DIAGNOSTIC STUDY REPORT

CATEGORY "C"& "D" FPOS (17)



CONDUCTED ON BEHALF OF

SUBMITTED BY





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DIAGNOSTIC STUDY OF 17 CATEGORY "C" & "D" FPOs



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DISCLAIMER

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EXECUTIVE SUMMARY

- Agriculture is the backbone of the Indian Economy with a contribution to 18% of the Gross Domestic Product (GDP) of the country.
- The Agriculture and Allied sectors in India witnessed a growth of -0.2 per cent in 2014- 15, 0.6 per cent in 2015-16, 6.3 per cent in 2016-17, 5.0 per cent in 2017-18 and 2.7 per cent in 2018-19 at 2011-12 basic prices.
- There are about 15 crore farmers in the country of which 86% are small and marginal farmers.
- The land holding size in India has declined drastically over the years, i.e. from 1.23 ha in 2005–06 to 1.15 ha in 2010–11, and to 1.08 ha in 2015–16.
- Assam is predominantly an agriculture-oriented economy and the major crops cultivated are Paddy among cereal crops, Banana, Papaya, Assam Lemon, Pineapple among horticultural crops and Tea, Bamboo, Rubber among the plantation crops and Ginger, Pepper, Turmeric, Chilli and Garlic among the spices.
- The agriculture sector contributed nearly 17.27% to the State Domestic Product during the year 2017-18. Animal Husbandry and Fisheries sectors have got an immense potential in the State with a relative contribution of 5.38% and 4.68% to Agriculture & Allied Sectors respectively whereas it is 0.95% and 2% to GSDP.
- As per the Agricultural Census, 2011, the average landholding size in Assam is 1.1 ha in 2011 which is less than that of the national average.
- The reduction in landholding has led to farming becoming unviable and less profitable, especially for the small and marginal farmers. This has necessitated the need for the farmers especially the SF/MF to be organised into Farmers' Collectives.
- Gol had set up a "Producers Organization Development and Upliftment Corpus (PRODUCE) Fund of Rs. 200 crore in NABARD in 2014-15 to be utilized for the promotion of 2000 Farmer Producer Organizations (FPOs) in the next two years in the country.



- The aim of the PRODUCE Fund is to promote new FPOs and support their initial financial requirements, to make them credit worthy, commercially-vibrant and sustainable business enterprise of farmers.
- Under PRODUCE Fund, a grant assistance of Rs.200.03 crore has been sanctioned to 792 Producer Organization Promoting Institutions (POPIs) for promotion and nurturing of 2154 FPOs in the country.
- In Assam, under PRODUCE Fund, a total of 40 FPOs have been promoted and the total grant assistance sanctioned and released to these FPOs stood at Rs.352.33 lakh and Rs.336.48 lakh as on 31 October 2020. Of these FPOs, 17 number of FPOs are under C and D categories.
- All the 17 C&D rated FPOs were selected for the diagnostic study.
- The data for the study were collected from both primary and secondary sources.
 The primary data were obtained from the Farmer Producer Organisations and Producer Organisation Promoting Institutions (POPI) through a specific format.
- Based on the primary and secondary data sourced from various agencies, analyses have been made with reference to the scope of work.

Basundara Farmer Producer Organisation, District Baksa

- Currently, the FPO is under C rated category.
- The major issues faced by the FPO are less shareholder members of the total number of members, recurrent disease and associated high mortality in pigs, very low volume of business, lack of business plan, absence of credit linkage, lack of convergence under various schemes of the Government, absence of audited financials etc.
- The major recommendations are increasing the membership to at least 500 in two years, increasing the share capital, collective purchase and sale of pigs through FPO, value addition activities (pork meat and meat products etc.), preparation of business development plan, establishment of a retail meat shop, making efforts for availing credit, submission of audited financials etc.



Buddhi-O-Samridhi Dairy Producers Cooperative Society Limited, District Cachar

- Currently, the FPO is under C rated category.
- The major issues faced by the FPO low membership and small capital base, non- availability of full time CEO, lack of awareness and coordination among directors, lack of motivation, lack of credit linkage, lack of input and marketing support to members of the FPO for milk production, competition from other dairy cooperative society, lack of value addition of milk products at the farmers' level or at FPO level etc.
- The major recommendations are that the membership needs to be increased to at least 500 in next two years and all the members to contribute to share capital, appointment of full time CEO, preparation of Realistic Business Plan, efforts for value addition of milk into indigenous milk products, establishing market linkage for the milk and milk products, rebuilding the community cattle shelter, establishing automatic milk collection unit at village level, training on procurement of milk needs to be given to members / BoD etc.

Phatikachowa Dairy Development Committee, Village Phatikachowa Nepali Gaon, Moran, District Dibrugarh

- Currently, the FPO is under D rated category.
- The major issues faced by the FPO are low growth in number of members and non-contribution of share capital by all members and consequent slow growth in share capital, lack of inputs supply (cattle feed) to members of the FPO, individual sale of milk by members rather than as FPO, lack of business plan, reported default of JLG loans etc.
- The major recommendations are increasing the share capital, increasing the membership to minimum 400 and the number of shareholders to at least 350 within one year, repaying of loan installments in time by the groups, establishment of small feed mixing unit along with a retail outlet for inputs, establishment of milk collection unit and deep freeze for storage of milk and milk products etc.



Ghuguloni Piggery Development Committee, District Dibrugarh

- Currently, the FPO is under C rated category.
- The major issues faced by the FPO are low capital base, lack of willingness on the part of members to contribute share capital, disease prevalence and associated high mortality of pigs, lack of training on prevention and control of highly prevalent / recurrent diseases, non-availability of quality piglets, lack of marketing avenues for piggery, i.e., lack of own sale outlet etc.
- The major recommendations are increasing membership to at least 500 by next two years, augmenting the share capital, revival of piggery activity among members, training on prevention and control of highly prevalent / recurrent diseases, collective procurement of good quality piglets, procurement and supply of pig feed by the FPO to the members at affordable rates, credit linkage for the members and FPO, facilitation for insurance of pigs, establishment of commercial pig breeding farm, setting up of small scale feed mixing unit, establishment of retail outlet, training on value addition of pork, i.e., pork pickles, sausages, ham, bacon etc.

North Lakhimpur FPO, District Lakhimpur

- Currently, the FPO is under D rated category.
- The major issues faced by the FPO are very low member base, negligible share capital, non-contribution of share capital by all the members, lack of facilitation by FPO with regard to input, extension services and marketing, no business activity undertaken by FPO, lack of business plan, lack of continuous training on pig rearing, absence of organized marketing structure, lack of credit linkage, absence of audited financials etc.
- Considering that the chances of revival of the FPO are slim, if the members
 decide to make such efforts, the major recommendations are increasing the
 membership to at least 300 within a year and 500 by next two years,
 contribution of share capital by all members, broadbasing the FPO with
 inclusion of more landholder farmers, appointing a full time CEO, training to
 women members of the family for undertaking piggery activity, supply inputs



(pig feed and seed for vegetables) at concessional rate to members and liaising with the State Government etc.

Koilamari FPO, North Lakhimpur, District Lakhimpur

- Currently, the FPO is under D rated category.
- The major issues faced by the FPO are low membership, negligible share capital, lack of credit linkage, lack of full time CEO, non-availability of quality breeds and feed, no services to members by FPO, no business activity undertaken by FPO, lack of business plan, no audited financials for any of the past years since inception etc.
- Rigorous efforts may be required to revive the FPO through members' efforts
 focusing on increase of the membership to 300 within one year and 500 in a
 period of two years, contribution of share capital by all the members,
 appointment of full time CEO, preparation of Realistic Business Plan for two to
 three years after taking commitment from members in the AGM / BoD.

Rangchali FPO, Block North Lakhimpur, District Lakhimpur

- Currently, the FPO is under D rated category.
- The major issues faced by the FPO are low membership, negligible share capital, absence of any business activity by the FPO including provision of any input services to members, lack of credit linkage for the members of the FPO, lack of value addition etc.
- Given the slim chance of revival, the FPO members need to put all out efforts
 on increasing the membership to 300 within one year and 500 in a period of two
 years, participation of all the members by contribution of share capital,
 appointment of full time CEO, efforts for bulk purchase of good quality dairy
 cows and cattle feed, establishment of automatic milk collection unit, skill
 development training on scientific dairy farming etc.



Monoha Anchalik Krishak Unnayan Samiti, Mayong, District Morigaon

- Currently, the FPO is under C rated category
- The major issues faced by the FPO are small capital base, non-contribution of share capital by all the members, lack of coordination among directors, general lack of motivation among members, lack of guidance on package of practices for production of paddy & oil seeds, frequent floods, sudden epidemic/outbreak of diseases among pigs, absence of credit linkage, non-availability of KCC, etc.
- The major recommendations are increasing the share capital, mobilising share capital from all the members, revival of piggery activity by mobilization of members and motivation, linking for veterinary support for training on prevention and control of diseases affecting pigs, preparation of realistic business plan, training to BoDs on business planning, marketing trainings, opening a retail outlet for sale of pork items, collection centre for paddy & mustard at village level etc.

Sarba Unnayan Samiti, Mayong, District Morigaon

- Currently, the FPO is under C rated category.
- The major issues faced by the FPO are low capital base, general lack of motivation among members, frequent floods, sudden epidemic/outbreak of diseases among pigs, absence of an organized marketing structure and distress selling of produce, non-availability of KCC etc.
- The major recommendations are increasing the share capital, revival of piggery activity by mobilization of members and motivation, linking for veterinary support for training on prevention and control of diseases affecting pigs, preparation of realistic business plan, training to BoDs on business planning, maintenance of books of accounts, marketing trainings, opening a retail outlet for sale of pork items, collection centre for paddy & mustard at village level etc.

Grass Roots Science Management FPO, District Morigaon

- Currently, the FPO is under D rated category.
- The major issues faced by the FPO are low membership and small capital base,
 non-availability of full time CEO, lack of credit linkage, discontinuation of fishery



- due to recurring floods, lack of input and marketing support to members of the FPO in Paddy and Mustard cultivation, absence of value addition of paddy & mustard at village level.
- The major recommendations are increasing the membership to at least 500 in next two years, contribution of share capital by all members, appointment of full time CEO, preparation of Realistic Business Plan for next two to three years, opening an outlet for inputs supply to farmers, establishment of small godown of 500 to 1000 MT capacity and small unit for oil extraction and paddy processing, skill development training on composting etc.

Lakhimi Livestock Cooperative Society Limited, District Nalbari

- Currently, the FPO is under C rated category.
- The major issues faced by the FPO are poor growth in membership and shareholders, lack of involvement of all the members, lack of Realistic Business Plan, Lack of collective marketing strategy, absence of credit linkage, absence of audited financials etc.
- The major recommendations are increasing the share capital contribution, holding regular meetings at village level, training of the CEO newly appointed, convincing the members for sale of produce through FPO, diversification into value addition activities (spice powder, milk collection etc.), submission of audited financials etc.

Sarihatali Livestock Development Society, District Nalbari

- Currently, the FPO is under C rated category.
- The major issues faced by the FPO are low membership, less share capital, non-retention of existing members, lack of involvement of all the members, lack of Realistic Business Plan, absence of credit linkage for the FPO, absence of full time CEO etc.,
- The major recommendations are doubling the membership in a year, augmenting the share capital, appointment of full time CEO, training of new members / BoDs, value addition activities (spice powder etc.), preparation of Business development plan, credit linkage from bank / NBFC etc.



Dawgaphu Pisciculture Cooperative Society, District Nalbari

- Currently, the FPO is under C rated category.
- The major issues faced by the FPO are no collective procurement of inputs, lack of aggregation of produce at FPO level, inadequate input supply, lack of awareness among majority of the farmers regarding technology and marketing, lack of audited financials etc.
- The major recommendations are preparation of Realistic Business Plan for next two to three years, submission of audited financials, effective use of fish drying facility, efforts for value addition of fish products, establishment of cold storage (multi commodity up to 500 MT) for storage of vegetables (potato) and fish, establishing market linkage for the dry fish, availing credit for the fish processing operations, reconciliation of share capital, improving the availability of quality fish fry / fingerlings and fish feed to the members.

Nabauddipta Paddy cum Fish Producers and Marketing Cooperative Society Ltd. District Nalbari

- Currently, the FPO is under C rated category.
- The major issues faced by the FPO are poor capital base, absence of input supply facilities to members, absence of storage facilities in the vicinity, lack of marketing efforts and organised marketing network, general lack of motivation among members, Lack of training on fishery activity on a commercial scale etc.
- The major recommendations are increasing the shareholders and infusion of share capital by the members, collective procurement and supply of inputs for fishery activity, collective marketing of produce, creation of awareness regarding FPO function at the village level among the farmers by CEO and POPI on bi-monthly basis, opening of an outlet for distribution of inputs at the FPO premises, efforts for credit linkage etc.



Malikuchi Livestock Development Cooperative Society, District Nalbari

- Currently, the FPO is under C rated category.
- The major issues faced by the FPO are lack of involvement of all the members
 / directors, lack of leadership, lack of training for the poultry activity, lack of
 Realistic Business Plan, lack of credit linkage for the FPO etc.
- The major recommendations are installation of spices grinding and packing machine, utilization of the hatchery unit on a regular basis, promoting backyard poultry among the members, preparation of business development plan and availing credit from bank / FI towards working capital, collective sale of poultry, poultry meat through FPO, opening a retail meat shop etc.

Green Earth Farming, District Sivasagar

- Currently, the FPO is under C rated category.
- The major issues faced by the FPO are low capital base, lack of motivation, lack of credit linkage, lack of input and marketing support to members of the FPO in production and sale of pork and pork items, lack of value addition of pork etc.
- The major recommendations are increasing the membership to at least 500 in next two years, contribution of share capital by all members, participation of large section of members in the meetings (BoD/AGM/ village level etc.), preparation of business plan, efforts for supply of inputs (pig feed, good quality piglets, mushroom spawns, earthworms for vermi-compost etc.), procurement of piglets / pork from members and open a retail outlet for sale of pork items, mushroom items at village level, submission of audited financials for 2019-20 to be prepared

Kundil Pariya Producers and Allied Cooperative Ltd, District Tinsukia

- Currently, the FPO is under C rated category.
- The major issues faced by the FPO are low membership and low capital base, lack of efforts for retention of members, lack of motivation for continuing the bee keeping activity, lack of credit linkage, lack of input and marketing support



to members of the FPO in production and sale of mustard, lack of processing / value addition etc.

 The major recommendations are increasing the membership to at least 500 in next two years, contribution of share capital by all members, creating awareness regarding FPO function at village level, preparation of business plan, training and handholding on honey production, establishment of oil milling unit for mustard and developing a brand name for the FPO.



CHAPTER 1- INTRODUCTION

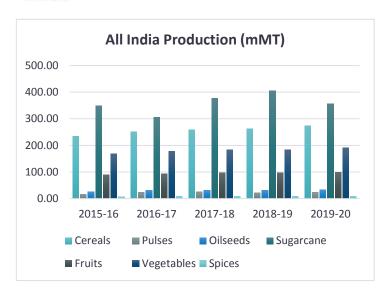
Agriculture is the backbone of the Indian Economy with a contribution to 18% of the Gross Domestic Product (GDP) of the country. Almost 55% of the population in India is dependent upon agriculture as a source of livelihood. The Agriculture and Allied sectors in India witnessed a growth of -0.2 per cent in 2014- 15, 0.6 per cent in 2015- 16, 6.3 per cent in 2016-17, 5.0 per cent in 2017-18 and 2.7 per cent in 2018-19 at 2011-12 basic prices.

As per the 4th Advance Estimates for production of food grains for 2019-20, the total food grain production in the country is estimated at 296.65 million tonnes which is the highest in a decade. India is the second largest producer of fruits in the World and ranks first in the production of fruits like Mango, Banana, Sapota, Pomegranate and Amla. India continues to be the second largest producer of vegetables after China and is the leader in the production of vegetables like Peas and Okra. India occupies second position in production of Brinjal, Cabbage, Cauliflower and Onion and third in Potato and Tomato in the world. India is also the largest producer, consumer and exporter of spices and spice products. India is the largest producer of milk in the world.

All India: Production of food grains, commercial and horticultural crops (mMT)

Crop	2015-16	2016-17	2017-18	2018-19	2019-20
Cereals	235.22	251.98	259.59	263.14	273.50
Pulses	16.32	23.13	25.23	22.08	23.15
Oilseeds	25.25	31.27	31.30	31.52	33.42
Sugarcane	348.45	306.07	376.91	405.41	355.70
Fruits	90.18	92.92	97.36	97.97	99.07
Vegetables	169.06	178.17	184.39	183.17	191.97
Spices	6.99	8.12	8.12	9.43	9.42



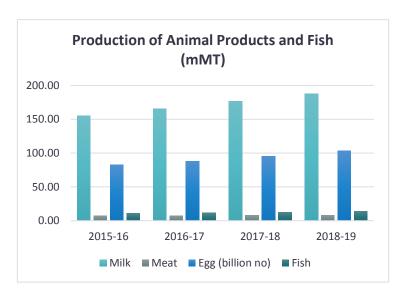


Cereals and oilseeds have shown a consistent growth over the past five years with production during 2019-20 estimated to be 273.50 million tonnes and 33.42 million tonnes respectively. Similarly, fruits and vegetables have also shown a steady growth for the past five years with the production during

2019-20 at 99.07 million tonnes and 191.07 million tonnes respectively. Spices production has increased from 6.99 MMT to 9.42 mMT during 2019-20.

Production of livestock products and fish

Item	2015-16	2016-17	2017-18	2018-19
Milk	155.50	165.40	176.30	187.70
Meat	7.00	7.40	7.70	8.10
Egg (billion no)	82.90	88.10	95.20	103.30
Fish	10.76	11.43	12.59	13.76



The livestock products, viz, milk, meat and egg and fish have shown a continuous growth during the past four years which indicates the importance of the contribution of the sector for risk mitigation to the crop husbandry. India has emerged as a producer of the Animal Husbandry sector

with a big domestic demand as well. The country has been able to become self-reliant to a large extent in the sector.



India has emerged as a significant agri-exporter of a few crops, viz., Rice, Cotton, Sugarcane, Cashew nut, Castor seed and Groundnut. The share of India's agricultural exports and imports in the world agriculture trade in 2017 were 2.27% and 1.90%, respectively. Agricultural exports as a percentage of agricultural GDP have increased from 8.71% in 2015-16 to 9.00% in 2017-18. During the same period, agricultural imports as a percentage of agricultural GDP has decreased from 5.68% to 5.47%. Agricultural exports during 2017-18 were primarily on account of higher exports of Rice (Basmati), Rice (non-Basmati), raw Cotton, Guargum meal, Oil seed meals, Castor oil etc.(Annual Report,2018-19, DAC&FW,MoA, Gol).

There are about 15 crore farmers in the country of which 86% are small and marginal farmers. The land holding size in India has declined drastically over the years, i.e., from 1.23 ha in 2005–06 to 1.15 ha in 2010–11, and to 1.08 ha in 2015–16.

1.1 Agriculture in Assam

Assam is predominantly an agriculture-oriented economy and the major crops cultivated are Paddy among cereal crops, Banana, Papaya, Assam Lemon, Pineapple among horticultural crops and Tea, Bamboo, Rubber among the plantation crops and Ginger, Pepper, Turmeric, Chilli and Garlic among the spices. Assam has been able to make considerable progress in Rice production and state has been able to be self sufficient in the paddy production which is also the staple diet of the population of the state.

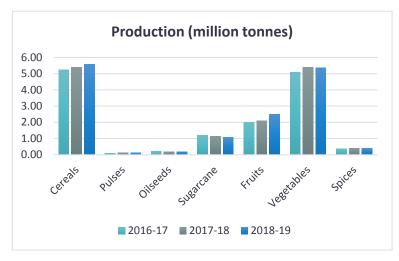
Production of food grains, commercial and horticultural crops (million tonnes)

Production						
Item 2016-17 2017-18 2018-19						
Cereals	5.24	5.41	5.57			
Pulses	0.11	0.12	0.11			
Oilseeds	0.20	0.20	0.20			
Sugarcane	1.21	1.14	1.09			
Fruits	2.01	2.10	2.50			
Vegetables	5.10	5.40	5.36			
Spices	0.38	0.39	0.39			

The cereal production in the State has seen a positive growth over the years with production of 5.57 MMT in the year 2018-19. Fruits and vegetables have also seen a



substantial growth. Assam is also renowned for production of good quality spices like ginger and turmeric and has also seen jump in production.



Besides, the State is endowed with rich flora of medicinal and aromatic plants. The State accounts for around 95% of global Muga silk production and 65% of country's Eri silk production. The agriculture sector contributed nearly 17.27% to the State Domestic

Product during the year 2017-18. Animal Husbandry and Fisheries sectors have got immense potential in the State with a relative contribution of 5.38% and 4.68% to Agriculture & Allied Sectors respectively whereas it is 0.95% and 2% to GSDP (Source: SFP, NABARD, Assam)

Production of livestock products and fish in Assam

Production of livestock products and fish					
Item 2016-17 2017-18					
Milk (Million Litres)	904.00	925.00	945.00		
Meat ('000 tonnes)	46.86	48.43	50.42		
Egg (billion no)	0.48	0.49	0.50		
Fish (in lakh tonnes)	3.07	3.27	3.31		

Livestock sector has also emerged as a major sector in the State lately. Fish production has steadily increased over the years and Assam is on course for becoming self-sufficient in Fish production in the next few years. Further, there is also a huge potential for dairy sector in the State and has seen an increased economies of scale over the years.

As per the Agricultural Census, 2011, the average landholding size in Assam is 1.1 ha in 2011 which is less than the national average. Small and marginal landholding constitute 85.59% of the total landholdings in the State which stresses upon the need for collectivisation to improve the economies of scale.



