Financial Performance of Farmer Producer Organisations in Krishna District of Andhra Pradesh

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ABSTRACT

Farmer Producer Organisations (FPOs) are a legal form of the company and according to 2002 act passed in parliament; only farmer-producers can become members of FPOs. Farmers Organisations are inclusive of the poor and are charged with the purpose of becoming a market outlet for small holder farmers in Krishna. To analyse the financial performance of FPOs, ratio analysis has been done using the balance sheets and income statements provided by the four selected FPOs. The study concluded that the Sri Vigneswara FPO was more financially stable compared to other FPOs.

Key words: FPO, Financial Performance, Current ratio, Profitability ratios.