

# Empowering Tribal Communities: An Overview of Farmer Producers Organizations (FPOs) in Andhra Pradesh, India

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## ABSTRACT

*The Farmer Producing Organizations (FPOs) have been perceived as a magic bullet to the farmers' problems in Andhra Pradesh, India. The federal and provincial governments of India are both promoting FPOs as a new institutional arrangement to revolutionize farming. FPOs are considered to be a vital mechanism that address issues of agricultural productivity, market access, and sustainable practices. Therefore, it revitalizes agriculture by infusing new technology among marginalized groups. The tribals are one of the most backward communities in terms of modern developmental indicators and although underdeveloped, their agricultural systems and patterns are organic and sustainable. Moreover, their potential has not been tapped due to the lack of market access and restricted use of modern technology. If FPOs are able to foster new technology and give market access, the tribal farmers' productivity may increase manifold.*

*In this backdrop, the study delves into the distinctive challenges faced by tribal farmers and explores if the formation of FPOs serves as a catalyst for socioeconomic development. It also tries to explore what qualitative changes FPOs are able to bring to the life of a farmer's family. Furthermore, the study examines collaborative efforts between FPOs, government agencies, and NGOs. It also assesses the availability of credit for the members of FPOs. Additionally, it touches upon the role of FPOs in facilitating newer technology and climate-resilient agricultural practices among tribal farmers. The study concludes by presenting ways forward and the future of FPOs among tribal communities.*

*Keywords: tribal, Farmer Producing Organizations, FPOs, participation, agriculture, community*

## Introduction

The practice of sharing labor among farming communities has been a widespread feature in Indian agricultural practices. Farming requires multiple hands and skills, therefore, mutual aid was embedded into it in the absence of mechanization. Mutual aid entailed farmers getting together to support one another from planting to harvesting. Together with facilitating effective task completion, this combined effort help farmers feel more united and it also fostered community cohesion. In traditional Indian society, the practice of mutual aid is not limited to agriculture and it has been part of social and cultural aspects of daily life. Historically, farming communities often sold their agricultural produce to their neighbors or townspeople through local markets like *santa*. Transactions were initially composed of goods, and services were done through a barter system in the absence of a well-developed currency and market. As formalized market systems develop with the passage of time, it enabled farmers to reach broader markets and trade their products for currency. In the changed economic scenarios, mutual aid metamorphosed into a mutually benefitting economic system where individuals are interested in mutual help only if it is economically beneficial to them.

It is also important to note that there has been tremendous change in the demography of the region and it has fragmented the land abysmally, resulting in tiny landholdings. Statistics from the 2010–2011 Agricultural Census of India indicate that the number of landholdings is increasing and has nearly doubled during the last 20 years (Government of India, 2015). Due to increased fragmentation and subdivision, farmers with marginal landholdings face a variety of issues such as feasibility and profitability in farming activities. They also face issues related to credit and market access, and technology adoption added further challenges. This made agriculture an unviable option for small landholding owners. Therefore, it was realized that collectivizing farmers into producer companies may help small and marginal farmers in reaping the benefits of economies of scale, as well as collective bargaining (Rondot & Collion, 2007).

## Background and Rationale of the Study

The districts of the study, namely Alluri Sitharama Raju, Parvathipuram

Manyam, Vizianagaram, and Srikakulam of Andhra Pradesh are predominantly populated by tribal communities. Their agricultural practices are archaic yet sustainable, though they have limited market access in the changing economic order. Their agricultural produce is unique in the sense that they are completely natural and have high market demand. As most of the tribal communities in the study do not meet the standard human development indicators, they are not able to leverage the best market prices of their agricultural produce on their own.