1.2 Need for FPOs

The reduction in landholding has led to farming become unviable and less profitable, especially for the small and marginal farmers. The small holdings are generally characterised by the lack of economies of scale. This can be attributed to lack of opportunities / bargaining power in individual capacity for procurement of inputs, transportation, storage and marketing of outputs / produce, sourcing of credit / grant, adoption of new technology etc.

This has necessitated the need for the farmers especially the SF/MF to be organised into Farmers' Collectives so that the economy of scale could be achieved which can result in better returns / remunerative price for the farmers.

Though the Cooperative movement might be well pronounced in dairy sector through the popular "Operation Flood" and AMUL, it did not find the same spirit in other areas of agriculture due to a number of reasons. However, the reduction in landholding size and thus, the necessity of organising into collectives have opened a window of opportunities for the farmers to utilise the advantage of collective procurement, processing and marketing. FPO have the potential to be the changemaker in income generation for the majority of the India farmers through collectivisation.

1.3 PRODUCE Fund

Government of India has, from time to time, attached importance to the concept of FC / Producer Organisations which can be in the form of Cooperatives or Producer Companies. GoI had set up a "Producers Organization Development and Upliftment Corpus (PRODUCE) Fund of Rs. 200 crore in NABARD in 2014-15 to be utilized for the promotion of 2000 Farmer Producer Organizations (FPOs) in the next two years in the country. The aim of the PRODUCE Fund is to promote new FPOs and support their initial financial requirements, to make them credit worthy, commercially-vibrant and sustainable business enterprise of farmers.

Under PRODUCE Fund, a grant assistance of Rs.200.03 crore has been sanctioned to 792 Producer Organization Promoting Institutions (POPIs) for promotion and nurturing of 2154 FPOs in the country. As on 31st March 2020, 2095 FPOs have been registered under different statutes/ legal forms and undertaking various agribusiness



activities (Source: www.nabard.org). The implementation period of PRODUCE Fund was up to 31.03.2020 which has been extended up to 31 December 2020.

In Assam, under PRODUCE Fund, a total of 40 FPOs have been promoted and the total grant assistance sanctioned and released to these FPOs stood at Rs.352.33 lakh and Rs.336.48 lakh as on 31 October 2020. Of these FPOs, 17 number of FPOs are under C and D categories.



CHAPTER 2 - OBJECTIVES / TERMS OF REFERENCE OF THE STUDY

NABCONS has been assigned the task of conducting a diagnostic study of C&D rated FPOs in the State of Assam by FSDD, NABARD, Assam Regional Office. The study was envisaged to cover the following aspects:

- Appropriateness of the location & selection of the product
- Activities of the FPO, current status, mode of operation, problems faced
- Status of governance, management and maintenance of accounts etc., including appointment of CEO, functionaries
- Awareness of the members in FPO objective & benefits and also preparation of business plan
- Level of belongingness and involvement of the members in collective business planning/decision making
- Impact of FPO on socio-economic status of FPO members
- Which are the major areas where the FPO needs improvement including training/skill development, technical support, finance, business plan, marketing, etc.
- Share capital growth, norms for share collection, utilization, financial management aspects
- Role of POPI/RSA, adequacy of their support, duration etc.
- Critical capacity gaps in FPO/eco-system gaps required to be addressed for sustainability.



CHAPTER 3 - APPROACH AND METHODOLOGY

There were a total of 17 C&D rated FPOs in the State of Assam supported under PRODUCE Fund as presented below:

S. No.	Name of FPO/PC	District
1	BASUNDARA - Producer Organisation on Pig Husbandry	Baksa
2	Buddhi O Samriddhi Dairy Farmers Producer Coop. Society Ltd.	Cachar
3	Phatikachaowa Dairy Development Committee	Dibrugarh
4	Ghuguloni Piggery Development Committee	Dibrugarh
5	North Lakhimpur Farmers Producer Organisation	Lakhimpur
6	Koilamari Farmers producer Organisation	Lakhimpur
7	Rangchali Dairy Farmers Producer Organisation	Lakhimpur
8	Monoha Anchalik Krishak Unnayan Samiti	Morigaon
9	Sarba Unnayan Samiti Monoha	Morigaon
10	Grass Roots Science Management Pobitara Agro Farmers Producer Co.Ltd.	Morigaon
11	Lakhimi Livestock Development Cooperative Society Ltd.	Nalbari
12	Sarihatali Livestock Development Society	Nalbari
13	Dawgafu Pisciculture Coop. Society Ltd.	Nalbari
14	Nabauddipta Paddy cum Fish Producer and Marketing Co- operative Society Ltd	Nalbari
15	Malikuchi Livestock Development Society	Nalbari
16	Green Earth Farming	Sivasagar
17	Kundil Pariya producer Croup Cooperative Society Ltd.	Tinsukia



3.1 Sample size

All the 17 C&D rated FPOs were selected for the study.

3.2 Study Team

The study team comprised Shri. Vadivel Esakkimuthu, Vice President, Shri. Ananta Pathak, Associate Consultant and Shri. Kunal Sharma, Consultant from NABARD Consultancy Services, Zonal Office, North-Eastern Region (ZONER), Guwahati.

3.3 Data Collection

The data for the study were collected from both primary and secondary sources. The primary data were obtained from the Farmer Producer Organisations and Producer Organisation Promoting Institutions (POPI) through a specific format designed for the purpose which is given in Annexure. The secondary data pertaining to status of agriculture and FPOs were collected from the information available in related websites (NABARD, DAC&FW, MoA, GoI etc.).

Both quantitative and qualitative analysis of the findings of the study was carried out. Data on equity pattern, business volume, membership, convergence etc., has been collected as per the format given in Annexure and the same have been analysed. The study also included semi-structured interviews with main stakeholders of the FPOs including CEO, Board of Directors, President & Secretary of the FPOs and representatives of POPI. Further, views were elicited from members other than BoD wherever such participation took place. The qualitative observations from the semi-structured interviews have also been analysed. Owing to constraints in obtaining data at the ground level, viz., audited financials, business volume, meeting details etc., an attempt has been made to analyse and present the observations based on the data made available to the study team.

Inferences or qualitative comments on various aspects or parameters of FPO functioning have been discussed during semi-structured interviews to gather overview of the same and have been mentioned in respective section of the FPO reports.

Informal Discussions with DDMs during the field visits in respective districts also formed a part of qualitative study.



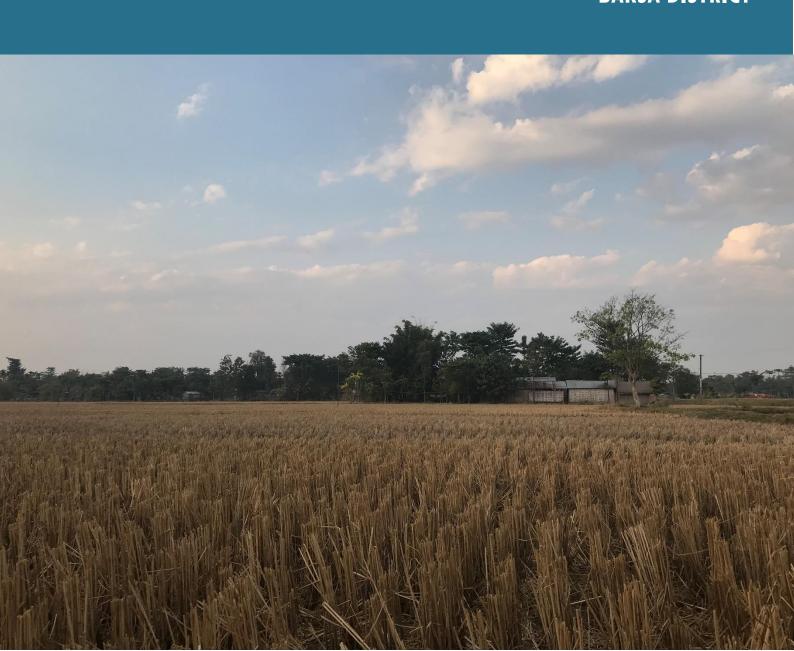
Based on the primary and secondary data sourced from various agencies, analysis has been made with reference to the scope of work and have been presented in the following chapters of the report.



CHAPTER 4 - FINDINGS AND RECOMMENDATIONS

This chapter details the findings made during the field visits undertaken by the study team and makes suggestions and recommendations, wherever necessary. The field visits to all the 17 FPOs were conducted between 30 September 2020 and 15 October 2020. As stated in the methodology, field visits, discussions with representatives from the respective FPOs, POPI, District Development Managers and the data received from relevant documents submitted by the FPOs were utilised for the analyses. The detailed findings and recommendations for each FPO is presented in the following sections.

BASUNDHARA FARMER PRODUCER ORGANISATION BAKSA DISTRICT





Farmer Producer Organisation at a glance

Sr No	Particulars	Details
1	Name of the FPO	Basundhara Farmer Producer Organisation
2	Legal status	Cooperative Society Act
3	Registration Act	Register of Societies , ACT XXI of 1860
4	Registration Number and date	BAK/260/J/292
		Date-12.02.2016
5	Place of registration	Baksa
6	Registered Address	Village – Gowalbil, PO- Mazdia
		District-Baksa
7	Contact details • Address	Gowalbil
8	Board of Directors No of Directors Women Directors	11 11
9	Name of the CEO & Contact number	Phulen Talukdar 9435269073
10	Share Capital(₹ lakh) ■ Authorized ■ Paid Up	NA Rs.131000/-
11	Number of Share holders	131
12	Sectors in which the FPO is working	Piggery
13	Products and services	Pork
14	License Obtained	NIL



Sr No Particulars		Details	
15	Infrastructure Available	Rented Office	
16	Sales/Turnover Achieved*	 2017-18 NA 2018-19 NA 2019-20 NA 	
17	Profit*	 2017-18 NA 2018-19 NA 2019-20 NA 	
18	Major Issues Faced	 Recurrent disease in pigs and associated mortality Less number of shareholders No credit linkage for the FPO 	
19	POPI	Guwahati Gana Seva Society	

^{*}Audited Financials not available for the past three years at the time of study.

Basundara Farmer Producer Organisation

Status of FPO-Issues/points

During the field visits, the following points have been discussed with POPI, CEO and members of the FPO.

i. Appropriateness of the Location:

The villages covered by the FPO are mostly inhabited by tribal people. All the villages are reported to be located within a radius of 5 to 6 kms from the location of registered office of FPO. All the members of the FPO are women and are carrying out pig rearing as the main activity. Other activities are goat rearing and feed mixing. The demand for pork and chevon is good in the area. The location is appropriate for the FPO. The FPO is located near Tamulpur Town, the district headquarter of Baksa District, which gives many opportunities for marketing of the products.



ii. Awareness of FPO concept among member farmers

During the discussions with CEO/POPI, Board of Directors and farmers, it has been observed that the Directors and members who were present during the interaction were aware of the concept of FPO.

iii. Membership Growth

(a) During the last three years, the growth of membership is given below:

As on 31.3.18		As on 31.3.19		As on 31.3.20	
No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year
131	-	250	91	250	-

From the above tables, it has been observed that the number of shareholders has nearly doubled during 2018-19. However, there is no growth during the FY 2019-20 and first HY FY 20-21. As on 31.3.2020, 131 members have been reported to be shareholders.

iv. Subscription to Share capital

As on	As on	As on
31.3.2018	31.3.2019	31.3.2020
Share capital	Share capital	Share capital
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)
131000*	131000*	131000*

^{*}As reported by POPI and FPO.

The Audited Financials for the past three years including for FY 2019-20 are not available at the time of conduct of field study. It has been observed from the above table that the share capital has not shown any growth during the last two years. The share value has been kept as Rs.1000.00/share which is considered to be high by some of the members. This is not in tune with the growth of members.



v. Ownership/belongingness of the entity among members

Majority of the members / Directors who were present during the study are aware of the concept of FPO. The members have participated in considerably large numbers in the interaction, even during the times of COVID 19 pandemic. Further, the members actively participated in the discussions which certainly shows the involvement of the members in owning the FPO.

vi. Adoption of New Technology & Agribusiness Aspects

During the interaction with members, it was observed that the popular activity among the members was pig rearing. Earlier, the FPO was having only participation of SC/ST community. However, the other communities are also joining the FPO which is a positive sign and may lead to equitable growth of the members in the area. Goat rearing is also one of the major activities undertaken by the members. Thus, there is a shift in the activity from pig rearing to goat rearing.

During the times of COVID 19 pandemic, the FPO has faced feed shortage and to alleviate this problem, training was given to them by POPI for preparing their own feed. Thus, the members who were present during the study were confident that they can prepare the feed from locally available ingredients. However, one of the major business activities of the FPO is purchase and sale of feed to the members. The FPO is reported to earn a margin of Rs.2.00/kg of feed and the members are also benefiting from this activity.

The FPO members are selling the pig to the meat shop in Tamulpur town which is nearby wherein the shop is run by the relatives of one of the members. However, the sale of pigs is reported to be 2 to 3 / month. The number of pigs sold is very less as compared to the potential and the holding size of the pig keepers. This needs to be increased as pigs are prolific breeders and by containing the mortality of piglets and through scientific rearing, the pig framing may be a profitable business for the FPO.

However, majority of the members reported that there is a large scale mortality in pigs every year due to African Swine Fever disease. The POPI may need to create awareness on preventive and curative aspects of the disease through AH & Veterinary Department. Further, the pigs reared are of local variety and good quality piglet availability is a constraint in the area for the FPO. Thus, breeding with exotic pigs such



as Yorkshire, Duroc needs to be promoted as per the extant breeding policy for pigs in the State of Assam.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

The FPO has not availed benefit under Government schemes except the training. The members / directors of FPO needs training on prevention and control of African Swine Fever. Further, POPI / FPO may need to leverage the subsidy schemes available from GoI / State Government for establishment of pork outlets. A small feed mixing unit is also a need of the hour for the FPO.

viii. Conduct of meetings

Annual General Meeting (AGM) has been held every year for the past three years. The involvement of the members in the meetings is considered to be satisfactory as almost more than 100 members reported to have participated in AGM. The last BOD meeting was held on 02 September 2020.

ix. Maintenance of books of accounts

Accounts of the FPO have not been audited for the past three years. Thus, compliance to major statutory requirement is lacking for which neither FPO nor POPI has made any notable efforts. It has been indicated during the study that the accounts will be finalised and audited during the current year. The FPO maintains various books of accounts, viz., share register, stock register and meeting register. However, the registers have not been updated. Record keeping is not up to the mark.

x. Business objective and Business Development Plan

The objective of the Cooperative is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and cooperation through the piggery activity and goat farming. The FPO has planned to continue the procurement and supply of feed, rearing and marketing of live pigs and goats to the market / traders. However, the FPO is planning to have own meat shop and also is in requirement of deep freezer for storage of the pork and chevon. Presently, there is no business development plan (BDP) in place. The POPI may need to handhold the FPO for preparation of BDP. The credit linkage is yet to happen in the FPO.



xi. Impact of FPO on socio-economic status of FPO members

The turnover, as reported by the POPI and FPO during 2018-19, is Rs.1,91,000. However, the same could not be verified in the absence of audited financials. Though the business / turnover is far less as compared to the potential, the members during the discussions has indicated that activities of the FPO (pig and goat rearing) certainly yielded benefits to them through the training and capacity building.

xii. Major Areas where FPO needs improvement

There are some major areas needs to be improved, viz., increase in membership, share capital contribution by members / shareholders, development of realistic business development plan, establishment of meat shop / retail pork outlet, collective marketing of pork / chevon, submission of audited financials are the major areas where the FPO needs improvement.

xiii. CEO Appointment

Shri. Phulen Talukdar, a graduate by qualification is the CEO of the FPO. The CEO is observed to be well aware of the concept of FPO and his roles and responsibilities.

xiv. Role of POPI

The role of POPI in this case is supportive. The FPO needs to handhold the members in scientific rearing of pigs and goat. Further, the breeders are also to be developed among the members who can meet the gap for quality piglets. The POPI should also make efforts in convincing more farmers / livestock rearers about the benefits of FPO and in increasing the membership of the FPO. However, the POPI has not played its role in critical aspects such as development of business plan, increasing the membership base of the FPO etc.

xv. Major Issues at FPO level:

- Number of shareholder members are less compared to total members.
- Recurrent disease in pigs and associated mortality
- Volume of business is very low
- No realistic business Plan
- No credit linkage for the FPO
- Lack of convergence under various schemes of the Government



xvi. Recommendations:

Short Term

- Membership needs to be increased to at least 500 in two years
- Share capital contribution needs to be increased
- Business development plan needs to be prepared
- Retail meat shop may be established.

Long Term

- Sale of pig / goat collectively through FPO may be considered
- Equity grant (SFAC or new scheme of FPOs) may be applied
- Credit linkage from bank or NBFC need to be established
- Diversification of value addition activities (pork meat and meat products etc.)
 may be considered.

Conclusion

Currently, the FPO is under C rated category. The FPO has the potential to migrate into a higher category subject to implementation of the abovementioned suggestions / recommendations.



BUDDHI-O-SAMRIDHI DAIRY PRODUCERS COOPERATIVE SOCIETY LIMITED CACHAR DISTRICT





Farmer Producer Organisation (FPO) at a Glance

Sr No	Particulars	Details
1	Name of the FPO	Buddhi-O-Samridhi Dairy Producers Cooperative Society Limited
2	Legal status	Registered under Assam Cooperative Societies Act, 2007
3	Registration Number and date	S/11 of 2016-17 dated 13-06-2016
4	Place of registration	Babutila , PO-NIT, Silchar, Cachar District
5	Registered Address	Buddhi O Samridhi Dairy Producers Cooperative Limited Babutilla , PO-NIT, Silchar, Cachar District
6	Contact details	Buddhi O Samridhi Dairy Producers Cooperative Limited Babutilla , PO-NIT, Silchar, Cachar District 997221898 dasajitkumar83@gmail.com
7	Board of DirectorsNo of DirectorsWomen Directors	15 02
8	Name of the CEO & Contact number	Shri. Ajit Kumar Das
9	Number of employees on payroll	1
10	Share Capital(₹ lakh) ■ Authorised ■ Paid up	Not available Rs.45000/-
11	Number of Share holders	133
12	Area of operation	Cachar Borjalenga 01 GP, 03 villages
13	Sectors in which the FPO is working	Dairy
14	Products and services	 Production and sale of milk and milk products
15	Licenses obtainedFertilizer/seedPesticideFood Safety	NIL



Sr No	Particulars	Details
16	Infrastructure available with FPO.	 Rented Accommodation
17	Sales/ Turnover achieved*	 2017-18 Not available 2018-19 Not available 2019-20 Not available
18	Profit	 2017-18 (-) Rs.26183/- 2018-19 (-) Rs.133914/-
19	Major Issues faced	 Lack of credit linkage Lack of market linkage Competition from existing dairy society Lack of value addition Lack of motivation among FPO members
20	POPI	Rajiv Gandhi Open Institute

^{*}Figures not available in the Audited Financials

Buddhi-O-Samriddhi Dairy Producers Cooperative Society Limited

The FPO is located in Babutilla, near NIT, Silchar, in Cachar district, Assam. The village is located on the Silchar-Hailakandi road, about 8 kms away from the southern outskirts of Silchar town. The FPO was registered under Societies Registration Act, 1860 on 13.06.2016. The FPO was formed in 2016-17 with an initial strength of 50 people with the primary activity being dairy. The main objective of the FPO is production and sale of milk and milk products.

Status of FPO-Issues/points

During the field visits, the following points have been discussed with the BOD/farmers:

i. Appropriateness of the Location:

The FPO covers 03 villages near NIT, Silchar. Farmers of these villages are growing paddy, mustard, vegetables etc. Besides this, allied activity like dairy is also being taken up by the farmers. Dairy was practiced on a commercial level by the FPO members until recently. Due to presence of bigger players in the market and lack of credit linkage, the FPO could not sustain the activity. COVID 19 pandemic also affected the sale of milk. However, the location of the FPO is appropriate.



ii. Awareness of FPO concept among member farmers

During the discussions with CEO/POPI, Board of Directors & farmers, it has been observed that a few Directors are aware about the concept of Farmer Producer Organization. Further, there is no clear concept about FPO among the member farmers. Therefore, there is a need for sensitization of the members / directors about the concept and benefits of FPO.

iii. Membership Growth

(a) During the last three years, the growth of members is given below:

As on 31.3.18		As on 31.3.19		As on 31.3.20	
No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year
89	-	90	1	133	48

From the above table, it can be observed that there is negligible increase of shareholders /membership since inception. Considering that almost 50 farmers were willing to form FPO, the net addition of members over a period of 4 years is only 83. At this level of membership, the FPO may not be sustainable.

iv. Subscription to Share capital

As on 31.3.2018	As on 31.3.19	As on 31.3.20
Share capital (amount in Rs.)	Share capital (amount in Rs.)	Share capital (amount in Rs.)
44500	45000	66500*

^{*} Reported by POPI and FPO

Share money @ Rs.500.00 has been collected from each shareholder. All the 133 members have contributed to the share capital. The FPO is having low capital base due to less members and comparatively less contribution by the members.



v. Ownership/belongingness of the entity among members

Awareness about FPO function and benefits derived from FPO, the level of ownership and involvement in collective business planning is found lacking. It has been observed that the Chairman is active in the affairs of the company. Other directors are not aware about the basic financials of the company. There is a need for increasing awareness about the concept and benefits of FPO among the members and BoDs. It appears that the FPO is fully dependent on the Chairman of the FPO. The Chairman is also acting as the CEO.

vi. Adoption of New Technology & Agribusiness Aspects

During the interaction with farmers, it was reported that majority of the farmers are selling milk to retail outlets/customers on an individual level. Milk has been supplied by members to the FPO (50 to 60 litres per day) which in turn sells the same to canteen at NIT, Silchar.

