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PERFORMANCE ASSESSMENT OF FARMER PRODUCER ORGANIZATIONS IN ALLURI SITARAMA RAJU DISTRICT OF ANDHRA PRADESH

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ABSTRACT

This study evaluated the performance assessment of Farmer Producer Organizations (FPOs) in the Alluri Sita Rama Raju (ASR) district of Andhra Pradesh. A total sample size of 160 coffee growers were surveyed among which 80 are FPO beneficiaries and other 80 are FPO non-beneficiaries. The perception of coffee growers towards FPO services like technical, financial, marketing, processing and value addition are analyzed using weighted average score method. The results revealed that credit facilities were rated the most relevant, with a weighted mean score of 3.01. Market information services emerged as the most appreciated, with a weighted mean score of 3.06, indicating that timely and relevant information on prices and demand is valued highly by farmers. Procurement of produce from members stood out as the most appreciated service with a weighted mean score of 3.41, reflecting the importance farmers place on having a reliable channel to sell their produce followed by value addition (3.23) and branding (3.13), indicating that farmers recognize the role of FPOs in enhancing the marketability of their products.

KEYWORDS: Coffee growers, input services, farmer producer organizations, farmers perception, weighted mean score method.

INTRODUCTION

Andhra Pradesh has emerged as a high-growth region for coffee cultivation. The area expanded significantly from 71.96 to 97.53 thousand hectares between 2013–14 and 2022–23, registering a robust CAGR of 3.44 per cent, showing higher than the national average. This was increased by a remarkable 25.12 per cent annual growth in 2017–18, attributed to government schemes. Production showed an even more impressive CAGR of 5.32 per cent, though it was marked by extreme fluctuations, including a 101.59 per cent surge in 2015–16 and sharp declines in other years. Productivity improved at a CAGR of 1.84 per cent, yet the absolute yield (0.099 MT/ha) remains significantly lower than the national average. Alluri Sita Rama Raju district has 40 sanctioned and 32 operational FPOs, playing a key role in the region's agricultural economy, primarily focusing on coffee, turmeric and pepper. Analysis of three selected coffee-centric FPOs, Maa Thota, Paderu and Dhimsa revealed varying levels of performance (Keerthana, K 2026). All three have established basic governance structures (Board of Directors, CEO, rented office). However, Maa Thota FPO, being the oldest (7 years), outperformed the others. It boasts a larger membership (1000 farmers), higher share capital (Rs8.5 lakhs) and a greater annual turnover (Rs 25-27 lakhs). FPOs in the ASR district have successfully established foundational governance and operational structures. However, their performance and impact are directly correlated with their age, scale of operations and financial mobilization. Maa Thota's relative success highlights the importance of maturity and a larger member base. These FPOs are playing a crucial role in improving the livelihoods of tribal farmers (Hema, B 2025) by providing better access to inputs, markets and support services. This study evaluated the performance assessment of Farmer Producer Organizations (FPOs) in relation to the input services provided by FPOs in Alluri Sita Rama Raju (ASR) district of Andhra Pradesh.

MATERIAL AND METHODS

Three mandals Araku Valley, Chinthapalli and Paderu were selected purposively based on their large area under coffee cultivation, high production volumes and significant membership of coffee farmers in FPOs. Coffee farmers with FPO membership were selected purposively, while non-beneficiary farmers were chosen randomly from the same clusters. This resulted in a total sample of 160 farmers, comprising 80 FPO beneficiaries and 80 non-beneficiaries, who were interviewed for the study. Further, data also collected from FPOs, Velugu

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samastha and from Coffee Board in Chinthapalli.

weighted average score method: This method was used to rank the preference of different statements by the FPO coffee growers in the study area.

Weighted average score = ∑W X /W X

W = Weighted factor

X = No of factors

RESULTS AND DISCUSSION

Farmers perception towards Input services

Table 1 presents how farmer members rated various input services offered by their FPOs. The findings show that Quality of inputs stood out as the top service with the highest weighted mean score (3.60). Most farmers felt that FPOs are doing a great job in providing reliable, high-quality inputs, which is essential for better yields and lower risks (Ravikishore, M.,2024) . Next in line was the Regular supply of inputs (score: 3.525), followed by Seed (3.45). Farmers appreciated not just the quality but also the consistent and timely availability of inputs which helps them plan their farm work more efficiently. The variable like Timely supply of inputs and Fertilizers were ranked fourth and fifth, respectively which is highlighting farmers value timing when it comes to input delivery.