In order to bridge this long-standing gap, the Government of India at the national level, and the Government of Andhra Pradesh at the state level, are promoting a new institutional arrangement known as Farmer Producer Organizations (FPOs). It is a collective model aimed to improve agricultural productivity by infusing newer technology and facilitating equitable market access. The process of FPOs include aggregation of produce, input procurement at reasonable rates, fair market access, and nurturing the entrepreneurial capacities of the tribal communities. However, despite the huge push by the government, the success of FPOs, especially among tribal communities, depends on the uniqueness of the product, local culture and dynamics, and educational level and awareness of tribal farmers. A national paper by the National Bank for Agriculture and Rural Development (NABARD) titled *Status, Issues & Suggested Policy Reforms* (2019) discussed the processes of formation, issues, and required changes to make FPOs more convenient for the communities.

Despite government efforts in promoting and incentivizing FPOs through various initiatives and programs, there is limited research that is focused on the tribal communities of Andhra Pradesh. Therefore, the study seeks to fill the gap by offering the holistic perspectives of the nature, functions, and processes of FPOs, as well as the socioeconomic impacts, including enhanced bargaining power and overall well-being of tribal communities of the four districts of Alluri Sitharama Raju, Parvathipuram Manyam, Vizianagaram, and Srikakulam of Andhra Pradesh.

### ***Tribal Communities in India***

India has the second largest tribal population in the world, and the tribal communities have been an integral part of Indian society, having been mentioned in ancient texts like Ramayana and the Mahabharata. The

tribal population in India is diverse, forming distinctive rich traditions, customs, and lifestyles. Despite their presence in various parts of India, they possess common traits and are more homogeneous and self-contained than the non-tribal social groups. The concentration of tribal communities may be found in Northeast and Central India.

When the country got independence in 1947, the Constituent Assembly debated the issues of tribals in detail. The framers of the Indian Constitution had a divided opinion related to the development of tribals in India. Therefore, they added elaborate protective provisions for tribals in the Indian Constitution. Under the Constitution of India (1950), Scheduled Tribes are groups listed in the Constitution as tribes and thus enjoy special protection. Article 342 states that the President, by public notification, would “specify the tribes or tribal communities or parts of or groups within tribes or tribal communities . . . be deemed to be Scheduled Tribes in relation to that State or Union territory.” Over 700 communities have been identified as Scheduled Tribes under Article 342 of the Indian Constitution (National Commission for Scheduled Tribes, n.d.). As per the 2011 census, tribal communities constitute 8.61% of the total Indian population. Tribal groups in India are at different stages of social, economic, and educational development. While some tribal communities have adopted the mainstream way of life, 75 Primitive Tribal Groups are unable to meet various indicators of human development (Ministry of Tribal Affairs, Government of India, 2024).

The study was conducted in Andhra Pradesh, a province of India. It constitutes 5.53% of the tribal population as per the 2011 census. The region of Eastern Ghats is especially considered to be the house of various tribal groups (Venkatanarayana, 2013) and most of these tribal communities depend on collecting forest produce. Gradually, they are moving from shifting cultivation or *podu* to settlement agriculture. Traditionally, they have been in agriculture for their survival and self-consumption. In changing contexts, their aspirations cannot be catered to based on traditional agricultural models. Therefore, they are also shifting to commercial crops though their methods of cultivation are still largely organic. The tribals in the study area produce turmeric, ginger, pineapple, custard apple, plantain, mangoes, red gram, and corn. Like any other communities in the region, the tribal communities are also changing due to the influence of liberalization, globalization, and privatization. Though

due to the lack of credit and market access, they are not able to realize their full potential. Moreover, institutional lenders are not interested in facilitating credit to them as they often lack the required documents.