As reported, due to presence of another large-scale milk farm (Government-run) in the area, the farmers had more confidence in selling milk to them than to the FPO, as they are getting regular payments. Additionally, the farmers would also receive cow feed free of cost. The FPO was struggling to sustain itself but making some headway by selling their produce to the NIT Silchar hostels. However, due to closure of educational institutions and hostels due to the COVID 19 pandemic, the hardships for the FPO have exacerbated.

It has been observed that there is no value addition of milk into milk products either at farmers' level or at FPO level.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

During the interaction with CEO/BOD/POPI/farmers, it has been observed that little effort has been made by the FPO to get the benefits from Dairy Development Department. It may be mentioned that the farmers have no information about Government Schemes or loans. There is an opportunity for developing market linkages and credit linkages. However, the awareness about the schemes is lacking among the BoD / members of FPO.



viii. Conduct of meetings

AGM has been held every year for the past four years. Further, it has been reported that regular board meetings have been held after establishment of FPO. However, periodic / regular meetings at village level are found lacking.

ix. Maintenance of books of accounts

Various books of accounts, viz., Membership register & Meeting register are maintained by the members. Cash register and Stock registers are also maintained. The FPO had prepared/audited the Balance sheets and Income & Expenditure statements for the years 2017-18 & 2018-19.

xi. Business objective and Business Development Plan

The business objective of the FPO is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and mutual cooperation through production, collection, processing and marketing of milk and milk products. Although the business plan has been prepared for an initial period of one year by the FPO, there has been no business plan afterwards. Further, the FPO has not put in place any business plan for the next three years for alternate business activities. Further, no clear marketing strategy has been chalked out for future growth. The FPO was formed with dairy being the primary activity. However, the same has not been continued in a focused manner due to number of limitations viz., competition from nearby dairy cooperative society, non-pouring of milk by members to FPO, COVID 19 etc.

xii. Impact of FPO on socio-economic status of FPO members

Majority of the farmers have been growing vegetables and selling the surplus individually in the market apart from milk. Therefore, no improvement has been seen on socio-economic status of FPO members, through the FPO. Further, dairy which was the primary activity of the FPO has not taken off well due to failure in making any profits. Also, the community cattle shelter that was set up to provide shelter to cattle of those farmers who did not have any arrangement to keep their livestock was also destroyed in a cyclone event. All of these reasons have attributed to low membership base and small share capital.



xiii. Major Areas where FPO needs improvement

There are some major areas that need to be improved, viz., inputs support – quality feed, capacity building of BOD, enhancement of share capital, realistic business plan and credit linkages. Motivation is needed among the Directors/farmers. Establishment of marketing linkages and value addition of milk is to be taken up on urgent basis.

xiv. CEO Appointment

At present, the Chairman of the FPO is also functioning as the CEO. There is no full time CEO for the FPO which is one of the major constraints.

xv. Role of POPI

The POPI has provided handholding support to the FPO. However, POPI's role could have been better in terms of facilitation for input supply, credit linkage, market linkage, sensitization about Government schemes and marketing the dairy produce.

xvi. Major issues at FPO level

- Low membership and small capital base
- Non availability of full time CEO
- BOD members unaware about the profitability of the FPO
- Lack of awareness and coordination among directors
- Lack of motivation
- Lack of credit linkage
- Lack of input and marketing support to members of the FPO for milk production
- No value addition of milk products at the farmers' level or at FPO level

xvii. Recommendations:

Short Term

- Membership needs to be increased to at least 500 in next two years and all the members to contribute to share capital
- A full time CEO needs to be appointed
- Awareness regarding FPO function is to be created at village level among the farmers by CEO and POPI on bi-monthly basis. Participation of large section of members may need to be ensured for developing involvement.
- Realistic Business Plan for next two to three years needs to be prepared.



- Value addition of milk into indigenous milk products may be required
- Establishing market linkage for the milk and milk products
- Credit linkage may be established
- Community Cattle Shelter needs to be rebuilt

Long Term

- An automatic milk collection unit is needed at the village level
- Training on procurement of milk needs to be given to members / BoD
- Suitable Marketing strategy is to be evolved for providing better services & prices
- BOD/CEO is to be given training business planning, maintenance of books of accounts, marketing trainings at least twice in a year
- Convergence with the Dairy Development department is required.

Conclusion

Currently, the FPO is under C rated category. The FPO has the potential to migrate into higher category subject to implementation of the abovementioned suggestions / recommendations.



PHATIKACHOWA DAIRY DEVELOPMENT COMMITTEE VILLAGE PHATIKACHOWA NEPALI GAON MORAN, DIBRUGARH DISTRICT





Farmer Producer Organisation (FPO) at a Glance

Sr No	Particulars	Details
1.	Name of the FPO	Phatikachowa Dairy Development Committee
2.	Legal status	Society
3.	Registration Number and date	DIB/255/E/101 26.02.2016
4.	Place of registration	Dibrugarh
5.	Registered Address	Vill. Phatikachowa Nepali Gaon, P.O- Phatkachowa, P.S Moran, Dibrugarh, Assam- 785670
6.	Contact Details	Phatikachowa Dairy Development Committee
7.	Board of Directors No of Directors Women Directors	06 02
8.	Name of the CEO & Contact number	Mrs. PaporiChutia
9.	Share Capital(₹ lakh) ■ Authorised ■ Paid up	Not available 60000
10.	Number of Share holders	Members 283. Shareholders are 152.
11.	Area of operation	Dibrugarh Ramgarh, Dhari&Betalghat 05 Villages
12.	Sectors in which the FPO is working	Dairy Agriculture Horticulture
13.	Products and services	Milk Curd Paneer
14.	Infrastructure available with FPO	Office functions in rented premises. Computer, furniture and fixture.
15.	Business Volume achieved	No details available in the Audited Financials.
16.	Profit	No details available in the Audited Financials.
17.	Major Risks faced	Low Share Capital No Input supply to farmers by FPO Difficulty in Bulk Procurement and Selling
18.	POPI	MAATRI, Dibrugarh



Phatikachowa Dairy Development Committee

Status of FPO-Issues/points

During the field visits, the following points have been discussed with POPI/CEO and farmers.

i. Appropriateness of the Location

The POPI, in consultation with the farmers selected 06 villages with an existing practice of dairy. However, there was no organised selling of milk. Milk produced was mainly used for self-consumption and there was no practice of value addition. Therefore, the FPO was planned for aggregation of milk and milk products by bringing the farmers together. Thus, the location is appropriate for the dairy based FPO.

ii. Awareness of FPO concept among member farmers

During discussions with CEO/POPI, Board of Directors and farmers, it has been observed that majority of the Directors are aware about the concept of Farmer Producer Organization. However, there is no clear concept about FPO among the member farmers. In spite of being a member of the FPO, majority of the members were selling milk on their own and not through the FPO. The volume of milk sold by the FPO has, therefore, been limited. This clearly shows that the awareness of collectivisation and concept and benefits of FPO are lacking among the members.

iii. Membership Growth

The growth of membership during the last four years is given below:

As on 31.3.18		As on 31.3.19		As on 31.3.20	
No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year
239	-	265	11%	283	7%

From the above table, it has been observed that there is an increase of 11% and 7% increase in membership in 2019 and 2020 respectively. Thus, the growth in membership is an issue of concern for the FPO.



iv. Subscription to Share capital

As on	As on	As on
31.3.2018	31.3.19	31.3.20
Share capital	Share capital	Share capital
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)
		76500*

^{*} Reported by POPI and FPO

The share contribution per member has been fixed at Rs.500.00. However, the members cannot buy a single share valued at Rs.100.00. Shareholders can make payments in instalments at their convenience. However, share certificates are issued only after full payment of Rs.500.00 is made.

iv. Ownership/belongingness of the entity among members

There is a lack of awareness about FPO function and benefits which can be derived from FPO. Further, the level of ownership and involvement in collective business planning was absent. Though they are members, majority of them are not involved in the business of the FPO, i.e., they sell milk on an individual basis. JLG groups were formed among the members of the FPO and loans were availed from Assam Gramin Vikas Bank to all the JLG groups. Groups had received loan of Rs.50000.00 per group. However, it has been reported by the POPI that most of the groups have not repaid the loan instalment to the bank and hence the loan accounts are in default.

v. Adoption of New Technology & Agribusiness Aspects

The milk produced is mainly for self-consumption. Quality breeds and use of good quality feed are very important for both production and productivity. By virtue of credit linkage, members of the FPO have bought a quality breed which in turn has helped in improving the production of milk. The demand for milk is high in the area due to its proximity to Moran Town. Many of the members also have small tea gardens and belong to small tea grower category. But instead of doing tea cultivation on their own, most of them lease it out to large tea farmers for cash benefit.

vi. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

The support from Government departments especially Animal Husbandry department has been in terms of training and capacity building. Veterinary department provides



necessary assistance in terms of animal health (vaccination, deworming etc.) and other related issues.

vii. Maintenance of books of accounts

Various books of accounts, viz., Membership Register/Equity Mobilization, Cashbook, Meeting register, stock register & sale purchase registers are maintained. However, these need to be regularly updated.

viii. Business objective and Business Development Plan

The objective of the Company is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and mutual cooperation through the profession of Production, Collection, Processing and marketing of milk and milk products. Business plan was prepared for an initial period of one year. However, there is no business plan as of now and for the future. The FPO needs to have clear marketing strategy for future growth particularly in milk and milk products.

The price of milk is an area of concern as expressed by members. The price received by members when selling individually in the market is higher than the price received when they sell it to FPO. Consequently, majority of the members have started to operate on their own. The FPO needs infrastructure for collection of milk and storage of milk and milk products.

ix. Impact of FPO on socio-economic status of FPO members

In the FPO, majority of the farmers are practicing dairy activity, mostly on an individual level. Under the FPO, efforts have been made to aggregate the production and sale of milk. Loans were granted by AGVB to JLGs formed among members of the FPO. Groups received loan of Rs.50000.00 per group. Many of the groups invested the amount in buying cows and saw noticeable changes in production of milk,, resulting in increased income. However, the members have now started selling milk on their own and therefore the volume of milk available to FPO has become less and thereby affecting the revenue of FPO.



xi. Major Areas where FPO needs improvement

There are some major areas that need to be improved, viz., capacity building of CEO/BOD, Enhancement of share capital/membership, Business Plan, Input support, Marketing, Submission of Annual returns and Fund management.

xi. CEO Appointment

The current CEO was appointed through interview conducted by PIMC. The present has taken initiative for sale of milk available with the FPO. Currently, the FPO has opened an outlet in a local school campus where they sell the milk to school students.

xii. Role of POPI

The POPI was already working on various projects in the FPO location and they mobilised the FPO under PRODUCE fund. The POPI has been engaging with members of the FPO for making dairy a lucrative business avenue. The POPI has also been providing training facilities to the members and has facilitated opening of an outlet for selling of milk. It has also facilitated formation of JLGs and paved way for building credit linkages. The performance of POPI is found to be satisfactory.

xiii. Major Issues at FPO level

- Low growth in number of members
- Less contribution fixed per member (Rs.500/-) and all members are not contributing to share capital and consequent low share capital
- Lack of inputs supply (cattle feed) to members of the FPO
- Members selling milk at individual level rather than as FPO
- Lack of collective participation of all members in FPO including for selling of milk products
- No Business Plan in place
- Non-Repayment of loans to bank taken as JLG groups
- Audited Financials consisted of only receipt and payment and there is no balance sheet. Thus, the audited financials are incomplete.



xiv. Recommendations

Short Term

- Awareness regarding FPO function is to be created at village level among the members for increase in Member and increase in share capital
- Procurement of milk from members may be ensured
- Membership may be increased to minimum 400 and the number of shareholders to at least 350 within one year
- Repaying of loan installments in time by the groups may be ensured.

Long Term

- Small feed mixing unit may be established along with a retail outlet which can function as an input shop
- Milk collection unit and unit (deep freeze) for storage of milk and milk products may be installed.

Conclusion

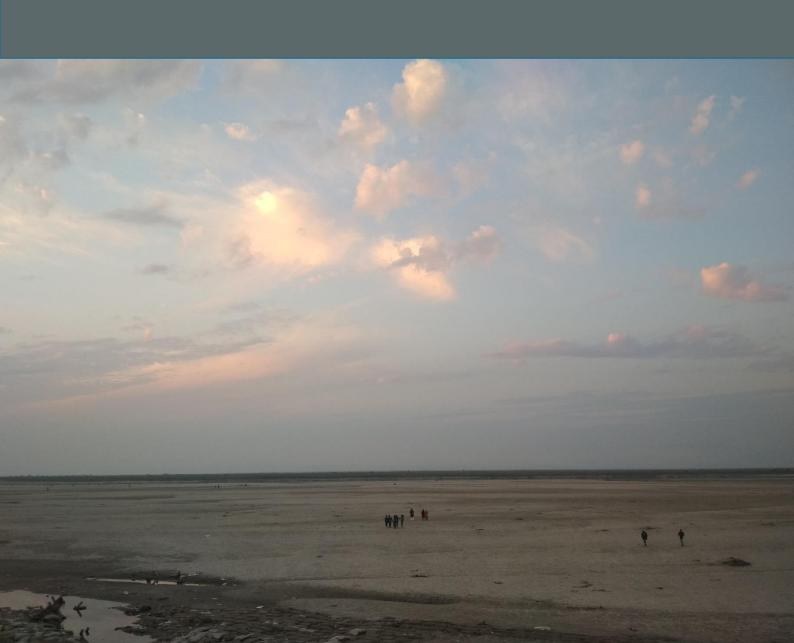
Currently, the FPO is under D rated category. The FPO has the potential to migrate into higher category subject to implementation of the abovementioned suggestions / recommendations.







GHUGULONI PIGGERY DEVELOPMENT COMMITTEE DIBRUGARH DISTRICT





Farmer Producer Organisation (FPO) at a glance

Sr No	Particulars	Details
1.	Name of the FPO	Ghuguloni Piggery Development Committee
2.	Legal status	Cooperative Society
3.	Registration Act	Cooperative Society Act, Assam Societies Act XXI 1860
4.	Registration Number and date	DIB/255/E/100 26.02.2016
5.	Place of registration	Moderguri, PO-Rangchali
6.	Registered Address	Vill: Borghuguloni (Moderguri) P.O: Rangchali Dist: Dibrugarh (Assam)
7.	Contact details	BoD 8134003679 pdc.ghuguloni@gmail.com
8.	Board of DirectorsNo of DirectorsWomen Directors	9 1
9.	Name of the CEO & Contact number	Mr.DipankarSonowal
10.	Share Capital(₹ lakh) ■ Authorised ■ Paid up	- Rs. 61600/-
11.	Number of Share holders	275
12.	Area of operation	Dibrugarh 1 block & 04 Villages 02 GP
13.	Sectors in which the FPO is working	PiggeryHorticultureSmall tea growers
14.	Products and services	Pork, Piglets, tea
15.	Licenses obtained	Not obtained
16.	Infrastructure available with FPO	Rented Office available.
17.	Business Volume achieved	No details available in the Audited Financials.
18.	Profit	No details available in the Audited Financials.
19.	Major Issues faced	Diseases of PigLow Share CapitalNo Credit Linkage



Sr No	Particulars	Details
		 No Input supply to farmers by FPO Non-Availability of good quality piglets and feed
20.	POPI	Multipurpose Agricultural Technologies Rural Institute(MATRI), Dibrugarh

Ghuguloni Piggery Development Committee

Ghuguloni Piggery Development Committee mainly caters to tribal villages with, mostly the Sonowal Kachari Tribe. Backyard piggery is a common practice in the area. To convert this backyard piggery practice to commercial piggery was the main idea behind formation of the FPO. The FPO is registered under Societies Act. of 1860.

Status of FPO-Issues/points

During the field visits, the following points have been discussed with POPI, CEO and members of the FPO:

i. Appropriateness of the Location:

The villages covered are predominantly tribal wherein backyard piggery is a common practice. The FPO was formed with an aim to transform this household practice to a commercial activity. Transportation and communication to the nearby towns is good. The demand for Pork is also good in the area. Moran Town is located at a distance of around 10 kms from the FPO which gives many opportunities for marketing of the product. Thus, the location is appropriate for the FPO.

ii. Awareness of FPO concept among member farmers

The vision and mission of the FPO is very important for the Board of Directors, POPI and other staff members. During the discussions with CEO/POPI, Board of Directors and members, it has been observed that the Directors are aware about the concept of Farmer Producer Organization. Further, the members are also aware of the concept of FPO especially among the farmers of Borghugoni Village. The members are aware of the working of the FPO. However, the same does not get duly reflected in the share capital of the FPO.



iii. Membership Growth

(a) During the last three years, the growth of Membership is given below:

As on 31.3.17		As on 31.3.18		As on 31.3.19	
No. of Membership	% of Member-ship growth over the previous year	No. of Member- ship	% of Member-ship growth over the previous year	No. of Member-ship	% of Member-ship growth over the previous year
100	-	227	60	275	27.5

From the above tables, it has been observed that there is a positive growth of shareholders during 2018-19 and 2019-20. The POPI indicated that at the time of formation of FPO, 200 members were willing to join. However, considering the current membership of 275, the growth of membership over a period of 5 years with a net addition of 75 members is not satisfactory.

iv. Subscription to Share capital

As on	As on	As on
31.3.2018	31.3.19	31.3.20
Share capital	Share capital	Share capital
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)
40000.00	61600	61600.00*

^{*}Unaudited and as reported by POPI

The share capital has shown a positive growth during 2018-19. However, there is no growth in share capital contribution during 2019-20. Further, the share price is collected in instalments. The share capital contribution is not in tune with the number of members. Thus, non-contribution of share capital by members and less contribution by some of the members are major reasons for low capital base of the FPO.

v. Ownership/belongingness of the entity among members

Some of the members are aware of the importance of the functioning of the FPO. Most of the directors are not aware about total turn-over of FPO and collective business planning. Members are aware of the benefits of the FPO, but due to lack of input supply / services by FPO, there has not been much growth in membership and share capital.



vi. Adoption of New Technology & Agribusiness Aspects

During the interaction with farmers, majority of the farmers engaged in piggery. However, as reported, the traditional way of doing piggery does not yield good economic benefit / remunerative price to the pig farmers. The domestic variety of pigs attain a weight of an average 60 Kg at the age of marketing (preferably around 7 to 9 months) while the good quality breed attains a weight of 100 kg in about 6 months of rearing. The idea is, therefore, to shift to commercial piggery with good quality breed and feed. However, non-availability of good quality breed is cited as one of the constraints. The POPI has been trying to facilitate availability of piglets, but lack of commercial pig breeding / rearing farm in the area is a constraint.

Further, the African Swine Fever (ASF) is one of the major issues reported by the farmers of the FPO which has caused huge loss in terms of high mortality associated with the disease. Sensitisation about the prevention and control aspects of the disease is required among the farmers on a regular basis.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

It has been observed that there is no convergence with the various departmental schemes, except for capacity building. Training has been provided to the members for scientific rearing of pigs.

viii. Conduct of meetings

The FPO has reported to have conducted regular meetings. AGMs has been held every year. The Board of Directors meet regularly to discuss the future road map for the FPO and to take important business decisions.

ix. Maintenance of books of accounts

The FPO maintains various books of accounts, viz., cash register, stock register, share register, sale purchase register & meeting register. However, these registers need periodic updation.

x. Business objective and Business Development Plan

The objective of the FPO is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and cooperation



through the profession of production, collection, processing and marketing of pig and pork products. The POPI has indicated that the business plan was prepared for a period of one year. However, efforts are to be made for preparation of business plan keeping in mind the challenges faced in piggery and COVID 19 pandemic and initiatives that need to be taken for mitigating the same.

xi. Impact of FPO on socio-economic status of FPO members

Farmers in the project area were already engaged in Piggery and eventually SHGs functioning in the area were motivated to form the FPO. It has been reported that the SHGs have availed loan for piggery from Assam Gramin Vikas Bank. The members have constructed shed for the pig farming. The socio-economic status of the members has improved through training and credit linkages. However, much larger socio-economic benefits may accrue to the members on collective procurement of piglets, pig feed and sale of pigs and pork.

xii. Major Areas where FPO needs improvement

There are some major areas that need improvement, viz., Input support, Capacity building of CEO/BOD, enhancement of share capital/membership, realistic Business Plan, maintenance of Books of accounts. Contribution to share capital is an important area that needs urgent intervention.

xiii. CEO Appointment

Shri.Dipankar Sonowal is CEO of the FPO. He is the 3rd CEO to be appointed. Thus, frequent change of CEO is an issue of concern for the FPO.

xv. Role of POPI

The role of POPI is found to be supportive. The POPI has been working on the project area for a long period of time and is aware of the ground level issues. Training and handholding support has been provided by the POPI to the FPO. But more efforts need to be made in terms of increasing the share capital and making provision of input supply to FPO.



xvi. Major Issues at FPO level

- Low capital base
- Lack of willingness on the part of members to contribute share capital
- Disease prevalence and associated high mortality of pigs
- Lack of training on prevention and control of highly prevalent / recurrent diseases
- Lack of marketing avenues for piggery, i.e., lack of own sale outlet
- Lack of quality piglets
- Lack of adequate inputs (feed) at the right time as per farmers; demand in the area.

xvii. Recommendations

Short Term

- Increase of share capital
- Increase of membership to at least 500 by next two years
- Training on prevention and control of highly prevalent / recurrent diseases
- Collective procurement of good quality piglets
- Procurement and supply of pig feed by the FPO to the members at affordable rates

Long Term

- Credit linkage for the members and FPO
- Facilitation for insurance of pigs
- Establishment of commercial pig breeding farm
- Establishment of small scale feed mixing unit
- Establishment of retail outlet
- Training on value addition of pork, i.e., pork pickles, sausages, ham, bacon etc.

Conclusion

Currently, the FPO is under C rated category. The FPO has the potential to migrate into higher category subject to implementation of the abovementioned suggestions / recommendations.





