

AN EMPIRICAL STUDY ON FARMERS' CLUB PROGRAMME: AN INNOVATIVE INITIATIVE OF NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT (NABARD)

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Abstract For sustainable growth in agriculture, there is a need to improve productivity and reduce the costs. Farmers' Club programme initiated by National Bank for Agriculture and Rural Development (NABARD) in 1982, is one such initiative. These clubs are grassroots level informal forums. Such clubs are organised by rural branches of banks with the support and financial assistance of NABARD for the mutual benefit of the banks concerned and rural people. The programme is aimed at transmitting the latest agriculture techniques to the farmers' field, orienting them to establish better relationship with banks, adoption of latest post-harvest handling technology, value addition and enjoy the benefits of collective bargaining power for procuring inputs and select their produce. In view of the utility of such informal forums of Farmers' Clubs, an initiative is undertaken to study the impact of these clubs on the agriculture performance. The present study aims to analyze the working, growth and development of Farmers' Clubs in Gujarat along with empirically examining the perspective of member and non-member of Farmers' Club programme in Anand district. The study also aims to analyse the awareness and satisfaction level of the respondents towards the Farmers' Club programme.

Keywords: Agriculture, Farmers' Club, NABARD, Rural Entrepreneurship JEL Classification: N5, D71

INTRODUCTION

Agriculture is the mainstay of Indian population. As per the data of the year 2013, agriculture and allied sector contributes 13.7% of the Gross Domestic Product (GDP) and accounts for about 50% of total workforce (Agriculture in India, n.d.). It is contrasting to note that despite dependency of huge population, on agriculture; the contribution is very less, which points out the problem of lower productivity. The reasons attributable to lower productivity could be fragmentation of land, lack of proper credit availability, and lack of access to mechanised technologies (Chirwa, 2009). The cost-effective solution to wealth maximisation is uniting farmers together. NABARD is the apex bank, formulated to oversee the development of rural areas of India; it carries out the agricultural functions of Reserve of Bank of India (RBI). It promotes sustainable and equitable agriculture and rural prosperity through effective credit support, related services, institution development and other innovative initiatives. It indirectly supports the rural activity by offering credit and

passing the benefits of various Central Government schemes through its defined channels of distribution like Regional Rural Banks (RRBs), Non-Government Organisation (NGOs) etc. While dedicating NABARD to the nation, on 5th November 1982, "Vikas Volunteer Vahini (VVV)" programme was launched to propagate the five principles of "Development through Credit". The VVV programme was revisited and renamed as Farmers' Club Programme in 2005 (NABARD, n.d.).

Farmers' Club (FC) is a get together of likeminded, industrious farmers who displays high-level drive, to work collaboratively for their socio-economic benefit. FC collectively purchases farm inputs, undertakes similar type of crop production and consolidated sales to enhance the wealth of the farmers. Continuous sharing of new agricultural cultivation methods, dissemination of agri-research and adoption of effective pre and post-harvest technique, are the refreshers training for farmers who join the FC. Credit counseling, technology counseling and market counseling are essential pillars of FC through which

the farmers are educated and their socio-economic status is boosted (Farmer's Club Programme, n.d.).

LITERATURE REVIEW

Concept of entrepreneur and entrepreneurship in industrial sector receives a lot of emphasis. Traditional agriculture is seldom looked as profitable avenue. With the advent of time, increase in production, productivity, farm diversification, farming innovation, and development of farmers into self-sustaining individuals represent inoculation of entrepreneurial qualities among farmers (Kaur & Singh, 2013). Saxena (2012) made a noteworthy observation of treating and connecting rural entrepreneur as major inputs for economic development of nation. Research brought out the bottlenecks of rural entrepreneurs such, as shortage of finance, dearth of raw material, unawareness of technological development, lack of training, and improper marketing activities etc.