### *Necessity and Significance of FPOs for Tribals*

A Producer Organization (PO) is a legal entity formed by primary producers (i.e., farmers, milk producers, fishermen, weavers, rural artisans, and craftsmen). It is a registered organization owned and controlled by farmer members themselves, and it aims to ensure better income for the producers through collectivization. FPOs assist farmers to increase their revenues and protect them from eventualities of weather and market conditions through group action. As small producers do not have the volume of products individually, they have no bargaining capacity to negotiate prices. Besides, marketing of the agriculture products itself is a specialized domain, which tribal farmers are not adept at. Therefore, the purpose of FPOs is to meet the common needs of its members by providing required services to them. If tribal farmers become members of POs, they may be able to access these facilities through the power of collectivization. Gradually, FPOs caught the government's attention due to its potential to transform the lives of farming communities. For the first time, FPOs were introduced by the Indian Government in 2002 with the amendment of the Companies Act 1956 (Department of Agriculture and Cooperation [DAC], 2013, as cited in Kumar et al., 2022). Usually, services offered by the FPOs in India include: (a) supply quality agriculture inputs like seed, fertilizer, and pesticides at competitive rates, (b) required machinery and equipment, (c) value addition, storage, and transportation of produce, (d) diversify income generating activities, (e) technical support and marketing of produce, and (f) better and remunerative prices of agricultural produce (Small Farmers' Agri-Business Consortium [SFAC], n.d.).

In view of the above services offered by FPOs, both federal and provincial governments are encouraging the formation of FPOs through various agencies. Government intervention vis-à-vis FPOs is also supported by civil society organizations in India. The Department of Agriculture and Cooperation (DAC), Ministry of Agriculture, and the Government of India act as nodal agencies for the development and growth of FPOs. The Small Farmers' Agri-Business Consortium (SFAC), a society under DAC, is providing support for the promotion of FPOs to state governments.

SFAC is an autonomous society promoted by the Ministry of Agriculture, Cooperation and Farmers’ Welfare, and the Government of India (SFAC, n.d.). This government support triggered the mobilization of the farmers for aggregation across the country to augment the farmers’ income. DAC and its associated agencies are supposed to work with NABARD and other financial institutions to direct short- and medium-term credit for working capital and the infrastructure investment needs of FPOs.

Seeing the encouraging results of the intervention of FPOs among farming communities, the Government of India has launched a new Central Sector Scheme titled “Formation and Promotion of 10,000 Farmer Produce Organizations (FPOs)” with a clear strategy and committed resources to form and promote 10,000 new FPOs in the country with a budgetary provision of Rs 6865 crore (Government of India, 2021).

Since farmers belonging to the tribal communities are already at the receiving end, FPOs offer a powerful and sustainable solution to the multi-layered challenges that they face. By addressing issues such as market access, storage, and financial inclusion through collective action, tribal FPOs can help farmers unlock the full potential of their unique products. These interventions can lead to higher incomes, greater market stability, and long-term economic empowerment for the tribal communities.

### *Services Provided by FPOs*

**Table 1.**  
*Services Provided by FPOs*

<b>Types of Services</b>	<b>Particulars of Services Provided</b>
Organizational Services	Organizing farmers, catalyzing collective action, building capacities, establishing internal monitoring systems
Production Services	Input supply, facilitation of (collective) production activities
Marketing Services	Transport and storage, output marketing, processing, market information and analysis, branding, certification
Financial Services	Savings, loans, and other forms of credit, financial management
Technology Services	Education, extension, research
Education Services	Business skills, health, production
Welfare Services	Health, safety nets
Management of Resources	Water, pasture, fisheries, forests, soil conservation

*Note.* Adapted from Hellin et al., 2009; Markelova et al., 2009; Narrod et al., 2009; Rondot & Collion, 2007.

### *Various Tribal Groups in the Study Area*

There are various tribal groups where data was collected for the purpose of the current study. These tribal groups are:

1. **Savara:** Traditionally, *podu* or shifting cultivation has been the mainstay of the Savara people. They depended on “slash and burn cultivation” (swidden) which does not require any sophisticated technological input. Nowadays, they prefer settled cultivable land near hill streams than cultivation in *podu* plots. Most of the Savara people living around Seethampeta in Srikakulam districts possess small plots of land on the hill terrains to cultivate paddy and cashew. The Savara’s economy is not market-oriented. Rather, it is a subsistence economy, oriented towards the survival of household members. Their system of production, distribution, and consumption cater to day-to-day needs of the people for their sustenance and survival.