NORTH LAKHIMPUR FPO LAKHIMPUR DISTRICT





Farmer Producer Organisation (FPO) at a Glance

Sr No	Particulars	Details
1.	Name of the FPO	North Lakhimpur FPO
2.	Legal status	Society
3.	Registration Act	Registration of Societies Act XXI of 1860
4.	Registration Number and date	NLP/257/G/98 of 2015-16
5.	Place of registration	North Lakhimpur
6.	Registered Address	Johing Daily Bazar, North Lakhimpur, PO- Johing , Lakhimpur Assam-787051
7.	Contact details	Anuradha Hazarika Chairman 9954373719 nlakhimpurfpo@gmail.com
8.	Board of Directors No of Directors Women Directors	3 1
9.	Name of the CEO & Contact number	Shri.Pervez Hussain
10.	Share Capital(₹ lakh) ■ Authorised ■ Paid up	Not available Nil.No Share Capital has been collected from Members.
11.	Number of Share holders	Reported to be NIL by POPI. However, as per records with FSDD, it is 40.
12.	Area of operation	Lakhimpur North Lakhimpur 1 GP ; 3 villages
13.	Sectors in which the FPO is working	PiggeryVegetable Cultivation
14.	Products and services	Homestead VegetablesSale of Live Pig and marketing of Pork
15.	Infrastructure available with FPO	 Earlier on rented premises. Now functioning in the house of Chairman of the FPO.
16.	Business Volume achieved	FPO did not carry out any business. Currently Defunct.
17.	Profit	Nil



Sr No	Particulars	Details	
18.	Major Issues faced	 Initial capital of Rs.40000/No further Share Capital contribution by members No business activities undertaken by the FPO 	
19.	Major markets and distances	Johing Daily market -01 Km, North Lakhimpur Town-15KM	
20.	POPI	Orchid India, North Lakhimpur	

North Lakhimpur Farmers Producer Organisation

North Lakhimpur Farmers Producer Organisation_is located in Johing area of Lakhimpur district and covers 03villages. The FPO was established in 2015 under the PRODUCE fund of NABARD with an aim to undertake piggery and vegetable cultivation and was registered under the Societies Act of 1860

Status of FPO-Issues/points

During the field visits, the following points have been discussed with POPI/CEO and farmers:

i. Appropriateness of the Location

The FPO covers 01 block and 03 villages. The population in these villages are of predominantly tribals belonging to Mising tribe. It is a general practice to rear pigs in the backyard of a Mising household. Tea gardens are located in the vicinity of the FPO and hence laborers of the Tea estate comprised a substantial portion of the FPO membership (60 out of 125, i.e., 50%). Also, the proximity to the Veterinary College has helped the FPO have easy access to training and capacity building. The location is, therefore, appropriate for the activity (piggery) chosen by the FPO/POPI.

ii. Awareness of FPO concept among member farmers

From the discussions held during the field visit, it has been observed that awareness among the members about the importance and function of FPO is very limited. The FPO is presently in a defunct state without any business activity. Majority of the members are daily wage earners in the nearby tea gardens and do not have land for cultivation.



iii. Membership Growth

At the stage of formation of the FPO, 100 members had been mobilised by the POPI. However, the number of members at present is 125 with a meagre increase of 25 members over a period of 5 years. Majority of the members are daily wage earners in the nearby tea gardens and are landless. Low income is reported to be one of the reasons for non-contribution to share capital and hence, the consequential low membership.

As on 31.3.18		As on 31.3.19		As on 31.3.20	
No. of Membership	% of Member- ship growth over the previous year	No. of Member-ship	% of Member-ship growth over the previous year	No. of Member-ship	% of Membership growth over the previous year
100	-	125	25	125	0

iv. Subscription to Share capital

The FPO is defunct now and the share capital is reported to be Rs.40000/-. It is observed that after formation of the FPO, members have not been contributing to share capital and thus, the capital is very small. With such low capital base, it may not be possible for the FPO to continue its business.

As on	As on	As on	
31.3.18	31.3.19	31.3.20	
Share capital	Share capital	Share capital	
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)	
40000	40000	40000	

Note: No audited financials available for any of the past years since inception.

v. Ownership/belongingness of the entity among members

Awareness about FPO function and benefits that may be derived from it, the level of ownership and involvement in collective business planning is found lacking. No activity is currently being undertaken. No input supply or any other service was provided by



the FPO. Currently, there is no CEO and no active board members. As a result, the FPO is defunct.

vi. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

During the interaction with CEO/BOD/POPI/farmers, it has been observed that no efforts have been made by FPO to get the benefits from Agriculture/Horticulture/Animal Husbandry Dept. A few members have been practicing piggery on their own without any assistance from the FPO.

vii. Maintenance of books of accounts

POPI has indicated that no records are being maintained as the FPO is currently defunct.

viii. Business objective and Business Development Plan

The objective of the FPO is to empower the weaker section / farmers / landless in the area through scientific production, processing and marketing of livestock especially through piggery and vegetable cultivation. The FPO was inaugurated with participation of considerably large number of people, mostly the laborers working in tea gardens. The only major income available to them is the daily wage earned from the Tea Estate. The inability of the members to pay the membership fee has led to a very meagre share capital for the FPO. Accordingly, the FPO also did not take up any business activity and eventually became defunct. The role of the POPI was observed to be not satisfactory and it did not claim full amount under PRODUCE fund that was sanctioned to the FPO. Further, there is no Business Development Plan in place.

viii. Conduct of meetings

The FPO at present is not active. As informed by the POPI, no meetings are being conducted now.

ix. Impact of FPO on socio-economic status of FPO members

Although the project was aimed at uplifting the socio-economic status of the FPO members, the FPO took up no activity and as a result, there has been no visible income enhancement. A few members have been practicing piggery on their own without any assistance from the FPO.



x. Major Areas where FPO needs improvement

The FPO is in a defunct state now. Considering the membership growth and share capital contribution since inception, it appears that it may require a huge effort in reviving the FPO. Motivation among the members and the share capital contribution are the primary factors at this stage for the survival of the FPO and the future course of action is contingent upon strengthening of these prerequisites.

xi. Role of POPI

The role of POPI is observed to be not satisfactory. The performance of the POPI could have been better in the areas of mobilisation of members, convincing the members about the benefits of collectivisation and share capital contribution, facilitation in provision of inputs / other services such as linkage for credit or subsidy. Out of the total grant of Rs.9,06,000.00 that was sanctioned /-, an amount of Rs.4,30,000/has been released. The POPI has not requested for further release of fund as the earlier fund is unutilised. Capacity building of the members which is the need of the hour was not adequately addressed by the POPI.

xii. Major issues at FPO level

- Very low member base
- Non contribution of share capital
- Lack of facilitation by FPO with regard to input, extension services and marketing
- No Business Plan in place
- Farmers were not getting proper guidance and knowledge on package of practices for rearing of pigs. Non availability of quality breeds and pig feed is also a constraint.
- Lack of value addition
- Absence of an organized marketing structure
- No credit linkage facility is being availed by the members of the FPO. Members
 of the FPO formed JLG groups and reported to have submitted application for
 bank loan for piggery activity. FPO has indicated that the loans were not
 sanctioned by the bank.
- No CEO for the FPO



No audited financials for any of the past years since inception.

xiii. Recommendations/Action to be taken by the FPO

Short Term

- Membership needs to be increased to at least 300 within a year and 500 by next two years.
- FPO should make efforts for inclusion of more farmers (landholders) in addition to the existing shareholders)
- Existing members should contribute to the share capital
- Awareness regarding FPO function and its importance must be created to the members
- Full time CEO needs to be appointed for the FPO
- Realistic Business Plan for two to three years needs to be prepared after taking commitment from members
- Submission of audited financials

Long Term

- Credit linkage needs to be established with banks for term loan to members
- Training to women members of the family for undertaking piggery activity
- To encourage the members, FPO may make efforts for supply of inputs (pig feed and seed for vegetables) at concessional rate initially
- Awareness is to be created among the farmers about various Government schemes and facilitate the same for getting the benefits
- Trainings for CEO/BOD may be arranged

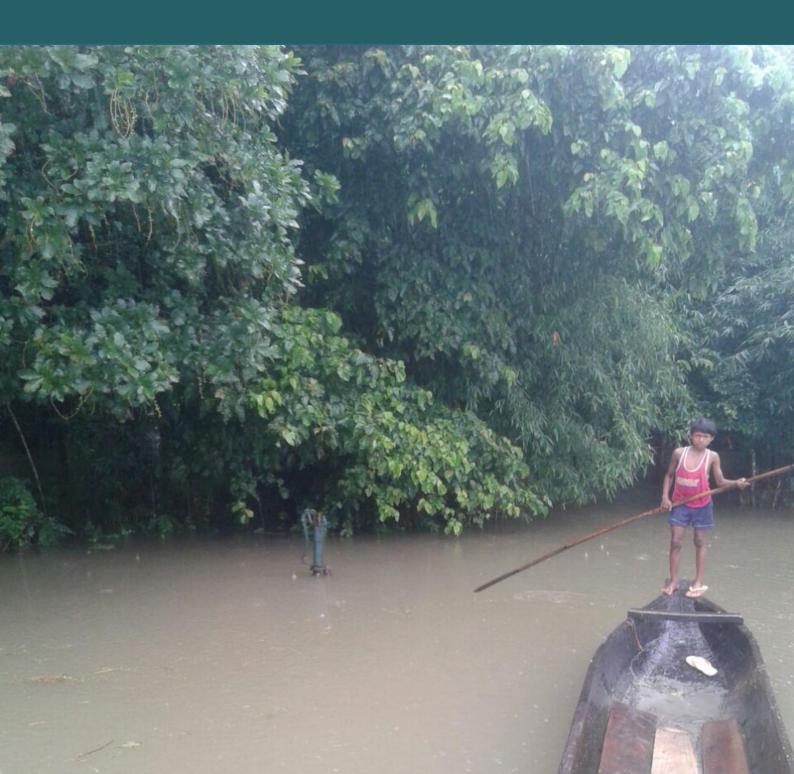
Conclusion

Currently, the FPO is under D rated category. The chances of revival of FPO appear to be remote as of now.





KOILAMARI FPO BLOCK NORTH LAKHIMPUR DISTRICT LAKHIMPUR





Farmer Producer Organisation (FPO) at a Glance

Sr No	Particulars	Details		
1	Name of the FPO	Koilamari Farmers Producers Organisation		
2	Legal status	Cooperative Society Act		
3	Registration Act	Register of Societies , ACT XXI of 1860		
4	Registration Number and date	NLP/257/G/115 of 2015-16 Date-17.03.2016		
5	Place of registration	Lakhimpur		
6	Registered Address	Koilamari , North Lakhimpur		
7	Contact details Address	Koilamari, North Lakhimpur		
8	Board of Directors No of Directors Women Directors	3 1		
9	Name of the CEO & Contact number	Sh. Tunu Bora		
11	Share Capital(₹ lakh) ■ Authorized ■ Paid Up	NA Rs.20000/-		
12	Number of Share holders	20		
14	Sectors in which the FPO is working	GoateryAgriculture – Paddy &VegetableCultivation		
15	Products and services	 Marketing of Mustard, Goat , Selling of Goat 		
16	License Obtained	NIL		



Sr No	Particulars	Details
17	Infrastructure Available	Rented Office Room was there earlier. Now it has been reported that there is no office.
18	Sales/Turnover Achieved	Due to lack of any activity being taken up by FPO, there is no sales or turnover figure available.
19	Profit	No Profit earned due to lack of any business.
20	Major Issues Faced	 Initial capital of Rs.20000/ No further Share Capital contribution by members No business activities undertaken by the FPO
21	POPI	Orchid India, North Lakhimpur

Koilamari Farmers Producers Organisation

Koilamari Farmers Producers Organisation is located in Koilamari area of Lakhimpur district and covers three villages. The FPO was established in 2016 under PRODUCE fund &Orchid India was POPIwith an aim to undertake Goatery and Vegetable cultivation. It was registered under the Societies Act, 1860.

Status of FPO-Issues/points

During the field visits, the following points have been discussed with POPI and farmers.

i. Appropriateness of the Location:

The FPO cover 03 villages under 01 block. The villages are located by the riverbank, which makes it ideal for Goatery with the availability of grass as fodder. The villages covered under this FPO are at distance of 3 kms from the office of the FPO. Veterinary College is also in the vicinity which helps in training and capacity building. The vegetables such as Potato and Tomato are also being cultivated in the area. Thus, the location of the FPO is appropriate.



ii. Awareness of FPO among members

From the discussion during the field visit, it has been observed that awareness among the members about the importance and function of FPO is very low. The FPO is presently in a defunct state without any activity being done. Further, there is no share capital contribution by members.

Majority of the members are involved in Goatery but the activity is not being taken up on a commercial scale.

iii. Membership Growth

At the stage of formation of FPO, 52 number of members were mobilised. However, there has been very little addition of members subsequently, i.e., 20 over a period of 4 years. Thus, the low membership and no growth in membership are the major issues plaguing the survival of the FPO. There is no business activity undertaken by the FPO. Members are not keen in joining the FPO in the absence of availability of any notable services.

As o 31.3.		As 31.	on 3.19	As 31.3	
No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year
52	-	72	38	72	0

iv. Subscription to Share capital

The FPO is defunct now and the share capital is reported to be Rs.20000.00 only. It is observed that after formation of FPO, members have not been contributing to share capital and thus, the capital is very small. With such low capital base, it may not be possible for the FPO to continue its business.

As on	As on	As on	
31.3.2018	31.3.19	31.3.20	
Share capital	Share capital	Share capital	
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)	
20000	20000	20000	



v. Ownership/belongingness of the entity among members

Awareness about FPO function and benefits derived from the FPO, the level of ownership and involvement in collective business planning is found lacking. No input supply or any other service was provided by the FPO. Currently, there is no CEO and no active board members. In the absence of any activity by the FPO, it is defunct. This clearly shows that there is a lack of involvement of members and BoD of the FPO.

vi. Adoption of New Technology & Agribusiness Aspects

During the interaction with farmers, it was known majority of the farmers are practicing Goatery on their own. Some members are also doing dairy activities. However, it has been indicated that the FPO has not provided any input services to the members.

Among crops, the major produce is paddy. Though production of Paddy is substantial, the farmers are not getting remunerative prices due to lack of adequate procurement, storage and marketing facilities in the vicinity.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

During the interaction with CEO/BOD/POPI/farmers, it has been observed that no efforts have been made by the FPO / POPI to derive the benefits from Agriculture/Horticulture/Animal Husbandry Departments. Thus, no convergence has materialized in the FPO.

viii. Conduct of meetings

The FPO at present is not active. As informed by the POPI, no meetings are being conducted now.

ix. Maintenance of books of accounts

As informed by POPI, various books of accounts, viz., membership register/ equity mobilization, cash book, meeting register, stock register & sale purchase registers are not being maintained. Audited Financials have not been prepared by the FPO since inception.



x. Business objective and Business Development Plan

The objective of the FPO is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and cooperation through Goat farming and processing and marketing of horticultural produce.

The inability of the members to pay the membership fee has led to negligible share capital for the FPO. The FPO took up no activity and eventually it became defunct.

xi. Impact of FPO on socio-economic status of FPO members

to The project was envisaged to boost the socio-economic status of the FPO but due to failure of the FPO in taking up any activity, there is, as such, no income enhancement for the members of the FPO.

xii. Major Areas where FPO needs improvement

The FPO is in a defunct state now and the chances of revival of FPO presently appears to be slim due to the non-involvement of members, low membership and negligible share capital. These are the areas which require improvement if FPO makes any efforts for revival. Members' contribution needs to be collected and the POPI needs to actively engage with FPO to strengthen the FPO. Without any substantial share capital, the FPO cannot start its business activity.

xiii. CEO Appointment

At present, there is no CEO with the FPO.

xiv. Role of POPI

The role of POPI is observed to be not satisfactory. Role of POPI could have been better in the areas of mobilisation of members, convincing the members about the benefits of collectivisation and share capital contribution, facilitation in provision of inputs / other services such as linkage for credit or subsidy. Out of the total grant of Rs.9,06,000.00 sanctioned, an amount of Rs.4,30,000.00 has been released. The POPI has not requested for further release of fund as earlier fund is yet to be fully utilised. Capacity building of the members is the need of the hour which was not addressed adequately by the POPI.



xv. Major Issues at FPO level

- Low membership
- Negligible share capital
- Lack of credit linkage
- FPO is not carrying out any business activity. Further, the services to the members (input, extension etc.) are almost NIL.
- No business plan in place.
- No CEO for the FPO
- Non availability of quality goat breeds and feed
- Lack of value addition
- Absence of an organized marketing structure
- Audited Financials are not in place for any of the year since inception.

xvi. Recommendations

The chances of revival of FPO appear to be remote as of now. However, the FPO needs to give importance on the following aspects if the members decide to make efforts for revival:

Short Term

- Awareness regarding FPO function and its importance needs to be created for the members
- Membership may be increased to 300 within one year and 500 in a period of two years
- Contribution of share capital by all the members may be ensured
- Full time CEO needs to be appointed for the FPO
- To provide the input, extension, marketing services to the farmers (shareholders) eg., for purchase of pig feed, seed for vegetables etc.,
- Realistic Business Plan for two to three years needs to be prepared after taking commitment from members.
- Submission of Audited financials



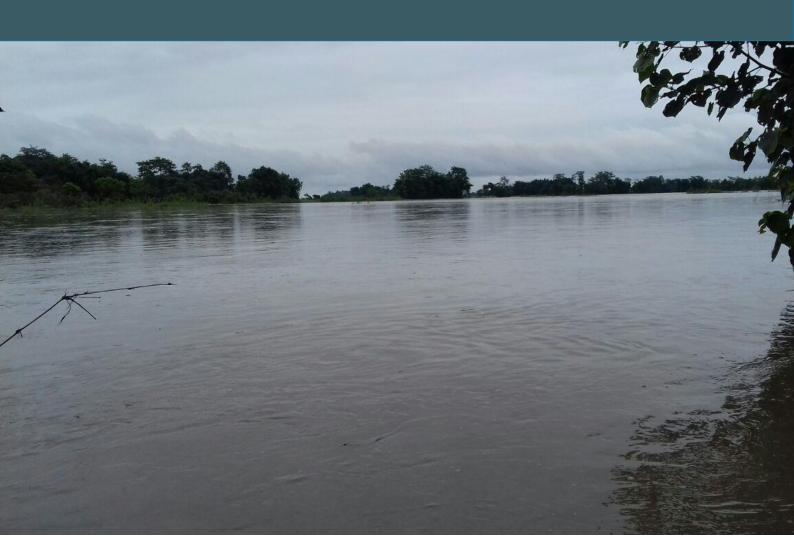
Long Term

- Credit linkage needs to be established with banks for term loan to members
- Awareness is to be created among the farmers about various Government schemes and facilitation for availing the benefits
- Trainings need to be arranged for CEO/BOD.

Conclusion

Currently, the FPO is under D rated category. The chances of revival of FPO appear to be remote as of now.

RANGCHALI FPO NORTH LAKHIMPUR BLOCK LAKHIMPUR DISTRICT





Farmers Producer Organisation (FPO) at a glance

Sr No	Particulars	Details
1	Name of the FPO	Rangchali Dairy Farmers Producers Organisation
2	Legal status	Cooperative Society Act
3	Registration Act	Register of Societies , Act XXI of 1860
4	Registration Number and date	NLP/257/G/115 of 2015-16
		Date-17.03.2016
5	Place of registration	Lakhimpur
6	Registered Address	Rangchali , Lakhimpur District
7	Contact details Address	Rangchali, North Lakhimpur
8	Board of Directors No of Directors Women Directors	3 2
9	Name of the CEO & Contact number	Saddam Hussain
10	Share Capital(₹) ■ Authorize ■ Paid Up	NA (NIL reported by POPI during field visit. However records not made available by POPI). Rs.10500/- as per the records at FSDD.
11	Number of Share holders	Number of members are 72 as reported by POPI (however records for the same are not readily available with POPI/FPO). As per the FSDD records, it is 47. The number of shareholders among the members is also not available.



Sr No	Particulars	Details
12	Sectors in which the FPO is working	DairyAgriculture-Vegetable Cultivation
13	Products and services	Milk, Vegetables
14	License Obtained	NIL
15	Infrastructure Available	No facilities are available with FPO.
16	Business Volume achieved	FPO is defunct and turnover is NIL
17	Profit	No Profit
18	Major Issues Faced	 Initial capital of Rs.10500/ No further Share Capital contribution by members No business activities undertaken by the FPO
19	POPI	Orchid India

Rangchali Farmers Producers Organisation

Rangchali Farmers Producers Organisation is located in Rangchali area of Lakhimpur district and covers two villages. The FPO was established in 2016 with the support of NABARD under PRODUCE fund with an aim to promote dairy and vegetable cultivation and to collectivise the produce.



Status of FPO-Issues/points

During the field visits, the following points have been discussed with POPI/CEO and farmers.

i. Appropriateness of the Location

The FPO covers 02 villages. The members / farmers in the villages are mostly dairy farmers in addition to the crop husbandry and the same has culminated into the formation of this dairy-based FPO. The discussions with members, suggest that dairy is the predominant activity and hence the location is appropriate for the FPO. Rangchali is known for milk production in Lakhimpur District. The Lakhimpur town is at a distance of around 6kms from the identified villages.

ii. Awareness of FPO concept among member farmers

From the discussion during the field visits, it has been observed that awareness among the members about the importance and function of FPO is very limited. The FPO is presently in a defunct state without any activity.

iii. Membership Growth

At the stage of formation of FPO, 27 members were mobilised by the POPI. However, the number of members at present is 47 with a meagre increase of 20 members over a period of 4 years. The FPO has not progressed beyond the formation stage and the role of POPI in mobilisation of members is also observed to be not satisfactory, thereby resulting in low membership base.