Agri-clinics, agribusiness centers, Self-Help Groups (SHGs), producers' Company and RRBs are multiple means to boost and promote rural entrepreneurship. Agri-clinics are envisaged to provide expert advice and services to farmers on various technologies including soil health, cropping practices, plant protection, crop insurance, post-harvest technology, clinical services for animals, feed and fodder management, prices of various crops in the market etc. which would enhance productivity of crops and animals and ensure increased income to farmers. Agribusiness centers are commercial units of agri-ventures established by trained agriculture professionals. Such ventures may include maintenance and custom hiring of farm equipment, sale of inputs and other services in agriculture and allied areas, including post-harvest management and market linkages for income generation and entrepreneurship development. This initiative makes the person self-employed (NABARD, 2011). Self Help Groups (SHGs) have attracted attention as a possible way of delivering micro-finance services to poor populations that have been difficult to reach directly through banks or other institutions. The producer's company are essentially farmers' cooperatives with a corporate structure, offering greater bargaining power than individual farmers have in buying and selling. The concept of farmer-owned companies goes back a decade. A special section was introduced in the Companies Act in 2002, that allowed primary producers to start their own companies while retaining the cooperative principle of "one vote, one share". The Union Ministry of Agriculture has made the Small Farmers' Agri-Business Consortium (SFAC) the nodal agency for promoting agricultural producer companies by providing soft loans and tie-ups with corporations for market links. NABARD has also set up a special fund to provide direct loans to producer companies and cooperatives. Evidence from Africa and Latin America

depicted that producers' company offer better voice to farmers (Bhattacharya, 2012). The main objective of RRBs is to mobilise financial resources from rural and semi-urban areas and grant loans and advances mostly to small and marginal farmers, agricultural labourers and rural artisans. RRBs provide supplementary channel to the cooperative credit structure with a view to enlarge institutional credit for the rural and agriculture sector.

FC mobilizes the farmers at grassroots level, to access technologies and market and provides business-enhancing opportunities for banks and strengthens agricultural extension services. The report of NABARD documented the stories of "*Prathama, Tripti, Sabuja, Pragatisheel*" etc. (NABARD, 2007-08).

Based on the model of "Project Shakti", a social enterprise "Dharma Life" promotes self-employment in rural India, by recruiting people, providing them training in sales and selling only those products that improve the quality of life through its strong distribution spread across five states. It has 3,500 entrepreneurs on the board (Hussain, 2014). Abhinav Farmers Club of Pune, spread across various villages of Maharashtra, Karnataka, Andhra Pradesh and Madhya Pradesh, largely works on the principle of 'farmer to consumer' business model, to supply organic produce directly to the consumers, eliminating the middleman and encouraging marginal farmers to take up advanced and mechanized farming (Walawalkar, n.d.). Information sharing (Jagannathan, 2008) and organised farming of exotic vegetable production and floriculture has helped the farmers to clear debt and earn handsome profits (Gogate, n.d.). Various success stories on the work of active FC, like seed production of soyabean, impact of improved package practices for mandarin orange, impact of usage of improved implements, biogas plant implementation, employment generation through value addition for women SHGs and fish farming in farm ponds were documented in the literature (Panjabrao Deshmukh Krishi Vidyapeeth, n.d.). FC gain advantage in collective procurement of inputs and earn better margins. Farmers of FC of Utkal Alumina Rayagada district, were provided training on higher yield, crop protection and marketing crops through vegetable fairs (Utkal Alumina Forms Farmers' Club to Promote Agriculture, 2014). Based on the advice of KVK Progressive FC, Kaithal various farmers adopted diversification process and started fish farming, vermi-culture, bio-gas, mushroom, nursery raising, bee-keeping, cultivation of varied horticulture crops for larger economic gains. Farmers were also taught effective water management, water harvesting, zero tillage, recycling of farm waste technique etc., to increase yield for better financial gains (Success Story of Farmers, n.d.). Literature also documented exemplary case-studies on, outstanding work of farmers, in specific crop cultivation, adoption of different farming methodology etc.

Goswami (2010) conceptually explored the work of three FCs of Assam. Study concluded to highlight the importance of FC in socio-economic benefits of members. A six layered (NABARD, Experts, Social Workers, Panchayati Raj Institutions, Insurers, and NGOs) micro finance model for inclusive growth was proposed for advantage of FC (itself), SHGs (promoted by FC), bankers (the financiers) and cooperatives (promoted by FC).