*Gutthi Pani* (group work), a kind of work culture among the Savaras, is one of the indigenous knowledge systems prevalent even today. A family is helped by community members by extending their labor. The elders of the tribal community assign a number of people to work in the land of a particular family. The family that gets the help of the labor force from the community must provide a meal for all of them, and at the end of the day, each laborer is given nominal wage. Thus, the community supports the individual family with a collective labor force. The process of decision-making under the *Gutthi Pani* is more democratic, which facilitates social solidarity. A tangible expression of compassion and solidarity intertwined in this indigenous practice of group work among the Savaras is in fact praiseworthy (Gnana, 2019).

2. **Konda Reddy:** *Konda Reddy* means rulers of hills. *Konda* means hill in Telugu language, which is spoken in the province of Andhra Pradesh. They mostly live on both sides of the Godavari River in East and West Godavari districts. They usually live in hilly tracts

and cleared forest areas. The main occupation of the Konda Reddy is agriculture, as well as allied crafts. They practice permanent field agriculture and shifting cultivation in the hilly areas on both sides of Godavari River. They cultivate a variety of cereals, millets, vegetables, and pulses in the *podu* along hill slopes and also in plains (Ravishankar, 2024).

3. **Jatapu:** Jatapu tribal people are the inhabitants of Eastern Ghats of Andhra Pradesh and Orissa provinces of India. Their substance is based on cultivation. They depend mainly on slash and burn cultivation carried out on the hills around their habitat, and also practice low land paddy cultivation (*garavu*) near foothills. The main occupation of some of these Jatapu tribes is agriculture. Their main produce includes *chodi* or *ragi* (*Eleusine Coracana*) and crops like *samalu* (*Panicum Milare*), *gantelu* (*Pennisetum Typhoides*), *jonnalu* (*Sorghum Bicolor*), and *korralu* (*Setaria Italica*). The commercial crops like cashews (*Anacardium Occidentale*), mangoes (*Mangifera Indica*), chillies (*Capsicum Annum*), and tobaccos (*Nicotiana tabacum*) are cultivated, and beedi leaves (*Diospyros melanoxylon*) are also cultivated in a few pockets (Sudhanarao, 2017).
4. **Kondh (Dongria Kondh or Jatapu Kondh):** Kondh tribes primarily inhabit the hill regions of the Eastern Ghats in Manyam Parvathi Puram. They are known for practicing *podu* agriculture. Their economy is largely subsistence-based, dependent on agriculture, forest products, and occasional wage labor.
5. **Gadaba:** Parvathi Puram and parts of Visakhapatnam are homes of Gadaba tribes. Traditionally, they have been into terraced paddy cultivation and collection of minor forest produce. They also practice animal husbandry.

## Review of Literature

FPOs in tribal areas, like KASAM in Odisha, enhance farmers' income through better pricing, marketing infrastructure, and access to government schemes, despite facing communication and input supply challenges (Mahapatra et al., 2023). According to Mathuabirami and

