	%
(A)	Expenditure aspect						
i.	Input cost	—	—	50	37.90	82	62.10
ii.	Cultivator machinery cost for land preparation	—	—	106	80.30	26	19.70
iii.	Labor cost	—	—	96	72.73	36	27.27
iv.	Transportation cost	—	—	73	55.30	59	44.70
(B)	Income generating aspects						
i.	Income from bunches	76	57.60	56	42.40	—	—
ii.	Income from value added products solar dried banana, banana cookies, banana chocolate and banana powder	61	46.20	71	53.80	—	—
iii.	Income from intercropping such as back gram and brinjal	33	25.00	99	75.00	—	—
(C)	Purchasing power aspect						
i.	Purchase of land after joining the group	—	—	132	100	—	—
ii.	Leased in land for banana cultivation	8	6.10	124	93.90	—	—
iii.	Purchase of cultivator implement for land preparation	26	19.70	106	80.30	—	—

the respondents felt increase in innovativeness as they get to know about the production potential of new technologies earlier than other farmers.

Economic impact

The Table 4 clearly shows the economic changes to the members after joining TNBPC. Regarding expenditure aspect, about 62.10% of the respondents felt decrease in input cost as the group has a tie up with company like SPIC (Southern Petrochemical Industries Corporation) for chemical fertilizers and Jain irrigation for virus free tissue culture banana suckers which results in the reduced cost. It is also evident from the Table 4 that about 27.27 per cent of the respondents experienced decrease in labor cost as they have adopted a drip irrigation system which reduced the labor for irrigation purpose. In case of transportation cost about 44.70 per cent of the respondents felt decrease in transportation cost as they do joint marketing of their produce and

also TNBPC procures the produce directly from the members for the value addition.

Regarding income generating aspect, 57.60% of the respondents experienced increase in income from the bunches as the TNBPC procures the produce from the members for value addition by giving better price than the market price, creates the platform for the members to sell their produce outside the state and also gives the timely market information. About 46.20 per cent of the respondents felt their income from value added products were increased. As the banana is a perishable commodity and there will be enormous volume of arrivals during the season which drives down the prices where value addition is the only option for the farmers to increase their income. TNBPC members were jointly involved in the value addition of banana and making products such as solar dried banana, banana cookies, banana chocolate and banana powder etc. They market their products nationwide to all the states and also

export the products especially solar dried banana as they have wide scope in international market. They also have a tie up with online platforms like *Amazon* where they sell their products which results in increased income.

CONCLUSION

Farmer Producer Organizations (FPOs) are a group of marginal and small farmers who work together to solve problems. The FPO's are contributing to the improvement in socio economic conditions of the farmers by strengthening their negotiating power with purchasers, by reducing the transaction costs, bringing farmers closer to the market and allowing them to gain from agriculture. It was found that about 62.10 per cent of the respondents had medium level of overall socio economic impact. Also it was found that about 58.30 percent of the respondents had a medium level of personal and social impact. About 80.30 per cent of the respondents had medium level of economic impact. Since the major intention of any farmer for joining the FPO's would be improvement in their economic terms, the FPO should concentrate more on improving the economic status of the farmers by providing them with improved market linkage and market information.

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