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To work out the cost and profit of beneficiary and non beneficiary farmers of FPO in Rewa district, Madhya Pradesh, India

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Abstract
The project titled "Impact of Formation of Farmer Producer Organisation for Enhancing Income Level of Farmer in Rewa District, Madhya Pradesh" was carried out under the guidance of assistant professor Dr. Ramchandra The district of Rewa was chosen purposively. To choose the respondents, a multi-stage random sampling process was used. The member of Farmer Producer Organization (FPO) from Sirmour block was selected purposively out of the nine blocks in the Rewa district. A total of one hundred farmers were questioned. Farmers from the chosen communities were chosen at random in numerical order. The survey approach was utilized to gather the data according to survey method. Upon drawing conclusions, it was discovered that the cost of cultivation of wheat for non-member respondents of FPO was higher than member respondents of FPO. Member respondents of FPO was received more net profit than non-member respondents. This distinction was brought by FPO with offering member farmers timely, high-quality input in addition to technical assistance, upgraded technology, and contemporary infrastructure. The research is relevant to the 2022–2024 farming year.

Keywords: Constraints, member, non- member, market member

Introduction
India is one of the developing countries that depends heavily on agriculture; in 2017, agriculture contributed approximately 19.9% of the country's GDP. Additionally, 54.6% of Indians are employed directly or indirectly in the agriculture industry, according to the 2011 census. When combined, the small and marginal land holdings accounted for approximately 89.5 percent of all land holdings in 2015–16. Farmers with holdings of up to two hectares are considered small and marginal land holders. Therefore, due to this problem of farmers owning little amounts of land, such farmers have very little negotiating leverage when it comes to selling their products and buying inputs to grow those crops. In order to address this problem and reduce the distance between farmers and consumers, the Indian government launched the Central Sector Scheme for the "Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)" in 2020–2021. Funded entirely by government funds totaling Rs. 6862 Crore, this scheme will help farmers become more powerful bargaining agents, increase economies of scale, lower production costs, and increase their incomes by aggregating their agricultural produce. (pib.gov.in)

Objective
To work out the cost and profit of beneficiary and non-beneficiary farmers of FPO.

Materials and Methods
In order to choose the District, Blocks, Villages, and Participants for this study, multistage sampling was used. Using a random selection technique, 100 farmers were chosen from ten villages in the Sirmaur block of the Rewa district. There are three groups of cultivators. I classify landowners with 1-2 hectares, II classifies with 2-4 hectares, and III classifies with 4 and above hectares.

Analytical tools
methods for calculating the respondent data, such as the percentage method The percentage was used to compute the cost and profit technique. Combination This is the standard procedure for figuring out costs and profits.

$$P = \frac{X*100}{N}$$

Where,
P= percentage
X= Frequencies of Respondents
N= Total number of Respondents

Results and Discussion
Cost of cultivation of wheat crop member farmer and non- member farmers of FPO
Table 1 shows the fixed costs and operating costs per

hectare that FPO member farmers experience when cultivating wheat. The average overall cost of farming per hectare was discovered to be Rs. 53465. 60.65% of the overall cost was made up of operational costs, which came to Rs. 32,430. The fixed cost came to Rs. 18,000, or 33.66 percent of the overall expenditure. The highest component of the entire cost, accounting for up to percent of the total, was the rental value of the owned land, followed by human labor, which accounted for 17.44 percent. Interest on fixed capital, interest on working capital, and seed contributed very little to the overall expense of 1.17 percent. Interest on working capital, interest on fixed capital, and seed contributed very little to the whole expense 1.7%, 1.93%, and 8.04 percent, respectively.