Kalaivani (2021a), FPOs in tribal areas empower farmers by facilitating access to credit, quality inputs and market linkages, enhancing their economic status, and collective bargaining power. In addition, FPOs can empower small farmers by improving marketing systems and fostering self-reliance through organized group approaches like Farmer Interest Groups (Mathuabirami & Kalaivani, 2021b). As per Katiki (2022), FPOs increase their income and empower farmers through collective input pooling and diversified actions, significantly impacting the economic and social well-being of tribals. Padaliya et al. (2022) concludes that FPOs enhance livelihoods in tribal areas by improving income, employment, and access to resources, thereby addressing challenges faced by small and marginal farmers. Krishnan et al. (2021) found that each of the four FPOs underpinned by the new business model had adopted various innovative practices through collaboration with stakeholders that had economic, environmental, and social outcomes. Tribal farmers are taking a keen interest in millet crops as they have limited access to credit and technology. Amid these constraints and the lack of an irrigation system, they prefer traditional crops. Seeing their interest in millet cultivation, NABARD has formed several FPOs to encourage millet cultivation in the region. These FPOs are engaged in millet-based business activities such as input supply, procurement, providing custom hiring services, processing, and marketing of the millets, among others (Rao, 2023). Hema et al. (2025), in their work *Tribal Farmer Producer Organizations Constraints in Turmeric Value Addition*, outlined five different dimensions of constraints (i.e., personal, operational, infrastructural, economic, and marketing), for which FPOs are sought for. It also highlighted the social norms of members in joining FPOs, as well as the severe constraints, namely, land alienation, adoption of local varieties, less know-how on recommended practices, lack of drying yards, lack of package machinery, contract-based agreements, poor access to institutional credit, and side-selling of farmers (Hema et al., 2025).

Thereby, FPOs have been instrumental in the reduction of transaction costs and the number of intermediaries leading to the realization of a higher proportion of producer's share in various areas (Manaswi et al., 2020). Although there has been significant literature available about various other tribal groups and regions where FPOs have been in operation and able to transform lives, it is important to note that there has not been work focusing on the specified tribal groups that is the central to this

study. It is also appropriate to consider that every tribal community in India are distinct in their own perspective, and they have a specific culture and dynamic. Therefore, it is crucial to understand that while FPOs might have a good impact on one tribal community, it might have no impact on another.

### **Research Objectives**

1. To explore the potential of FPOs as a catalyst for socioeconomic development of tribals.
2. To assess the level of the participation of members of the tribal farmer's FPOs in the routine and strategic activities.
3. To examine the collaborative effort between FPOs, government agencies, and NGOs.
4. To understand the role of FPOs in facilitating newer technology and climate-resilient agricultural practices.
5. To delve into the distinctive challenges faced by tribal farmers.

### **Methods and Materials**

As the study aims to provide a holistic perspective of the methods, processes, and impact of FPOs among tribal communities, it adopts the mixed method approach. Integrating both quantitative and qualitative approaches for the study helped in gaining the multidimensional perspectives of the impacts of FPOs in the lives of tribal communities.

#### ***Study Area***

The study comprised the districts of Vizianagaram, Srikakulam, Alluri Sitharama Raju, and Parvathi Puram Manyam in the province of Andhra Pradesh. The data were collected from the 100 respondents who are members of the FPOs in the tribal inhabitants of selected districts. Table 2 provides the distribution of samples collected across the districts.

**Table 2.***Distribution of Samples Collected Across the Districts*

Sr. No.	Districts	No. of FPOs
1	Vizianagaram	32
2	Srikakulam	4
3	Alluri Sitharama Raju	26
4	Parvathi Puram Manyam	32

***Sampling Technique***

The study adopted a multi-stage purposive sampling method to choose the appropriate areas of the study. In the first stage, four districts, namely Vizianagaram, Srikakulam, Alluri Sitharama Raju, and Parvathi Puram Manyam were purposively selected based on the concentration of Scheduled Tribe populations and the operational presence of active FPOs. In the second stage, the active FPOs were identified in all four districts: Vizianagaram (32), Srikakulam (4), Alluri Sitharama Raju (26), and Parvathi Puram Manyam (32). In the third stage, a sample of 100 FPO members from tribal communities was identified randomly and proportionately from each district.

***Data Collection Methods***

Primary data for the study were collected through a structured interview schedule, which included both qualitative and quantitative parameters with the FPO members. The parameters like socioeconomic profile of members of FPOs, access to credit, market linkage, capacity building, and technological upgradation formed part of the schedule.

The secondary data were collected appropriately from various government reports like NABARD and SFAC, and academic papers like journal articles.