As on 31.3.18		As on 31.3.19		As on 31.3.20	
No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year
27	-	47	74	47	0

iv. Subscription to Share capital

The FPO is defunct now and the share capital is reported to be Rs.10500/-. POPI reports NIL shareholding and nor records on share capital .are made available by POPI and FPO. It is observed that after the formation of the FPO, members have not



been contributing to the share capital and thus, the capital is very small. The members have indicated that the share contribution is an issue in the absence of any notable benefits / services from the FPO/POPI. With such a small capital base, it may not be possible for the FPO to continue its business.

As on	As on	As on
31.3.2018	31.3.19	31.3.20
Share capital	Share capital	Share capital
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)
10500	10500	10500

v. Ownership/belongingness of the entity among members

Awareness about FPO function and benefits derived from FPO, the level of ownership and involvement in collective business planning is found lacking. No input supply or any other service was provided by FPO. Currently, there is no CEO and no active board members. As a result, the FPO is defunct and no activity is being undertaken.

vi. Adoption of New Technology & Agribusiness Aspects

During the interaction with farmers, majority of the farmers are practicing dairy farming. Rangchali area is known for milk production. Its proximity to North Lakhimpur town provides a regular market for milk. However, the farmers are selling the milk in individual capacity rather than being organised as an FPO. Thus, the benefits of collectivisation for improvement of the income / livelihood are not visible among the members of FPO.

Among crops, the major produce is paddy which can be an alternate activity in addition to dairy for diversification of business activities.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

During the interaction with CEO/BOD/POPI/farmers, it has been observed that no efforts have been made by the FPO to get the benefits from Agriculture/Horticulture/Animal Husbandry Departments. Majority of the members have been undertaking the dairy activity on their own without any assistance from the FPO.



viii. Conduct of Meetings

The FPO is in a defunct state now and, as such, there are no meetings conducted.

ix. Maintenance of Books of Account

The FPO is maintaining no records. The CEO had been appointed initially for one year but no CEO was appointed thereafter. The Registration certificate and other documents are not available with the FPO; the same are understood to be kept with the POPI. The POPI had not made the records available to the study team during the field visit. As such, it has been observed that the coordination between the FPO members and the POPI is clearly lacking and has resultantly hampered the functioning of the FPO.

x. Business objective and Business Development Plan

The objective of the FPO is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and cooperation through the profession of production, collection, processing and marketing of milk and milk products.

The share capital contribution is negligible and due to lack of any activity by the FPO, it has eventually become defunct. Thus, the FPO is neither carrying out business at present nor having any business plan for the future.

xi. Impact of FPO on socio-economic status of FPO members

The project was aimed at improving the socio-economic status of the FPO members but the FPO took up no activity. As a result, there has been no income enhancement.

xii. Major Areas where FPO needs improvement

The FPO is in a defunct state now and the chances of revival of FPO appears to be remote due to low membership base over a period of 04 years and negligible share capital. These areas need urgent improvement for making the FPO functional. Member's contribution need to be collected and POPI needs to actively engage with FPO to strengthen the FPO. Training of farmers / members needs to be taken up for building involvement among members and BoDs.

xiii. CEO appointment

Currently, the FPO does not have a CEO.



xiv. Role of POPI

The role of POPI is observed to be not satisfactory. Role of POPI could have been better in the areas of mobilisation of members, convincing the members about the benefits of collectivisation and share capital contribution, facilitation in provision of inputs / other services such as linkage for credit or subsidy. Out of the total grant of Rs.9,06,000/-sanctioned, an amount of Rs.4, 30,000/-has been disbursed so far by NABARD. The POPI has not requested for further release of fund as previous withdrawal is yet be fully utilised. An amount of Rs.1,02,500/-is reported to have been utilised so far for the FPO. Capacity building of the members is the need of the hour but the same has not been adequately addressed by the POPI.

xv. Major Issues at FPO Level

- Low membership
- Negligible share capital
- FPO is not carrying out any business activity. Further, the services to the members (input, extension etc.) are almost NIL.
- No CEO for the FPO
- No Business Plan in place.
- Lack of credit linkage
- Lack of value addition
- Absence of an organized marketing structure
- No audited financials for the past years

xvi. Recommendations

The chances of revival of the FPO presently appear to be remote. However, the FPO needs to lay importance on the following aspects if the members decide to make efforts for revival.

Short Term

- Awareness regarding FPO function and its importance needs to be created among members.
- The membership may be increased to 300 within one year and 500 in a period of two years
- Contribution of share capital by all the members may be ensured



- Full time CEO needs to be appointed for the FPO
- Input, extension, marketing services to the farmers (shareholders) eg., for purchase of milk, paddy etc. may be provided
- Efforts need to be made for bulk purchase of good quality dairy cows so as to have better negotiation in terms of price
- Realistic Business Plan for two to three years needs to be prepared after taking commitment from members.

Long Term

- Credit linkage needs to be established with banks for term loan to members
- Awareness is to be created among the farmers about various Govt. schemes & facilitation for availing the benefits
- Milk collection Centre is needed
- Skill development training on scientific dairy practice may be provided
- Convergence with the dairy development department is required.

Conclusion

Currently, the FPO is under D rated category. The chances of revival of FPO appear to be remote as of now.

MONOHA ANCHALIK KRISHAK UNNAYAN SAMITI MAYONG BLOCK MORIGAON DISTRICT





Farmer Producer Organisation (FPO) at a Glance

Sr No	Particulars	Details
1	Name of the FPO	Monoha Anchalik Krishak Unnayan Samiti
2	Legal status	FPO registration under Society
		Registration Act
3	Registration Number and date	RS/ MRG/245/F/176 of 2015 - 2016
4	Place of registration	Konwargaon, Mayong, Morigaon District
5	Registered Address	Konwargaon, Mayong, Morigaon District
6	Contact detailsAddressPhone / Fax	MonohaAnchalik Krishak Unnayan Samiti Konwargaon, Mayong, Morigaon District 9101227170
7	Board of DirectorsNo of DirectorsWomen Directors	11 4
8	Name of the CEO & Contact number	Mr Birinchi Bordoloi 9101227170
9	Share Capital (₹ lakh) ■ Authorised ■ Paid up	Not available Rs.31500.00 as on 31.03.2020
10	Number of Share holders	63
11	Area of operation District Block Panchayat	Morigaon Mayong block 1 GP, 3 villages
12	Sectors in which the FPO is working	PiggeryOrganic farming
13	Products and services	Pig and porkOrganic products
14	Licenses obtainedFertilizer/seedPesticideFood Safety	NIL



Sr No	Particulars	Details
15	Infrastructure available with	Office is functioning in rented premises.
	FPO	Furniture (table and chairs) are available in
		the office.
16	Sales / turnover achieved*	• 2017-18 Rs.45150
		• 2018-19 Rs.283967
		• 2019-20 Not available
17	Profit*	2017-18 Not available
		• 2018-19 Not available
		• 2019-20 Not available
18	Major Issues faced	Diseases affecting pigs
		Lack of interest of the members
		Occurrence of Flood
19	POPI	Rashtriya Gramin Vikas Nidhi (RGVN)

^{*} As per Audited Financials

Monoha Anchalik Krishak Unnayan Samiti, Morigaon

The FPO is in Konwargaon village, Mayong block in Morigaon District, Assam. The village is situated nearly 16 km from the district headquarter of Morigaon,. The FPO-Monoha Anchalik Krishak Unnayan Samiti, was established in 2015-16 with an initial strength of 110 farmers and the primary activity being piggery. Other activities adopted by the FPO are Boro paddy and mustard cultivation. The FPO covers three villages in one Gram Panchayat. The villages are mostly inhabited by people of Tiwa tribe. The main objective of the FPO is increasing income of the members through an organization of their own.

Status of FPO-Issues/points

During the field visits, the following points have been discussed with the BOD/farmers:

i. Appropriateness of the location:

As per record, presently the FPO covers three villages in Mayong Block. Farmers of these villages are growing paddy, mustard, vegetables etc. The members also practice Organic Farming. Piggery is not practiced on a commercial level by the FPO presently.



The main reason for discontinuation of the activity is disease among the pigs. It is understood that the pigs bought by the FPO members had succumbed to an unidentified disease around the months of April-May 2020. Consequently, the activity has not picked up. As the pig rearing is prevalent in the area as traditional activity, the location is appropriate to convert / adopt pig farming on a commercial scale which can lead to better returns for the farmers.

ii. Awareness of FPO concept among member farmers:

During the discussions with CEO/POPI, Board of Directors & farmers, it has been observed that a few Directors are aware about the concept of Farmer Producer Organization. Further, there is no clear concept about FPO among the members. Therefore, there is a need for sensitization.

iii. Membership Growth

During the last three years, the growth of members is given below:

As on		As on		As on	
31.3.18		31.3.19		31.3.20	
No. of	% of	No. of	% of	No. of	% of
Membership	Membership growth over the previous year	Member- ship	Membership growth over the previous year	Membership	Membership growth over the previous year
300	NA	483	61	483	0

From the above table, it has been observed that there is no growth of shareholders /membership during 2019-20. Share money @ Rs.500.00 has been collected from each member. Presently, the FPO has eleven Directors of which four Directors are female.

iv. Subscription to Share capital

As on	As on	As on
31.3.2018	31.3.19	31.3.20
Share capital	Share capital	Share capital
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)
31500	31500	31500



It can be observed from the above table that there is no growth in share capital contribution during the past three years. The number of shareholders has remained at 63 during these years. Further, the share amount has been fixed at Rs.500.00/member. It is understood that there is a reluctance among members to contribute to the share capital due to failure in making good profits from FPO activity.

v. Ownership/belongingness of the entity among members

There is a general lack of awareness about FPO function and benefits derived from FPO among the members. The level of ownership and involvement in collective business planning was found lacking. Further, Directors are not aware about the basic financials of the FPO.

vi. Adoption of New Technology & Agribusiness Aspects

The FPO was formed for promoting piggery as main activity. Piggery, however has been discontinued as an FPO activity due to the outbreak caused by an unidentified disease that led to death of all the pigs. Conversely, pigs are still reared in the backyard as a traditional practice in every household. Training on value addition of products (making pork pickles, dry pork etc.) is highly required. For marketing of the pig meat, the members were dependent on the POPI that had helped them sell the products in Guwahati. Though the practice of Piggery has suffered a jolt recently due to deaths of most of the pigs of the members due to an unknown disease, one of the advantages of the pigs in Morigaon that it fetches a premium price in Pork market and has high demand even in Guwahati.

During the interaction with farmers, it was understood that majority of the farmers are growing Boro paddy and mustard on an individual level. It is reported that availability of good quality seeds is one of the constraints and the market is also far from the villages. Boro Paddy cultivation has been done in the villages under the FPO. Since the area suffers from recurring flood every year during the monsoon season, the practice of Sali Paddy is not widespread due to losses of crop. Therefore, summer paddy or Boro paddy is cultivated by the farmers since it can be done during the lean rainy season. Mustard is also cultivated by the farmers. It is one of the major Rabi crop done in the area.



vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

During the interaction with CEO/BOD/POPI/farmers, it has been observed that little effort has been made by the members to get the benefits from Agriculture/Animal Husbandry Departments. It may be mentioned that the farmers have no information about Government Schemes or loans. Due to lack of knowledge and availment of KCC/loans, the members often resort to borrowing from moneylenders on high rate of interest.

viii. Conduct of meetings

It has been reported that regular board meetings have been conducted after establishment of the FPO. Meetings between the POPI and FPO is reported to be held once every quarter. There have been 5 training programmes. Entrepreneurship Development Training Programme on Piggery Management & Training programme on FPO & FPC had been organised for the capacity building of BODs. As reported, 15 meetings have been conducted by POPI during the past three years.

ix. Maintenance of books of accounts

Various books of accounts, viz., Membership register & Meeting register are maintained by the members. Cash register and Stock registers are also maintained. Records are maintained manually.

x. Business objective and Business Development Plan

The objective of the FPO is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and mutual cooperation through sale of pork, collection, processing and marketing of pig and pork products and also organic agricultural produce. Although the business plan has been prepared for one year by the FPO, no marketing strategy has been chalked out for future growth. The members, however, have shown interest in opening a retail outlet for sale of pig meat in the local market but feel constrained due to lack of funds.

xi. Impact of FPO on socio-economic status of FPO members

Majority of the farmers have been growing paddy and mustard and selling the surplus individually in the market. Initially, the FPO with the help of POPI had made efforts in



selling the pork in retails outlets of Guwahati. The local pork of Morigaon known for its high quality and flavour fetches good price in the market. The handholding of the FPO by the POPI in this respect has helped the FPO members develop an understanding of the market dynamics and price negotiations. However, piggery has been discontinued at the FPO level due to the spread of diseases among the pigs recently.

xii. Major Areas where FPO needs improvement

There are some major areas needs to be improved, viz., inputs support, capacity building of CEO/BOD, enhancement of share capital, realistic Business Plan, maintenance of Books of accounts, submission of Annual returns, marketing agricultural produce and pork. The FPO members also need skill development training and training on value addition of products (making pork pickles, dry pork etc.) Motivation is needed among the Directors/members. Further, the training on prevention and control of diseases causing huge mortality of pigs on regular (yearly basis just before the expected outbreak) basis is need of the hour.

xiii. CEO Appointment

The CEO of the FPO, a Graduate by qualification has been involved with the FPO since its inception. He is found active in all matters of the FPO functioning.

xiv. Role of POPI

The POPI has provided handholding support to the FPO. The POPI has played an active role in marketing of pork. However, the FPO needs to be provided an immediate support in terms of credit linkage, sensitization about government schemes and rejuvenation of piggery activity after the setback from disease and also the impact of COVID 19. The frequent changes of resource person from POPI act as a hindrance in the coordination and functioning of the FPO.

xv. Major Issues at FPO level

- The capital base is small
- There is a general lack of motivation among members
- BOD members except a few are not aware about the profitability of FPO
- Farmers are not getting proper guidance and proper package of practices for production of paddy & oil seeds.
- Due to frequent floods, the farming activity is disrupted frequently.



- Due to sudden epidemic/outbreak of diseases among pigs, the piggery activity has lost momentum.
- In absence of an organized marketing structure, majority of the farmers are selling their agriculture produce to local traders/local shops at lower rate. This is affecting the remunerative income of the farmers.
- Credit linkage has not been done so far. It is reported that banks are also reluctant in providing loan to farmers/members especially in the event of outbreak of disease.
- KCC is reported to be not available for members.
- In absence of KCC/bank loans, farmers resort to borrowing from moneylenders on a high rate of interest.

xvi. Recommendations

Short Term

- The share capital may be increased
- All the members need to contribute to the share capital
- Piggery activity may be revived by mobilization of members and motivation
- Veterinary support needs to be provided in terms of training on prevention and control of diseases affecting pigs.
- Awareness regarding FPO function is to be created at village level among the farmers by CEO and POPI on bi-monthly basis
- Credit linkage needs to be established
- BOD/CEO needs to be given training business planning, maintenance of books of accounts, marketing trainings at least twice in a year.

Long Term

- Realistic Business Plan for two to three years needs to be prepared
- Additional Share capital amount may be collected from the existing members to strengthen the capital base.
- Retail outlet for sale of pork items may be started.
- A collection centre is needed for paddy & mustard at village level.
- Farmers/members can be benefitted through convergence of Government schemes



- The training on value-addition of pork items may be provided
- Suitable Marketing strategy is to be evolved for providing better services & prices.

Conclusion

Currently, the FPO is under C rated category. The FPO has the potential to migrate into higher category subject to implementation of the abovementioned suggestions / recommendations.









Farmer Producer Organisation (FPO) at a Glance

Sr No	Particulars	Details
1	Name of the FPO	Sarba Unnayan Samiti
2	Legal status	FPO registration under Society registration Act
3	Registration Number and date	RS/MRG/245/F/176 of 2015-16 dated 05 March 2016
4	Place of registration	Konwargaon, Mayong, Morigaon District
5	Registered Address	Konwargaon, Mayong, Morigaon District
6	Contact details Address Phone / Fax	Sarba Unnayan Samiti Konwargaon, Mayong, Morigaon District 7002103997
7	Board of Directors No of Directors Women Directors	13 4
8	Name of the CEO & Contact number	Mr Bakul Chandra Medhi
9	Share Capital (₹ lakh) ■ Authorised ■ Paid up	Not available Rs.42500.00
10	Number of Share holders	85
11	Area of operation District Block Panchayat	Morigaon Mayong block 1 GP, 2 villages
12	Sectors in which the FPO is working	PiggeryOrganic Farming



Sr No	Particulars	Details
13	Products and services	Pig MeatOrganic Farming produce
14	Licenses obtainedFertilizer/seedPesticideFood Safety	NIL
15	Infrastructure available with FPO	 Office in rented premises. Furniture (table and chairs)
16	Sales / turnover achieved*	 2017-18 Rs. 0 2018-19 Rs. 61,000 2019-20 Not available
17	Profit*	 2017-18 Rs. 0.00 2018-19 Not available 2019-20 Not available
18	Major Issues faced	Diseases affecting pigsLack of interest of the membersRecurrent Flood
19	POPI	Rashtriya Gramin Vikas Nidhi (RGVN)

^{*} As per Audited Financials

Sarba Unnayan Samiti, Morigaon

The FPO is located in Konwargaon village, Mayong block in Morigaon District, Assam. The village is situated nearly 16 km from the district headquarter of Morigaon, The FPO-Sarba Unnayan Samiti, was established in 2016 with an initial strength of 100 people and the primary activity being piggery. Other activities adopted by the FPO are Boro paddy and mustard cultivation. The FPO covers two villages in one Gram Panchayat. The villages are mostly inhabited by people of Tiwa tribe. The main objective of the FPO is increasing income of the members through an organization of their own.



Status of FPO-Issues/points

During the field visits, the following points have been discussed with the BOD/farmers:

i. Appropriateness of the Location:

As per record, presently FPO covers three villages in Mayong Block. Farmers of these villages are growing paddy, mustard, vegetables etc. The members also practice organic farming. Piggery is not practiced on a commercial level by the FPO presently. The main reason for discontinuation of the activity is disease among the pigs. It is understood that the pigs bought by the FPO members had succumbed to an unidentified disease around the months of April-May 2020. Consequently, the activity has not picked up. Further, it has been observed that the areas covered by this FPO are in close proximity to those villages covered by another FPO (Monoha Anchalik Krishak Unnayan Samiti) in the same line of activity (piggery). This can be one of the reasons that the FPO might not have progressed well. If the cluster areas of both the piggery FPOs in Morigaon (Monoha Anchalik Krishak Unnayan Samiti and Sarba Unnayan Samiti) are combined for a single FPO formation, the performance might have been comparatively better.

ii. Awareness of FPO concept among member farmers:

During the discussions with CEO/POPI, Board of Directors & farmers, it has been observed that a few Directors are aware about the concept of Farmer Producer Organization. Further, there is no clear concept about FPO among the members. Therefore, there is a need for sensitization.

iii. Membership Growth

(a) During the last three years, the growth of members is given below:

As on 31.3.18		As on 31.3.19		As on 31.3.20	
No. of	% of	No. of	% of	No. of	% of
Membership	Member-ship growth over the previous year	Member- ship	Member-ship growth over the previous year	Member-ship	Member-ship growth over the previous year
195	-	245	26	245	0



From the above table, it has been observed that there is no growth of shareholders /membership during 2019-20. Presently, the FPO has thirteen Directors but only a few Directors are active. Of these, four Directors are female.

iv. Subscription to Share capital

As on	As on	As on
31.3.2018	31.3.19	31.3.20
Share capital	Share capital	Share capital
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)
25000	42500	42500

It has been observed from the above table that there is a no growth in share capital contribution in 2019-20. Share money @ Rs.500.00 has been collected from each member. It is understood that there is a reluctance among members to contribute to the share capital due to failure in making good profits from FPO activity.

v. Ownership/belongingness of the entity among members

There is a general lack of awareness about FPO function and benefits derived from FPO. The involvement in ownership and collective business planning for the FPO was found lacking among the members.

vi. Adoption of New Technology & Agribusiness Aspects

The FPO was formed for promoting piggery as main activity. Piggery, however has been discontinued as an FPO activity due to the outbreak caused by an unidentified disease that led to death of all the pigs. Conversely, pigs are still reared in the backyard as a traditional practice in every household. Training on value addition of products (making pork pickles, dry pork etc.) is highly required. For marketing of the pig meat, the members were dependent on the POPI that had helped them sell the products in Guwahati. Though the practice of Piggery has suffered a jolt recently due to deaths of most of the pigs of the members due to an unknown disease, one of the advantages of the pigs in Morigaon that it fetches a premium price in Pork market and has high demand even in Guwahati.