In the empirical study conducted by Chirwa (2009) revealed that higher productivity, higher specialization, better prices, correct use of inputs benefited the small land holder farmers in their profitability. Researchers expressed their experience with government sponsored cooperatives and other FC in Africa had been largely negative, as the FC found it difficult in accessing finance outside, of the restricted crops (Hussi, Murphy, Lindberg & Brenieman, 1993 and Chirwa, Dorward & Kachule, n.d.).

Rosenberg's (2013) work discussed the qualitative survey of FC in Orissa and Chattisgarh. It highlighted the misconception that FC was only for men, just like SHGs for women. It was noticed that activity of women FC was mainly in making and selling handicrafts and growing garden vegetables. The motto of FC was to increase farmers' access to credit and access to information. As a part of structural weakness, once the funding support was withdrawn after three years by NABARD, it was noted that, the club failed to arrange for additional training. NGO interventions and finite subsidies from NABARD, primarily created dependency syndrome in FC. It was also observed that some of the FCs failed to collectively market the produce. The FCs of Chattisgarh were highly functional, engaged in larger set of activities through agri-kiosk model. Research scholar have commented that strengthening SHGs or FCs must be a first step to build successful cooperatives. The research expressed that FCs of the specified region did not engage in collective selling or transportation of their goods, despite considering it as cost reducing avenue. Private companies largely benefitted from FC as it could easily sell inputs and farm equipments to a sizeable audience through FC leader.

Significant increase in deposits, credit flow, diversification of credit, new business avenues, reduction in non-performing assets (NPAs), reduction in transaction cost, socio-economic development and social welfare of village etc., were the outcomes of the evaluation study carried out on FC by Indian Institute of Management (IIM) Lucknow, (Agriculture Market Information System, n.d.).

Theoretical studies on entrepreneurship in rural areas cluttered around women entrepreneurship, problems of rural women entrepreneurs (Kumbhar, 2013; Gosavi & Gosavi, 2013), SHGs, dairy segment, cooperatives, agriculture practices, horticulture etc. FC specific studies were found largely at India level, which depicted the rationale of FC

and its achievement documented in the form of small case-studies. None of the FC based conceptual or empirical studies at Gujarat level was identified. This lacuna is addressed through the present paper.

RESEARCH OBJECTIVE

The basic objective of the study is to analyse the support and activities of FC for its members in Anand district. The specific objectives can be highlighted as under:

- To understand the concept of FC: the initiative of NABARD.
- To differentiate between the awareness of the respondents towards the FC activities prior to joining of the clubs and after becoming its members.
- To analyse the perceptions of the members on socio-economic development after becoming the members of such clubs.
- To study the overall satisfaction level of the members for various activities of the FC.
- To analyse the awareness of the non-members towards the operations and existence for FC in Anand district.
- To examine the reasons of farmers for not being associated with such clubs.

RESEARCH METHODOLOGY

CONCEPTUAL FRAMEWORK ON FARMERS' CLUB

FC refers to the grassroots level informal forums, which are organised by rural branches of banks, NGOs, State Agricultural Universities, corporate, post offices and Krishi Vigyan Kendra (KVKs) etc. with the support and financial assistance from NABARD for the multiple benefits of banks as well as farmers. The emphasis of the programme is on increasing the income of the farmers by increasing the production and productivity by adopting appropriate technology, transfer agriculture technology to farmers' field, developing better relationship with banks, adopting good agricultural practices, collective bargaining for procurement of inputs, and proper use of credit and marketing skills. The five principles of development through credit are emphasized, as credit must be used with most suitable methods of science and technology, giving due respect to the terms and conditions of credit, using proper skills to undertake work for enhancing production and productivity, saving of additional income and regular repayment of loan installment. There are 1.43 lakh FCs across the country. The region-wise distribution of clubs indicated that the Central region had the highest share (28%), followed by the Eastern