***Tools for Data Analysis***

Quantitative data were analyzed using descriptive statistics (frequencies, percentages, cross-tabulations) through SPSS. On the other

hand, the qualitative data from structured interview schedules were analyzed thematically.

### *Ethical Considerations*

Informed consent was obtained from all participants. Confidentiality and anonymity were strictly maintained during the study.

### *Results and Discussion*

Data in Table 3 highlights that the majority of the respondents were women farmers who are also members of FPOs. The women farmers play a vital role in agriculture activities in the tribal areas. Majority of the respondents belongs to the mid-age group and the overall mean age is 41.4 years old.

**Table 3.**  
*Mean Age of Respondents (N=100)*

	<b>Responses</b>	<b>Mean Age (years)</b>	<b>Median (years)</b>
Male	45	41.2	40
Female	55	41.5	40
<b>Overall</b>	<b>100</b>	<b>41.4</b>	<b>40</b>

**Table 4.**  
*Gender-wise educational status (N=100)*

	<b>Male</b>		<b>Female</b>		<b>Total</b>	
	<b>Responses</b>	<b>%</b>	<b>Responses</b>	<b>%</b>	<b>Responses</b>	<b>%</b>
Illiterate	12	27%	36	65%	48	48%
Below 10th Class	17	38%	16	29%	33	33%
Above 10th Class	16	36%	3	5%	19	19%
<b>Total</b>	<b>45</b>	<b>100%</b>	<b>55</b>	<b>100%</b>	<b>100</b>	<b>100%</b>

As shown in Table 4, the education levels of the respondents are skewed. Nearly half of the respondents (48%) were illiterate and majority of them are women (65%) as compared to men (36%). Literacy rates among tribes were also generally low. Overall literacy rate among the respondents was less in comparison to other areas and to the state average.

**Table 5.**  
*Landholding Size in Guntas (N=100)*

	Responses in Guntas	Responses in Acres
Minimum	3	0.1
Maximum	440	11
Average	118	3.0

  

Land Size Holding	Responses	%
Less than 1 acre	14	14%
1 acre to 2 acres	33	33%
2 acres to 3 acres	14	14%
3 acres to 5 acres	28	28%
5 acres and above	11	11%

Table 5 depicts that the landholding size among almost half of the respondents (47%) is only up to two acres. It is interesting to note that only 28% of respondents have landholdings up to three to five acres. Tribal areas often have unique landholding patterns and shapes because of their cultivation practices, cultural, historical, and socioeconomic contexts. Often, tribals have been practicing *podu* cultivation and very few of them prefer settled agriculture. Only 11% of the respondents have more than five acres of land. Land size in the tribal areas bears less significance in terms of productivity as these are uneven and hilly terrain lands, making it more difficult to cultivate.

### *Governance and Organizational Activities of FPOs*

**Table 6.**  
*Awareness About General Body Meeting and Participation*

	Male (N=45)		Female (N=55)	
	Yes	%	Yes	%
Awareness of FPO Board Meeting	41	100%	46	85%
Participated in Board Meeting	38	93%	45	83%

**Table 7.**

*Space to Speak, Decision-Making and Involvement of Day-to-Day FPO Operations*

Questions	Male (N=45)		Female (N=55)		Total (N=100)	
	Yes	%	Yes	%	Yes	%
Do you get enough space to speak and propose your ideas in a general body meeting?	37	82%	45	82%	82	82%
Do you participate in the business planning and crucial decision-making of the FPO?	32	71%	44	80%	76	76%
Are members involved in day-to-day operations of FPO?	28	62%	37	67%	65	65%

In terms of awareness about general body meetings and participation in board meetings, men were more aware (100%) and participative (93%) compared to women with 85% and 83%, respectively (Table 6). However, it is surprising to note that women are significantly participative in general body meetings, business planning, and day-to-day operations of FPOs compared to men (Table 7).