During the interaction with farmers, it was understood that majority of the farmers are growing Boro paddy and mustard on an individual level. It is reported that availability of good quality seeds is one of the constraints and the market is also far from the villages. Boro Paddy cultivation has been done in the villages under the FPO. Since the area suffers from recurring flood every year during the monsoon season, the practice of Sali Paddy is not widespread due to losses of crop. Therefore, summer paddy or Boro paddy is cultivated by the farmers. Mustard is also cultivated by the farmers. It is one of the major Rabi crops cultivated in the area.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

During the interaction with CEO/BOD/POPI/farmers, it has been observed that little effort has been made by the members to get the benefits from Agriculture/Animal Husbandry Departments. It may be mentioned that the farmers have no information about Government Schemes or loans. Due to lack of knowledge and availment of KCC/loans, the members often resort to borrowing from moneylenders on high rate of interest.

viii. Conduct of meetings

It has been reported that the board meetings are held in every 2-3 months. Meetings between the POPI and FPO is held once every quarter. There have been 5 training programmes. Entrepreneurship Development Training Programme on Piggery management & Training programme on FPO & FPC had been organised for the capacity building of BODs.

ix. Maintenance of books of accounts

Various books of accounts, viz., Membership register & Meeting register are maintained by the members. Cash register and Stock registers are maintained. Audited Financials are in place up to 2018-19.

x. Business objective and Business Development Plan

The objective of the FPO is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and mutual cooperation through production and sale of pork and pork products. The business plan



has been prepared for an initial period of one year by the FPO. As of now, there is no business plan in place. Further, there is no clear marketing strategy for the FPO. Though members have shown interest in opening a retail outlet for sale of pig meat in the local market, it is suggested that a single outlet would serve the purpose for both the FPOs. Lack of funds is cited as a constraint for opening of retail outlet.

xi. Impact of FPO on socio-economic status of FPO members

Majority of the farmers have been growing paddy, mustard and vegetables and selling the surplus individually in the market. Initially, the FPO with the help of POPI had made efforts in selling the Pork in retails outlets of Guwahati. The handholding of the FPO by the POPI in this respect has helped the FPO members develop an understanding of the market dynamics and price negotiations. However, piggery has been discontinued at the FPO level due to the spread of diseases among the pigs recently.

xii. Major Areas where FPO needs improvement

There are some major areas needs to be improved, viz., inputs support, capacity building of CEO/BOD, enhancement of share capital, realistic Business Plan, maintenance of Books of accounts, submission of Annual returns, marketing agricultural produce and pork. The FPO members also need skill development training and training on value addition of products (making pork pickles, dry pork etc.) Motivation is needed among the Directors/members. There is a need for training to farmers on prevention and control of diseases causing high mortality in pigs.

xiii. CEO Appointment

Shri. Bakul Medhi is the CEO of the FPO. The CEO requires training as he is not aware of some of the FPO activities and business.

xiv. Role of POPI

The POPI has provided handholding support to the FPO. The POPI has played an active role in marketing of pork. However, POPI's role might have been better in terms of mobilisation of more members, convincing the members for share capital contribution, credit linkage, sensitization about government schemes etc. The frequent changes of resource person from POPI also acts as a hindrance on the coordination and functioning of the FPO. The resource person of POPI for this FPO is the resource



person for the nearby piggery FPO (Monoha Anchalik Krishak Unnayan Samiti) promoted by the same POPI.

xv. Major Issues at FPO level

- The capital base is low
- There is a lack of coordination among directors
- There is a general lack of motivation among members
- Farmers are not getting proper guidance and proper package of practices for production of paddy & oil seeds.
- Due to frequent floods, the farming activity is disrupted frequently.
- Due to sudden epidemic/outbreak of diseases among pigs, the piggery activity has lost momentum.
- In absence of an organized marketing structure, majority of the farmers are selling their agriculture produce to local traders/local shops at lower rate. This is affecting the remunerative income of the farmers.
- Credit linkage has not been done so far. Banks are also reluctant in providing loan to farmers/members especially in the event of outbreak of disease.
- KCC is reported to be not available for members.
- In absence of KCC/bank loans, farmers resort to borrowing from moneylenders on a high rate of interest.

xvi. Recommendations

Short Term

- Increasing the share capital may be considered
- Piggery activity may be revived by mobilization of members and motivation
- Veterinary support needs to be provided in terms of training on prevention and control of diseases affecting pigs
- Awareness regarding FPO function is to be created at village level among the farmers by CEO and POPI on bi-monthly basis
- Credit linkage needs to be established.
- BOD/CEO is to be given training business planning, maintenance of Books of Accounts, marketing trainings at least twice in a year.



Long Term

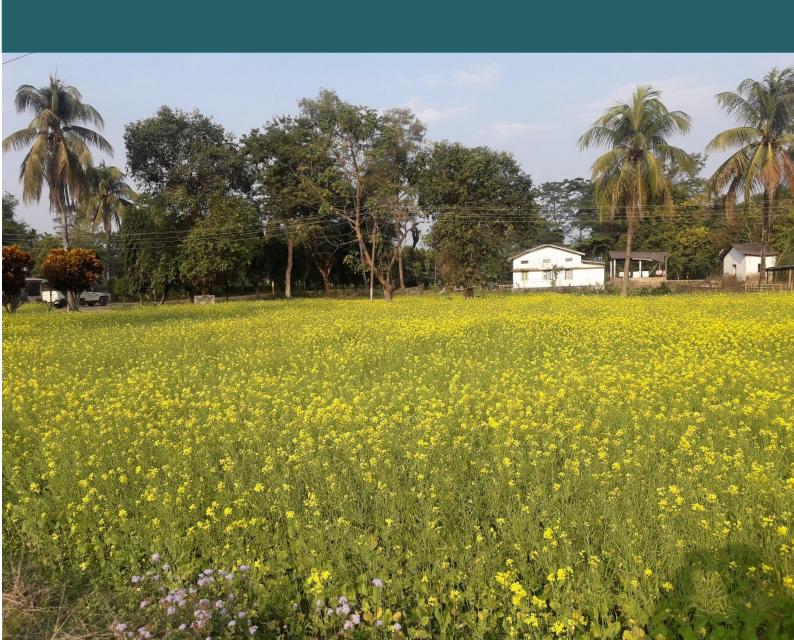
- Realistic Business Plan for two to three years needs to be prepared.
- Additional Share capital amount may be collected from the existing members to strengthen the capital base.
- Retail outlet for sale of pork items may be started.
- A collection centre is needed for paddy and mustard at village level.
- Farmers/members can be benefitted through convergence of Government schemes
- The training on value-addition of pork items may be provided
- Suitable Marketing strategy is to be evolved for providing better services and prices.

Conclusion

Currently, the FPO is under C rated category. The FPO has the potential to migrate into higher category subject to implementation of the abovementioned suggestions / recommendations.



GRASS ROOTS SCIENCE MANAGEMENT FPO MORIGAON DISTRICT





Farmer Producer Organisation (FPO) at a Glance

Sr No	Particulars	Details		
1	Name of the FPO	Grass Roots Science Management/ Pobitara Agro Farmers Producer Company Ltd.		
2	Legal status	Farmer Producer Company registered under Companies Act, 2013.		
3	Registration Number and date	U01114AS2018PTC018757 dated 28 September 2018.		
4	Place of registration	ROC, Shillong		
5	Registered Address	H.NO T1(B)P(63), M.B Road,nearRamaswariSanghanVidyalay, village Rajagaon, PO/PS Morigaon, Assam – 782105.		
6	Contact details Address Phone / Fax Email Website	Grass Root Science Management/Pobitara Agro Farmers Producer Company Ltd. Vill – Garuawati, Po- Garua, District – Morigaon, Assam President – 6003861661 Secretary – 6000025808 pragjyotishunnayansamity@gmail.com		
7	Board of DirectorsNo of DirectorsWomen Directors	9 1		
8	Name of the CEO & Contact number	No CEO at the time of study		
9	Number of employees on payroll	NIL		
10	Share Capital(₹ lakh) ■ Authorised ■ Paid up	Rs.150000/- as indicated by FPO & POPI. However, the Authorised share capital of the FPC is Rs.100000/- as per the details available in MCA site. Rs.150000 as on 31.3.2020.		
11	Number of Share holders	150		
12	Area of operation District Block Panchayat	Morigaon Laharighat and Bhurbandha blocks 3 No. Gram Sabhas, 15 villages		



Sr No	Particulars	Details
13	Sectors in which the FPO is working	FisheryAgriculture (Paddy)
14	Products and services	PaddyJuteMustard
15	Licenses obtainedFertilizer/seedPesticideFood Safety	NIL
16	Infrastructure available with FPO.	 Rented Accommodation Almirah -1, Office Table – 2, Plastic Chair – 20
17	Sales/ Turnover achieved*	 2017-18 Rs. 590000 2018-19 Rs. 572500 2019-20 Rs. 555000
18	Profit*	 2017-18 (-) Rs.76902/- 2018-19 (-) Rs.87736/- 2019-20 (+) Rs.78462/-
19	Major Risks faced	 Low lying area and Recurring Flood Quality seed, fertilizer, pesticide, insecticide, animal feed, agro service not available. Lack of storage facility, cold storage, marketing linkage etc.
20	POPI	Pragjyotish Unnayan Samiti

^{*}As per Audited Financials

Grass Root Science Management / Pobitara Agro Farmers Producer Company Ltd., Morigaon, Assam

The FPO is located in Garuawati village, Garua, in Morigaon district, Assam. The village is situated nearly 25 km from the district headquarter of Morigaon. The FPO was registered under Societies Registration Act, 1860 on 07.02.2015 and the certificate of registration was valid up to 06.02.2018. However, the FPO has also been



registered as Producer Company (Pobitara Agro Farmers Producer Company Ltd.) under Companies Act, 2013 on 28.09.2018. The FPO was formed in 2015-16 with an initial strength of 150 people with the primary activity being fishery. Other activities adopted by the FPO are paddy and mustard cultivation. The main objective of the FPO is doubling of agriculture production and getting remunerative farmer produce.

Status of FPO-Issues/points

During the field visits, the following points have been discussed with the BOD/farmers:

i. Appropriateness of the Location

The FPO covers fifteen villages, viz., Tengaguri, Baghara, Rowmari, Rajagaon, Sanuwabori, Deaosal, Bangfor, Palashguri, Mikirgaon, Garua, Bagutha, Borbori, Gusaibori, Rajabori and Naljari. Farmers of these villages are growing paddy, mustard, vegetables etc. Besides this, allied activity like dairy is also being taken up by the farmers. However, fishery is not practiced on a commercial level in the village. Due to remote location of the village and distance from the market, there is a problem of reach and access in respect of extension services and marketing. While the primary activity of the FPO was Fishery, the same has been discontinued by the group due to failure in making any profits. The same is understood to be because of recurring floods that inundates the fishery ponds for long periods of time. Though the location is chosen considering the fishery activity in mind, the fish production is observed to be mostly for self-consumption.

ii. Awareness of FPO concept among member farmers:

During the discussions with CEO/POPI, Board of Directors & farmers, it has been observed that a few Directors are aware about the concept of Farmer Producer Organization. Further, there is no clear concept about FPO among the member farmers. Therefore, there is a need for sensitization of the members / directors about the concept and benefits of FPO.



iii. Membership Growth

During the last three years, the growth of members is given below:

As on 31.3.18		As on 31.3.19		As on 31.3.20	
No. of Membership	% of Member-ship growth over the previous year	No. of Member-ship	% of Member-ship growth over the previous year	No. of Member-ship	% of Member-ship growth over the previous year
50	-	101	102	150	48

From the above table, it has been observed that there is a growth of shareholders /membership since 2017-18. However, the growth of number of shareholders is very low, i.e., average addition of 30 members / year. Share money @ Rs.1000.00 has been collected from each shareholder. At this level of membership, the FPO may not be sustainable.

iv. Subscription to Share capital

As on	As on	As on	
31.3.2018	31.3.19	31.3.20	
Share capital	Share capital	Share capital	
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)	
50000	101000	150000	

It has been observed from the above table that there is a positive growth in share capital contribution during the past three years and it is in tune with the number of shareholders added every year. It is understood from the BoD that there is a general reluctance among the members to contribute to the share capital. The share capital figures indicated by the FPO / POPI are not duly reflected in the Audited Financial Statements for the FY 2017-18 and 2019-20.

v. Ownership/belongingness of the entity among members

Awareness about FPO function and benefits derived from FPO, the level of ownership and involvement in collective business planning is found lacking. Further, Directors



are not aware about the basic financials of the company. There is a need for increasing awareness about the concept and benefits of FPO among the members.

vi. Adoption of New Technology & Agribusiness Aspects

During the interaction with farmers, majority of the farmers are growing paddy and mustard. Fishery for commercial purpose had been practiced initially by the members but has been discontinued totally due to recurring floods. Some of the members are having dairy cows.

With regard to agriculture, the major produce is paddy and the major market is far from the village (approx. 30 kms from the office of the FPO). Therefore, for marketing of the produce (paddy and milk), the farmers are often dependent on the middlemen. As such, farmers do not have a discretion in price determination. Farmers also procure feed and seed from marketing agents, mustard seeds and Paddy seeds from KVK Nagaon. However, the quality of the seeds procured from the local market is indicated to be one of the issues.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

During the interaction with CEO/BOD/POPI/farmers, it has been observed that little effort has made the **FPO** to benefits from been by get the Agriculture/Horticulture/Fishery Departments. It may be mentioned that the farmers have no information about Government Schemes or loans. There is an opportunity for Boro Paddy in the area and availability of STWs may lead to an increased production. However, the awareness about the scheme is lacking among the BoD / members of the FPO.

viii. Conduct of meetings

From the records, it has been observed that regular board meetings have been conducted after establishment of FPO. But due to frequent change of directors, the meetings have not yielded fruitful results. There have been 3 trainings of BODs and meeting between the POPI and FPO is held once in every 15 days. As reported, 30 meetings have been conducted by POPI during the past three years.



ix. Maintenance of books of accounts

Various books of accounts, viz., Membership register & Meeting register are maintained by the members. Cash register and Stock registers are also maintained. Audited Financials are in place for the years 2017-18, 2018-19 & 2019-20.

xi. Business objective and Business Development Plan

The business objective of the FPO is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and mutual cooperation through production, collection, processing and marketing of agricultural/ horticultural produces or streamlining allied activities like fishery and dairy. Although the business plan has been prepared for one year by the FPO, no marketing strategy has been chalked out for future growth. The FPO was formed with fishery being the primary activity. However, the same could not be taken up due to recurring floods in the area. Further, FPO has not put in place any business plan for the next three years for alternate business activities.

xii. Impact of FPO on socio-economic status of FPO members

Majority of the farmers have been growing paddy, mustard & jute and selling the surplus individually in the market. In a few cases, the FPO has made little effort in negotiating the price with traders in respect of paddy/mustard crops but the same have not reaped much benefit due to presence of middlemen. Therefore, no improvement has been seen on socio-economic status of FPO members, through the FPO. Further, fishery which was the primary activity of the FPO has not taken off due to repeated flood events. This may also be one of the reasons for low membership base and less share capital.

xiii. Major Areas where FPO needs improvement

There are some major areas that need to be improved, viz., inputs support – quality seed, fertiliser etc., capacity building of BOD, enhancement of share capital, realistic business plan, maintenance of books of accounts, submission of annual returns and marketing of paddy and mustard. Motivation is needed among the Directors/farmers. Establishment of marketing linkages is to be taken up on urgent basis. There is distress selling of Paddy and other products due to lack of storage capacities and presence of middlemen in the local market.



xiv. CEO Appointment

As per records, the FPO does not have a CEO at present.

xv. Management

During the discussions with BOD/members, it was observed that they are not aware about system and procedures. Due to initial failure of the group in fishery activity, the group has lost motivation. Without a CEO, the group is not undertaking even regular activities. Due to absence of input supply, the members of FPO are not keen in active participation on the FPO.

xvii. Role of POPI

The POPI has provided handholding support to the FPO. However, its role is not upto the mark. The FPO needs immediate support in terms of input supply, credit linkage, sensitization about Government schemes and marketing the agricultural produce. At present, the FPO is without a CEO.

xviii. Major issues at FPO level

- · Low membership and small capital base
- Non-availability of full time CEO
- Lack of coordination among Directors
- Lack of Motivation
- Absence of credit linkage
- Lack of awareness about the profitability of FPO among BOD members
- Lack of input and marketing support to members of the FPO in Paddy and Mustard cultivation
- No value addition done in respect of paddy & mustard at village level.

ix. Recommendations:

Short Term

- Membership needs to be increased to at least 500 in next two years and all the members need to contribute to the share capital.
- A full time CEO needs to be appointed



- Awareness regarding FPO function is to be created at village level among the farmers by CEO and POPI on bi-monthly basis. Participation of large section of members may need to be ensured for developing involvement
- Realistic Business Plan for next two to three years needs to be prepared
- An outlet for Inputs supply to farmers may be opened at village level
- Credit linkage may be established.

Long Term

- Small unit for oil extraction and paddy processing may be established
- A collection centre is needed for paddy & mustard at village level
- A godown of 500 to 1000 MT capacity may be created
- Suitable Marketing strategy is to be evolved for providing better services and prices.
- Skill development training on compost pits, cultivation of paddy are given to some of the farmers. The training on use of insecticides/pesticides and identifying good quality seed in the market is needed.
- Shallow Tube Well (STW) for Boro paddy needs to be provided.
- BOD/CEO is to be given training business planning, maintenance of books of accounts, marketing trainings at least twice in a year
- Convergence with the Agriculture and Horticulture departments is required.

Conclusion

Currently, the FPO is under D rated category. The FPO has the potential to migrate into higher category subject to implementation of the abovementioned suggestions / recommendations.







LAKHIMI LIVESTOCK COOPERATIVE SOCIETY LIMITED NALBARI DISTRICT





Farmer Producer Organisation (FPO) at a glance

Sr No	Particulars	Details	
1.	Name of the FPO	Lakhimi Livestock Development Cooperative Society Limited	
2.	Legal status	Cooperative Society	
3.	Registration Act	Cooperative Society Act, Assam Societies Act XXI 1860	
4.	Registration Number and date	N-126/2015-16 20.11.2015	
5.	Place of registration		
6.	Registered Address	Vill: Jowarddi, P.O: Kiathalkuchi Dist: Nalbari (Assam)	
7.	Contact details Address Phone / Fax Email	Shri. SimantaBharali (CEO) and Mr.Jayantha Sharma (POPI) 8638742967 (POPI) Jayasarma33@gmail.com	
8.	Board of Directors No of Directors Women Directors	11 11	
9.	Name of the CEO & Contact number	Shri. SimantaBharali	
10.	Share Capital(₹ lakh) ■ Authorised ■ Paid up	Not available Rs.256000/- (Reported by POPI. Audited Financials not available)	
11.	Number of Share holders	517	
12.	Area of operation District Block Panchayat	Nalbari 04 Villages 2 Nos. of GP	
	Sectors in which the FPO is working	GoateryOilseeds	
14.	Products and services	Live GoatMustard Oil	



Sr No	Particulars	Details
15.	Licenses obtainedFertilizerPesticide	NIL
16.	Infrastructure available with FPO	Land taken on lease for a period of 20 years on which the office is located.
17.	Sales / Turnover achieved	₹ 448775 Year 2017-18 ₹ 675000 Year 2018-19 (Reported by POPI. However, Audited Financials are not available)
18.	Profit	₹ Rs.12000 Year 2017-18 ₹ Rs.36800 Year 2018-19 (Reported by POPI. However, Audited Financials are not available)
19.	Major Issues faced	 Lack of Value addition infrastructure Lack of adequate credit linkage Competition by local traders for Market
20.	POPI	Nalbari Rural Development Society

Lakhimi Livestock Development Society

Status of FPO-Issues/points

During the field visits, the following points have been discussed with POPI, CEO and members of the FPO:

i. Appropriateness of the Location:

All the villages covered by the FPO are reported to be located within a radius of 4 to 6 kms from the location of the registered office of the FPO. All the members of the FPO are women and are carrying out the activities such as paddy cultivation, goat rearing and fisheries in their own land / homestead / backyard area. Transportation and communication to the nearby towns is good. The demand for goat meat is also good in the area. The FPO is located near Tihu Town., which gives many opportunities for marketing of the product.



ii. Awareness of FPO concept among member farmers

During the discussions with CEO/POPI, Board of Directors and farmers, it has been observed that the Directors and members who are present during the interaction are aware of the concept of FPO. The members and BODs are clear in their ideas about the constraints in the activities currently undertaken by them, business potential in the area, need for cohesiveness among the members etc. Though the members are aware of the working of the FPO which hinges on the basic principles of collectivisation in terms of capital, input supply and output sale, the same is not duly reflecting in the share capital of the FPO.

iii. /Membership Growth

(a) During the last three years, the growth of Membership is given below:

As on 31.3.18			on 3.19	As on 31.3.20	
No. of	% of	No. of	% of	No. of	% of
Membership	Membership growth over the previous year	Membership	Membership growth over the previous year	Membership	Membership growth over the previous year
122	-	395	223	517	31

From the above tables, it has been observed that there is continuous growth of membership / shareholders since formation and registration of the FPO. As on 31.3.2020, 517 farmers have been reported to be shareholders.

iv. Subscription to Share capital

As on	As on	As on
31.3.2018	31.3.19	31.3.20
Share capital	Share capital	Share capital
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)
83850*	256000*	Not available

^{*}as per the information provided by POPI. Audited Financials not available.

The Audited Financials for the past three years including for FY 2019-20 are not available at the time of conduct of field study. It has been observed from the above table that the share capital has grown during the FY immediately preceding FY 2019-



20. However, the share capital contribution is not commensurate with the membership, as the share contribution per member was initially very low, i.e., Rs.50/- only. However, the same has been reported to be increased to Rs.1000/-

v. Ownership/belongingness of the entity among members

The FPO was formed from almost 80 SHGs. Though the members are aware of the concept of FPO and its benefits to the members, the level of belongingness is not evenly spread among the members. This can be evidenced from the marketing of produce on individual basis rather than on a collective mode. This certainly impacts the functioning and turnover of the FPO.

vi. Adoption of New Technology & Agribusiness Aspects

During the interaction with farmers, it was observed that the popular activity among the members is goat rearing. The breeds of goat reared are Assam Hill Goat (local) and Beetal. Most of the members (90%) preferred Assam Hill Goat as this goat is a prolific breeder and achieves sexual maturity at the age of 7 to 8 months as compared to Beetal of 10 to 12 months and due to short gestation period, it starts kidding in 13 to 14 months in case of Assam Hill Goat, 16 to 17 months in Beetal and 19-20 months in Sirohi. The purchase price of goats have been indicated as Rs.3000/-/Assam Hill Goat and Rs.8000/-/Beetalgoat. The goats are purchased individually depending upon the requirement from the nearby farmers. The concept of collective purchase of goats is still lacking which is observed to be resulting in incurring of higher unit cost by each member. Training on goat rearing has been provided to the members by the POPI through the assistance available from PRODUCE Fund.