Table 1: Research Methodology for the Study

Parameters	Survey of Members and Non-Members of FC
Research Design	Descriptive Method
Sampling Method	Non-probability convenience sampling
Sample Size	100 farmers who are members of FC and 100 farmers who are not the members of FC
Sample Size Determination	$n = Z^2 * p * q / e^2$, i.e. $(1.96)^2 * (0.5) (0.5) / (0.098)^2$
Sampling Duration	December 2014 to February 2014
Sampling Area	Villages (Kunjrao, Vasad, Fagani, Umreth, Tranol, Ambali, Akalav, Bhetasi, Kasor, Khada, Lalpur, Sarsa, Sojitra, Sudan Samarkha Mogar, Petli) of Anand District
Sampling Unit	FC
Sampling Element	Members of the club
Research Approach	Survey
Research Instrument and Contact Method	Questionnaire- filled through personal visit
Data Collection	Primary and Secondary
Data Processing & Management	Excel and SPSS 19
Data Analysis	Frequency distribution, cross tabulation, descriptive statistics such as mean (X), median (M), mode (Z), standard deviation (SD), Minimum and Maximum Values
Inferential Statistics	Shapiro-Wilks Test, Wilcoxon Signed Rank Test, Mann-Whitney U Test and Factor Analysis

Source: Authors' Compilation

(23 %), Southern (21%), Western (14%) and Northern (11%) region, while North Eastern Region accounted for (3%) in formation of clubs. Under the approach adopted for the year 2014-15, the focus of the programme is strengthening, capacity building and training of the stake holders and upscaling the successful FC to form Farmers Producers' Organisations. As on 30.09.2014, NABARD extended financial support of Rs.5.04 cr during the year 2014-15 (NABARD, n.d.).

Major functions of FC consist of good coordination with banks to ensure credit flow, organising at least one meeting in a month, acting as an interface with subject matter specialists for technical knowhow up-gradation, organising guest lecture for updating farmers knowledge base, organising study trips for farmers, teaching farmers water conservation and soil conservation technique, liaising with suppliers for bulk purchase of inputs, carrying out collective activity of value-addition, processing etc., undertaking socio-economic developmental activities like community works, education, health, environment & natural resource management and marketing rural produce & products. FC must see that farmers make end use of loan properly and create a good productive asset. The role of the FC is that of Business Facilitator (BF) or Business Correspondents (BC) for banks, it is involved in formation of SHGs, Joint Liability Groups (JLGs) and imparting leadership training amongst farmers. The role of bank branch is to ensure loan repayments and extend additional credit on square-off, of the old account. Agricultural university have a major role to

play by guiding farmers in cropping pattern, crop rotation, introduction of new crops, raising crop productivity and guide the farmers for new income generating activities (Farmer's Club Programme, n.d.).

The respective minimum and maximum members, for formation of FC, are ten and no upper limit. FC would consist of three members' viz., one-president, other vice-president and lastly cashier. Club member on a democratic basis would elect the office bearers. All villagers except willful defaulters can become members of the club. The requisite qualification and pre-condition for becoming a member of FC is resident of the area of operation and progressive farmer. The office bearers are required to open a Savings Bank account (SB) jointly. It is mandatory for FC to maintain membership register, minutes' book and cash register. NABARD provides assistance to FC at the rate of Rs.10,000 per club per annum for a period of three years. Minimum and mandatory expenses suggested by NABARD for FC, included formation expense (Rs.2,000), base level orientation training programme expense (Rs.5,000) and expense for twice a year meet with experts (Rs.3,000). The promoting agency other than banks will be provided an incentive of Rs.2,000 per club per annum for a period of three years for promoting, nurturing and providing handholding support to FC. The incentive rises to Rs.3,000 per club per annum if the club is operating in hilly or remote or nalax affected areas.

Considering the long term sustainability of FC, the club must make efforts to raise its own resources through various modes

like collecting token membership fees, monthly savings, service charges for SHG and JLG loan recommended to banks at 0.5% and 1%, commission or incentive for selling insurance products, commission for acting as BF or BC and any other charges for services provided to other agencies like government, corporate bodies etc. Such steps are expected to make the FC self-sustaining over a period of 3-5 years, when the funding support from institutional agencies is withdrawn. The ultimate goal of FC is to transform it into Producers' Company or Federations of FC once the sustainability of FC is ensured (Agriculture Market Information System, n.d.).

FINDINGS AND DISCUSSION

The findings of the survey are divided into two sections. The first section represents the outcome of the survey of the member farmers while section two discusses the findings with respect to non-member farmers.