In terms of participation, tribal women were significantly more participative than tribal men. Both male and female have equal space to speak in general body meetings of FPOs, and Table 7 showed that women were more active when it comes to the FPOs' business planning, decision-making, and day-to-day operations. Results also showed that tribal women contribute more to agriculture than men.

**Table 8.**

*Various Agricultural Support Services Provided by FPOs (N=100)*

Services	Responses	%
Procurement of Produce	98	98%
Procurement of Seeds	94	94%
Weed Management	94	94%
Inter-cultivation	92	92%
Field Demonstration	91	91%
Seed Treatment	91	91%
Grading	91	91%
Field Inspection	89	89%

Services	Responses	%
Extension Meeting	88	88%
Climate Change Adaptation	86	86%
Climate Change Mitigation	85	85%
Ploughing	79	79%
Time of Sowing	79	79%
Spacing	78	78%
Bio-Fertilizer	75	75%
Bio-Fertilizer 2	72	72%
Soil Testing	68	68%
New technology on irrigation and optimum use of fertiliser	61	61%

Individual farmers became members of the FPO because they expected something in return. FPOs were able to extend various services that make life easier for the tribal farmers. In total, 98% of the respondents accessed services related to procurement of agricultural produce and 94% of them received input seeds by FPOs and other agencies (Table 8). When it comes to the use of newer technologies, only 61% of the respondents found FPOs useful. Another 68% responded that soil testing was facilitated by FPOs.

**Table 9.**  
*Access to Credit*

	Frequency	%
Bank	5	5%
Cooperative Bank	2	2%
From FPO	35	35%
Local Money Lender	5	5%
Self	53	53%
<b>Total</b>	<b>100</b>	<b>100%</b>

It is understood that FPOs play a significant role in providing finance and market access to farmers. However, it is surprising to note that the majority (53%) of the farmers manage their finances on their own (Table 9). Only 35% of the respondents receive finance-related support from FPOs. Another important fact is that only 7% of them opt for institutional borrowings, and as many as 5% of the respondents manage their finances from local money lenders with higher interest rates despite being a member

of FPOs, making them vulnerable.

**Table 10.**

*Procurement and Marketing of Agriculture Produce (N=100)*

Options	Responses	%
Yes	94	94%
No	6	6%

Providing market access to tribals and ensuring reasonable prices for their produce are critical aspects for which FPOs are known for. As shown in Table 10, the study found that 94% of the respondents avail market support in getting reasonable prices for their produce. It was also observed that during post-harvest, there is a drastic fall in the prices of agricultural products due to the abundance of produce. The FPOs play a crucial role in arresting the fall of prices and maintaining the market price. After every crop, the broker tries to create an environment so that farmers from lower socioeconomic backgrounds sell their products for lower than the market price. Hence, FPOs play a significant role in rescuing the farmers and helping them get the appropriate prices for their produce.

**Table 11.**

*Payment of Produce in No. of Days (N=94)*

Options	Responses	%
Same day	32	34%
Weekdays	43	46%
15 days	17	18%
One month	1	1%
More than one month	1	1%

For farmers coming from a lower socioeconomic background, it is very crucial that they receive payment on time because many of them mainly depend on agricultural work. If they don't get paid on time, the burden of the capital investment increases. Therefore, the role of FPOs is crucial when it comes to facilitating payments for produce on time. Table 11 shows that 34% of the members of FPOs get paid for their produce on the same day, whereas 46% of them were paid in a week's time.