As all the members were reported to have 1-2 cows also, the FPO has taken up the activity of supply of feed to the members. The average procurement per month is 2 tonnes and the same is sold at Rs.21/kg. Through this collective procurement, the members are in a position to save approximately an amount of Rs.2-4/kg of feed. Almost 450 out of 517 members (87%) have been reported to have availed this facility from the FPO. This results in margin of Rs.1/kg to the FPO. Certainly, this is one of the strengths of the FPO which needs to be continued.



Besides the above activities, almost 25 to 30 members are owning 1000 to 2500 broilers and 300 members are reported of having 10 layer birds each. However, it has been observed that the milk, egg and poultry meat are mostly utilised for self-consumption and the FPO has not made considerable progress in marketing these products. However, the POPI is observed to have facilitated the marketing of live goats by linking them with suitable traders in the locality, for which the FPO is gaining an income of approximately Rs.50/-goat.

The FPO has installed a mini mustard oil milling unit and oil is sold to a nearby shop. This has started very recently and about only 15 to 20 litres of oil is being sold per month. The same is reported to be affected due to COVID 19 pandemic.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

The FPO has not availed benefit under Government schemes. However, it has been indicated that the Department of AH is guiding the farmers in availing insurance for the animals. However, there is a clear lack of willingness to insure the animals indicating that the claims are not settled by the insurance companies.

viii. Conduct of meetings

Annual General Meeting (AGM) has been held every year for the past three years. The meeting of POPI and FPO has been held on a monthly basis. Board of Directors meeting is held as and when required, i.e., whenever an important business decision such as fixing the price of feed distributed to members etc., is taken. However, the meeting at village levels inviting all the members is still lacking which is essential to retain the membership, cohesiveness of the group and also to assess the problems faced by the farmers on a periodic basis.

ix. Maintenance of books of accounts

The FPO maintains various books of accounts, viz., share register, cash register, stock register and meeting register. However, the registers have not been updated. Record keeping is not up to the mark. Audited financials are not in place for the past three years.



x. Business objective and Business Development Plan

The objective of the Cooperative is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and cooperation through the profession of production, collection, processing and marketing of livestock and livestock products. As stated earlier in para v, the business performance of the FPO is not satisfactory as compared to the potential as the purchase and sale of goats, sale of milk, poultry, egg etc., are not collectivized. Further, there is no concrete business development plan in place.

xi. Impact of FPO on socio-economic status of FPO members

Majority of the farmers are reported to be having multiple economic activities such as paddy cultivation, goat rearing, layer / broiler birds rearing, dairy farming (unit size of 1-2 animals) and fish farming etc. Thus, the concept of Integrated Framing System is in place among the FPO members. The FPO has certainly resulted in direct savings to the members through collective procurement of inputs such as feed and link to local traders by FPO for marketing of goats. Further, the indirect benefits are visible among the members through the awareness on the technical / scientific aspects of animal rearing and feeding.

xii. Major Areas where FPO needs improvement

There are some major areas needs to be improved, viz., share capital contribution by members / shareholders, capacity building of CEO/BOD, development of realistic plan, collective procurement of animals and sale of goats, milk etc., value addition of primary produce, utilization of revolving fund, maintenance of books of accounts, submission of audited financial, insurance of animals and credit linkage are the major areas where the FPO needs improvement.

xiii. CEO Appointment

The BOD have appointed Shri. Simanta Bharali as CEO for the FPO. The CEO is new to the FPO and is yet to be conversant with the business activities of the company, though enthusiastic.

xiv. Role of POPI

The role of POPI is supportive and is observed that it has played a crucial role in providing training to the members for scientific rearing of animals, collective



procurement and sale of feed, installation of oil milling as diversification of existing business activity, linking with local trader for marketing of live goats etc. However, the members have to take advantage of the same and make further concerted efforts in improving the business performance of the FPO.

xv. Major Issues at FPO level:

- No Realistic Business Plan
- Lack of collective procurement and marketing strategy
- Lack of value addition
- No credit linkage
- Lack of convergence under various schemes of the Government especially the insurance and insurance claim for goats.

xvi. Recommendations

Short Term

- Share capital contribution to be increased from Rs.500 to Rs.1000/-.
- As the CEO is new, capacity building of CEO is required.
- Submission of audited financials for the past three years.
- Training on importance of bookkeeping, submission of returns etc. need to be provided.
- Business development plan needs to be prepared.

Long Term

- Equity grant (SFAC or new scheme of FPOs) may be applied
- Credit linkage from bank or NBFC may be established
- Diversification of value addition activities (spice powder, milk collection etc.)
 may be considered.

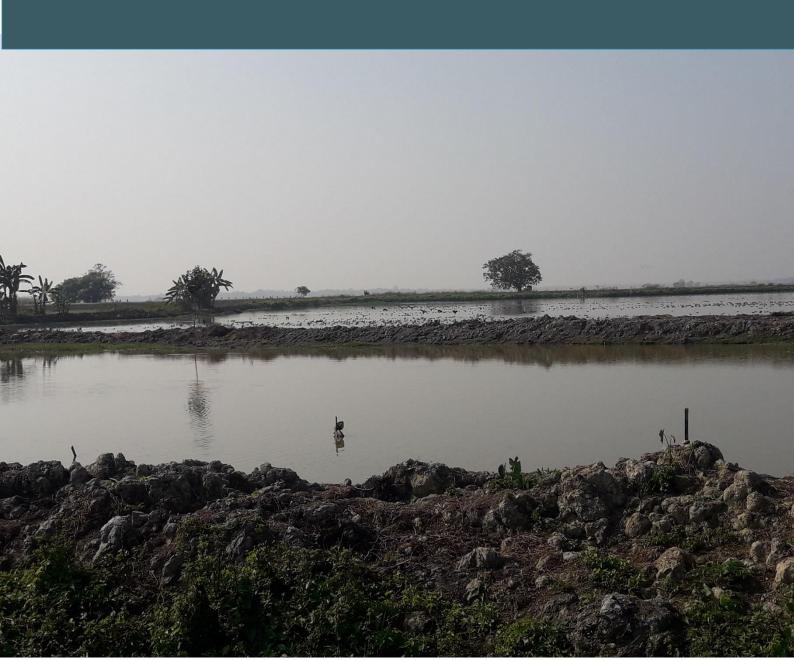
Conclusion

Currently, the FPO is under C rated category. The FPO has the potential to migrate into higher category subject to implementation of the above mentioned suggestions / recommendations.





SARIHATALI LIVESTOCK DEVELOPMENT SOCIETY NALBARI DISTRICT





Farmer Producer Organisation (FPO) at a glance

Sr No	Particulars	Details
1	Name of the FPO	Sarihatali Livestock Development Society
2	Legal status	Cooperative Society Act
3	Registration Act	Register of Societies , ACT XXI of 1860
4	Registration Number and date	NL/257/G/115 of 2015-16
		Date-18-02-16
5	Place of registration	Nalbari
6	Registered Address	Village – Sarihatali, PO-Lilanpur, District-Nalbari
7	Contact details	
	Address	Lilanpur, Nalbari
8	Board of Directors	
	No of Directors	11
	Women Directors	11
9	Name of the CEO & Contact number	Jonali Haloi
10	Share Capital(₹ lakh)	
	Authorized	NA
	■ Paid Up	Rs.176900.00
11	Number of Share holders	200
12	Sectors in which the FPO is	Goatery
	working	 Agriculture – Paddy &Vegetable
		Cultivation
13	Products and services	Goat , Selling of Goat
14	License Obtained	NIL
15	Infrastructure Available	Rented Office
16	Sales/Turnover Achieved*	• 2017-18 Rs.40500/-
		• 2018-19 Rs.29996/-
		• 2019-20 Not available
17	Profit*	• 2017-18 (-) 13539/-
		• 2018-19 (-) 4094/-
		2019-20 Not available
18	Major Issues Faced	Low membership
		19Non-Retention of existing members



Sr No	Particulars	Details
		No credit linkage for the FPO
19	POPI	Bishnujyoti Janakalyan Samity

^{*}As per the Audited financials

Sarihatali Livestock Development Society

Status of FPO-Issues/points

During the field visits, the following points have been discussed with POPI, CEO and members of the FPO.

i. Appropriateness of the Location:

All the villages are reported to be located within a radius of 2 to 3 kms from the location of registered office of FPO. All the members of the FPO are women and are carrying out the activities such as goat rearing, spice powder and mushroom cultivation. The Transportation and communication to the nearby towns is good. The demand for chevon is also good in the area. The FPO is located near Nalbari Town, which gives opportunities for marketing of the products.

ii. Awareness of FPO concept among member farmers

During the discussions with CEO/POPI, Board of Directors and farmers, it has been observed that almost 50% of the Directors and members who are present during the interaction are aware of the concept of FPO. The remaining 50% has been recently inducted as members / Directors and are not well conversant with the concept and functioning of FPO. However, the members and BODs are quite clear about the constraints in the activities currently undertaken by them, business potential in the area for the FPO, need for share capital contribution etc. Though the members are aware of the working of the FPO which hinges on the basic principles of collectivisation in terms of capital, input supply and output sale, the same is not duly reflecting in the share capital of the FPO.



iii. Membership Growth

During the last three years, the growth of Membership is given below:

As on 31.3.18			on 3.19	As on 31.3.20	
No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year
100	-	200	100	258	29

From the above tables, it has been observed that the membership is not growing steadily. Since its formation in the year 2016, it has added only 150 members over a period of 4 years which is one of the concerns plaguing the FPO. Further, it has also been observed that some of the members have left the FPO and new members have joined. Thus, retention of the membership base is the area which requires to be addressed by the FPO. The basic reason for the members leaving are reported to be that they are not deriving any benefits from the FPO. As on 31.3.2020, 258 farmers have been reported to be shareholders.

iv. Subscription to Share capital

As on	As on	As on
31.3.2018	31.3.19	31.3.20
Share capital	Share capital	Share capital
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)
99900*	176900*	Not available

^{*}As per Audited Financials

The Audited Financials for the FY 2019-20 are not available at the time of conduct of field study. It has been observed from the above table that the growth of share capital is low since its inception in 2016. The exit of old members from the FPO and non-contribution by some of the new members also contribute to the low share capital base of the FPO. The share value has been kept as Rs.1000.00/share which is considered to be high by some of the members.



v. Ownership/belongingness of the entity among members

The FPO was formed from almost 96 JLGs. The members are aware of the concept of FPO and its benefits to the members. Though the level of belongingness is certainly visible among the members, the same is not felt among the members in the same intensity. This can be evidenced from the low membership base of the FPO, exit of members, lack of collective decision making etc.

vi. Adoption of New Technology & Agribusiness Aspects

During the interaction with farmers, it was observed that the popular activity among the members is preparation and sale of masala powder. The ingredients (ginger, turmeric and cumin) are obtained from market, ground and sold to members. Thus, the procurement of raw materials is from the market and thus, the members do not derive any benefit. However, the sale price of masala powder is indicated to be profitable by the members considering the high market price, if purchased individually in local market. The FPO is in need of small scale spices grinding and packing facility.

Almost 15 to 20 members have undertaken training on mushroom cultivation and a few of them have started the activity on a very small scale. The mushroom is then sold by them individually in the market and thus, the FPO does not derive any advantage in its turnover from this activity.

Recently, the FPO has started the leasing of goats to the members. The FPO has purchased goats and then given to members with a condition that out of the total kids, 50% is to be given to the FPO, which in turn gives it other members with a similar condition. Though the activity has started recently, it is well received among the members / Directors. If implemented in right spirit and with the high level of involvement from all the members along with linkage for suitable extension services, the same may result in increase in the income level of the FPO and thus the livelihood of the members. The breeds of goat reared are Assam Hill Goat (local). Training on goat rearing has been provided to the members by the POPI through the assistance available from PRODUCE Fund.



vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

The FPO has not availed benefit under Government schemes except for the training. The role of POPI is found to be very limited in the convergence aspect and as some of the members / Directors are new, the need and opportunities for convergence are to be made known to them either through visit to successful FPO in the district or expert meeting with the Agriculture, AH department etc.

viii. Conduct of meetings

Annual General Meeting (AGM) has been held every year for the past five years. However, the number of members who attended the AGM has declined from 65 in 2016 to 43 in 2018 to 29 in 2020. The meeting of POPI and FPO and the BoD meeting is reported to be held on a monthly basis. However, the meeting at village levels inviting all the members is lacking which is essential to retain the membership, cohesiveness of the group and also to assess the problems faced by the farmers on a periodic basis.

ix. Maintenance of books of accounts

The FPO maintains various books of accounts, viz., share register, stock register &meeting register. However, these registers need to be updated periodically.

x. Business objective and Business Development Plan

The objective of the Cooperative is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and cooperation through the profession of production, collection, processing and marketing of livestock and livestock products. The FPO has planned to continue the spices (masala powder) processing and marketing and goat rearing through leasing. However, there is no business development plan in place as of now. The POPI may need to handhold the FPO for preparation of BDP.

xi. Impact of FPO on socio-economic status of FPO members

Majority of the members are reported to be having multiple economic activities such as paddy cultivation, goat rearing, mushroom cultivation etc. Though the business of the FPO is in nascent stage, the existing business activities resulted in savings to the



members, which otherwise may not be available to the FPO. Further, the goat leasing and rearing on suitable implementation, may result in better benefits to the FPO.

xii. Major Areas where FPO needs improvement

There are some major areas needs to be improved, viz., increasing the membership, capacity building of BOD/ new members, development of realistic business development plan, installing spice grinding machine, collective marketing of live goats and credit linkage are the major areas where the FPO needs improvement.

xiii. CEO Appointment

At present, there is a part time CEO (Smt. Jonali Haloi). BODs are of the view that they would be in a position to appoint a full time CEO once the business activities are stabilised and the COVID 19 pandemic normalises.

xiv. Role of POPI

The role of POPI in this case is supportive. It has facilitated the credit linkage for the members through the JLG concept. However, the meetings between the FPO members and the POPI are observed to be not adequate. The POPI has provided training to the members on mushroom cultivation etc. However, the POPI has not played its role in critical aspects such as development of business plan, retaining the membership base of the FPO etc.

xv. Major Issues at FPO level:

- Comparatively low membership
- Non-Retention of existing members
- Non-involvement of all the members
- No Realistic Business Plan
- No credit linkage for the FPO

xvi. Recommendations

Short Term

- Membership needs to be increased
- Share capital contribution to be increased



- New members need to be trained
- A full time CEO is needed
- Business development plan needs to be prepared
- Installation of spice processing unit may be considered

Long Term

- Regular meetings at village level need to be held
- The members need to be convinced for sale of produce through FPO
- Equity grant (SFAC or new scheme of FPOs) may be applied
- Credit linkage from bank or NBFC may be established
- Diversification of value addition activities (spice powder etc.) may be considered.

Conclusion

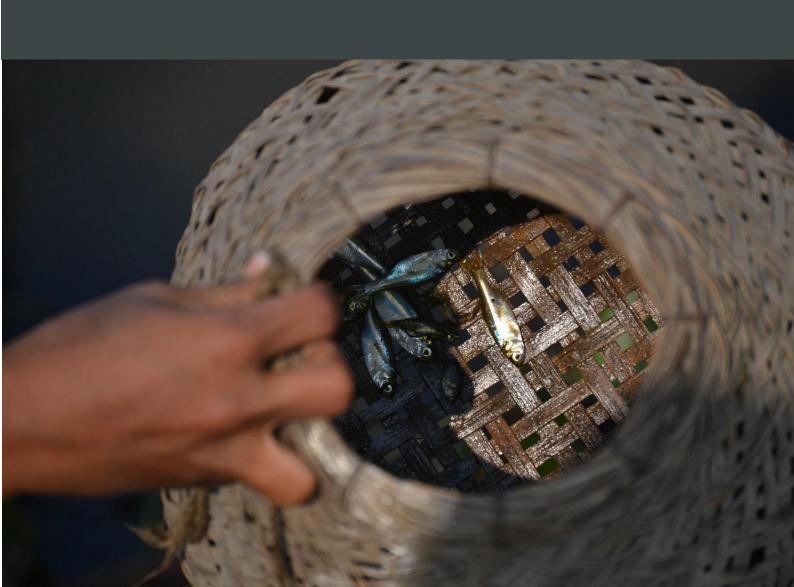
Currently, the FPO is under C rated category. The FPO has the potential to migrate into higher category subject to implementation of the above mentioned suggestions / recommendations.







DAWGAPHU PISICULTURE COOPERATIVE SOCIETY NALBARI DISTRICT





Sr No	Particulars	Details	
1.	Name of the FPO	Dawgaphu Pisciculture Cooperative Society	
2.	Legal status	Cooperative Society	
3.	Registration Act	Cooperative Societies Act,1860	
4.	Registration Number and date	BAK/15/ 2015-16	
		14.05.2015	
5.	Place of registration	Baksa	
6.	Registered Address	Village-Kadamtola, Barama, Baksa	
7.	Contact details		
	Address	Kadamtola, Barama	
8.	Board of Directors		
	No of Directors	18	
	Women Directors	6	
9.	Name of the CEO & Contact	Sh. Hitesh Haloi	
	number	Mobile No.8638251381	
10.	Share Capital(₹)		
	Authorised	Not available	
	Paid up	384000/- (as indicated by the CEO).	
11.	Number of Share holders	504	
12	Area of operation		
	District	Baksa	
	Block	1	
	Panchayat	08 villages	
13.	Sectors in which the FPO is	Pisciculture	
	working	 Agriculture 	
		Horticulture	
		Piggery	
14.	Products and services	Fishery & marketing of Paddy, Mustard,	
		Potato	
15.	Infrastructure available with	 Rented Office 	
	FPO		
16.	Business Volume achieved	Not Available Year 2017-18 (Estimated)	
		Not Available Year 2018-19 (Estimated)	
17.	Profit	Not Available Year 2018-19	



Sr No	Particulars	Details
		Not Available Year 2018-19
18	Major Issues faced	 Lack of Marketing Avenues No aggregation of fish for bulk selling No Input supply to farmers by FPO Lack of supply of quality fish feed / fingerlings from FPO.
19	POPI	Jan Sakti Vikash Manch

Dawgaphu Pisciculture Cooperative Society

The FPO is in Baksa District of Bodo Territorial Region and covers 10 villages. Majority of the farmers are practicing fishery, piggery along with paddy, potato and mustard cultivation. Almost 75% of the members have been undertaking fishery activities for a long period of time. The POPI was already working in the area before the formation of the FPO. Nine farmers' club were in operation in the area and were combined to form the FPO. Later many other Farmers' club also joined taking the total membership of the FPO to more than 400. The FPO mainly had a mandate to uplift the fishery activity that was widely practiced in the area and taking it to a profitable commercial level for the members of the FPO.

Status of FPO-Issues/points

During the field visits, the following points have been discussed with POPI/CEO and farmers.

i. Appropriateness of the Location:

The area is suitable for a fishery cooperative society since it is the predominant activity in the villages under the FPO. Due to low lying terrain of the area, fishery is an ideal activity, preferred by the farmers. The area witnesses sizeable production of fish and the idea was to make the activity a commercially profitable one and form an FPO for deriving the benefits of collectivization. The area is predominantly inhabited by tribal population and piggery is also becoming one of the important activities for the FPO. Thus, the location is appropriate for the FPO.



ii. Awareness of FPO concept among member farmers

During the discussions with CEO/POPI, Board of Directors & farmers, it has been observed that even though the members of the FPO is more than 500, there is a need for creating awareness about the concept and benefits to the members as some of the members who interacted with the study team are not aware of the same. Active participation of all the members must be ensured to take the FPO forward.

iii. Membership Growth

During the last three years, the growth of shareholders/membership is given below:

As on 31.3.18			As on 31.3.19		As on 31.3.20	
No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year	
NA	-	NA	-	504	NA	

The number of members have been reported to be 504 by the POPI. Thus, the membership growth in the FPO is satisfactory.

iv. Subscription to share capital

As on	As on	As on
31.3.2018	31.3.19	31.3.20
Share capital	Share capital	Share capital
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)
NA	NA	384000/-*

^{*(}as reported by CEO)

As per the record, Rs.1000.00 has been collected from each farmer as share money. The amount was collected in two instalments of Rs.500.00 each. As reported, share capital is Rs.3,84,000.00. But audited financials are not available for any of the past years since inception which is a major concern for the FPO.



v. Ownership/belongingness of the entity among members

Awareness about FPO function and benefits derived from FPO, the level of ownership and involvement in collective business planning was found lacking. There was active growth of membership of the FPO and number of shareholders also saw a healthy growth. But due to limited activity of FPO, lack of coordination between the directors and / or members especially on accounting and non-supply of inputs has hindered the FPO from reaching its full potential. There has been a change in BoD recently and 7 new directors have been inducted.

vi. Adoption of New Technology & Agribusiness Aspects

During the interaction with farmers, it has been observed that majority of the farmers are growing fish, pig, cultivating paddy, potato, mustard etc. However, due to non-availability of quality seeds of recommended high yielding varieties in the area, farmers have been purchasing the seeds from informal marketplace. Lack of quality fish seed and quality spawn has also resulted in low production of fishes. Further, a few farmers have bought fish fry on their own and not through FPO. Most of the members have ponds but the fishery is mostly confined to self-consumption and is yet to shape up commercially. Piggery is also one activity which is predominantly taken up by members and some of the directors are supplying piglets to the members.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

During the interaction with CEO/BOD/POPI/farmers, it has been observed that fishery department of BTC has provided a fish dryer to the FPO. Fish dryer machine is yet to be operationalised though. Once the machine operation starts, the FPO will have an avenue for business. The members are convinced that this convergence will create an opportunity for value addition of fish and as such there are nearby markets - Barama and Jagiroad, which can cater to the dry fish to be produced. In this regard, CEO & POPI may take up with department for training and handholding of the members for fish drying and marketing in addition to the necessary quality aspects.



viii. Conduct of Meetings

Presently the Board has 18 members -12 Male and 6 Female. Board meeting is held four times in a year. The Board of Directors has been reconstituted to include 7-8 new members. The last board meeting was held on 28th August 2020.

ix. Maintenance of books of accounts

The Meeting Register is maintained by the FPO. As regards Equity Mobilisation/Membership, the list in loose form has been prepared. The share certificates are also yet to be issued to members. It has been observed that there is a need for reconciliation of shares issued and the share capital. However, cash & stock registers have not been maintained. Further, some of the share members are yet to be allocated share certificates. Record keeping needs to be improved.

x. Business objective and Business Development Plan

The objective of the Cooperative is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and mutual cooperation through the profession of production, collection, processing and marketing of fish and fish products.