Section I: Analysis of the Farmers Associated with FC Programme

Occupation and Income of the Farmers

78% farmers were involved exclusively in farming, while 22% farmers made horizontal occupational expansion in the form of cattle rearing alongwith farming. To generate additional income for subsistence and a substitute for one time money derived from seasonal farming, respondents expanded to cattle rearing activity alongwith farming. Further, the mean income from farming was observed to be Rs.4,48,131 with minimum of Rs. 20,000 and maximum of Rs.25,00,000. The mean income from cattle rearing was found to be Rs. 1,33,480, with minimum of Rs. 18,000 and maximum of Rs. 3,00,000. The income from farming as well as cattle rearing was highly skewed with a standard deviation of Rs. 4,35,028 and Rs. 90,180. The land size and auxiliary source of income were the basic attributes for variation in income.

Land and Crop Details

These farmers had an average 10.58 acres of land. Maximum farmers owned 4 acres of land while some of the farmers owned as high as 125 acres of land. The skewed distribution of the land size indicates that the family owned land has been divided due to expanding family size. Further, there was no difference in the total land holding and the land used for cultivation. This means that the land owned by these farmers in Anand district is arable land.

On comparison of cultivation of crops, 58% of the farmers' cultivated non-cash crops; also known as subsistence crops,

as compared to cash crops. Majority of the farmers (79%) were sowing rabi crops (winter crops) as compared to kharif crops (monsoon crops). Multiple responses to the types of crops grown by farmers revealed their varied cropping preferences. 48% of the farmers were engaged in farming of horticulture crops such as fruit, vegetable, spices root, aromatic, and medicinal plants.

Details Related to FC

Club Membership

Maximum number of the farmers surveyed have been holding the club membership since five years ($X=5.39$ years, $M=5$ years, $Z=5$ years).

Formation of Producers' Company

Out of 20 clubs approached for the survey, not a single club had taken the initiative for forming a producers' company. Producers' organization enables farmers to organize themselves as collectives, move up the value chain by ownership and operation of their own processing units, and sometimes extend the chain up to the retail level (Murray, n.d.).

Source of Awareness about the FC

About 90% farmers came to know about the existence of such clubs through friends, relatives, and other farmers. Thus, social networking played a crucial role here in spreading the awareness of the existence, activities and operations of FC.

Reasons for Becoming the Member of FC

When the farmers were asked to rank the reasons for becoming the member of such clubs (Rank 1=Most Important and Rank 5= Least Important), the following analysis emerged.

Table 2: Garrett Ranking for Reasons for Becoming Member of FC

Reasons for Becoming Member	Mean Garrett Score	Rank
For generating higher level of income.	50.30	II
For uniting with the fellow farmers.	46.12	III
For learning new agricultural practices.	57.93	I
For availing credit facility from bank	45.24	V
For gaining the knowledge on current trends in demand of the product.	45.98	IV

Source: Primary Output

It is seen from Table 2 that according to the Garrett ranking, the reasons for becoming the members of farmers club were in this order namely learning new agricultural practices, generating higher income, uniting with fellow members, gaining the knowledge on current trends and availing credit facility from the banks.

Activities of FC

As mentioned in the conceptual note on FC, these clubs perform many activities related to agriculture as well as supportive activities meant for the development of the individuals and villages. Hence, it was asked to the participants to identify the primary and secondary activities performed by the clubs for their members in their respective villages.

From Table 3, it may be interpreted that among primary activities, education related activities such as training programme (19%), meeting with experts of various fields (17%), meetings to solve the queries of the members (14%), and conducting guest lectures (13%) etc., were identified by the members as performed repeatedly. Moreover, for secondary activities, animal healthcare camp (21%), eye-check up camp (19%), tree planting (14%), vaccination and education awareness camp (11%); were performed more frequently as identified by the participants.

In order to compare, the awareness of the members, towards various activities of the clubs, before joining and after joining

the clubs, a Wilcoxon Signed Rank Test (a non-parametric alternative to Paired Sample T Test) was performed as the distribution of the data was not normal as per Shapiro-Wilks test ($P < 0.05$; for all the activities).