Farmers perception towards technical services

Need-based training programs were rated the most helpful which is showing that farmers value practical, relevant learning opportunities (Table 2). Support in production activities and Agro-advisory services followed closely, reflecting the importance of timely guidance and on-ground assistance (Ravikishore, M, 2026). Services like information on improved crop varieties and post-harvest management also ranked well, indicating that FPOs are playing a key role in sharing useful knowledge. Meanwhile, areas like production technology, skill improvement and crop diversification received average ratings, suggesting there's still room for improvement.

Table 1. Farmers perception towards input services

Input services	Response Category					Weighted mean	Rank
	5 (E)	4 (G)	3 (A)	2 (P)	1 (VP)		
Seeds	5	38	25	12	-	3.45	3
Fertilizers	5	32	34	9	-	3.41	5
Bio-fertilizers	6	27	38	5	4	3.32	9
Micronutrients	3	29	36	10	2	3.26	10
Plant protection chemicals	4	34	20	22		3.25	11
Equipment and machinery	2	36	33	6	3	3.35	8
Other accessories (pump sets, drip and pipe lines)	2	33	38	7	-	3.37	7
Timely supply of inputs	4	38	26	12	-	3.42	4
Reasonable cost of inputs	1	35	38	6	-	3.38	6
Quality of inputs	6	40	30	4	-	3.60	1
Regular supply of inputs	2	45	26	7	-	3.525	2

Frequency and percentage in parenthesis; E: Excellent; G: Good; A: Average; P: Poor; VP: Very poor

Table 2. Farmers perception towards technical services

Technical services	Response Category					Weighted mean	Rank
	5(E)	4(G)	3(A)	2(P)	1(VP)		
Information on crops/improved varieties	1	25	42	12	-	3.18	4
Production technology	2	25	35	15	3	3.10	6
Resource conservation technology	0	17	37	17	9	2.77	10
Crop diversification	0	17	41	18	4	2.88	8
Seed production	1	10	41	20	8	2.70	11
Facilitation of production activities	1	34	34	11	-	3.31	2
Production clusters development	-	6	44	20	10	2.57	13
Alternative farming system development	-	1	37	24	18	2.26	15
Post-harvest management	2	28	30	20	-	3.15	5
By-product utilization	5	13	35	16	11	2.81	9
Need based training programs for members	2	33	34	11	-	3.325	1
Skill improvement activities	5	19	34	18	4	3.03	7
Facilitation of kisan melas, exposure visits, field trips	-	13	36	21	10	2.65	12
Farm publication support	-	1	37	26	16	2.28	14
Agro-advisory services	3	33	30	12	2	3.28	3

Frequency and percentage in parenthesis; E: Excellent; G: Good; A: Average; P: Poor; VP: Very poor

Farmers perception towards financial services

Table 3 highlights the farmers' perception of various financial services offered by FPOs. Among the listed services, credit facilities were rated the most relevant, with a weighted mean score of 3.01. This indicates that farmers view access to credit as the most beneficial financial support provided by their FPOs, though the moderate score also suggests there's room for improvement in outreach or ease of access (Ravikishore, M). Subsidies ranked second (2.53), followed by assistance in obtaining grants (2.16), which were seen as somewhat useful but inconsistently accessed.

These findings imply that while credit-related services are relatively better perceived, many other financial services are underutilized or poorly communicated. Strengthening financial literacy, simplifying access procedures and active liaison with government departments could enhance the effectiveness of financial service delivery by FPOs. Marketing Services like direct marketing (1.70) and assured buyback (1.58) were rated poorly, possibly due to weak institutional linkages or limited capacity of FPOs to secure consistent buyers. Technical services like alternative farming systems, farm publications and cluster development didn't resonate much with members, likely due to limited outreach or awareness. Overall, while FPOs are making progress in providing market-related support, improvements in infrastructure, partnerships and buyer engagement are essential to enhance their role as effective market intermediaries.

Table 3. Farmers perception towards financial services

Financial services	Response Category					Weighted mean
	5(E)	4(G)	3(A)	2(P)	1(VP)	
Credit facilities	3	20	35	19	3	3.01
Providing subsidies	2	7	30	34	7	2.53
Crop insurance facilities	1	3	18	38	20	2.08
Convergence of funds	0	2	8	40	30	1.77
Ways of raising funds	0	1	3	41	35	1.62
Obtaining grants from various sources	1	3	20	40	16	2.16
Dovetailing of Govt. Schemes	0	2	13	35	30	1.83

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