### ***Challenges Faced by Tribal Farmers***

1. **Lack of storage and cold chain infrastructure:** Highly perishable goods, such as pineapple, jackfruit, and custard apples may be damaged if they do not reach markets on time. Improper storage causes non-perishable goods like cashew, ginger, turmeric, and tamarind lose their quality, which lowers their market value.
2. **Limited knowledge on value addition:** Products like ginger, turmeric, millets, and tamarind can fetch significantly higher prices if they undergo basic value addition. However, due to the lack of processing knowledge and skills, most tribal farmers sell raw products, through which they are not realizing their proper prices.
3. **Transportation issues and poor market connectivity:** Tribal farmers stay in remote locations that have poor infrastructure and transportation. Therefore, FPOs become very significant for them in creating market linkages. In this situation, they are compelled to depend on intermediaries who take advantage of their limited access to the market.
4. **Lack of processing machinery and skills:** Many of the unique crops grown by tribal farmers (e.g., bamboo products, turmeric, and ginger) require basic or semi-advanced processing to meet market demands. Due to the lack of machinery and technical know-how, these products don't often meet the standards required for larger markets and consequently compelling them to sell at lower prices.
5. **Lack of working capital and access to credit:** Due to a lack of working capital and restricted access to credit, tribal farmers often sell their produce immediately after harvest, and they receive very low prices for their unique products. If they wait for favorable market conditions, they may get higher prices and can earn good profit.

**Table 12.**  
*Challenges in Agriculture Faced by FPO Members*

	Frequency	%
Lack of produce certification	8	8%
Lack of storage facilities	12	12%
Lack of updates on market prices	7	7%
Low price for produce	19	19%
Market linkages	24	24%
Unstable market linkages	3	3%
Produce quality	10	10%
Transportation	9	9%
No response	6	6%
Others	2	2%
<b>Total</b>	<b>100</b>	<b>100%</b>

Despite the robust support provided by the FPOs, it was found that there are still challenges that the FPOs need to resolve. For instance, although the products of the tribal groups are unique and fully organic, the FPOs could still not mark the prices appropriately as there was no certification for their produce. In addition, due to the lack of proper inventory management and timely transportation, the quality of produce lowers day-by-day. By the time the products reach the markets, the quality was already compromised, and it consequently leads to lower prices. On the other hand, it was highlighted in Table 12 that 24% of the respondents perceive that the FPOs were unable to facilitate appropriate market linkages for them.

## **Conclusion**

As tribal communities are still in the early phase of human development, they need more support when it comes to earning and sustaining a livelihood through agriculture. However, the challenges they face, ranging from low market access, inadequate storage, to poor value addition, can be effectively addressed through FPOs. Not only will FPOs enable the tribal farmers to earn higher incomes by directly accessing better markets and adding value to their unique produce, they will also improve the health and nutrition of these communities by encouraging the consumption of their own nutritious crops. Through FPOs, tribal

farmers can achieve economic empowerment, improved health outcomes, and sustainable development, creating a more prosperous future for their communities.

Agriculture is the backbone of the tribal communities in Andhra Pradesh. Due to the lack of access to education, they were not able to avail government services as bona fide beneficiaries, especially for services meant for them. On top of that, they also do not have a government-issued land title for their properties. Additionally, they opt for noninstitutional lending as well, making them more vulnerable as interest rates are high. In these scenarios, the role of FPOs becomes very significant for tribal communities.

### **Recommendations**

Though there is partial support that the FPOs extend to tribal communities, the study suggests that the culture and traditions of the tribal communities are unique and still rooted to local values. Therefore, FPOs need to customize their approach when it comes to extending support, especially to tribal communities. Whatever is working for non-tribal communities will not necessarily work for tribals given their distinct contexts and requirements. The findings suggest that there is a very low institutional credit facility even after FPOs work for the tribal community. Therefore, policymakers must pay attention to this issue to alleviate the overall productivity, and to avoid the exorbitant interest rates by the local money lenders. It is interesting to note that the overall participation of the members of FPOs were satisfactory, but their participation in the overall management of FPOs and crucial decision-making were low, as members are illiterate or semi-literate. Therefore, it is essential to conduct capacity building activities to FPO members. As NGOs who facilitate the FPOs are experts in helping and aiding marginalized communities, they must find suitable ways to support the tribal farmers through FPOs as it will help in creating an inclusive and participatory governance of FPOs.

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