H₀1: There is no significant difference in the awareness of the members towards the activities of the club before joining such clubs and after joining.

As per Table 4, a signed rank test indicated that, there is a significant difference in the awareness of the farmers towards the activities performed by the clubs ($p < 0.05$). From the mean ranks, it may be interpreted that the awareness of the farmers towards various activities had increased after joining the club.

Perceptions of Farmers on Advantages of Becoming the Member of Club

In order to find out the perception of the farmers on the advantages of becoming the members of FC programme, they were presented with 19 statements related to various benefits and asked to rate the same on five point likert scale

Table 3: Primary and Secondary Activities of FC

Primary Activities	%	Secondary Activities	%
Base level orientation training programme	19	Free eye checkup camp	19
Meeting with experts of various fields	17	Animal healthcare camp	21
Organising of seminars on various topics for members	10	Mass vaccination camp for animals	11
Carrying out exposure visits or agriculture tours for lateral learning	9	Building of roads, check dams	3
Organising workshops for skill enhancement for farmers	10	Organizing tree planting programme	14
Taking the farmers to exclusive agriculture fairs and exhibitions	8	Imparted skills of stitching, embroidery, computer literacy for girls under 'KanyaKelvani' programme	4
For lateral learning purpose, inviting experienced farmers for guest lecture	13	Imparted stitching, embroidery, computer literacy skills to underprivileged section of the society	3
Monthly meeting to solve the agriculture related queries of members	14	Imparted skills to rural artisans and semi-skilled workers	5
----	---	Free Health checkup camps for members	9
----	---	Education awareness camps in village	11

Source: Primary Output

Table 4: Test Statistics of Wilcoxon on Signed Rank Test

Activities	Mean Rank Before Joining Club	Mean Rank After Joining Club	Z	Asymp. Sig.
Input support activities	40.50	48.73	-6.45	.00
Agriculture related activities	39.46	47.09	-6.41	.00
Efforts oriented towards higher agricultural yield	44.29	46.26	-6.34	.00
Marketing of agro produce	34.77	51.60	-6.84	.00
Knowledge sharing of latest agriculture practices	21.39	50.26	-7.91	.00
Community development work of the club	39.67	45.92	-7.52	.00

Source: SPSS Output

Table 5: Factors Based on Rotated Component Matrix

Name of the Factor	Variables	Factor Loading
Education on Farming	Education was received in proper cultivation and harvesting practices.	.690
	Guided on crop selection and management practices.	.726
	Guidance to purchase new agricultural equipment.	.810
	Passed and provided assistance eligible to farmers from NABARD.	.738
	Advice was received in proper storage of goods.	.816
Improvised Agriculture Technique	Education was provided in rain water harvesting which helped in better cultivation of the crops.	.764
	It taught the aspects of organic farming.	.772
	It helped to switch over to organic cultivation.	.783
	It helped to identify the mistakes in cultivation.	.729
Reward for cooperation	Goods were sold after further processing which fetched handsome prices.	.818
	Artificial fertilizers are procured in bulk quantity at cheap cost	.676
	Collectively the produce is sold at remunerative price in the domestic market to traders.	.780
	The surplus produce is easily exported at a high price.	.730
Price Discount	It is advantageous to collectively purchase agricultural equipment at higher discounts.	.756
	Good quality seeds are purchased at lower cost.	.781
	Pesticides can be purchased very lower price.	.743
Information Sharing	Optimum utilisation of resources was learnt through the initiatives of club.	.889
	Provided information on current demand and supply of crops.	.793

Source: SPSS Output

(5=Strongly Agree and 1=Strongly Disagree). Researchers tried to synchronize 19 statements with factor analysis. The alpha coefficient for these 19 items was .815, suggesting that the items had relatively high internal consistency. Kaiser-Meyer-Olkin measure of sampling adequacy was 0.682, above the commonly recommended value of 0.6, and Bartlett's test of sphericity was significant ($\chi^2(171) = 758.47, p(.000) < .05$). Given these overall indicators, factor analysis was deemed to be suitable with all 19 items. A principal components factor analysis of the 19 items using Varimax rotations was conducted with seven factors explaining 74% of the variance. Out of these, only five factors namely, education on farming, improvised agriculture technique, reward for co-operation, price discounts, and information sharing were explaining maximum variance and hence interpreted as per Table 5.