Table 1: Compare the cost of cultivation of wheat member and non- member of FPO. (Rs/ha)

S. No.	Item wise breakup of the cost of cultivation.		Member farmer (Rs.) (%)	Non-member farmer (Rs.) (%)
i.	Human Labour	Family	3200 (5.98)	3300 (5.90)
		Hired	6200 (11.59)	6400 (11.45)
		Total	9400 (17.44)	9700 (17.35)
ii	Machine Labour	Hired	5500 (10.28)	5800 (10.37)
		Owned	0 (0)	0 (0)
		Total	5500 (10.28)	5800 (10.37)
iii.	Fertilizer & Manure		5700 (10.66)	6000 (10.73)
iv.	Seed		4300 (8.04)	4800 (8.58)
V	Plant protection		3400 (6.35)	3700 (6.62)
vi.	Irrigation Charges		3500 (6.54)	4000 (7.15)
vii.	Interest on Working Capital		630 (1.17)	751 (1.34)
1.	Total Operational Cost		32430 (60.65)	34751 (62.18)
i.	Rental Value of Owned Land		18000 (33.66)	18000 (32.20)
ii.	Rental Paid for Leased-in-Land		0 (0)	0 (0)
iii.	Depreciation on Implements & Farm Building		2000 (3.7)	2000 (3.57)
iv.	Interest on Fixed capital		1035 (1.93)	1135 (2.06)
2.	Total Fixed Costs		21035 (39.34)	21135 (37.81)
	Cost of cultivation [1+2]		53465 (100)	55886 (100)

Table 1. Lists the fixed and operating costs per hectare that non-FPO member farmers experience when cultivating wheat. The average overall cost of farming per hectare was discovered to be Rs. 53465. Of this, Rs. 32751 (or 60.65% of the total expenditure) went toward operating expenses. The non-member farmer's fixed cost was Rs. 21135, or 37.81 percent of the total. The largest portion of the entire cost, accounting for 33.66 percent of the total, was the rental value of the owned land, followed by human labor, which accounted for 17.44 percent. Interest on fixed capital, interest on working capital, and irrigation and seed contributed very little to the overall cost—1.7%, 1.93 percent, 8.04 percent, and 6.54 percent, respectively.

It is evident from the aforementioned fact that member farmers of the FPO have lower cultivation costs than non-member farmers. This distinction was brought about by FPO's provision of member farmers with timely, high-quality input in addition to technical assistance, upgraded technology, and contemporary infrastructure. FPO members benefit from FPO's bargaining power when purchasing farming inputs, loans, credit, and fertilizer. The annual cost of cultivation was raised by 4% for each crop per acre. Production is quite difficult since, despite several FPOs, the field of data has problems and never yields the true amount of return.

Per hectare returns in wheat crop cultivation of member farmers and non-member FPO

Table 2 lists the per-hectare returns of FPO member farmers. The primary product yielded a return of Rs. 92000 for member farmers, accounting for 84.69 percent of the total yield. Byproduct production yielded Rs. 8400 per hectare, or 15.30 percent of total returns. Farmers in the state made Rs. 46935 per hectare in net return from growing wheat.

Table 2: Per hectare return in wheat cultivation of member and non- member farmers of FPO.

S. No.	Items	Member farmer (Rs.)	Non-Member Farmers (Rs.)
1.	Gross return		
i.	Main product	92000 (91.63%)	88000 (85.08%)
ii.	By product	8400 (8.36%)	8000 (8.33%)
2.	Total return	100400 (100%)	96000 (100%)
3.	Cost of cultivation	53465	55886
	Net Return	46935	40114

Table 2 lists the per-hectare returns of FPO member farmers. The primary product return for non-member farmers was Rs. 92000, or 91.63% of the total returns. generated Rs. 8400 per hectare by product, which accounted for 8.33% of the total returns. Farmers in the state made a net profit of Rs. 46935 per hectare from growing wheat. Table 2 makes it clear that FPO members' yields from both major products and byproducts are higher than those of non-member farmers. As a result, member farmers' net returns are higher than those of non-member farmers. Even if member farmers' costs for growing wheat are lower than those of non-member farmers, member farmers' farming is still more profitable than that of FPO non-member farmers.

Conclusion

The formation of Farmer Producer Organizations (FPOs) has the potential to significantly enhance the income level of farmers. By providing business services to smallholder farmer members and collectivizing small farmers for backward and forward linkages, FPOs can empower farmers to participate in modern competitive markets. Additionally, comparing the cost of cultivation of FPO members and non-members can motivate farmers to join FPOs. Identifying the constraints of FPOs and providing suggestions to overcome these problems will further strengthen the impact of FPOs on enhancing farmers' income levels.

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