Perceptions of Farmers for Socio-Economic Development

The findings of descriptive analysis for various socio-economic development resulted from joining FC revealed that members agreed on advantages such as high income level ($X=3.83$), financial independence ($X=3.69$), funding of family expense ($X=3.32$), good standard of living ($X=3.35$) and village development ($X=3.44$). For the remaining advantages such as high creditworthiness ($X=2.98$) and

good upbringing of child ($X=2.51$), their opinions were more towards neutral status (i.e. neither agree nor disagree). Further, there was a high consensus among the respondents for these responses as the standard deviation values for all these socio-economic advantages were less than 1. When, the members were asked to rate the overall satisfaction level from association with such clubs, their opinions were quite positive with $X=3.61$ and $SD=0.58$.

Section II: Analysis of the Farmers not Associated with FC Programme

As mentioned in the research methodology part, 100 farmers who were not associated with FC were covered, under the study to extend the scope of the research. They were asked to rate their awareness about the existence of such clubs and its activities. The findings revealed that they did not have a fair knowledge about such clubs ($X=2.5, SD=1.11$).

56 farmers had some idea about such forums. Reasons for not joining the club was specifically asked to these members only. As per their responses, 45% members have not felt the need for joining such clubs, 27% members believed that such clubs were not useful, 18% opined that there were no

such clubs in the vicinity of their location, 5% members were already a part of other such clubs, 3% members applied for the membership but not granted the same and 2% farmers had heard of bad mouth publicity about the clubs.

Further, only 8% farmers were availing government schemes meant for the benefit of the farmers.

When the researchers explained the entire concept of FC working, 66% farmers had shown their willingness to join such forums in future. Further, the test statistics of Mann-Whitney U test (a non-parametric alternative to Independent Sample T Test as the distribution of the data was not normal) revealed that there was no significant difference in the awareness of the farmers who would like to join and who would not like to join such clubs in future ($U=920$, $P=.123$). Thus, not being aware was not the reason for not joining such clubs.

CONCLUSION

The study focuses upon the innovative approach adopted by NABARD i.e. FC programme. FC strengthens better banker borrower relationship; leads to collective and effective purchase of input; fetches better prices due to collective bargaining, value addition and processing at farm gate and it enhances the productivity of farmers. Apart from economic benefits, FC conducts various activities that result in to social benefits like village and community development. The findings of the study revealed that the members were quite satisfied with their association with such clubs and had positive perceptions regarding the activities and advantages of membership with such clubs.

Though, there is 100% penetration of such clubs in all 365 villages of Anand district, there are many farmers who are yet not covered under this programme of NABARD. The findings of study with respect to the farmers who were not associated with FC revealed that they were quite aware about the existence of such forums but had not felt the need for joining the same. Hence, NABARD should make some serious and intense efforts in spreading the awareness about the activities and the benefits of association with such clubs. This may be a win-win situation for the farmers as well as the bank (NABARD). The farmers get the advantages of getting agriculture credits, technology transfers while simultaneously increasing their negotiating power with traders and agro companies. While for NABARD, this will contribute to its motto of development of agriculture sector and FC with a strong base rooted in the rural areas, can be utilised for providing the services as Business Facilitators/ Business Correspondents under the scheme of financial inclusion.

Further, there were no producers' companies discovered under the scope of the study. Therefore, NABARD should strongly pursue its vision of up-scaling the successful FC to form Farmers Producers' Organisations in near future. The farmers' also felt that they should receive assistance from NABARD in exporting the surplus produced at a competitive price. The bank can conduct some training programmes that can help the farmers in exporting the surplus produced after some value addition.

Overall, this study has practical significance for all the stakeholders involved. NABARD can explore the impact of this initiative and measure the satisfaction level of the existing members of such clubs. It may also work upon converting the non-members into the members of the clubs based upon the suggestions of the study. The researchers have strengthened their understanding of the functioning of such informal forums of farmers. The members including the chairman expressed their concerns over the issues faced by them in operating this model.

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