Business plan needs to be prepared for success of the FPO. Detailed business plan is required keeping in mind the opportunities in the areas including fishery and piggery sector. Processing and marketing of fish are the key areas which need to be incorporated in revised business plan.

xi. Impact of FPO on socio-economic status of FPO members

Majority of the farmers are growing paddy, potato and mustard. Almost 75% of the farmers are doing fishery. The FPO was providing input services (fish feed and fish spawn/fingerlings) to members, but on a very limited scale which is now discontinued due to lack of funds. Further, members are purchasing the inputs on their own from the nearby Barama market or from the traders from Barpeta. The members are of the view that the FPO has improved the livelihood through the training provided.



xii. Major Areas where FPO needs improvement

There are some major areas that need to be improved, viz., capacity building of CEO/BOD, enhancement of share capital/membership, usiness Plan, Input support, value addition and marketing facilities for fishery products, maintenance of Books of accounts, submission of Annual returns and marketing of potato and mustard.

xiii. CEO Appointment

Shri. Hitesh Haloi has been appointed as CEO since the last 03 months.

xiv. Role of POPI/RSA

The role of POPI is limited to mobilisation of farmers, training and capacity building, convergence with government schemes etc. Though POPI has played its role in major areas of FPO formation and nurturing, the awareness of the FPO among the members on collectivisation is lacking and needs to be improved. Further, the POPI needs to facilitate market linkage and credit linkage for the FPO.

xv. Major issues at FPO level

- Reconciliation of share capital and issue of share certificates
- No collective procurement of inputs
- Aggregation of produce lacking at FPO level
- Inadequate input supply
- Lack of Awareness among majority of the farmers regarding technology and marketing
- No audited financials since inception of the society
- No regular meetings at village level
- No Business Plan prepared
- No Marketing strategy

xvi. Recommendations

Short Term

- The share capital needs to be reconciled and the share certificates to be issued to the members.
- Realistic Business Plan for next two to three years needs to be prepared.



- Audited Financials to be submitted at the earliest
- Utilisation of the fish drying facility must be ensured at the earliest
- Efforts for value addition of fish products may be made
- Establishment of cold storage (multi commodity up to 500 MT) for storage of vegetables (potato) and fish may be considered
- Value addition of fish by may be thought of
- Establishing market linkage for the dry fish may be planned
- Credit linkage may be established
- FPO should procure and make available quality fish fingerlings and fish feed to the members.

Long Term

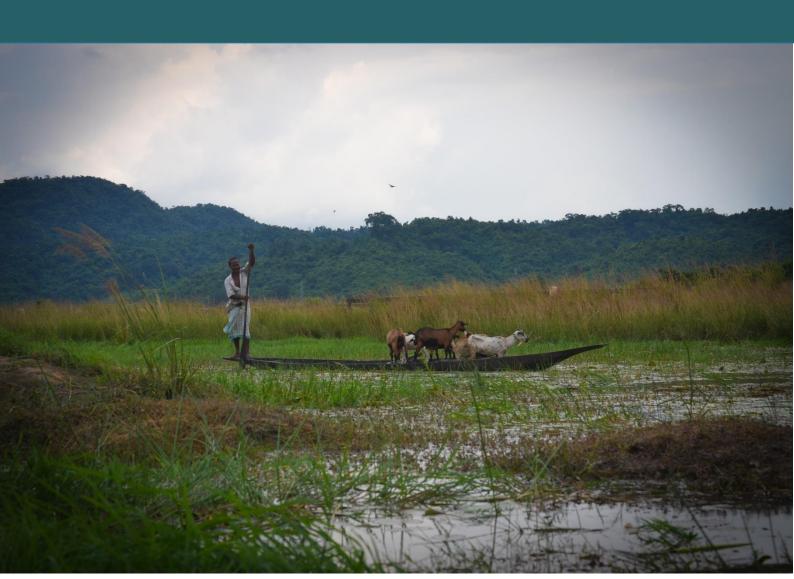
- Awareness regarding FPO function is to be created at village level among the farmers by CEO and POPI on bi-monthly basis. Participation of large section of members may need to be ensured for developing involvement.
- Training on operation and maintenance of fish dryer, preservation, storage and marketing of fish products to members / BoD.

Conclusion

Currently, the FPO is under C rated category. The FPO has the potential to migrate into higher category subject to implementation of the abovementioned suggestions / recommendations.



NABAUDDIPTA PADDY CUM FISH PRODUCERS AND MARKETING COOPERATIVE SOCIETY LTD. NALBARI DISTRICT





Farmer Producer Organisation (FPO) at a Glance

Sr	Particulars Particulars	Details		
No		2014.10		
1	Name of the FPO	Nabauddipta Paddy cum Fish Producers and		
		Marketing Cooperative Society Ltd.		
2	Legal status	Cooperative Society		
3	Registration Number and date	N-134/2015-16		
		dated 18.02.2016		
4	Place of registration	Nalbari, Assam		
5	Board of Directors			
	 No of Directors 	17		
	Women Directors	2		
6	Name of the CEO & Contact	Sh Pranjal Deka		
7	Share Capital(₹ lakh)			
	Authorised	-		
	Paid up	Rs. 189530*		
8	Number of Share holders	160		
9	Area of operation			
	District	Nalbari		
		04 Villages		
10	Sectors in which the FPO is	 Agriculture 		
	working	Fishery		
11	Products and services	Paddy, Fish, Vegetable		
12	Infrastructure available with	 Office in Rented Premises 		
	FPO			
13	Business Volume achieved	₹ 213706.00 Year 2017-18		
		₹ 55894.00 Year 2018-19		
		₹ 42320.00 Year 2019-20		
14	Profit	₹ 51407 Year 2017-18		
		₹ (-)8650 Year 2018-19		
		₹ 17195 Year 2019-20		
15	Major Issues faced	Lack of collective procurement of inputs.		
		Low Share Capital		



Sr No	Particulars	Details
		No value addition
		 No Input supply to farmers by FPO
		 Lack of KCC, as reported by members
16	POPI	Lotus Progressive Centre, Nalbari

^{*}As per the Audited Financial

Nabauddipta Paddy cum Fish Producers and Marketing Cooperative Society Ltd.

Status of FPO-Issues/points

During the field visits, the following points have been discussed with POPI/CEO and farmers.

i. Appropriateness of the Location:

As per records, presently the FPO is covering four villages, farmers of which already have a wide practice of Paddy Cultivation and Fishery. Low-lying areas make ideal place for Fishery. The members' households also have ponds. As such, the location is ideal for the FPO.

ii. Awareness of FPO concept among member farmers

During the discussions with CEO/POPI, Board of Directors and farmers, it has been observed that some of the Directors are aware about the concept of Farmer Producer Organization. Some of the directors are newly inducted and are not much aware of FPO concept and functioning of this FPO. Further, all the members and BoD who were present during the interaction were observed to be enthusiastic and inclined to carry out the basic activities in coordination with each other and other members. As some of the newly inducted members are young, they need to be given adequate training and orientation.



iii. Membership Growth

During the last three years, the growth of Membership is given below:

As on 31.3.18		As on 31.3.19		As on 31.3.20	
No. of	% of	No. of	% of	No. of	% of
Membership	Membership growth over the previous year	Membership	Membership growth over the previous year	Membership	Membership growth over the previous year
302	-	378	25	409	8

Though the number of members have increased over a past 3 years, the growth in membership has declined. The FPO needs to make efforts for retaining the members and for addition of new members.

iv. Subscription to Share capital

As on	As on	As on	
31.3.2018	31.3.19	31.3.20	
Share capital	Share capital	Share capital	
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)	
102000	160000	160000*	

^{*}as reported by POPI.

It has been observed from the above table that there is no growth in share capital contribution during 2019-20. The share capital is not in tune with the membership of the FPO. It clearly shows that majority of the members are yet to contribute share capital which is one of the constraints for proper functioning of the FPO.

v. Ownership/belongingness of the entity among members

Awareness about FPO function and the level of ownership and involvement in collective business planning was found lacking. One of the limiting factors is that the members want some sort of immediate benefit from the FPO and there is a reluctance to engage with the FPO if the members do not see such benefits.



vi. Adoption of New Technology & Agribusiness Aspects

Fishery was one of the activities undertaken by the FPO. Majority of the farmers have fishery ponds mostly maintained for household consumption. The idea is to make it a commercially profitable venture with the help of the FPO. However, lack of credit is reported to be a major hindrance. The FPO members are aware of the KCC for Fishery activity but have, however, indicated that banks are not providing KCC to them. Reportedly, the banks refuse the same citing that the land documents are in the name of their ancestors. Further, lack of quality fish feed and non-supply of the same by the FPO are also some of the reasons constraining fishery from finding a niche commercial activity. Further, the collective procurement of fish spawns and supply of fish feed was lacking among the members.

Fish drying and sale of dried fish is considered unviable by the members due to lack of market and lucrative price.

Nalbari district witnesses large production of paddy. The farmers under the ambit of this FPO also practice paddy cultivation, mainly Sali. Due to lack of storage capacity for paddy, the farmer members sell it during the harvesting season only, thereby not getting the desired remunerative prices. Therefore, a storage structure of smaller capacity (500 to 1000 MT) may provide opportunities for leveraging the price. Further, there is need for value addition of paddy by establishment of mini rice mills.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

During the interaction with CEO/BOD/POPI/farmers, it has been observed that no efforts have been made by the CEO to get the benefits from Agriculture/Horticulture Departments. In this regard, the CEO may ensure the convergence with Government schemes.

viii.. Maintenance of Books of accounts

Various books of accounts, viz., Cash register, Stock register, Share register, Sale purchase register & Meeting register are maintained by the CEO. However, Cash register and Stock registers are not updated.



ix. Business objective and Business Development Plan

Although the business plan has been prepared for an initial period of one year by the FPO, the same has not been prepared for the last 3 years. There is a need to prepare a business plan considering the potential of fishery sector in the area under the FPO. Processing of fish for selling in markets of Nalbari and Guwahati may also be planned. Cold storage of very smaller capacity may be established by the FPO.

x. Impact of FPO on socio-economic status of FPO members

Majority of the farmers are growing paddy and vegetables. But the paddy cultivation has not been remunerative for the members with lack of storage capacities, with instances of distress selling reported by the members. Fish farming is done by majority (around 80%) of the members of the FPO, but mostly for household consumption only. The practice of fishery has not led to increased income for the members. Lack of input supply to members is also an important area where FPO needs to work on. There is a reluctance among members to engage with FPO due to lack of any facilities provided by FPO.

xi. Major Areas where FPO needs improvement

There are some major areas that need to be improved, viz., input support, capacity building of CEO/BOD, enhancement of share capital/membership, realistic Business Plan, maintenance of Books of accounts, submission of Annual returns, value addition of paddy and fish etc. Motivation is needed among the Directors/farmers.

Presently, the FPO lacks funds for providing inputs or expanding their business activity. Marketing facilities needs to be provided to members and there is also an urgent need to create storage facilities. Due to perishable nature of Fish, there is need for cold storage. Most of the members of the FPO have not contributed to share capital. As such, there is an immediate need to increase share capital by convincing its members to contribute share.

xii. CEO Appointment

Shri. Pranjal Deka is the current CEO of the FPO and the second CEO to be appointed. The qualification of CEO is higher secondary. He is aware of the roles and responsibilities of the CEO and has basic knowledge of the computer. Further, he needs training on business planning, book keeping and marketing.



xiii. Role of POPI

The role of POPI is supportive in this case, but should have been much better in terms of coordination with the members and directors of the FPO, expanding the shareholders, collective purchase and sale of inputs (fish feed, spawns etc.) and value addition of the produce. Regular audit of account and other compliances need to be taken up regularly.

xiv. Major Issues at FPO level

- Low capital base
- Absence of input supply facilities to members
- Lack of storage facilities
- Lack of marketing linkage
- Lack of motivation among members
- Lack of training on fishery activity on a commercial scale

xv. Recommendations

Short Term

- Increasing the shareholders and infusion of share capital by the members
- Collective procurement and supply of inputs for fishery activity
- Collective marketing of produce
- Creation of awareness regarding FPO function at the village level among the farmers by CEO and POPI on bi-monthly basis.
- Opening of an outlet for distribution of inputs at the FPO premises
- Lack of KCC for fishery.

Long Term

- To encourage the members, maximum concession may be given to farmers (shareholders) for purchase of inputs
- Tentative Board meeting dates to be circulated among the Board of Directors well in advance
- Books of account to be maintained properly and the returns to be submitted in time



• Close coordination among the Board of Directors needed.

Conclusion

Currently, the FPO is under C rated category. The FPO has the potential to migrate into higher category subject to implementation of the abovementioned suggestions / recommendations.



MALIKUCHI LIVESTOCK DEVELOPMENT SOCIETY NALBARI DISTRICT





Farmer Producer Organisation (FPO) at a Glance

Sr No	Particulars	Details
1	Name of the FPO	Malikuchi Livestock Development Society
2	Legal status	Cooperative Society Act
3	Registration Act	Register of Societies , ACT XXI of 1860
4	Registration Number and date	N-132 2015-16
		Date-18-02-16
5	Place of registration	Nalbari
6	Registered Address	Village – Pub Malikuchi, District-Nalbari
7	Contact details	
	Address	Nalbari
8	Board of Directors	
	 No of Directors 	11
	Women Directors	11
9	Name of the CEO & Contact number	Pratim Bhatta
11	Share Capital(₹ lakh)	
	Authorized	NA
	Paid Up	Rs.373000/-
12	Number of Share holders	400
14	Sectors in which the FPO is	Duckery
	working	Piggery
15	Products and services	Duck, Mutton
16	License Obtained	NIL
17	Infrastructure Available	Rented Office
18	Sales/Turnover Achieved*	• 2017-18 Rs.48690/-
		• 2018-19 Rs.80186/-
		2019-20 Not available
19	Profit*	• 2017-18 (-) 45264/-
		• 2018-19 (-) 66306/-
		2019-20 Not available
20	Major Issues Faced	Non-involvement of all the members /
		directors
		Lack of leadership



Sr No	Particulars Particulars	Details
		No Realistic Business Plan
21	POPI	Bishnujyoti Janakalyan Samity

^{*}As per audited financials

Malikuchi Livestock Development Cooperative Society

Status of FPO-Issues/points

During the field visits, the following points have been discussed with POPI, CEO and members of the FPO:

i. Appropriateness of the Location:

All the villages are reported to be located within a radius of 2 to 3 kms from the location of registered office of FPO. All the members of the FPO are women and are carrying out the activities such as poultry rearing and goat rearing. The office was earlier functioning in one of the 3 villages (Mallikuchi) covered by FPO and has now been shifted to the rented premises in the town of Nalbari. The transportation and communication facilities to the nearby towns is good. The demand for poultry meat and chevon is good in the area. The FPO is located near Nalbari Town, which gives many opportunities for marketing of the products.

ii. Awareness of FPO concept among member farmers

During the discussions with CEO/POPI, Board of Directors & farmers, it has been observed that almost 20% of the Directors and members who were present during the interaction were aware of the concept of the FPO. The remaining are not well conversant with the concept and functioning of the FPO.



iii. Shareholder/ Membership Growth

(a) During the last three years, the growth of Membership is given below:

As on 31.3.18		As on 31.3.19		As on 31.3.20	
No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year	No. of Membership	% of Membership growth over the previous year
200	-	400	100	NA	0

From the above tables, it has been observed that the membership has grown steadily. Since its formation in the year 2016, it has added 400 members over a period of 4 years. As on 31.3.2020, 400members have been reported to be shareholders. However, there is no addition of new members during the financial year 2019-20 which is a concern.

iv. Subscription to Share capital

As on	As on	As on
31.3.2018	31.3.19	31.3.20
Share capital	Share capital	Share capital
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)
373000*	373000*	Not available

^{*}As per Audited Financials

The Audited Financials for the FY 2019-20 were not available at the time of conduct of field study. It has been observed from the above table that the share capital has remained stagnant during the last two years preceding the FY 2019-20. The share value has been kept as Rs.1000/-share which is considered to be high by some of the members.

v. Ownership/belongingness of the entity among members

All the members / directors who were present during the study are not aware of the concept of FPO. However, the BOD consisted of directors across age groups and a few youngsters have been inducted recently and were not much aware of the concept. However, the level of belongingness was certainly visible among the members.



vi. Adoption of New Technology & Agribusiness Aspects

During the interaction with members, it was observed that the popular activity among the members is preparation and sale of masala powder and poultry rearing. The FPO was purchasing ingredients (cumin, turmeric and coriander) from market, ground and sold to members. The FPO is in need of small scale spices grinding and packing facility.

The FPO was having a small incubator for hatching the poultry eggs. The capacity of the incubator is reported to be 50 chicks / week. The FPO is supplying quails, chicks to the members @ Rs.25.00/quail and Rs.40.00 to 45.00 per chick. The income from hatchery is reported to be in the range of Rs. 9000.00/- per month. The capacity of the incubator is not fully utilised.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

The FPO has not availed benefit under Government schemes except for the training. The members / Directors of FPO need training on poultry rearing.

viii. Conduct of meetings

Annual General Meeting (AGM) has been held every year for the past three years. Further, the BOD and members also meet whenever important business decisions are required to be taken, eg., purchase of incubator, credit to members through bank, starting chicken outlet etc. The involvement of the members in the meetings is considered to be satisfactory as almost more than 75 members participated in such meetings. The last BOD meeting was held on 10 March 2020. However, the meeting at village levels inviting all the members is lacking which is essential to retain the membership, cohesiveness of the group and also to assess the problems faced by the farmers on a periodic basis.

ix. Maintenance of books of accounts

The FPO maintains various books of accounts, viz., share register, stock register and meeting register. However, the registers have not been updated. Record keeping is not up to the mark.



x. Business objective and Business Development Plan

The objective of the Cooperative is to empower the weaker section / farmers of the society through economic and social progress by means of self-support and cooperation through the profession of production, collection, processing and marketing. The FPO has planned to continue the spices (masala powder) processing and marketing and supply of chicks and poultry rearing. However, presently there is no business development plan in place. The POPI may need to handhold the FPO for preparation of BDP. The FPO has obtained loan of Rs. 6.50 lakh from Canara Bank and IDBI bank and on-lent to members. The repayment installments are collected from the members and repaid to the bank.

xi. Impact of FPO on socio-economic status of FPO members

The FPO is carrying out value addition of spices and supply poultry chicks which has certainly yielded benefits to the members.

xii. Major Areas where FPO needs improvement

There are some major areas needs to be improved, viz., share capital contribution by members / shareholders, capacity building of BOD/ new members, development of realistic business development plan, installing spice grinding machine, collective marketing of poultry meat are the major areas where the FPO needs improvement.

xiii. CEO Appointment

Smt. Pratim Bhatta is CEO of the FPO and is an MBA by qualification.

xiv. Role of POPI

The role of POPI in this case is supportive. It has facilitated the credit linkage for the members from the Banks. Further, it has supported the FPO in purchase of incubator and supply of chicks. However, the POPI has not played its role in critical aspects such as development of business plan, retaining the membership base of the FPO etc.

xv. Major Issues at FPO level:

- Non-involvement of all the members / directors
- Lack of leadership
- No Realistic Business Plan



- Lack of training for the poultry activity
- No credit linkage for the FPO
- Lack of convergence under various schemes of the Government

xvi. Recommendations

Short Term

- Business development plan may be prepared
- Spices grinding machine may be installed
- BoD to be given training on the concept of FPO, business planning etc.
- Training on poultry rearing and hatchery activities

Long Term

- Regular meetings at village level may be held
- Sale of poultry meat collectively may be encouraged
- A retail meat shop may be opened
- Equity grant (SFAC or new scheme of FPOs) may be applied
- Credit linkage from bank or NBFC may be established
- Diversification of value addition activities (spice powder etc.) may be considered.

Conclusion

Currently, the FPO is under C rated category. The FPO has the potential to migrate into higher category subject to implementation of the above mentioned suggestions / recommendations.



GREEN EARTH FARMING SIVASAGAR DISTRICT





Farmer Producer Organisation at a glance

Sr No	Particulars	Details		
1	Name of the FPO	Green Earth Farming		
2	Legal status	Registered under Societies Registration Act XXI of 860		
4	Registration Number and date	RS/SIVA/256/F/16 of 2016-2017 07/09/2016		
5	Place of registration	TolHarkina Gaon, P.O PeoliphukonSivasagar, Assam		
6	Registered Address	TolHarkina Gaon, P.O PeoliphukonSivasagar, Assam		
7	Contact details Address Phone / Fax Email Website	Green Earth Farming TolHarkina Gaon, P.O PeoliphukonSivasagar, Assam 9101989087 9435678029 greenearthfarmingfposivasagar@gmail.com		
8	Board of DirectorsNo of DirectorsWomen Directors	09 02		
9	Name of the CEO & Contact number	Rekibotddin Ahmed		
10	Share Capital(₹) ■ Authorised ■ Paid up	Not available 300000/- (as reported by FPO/POPI). However, the audited financials reflect the share contribution as Rs.75800/-		
11	Number of Share holders Farmer members	221		
12	Area of operation District Block Panchayat Sectors in which the FPO is	Sivasagar Nazira 02 GPs, 05 villages • Piggery and Mushroom cultivation		
13	working	i iggory and indomicantion		



Sr No	Particulars			Detai	ils			
14	Products and services	•	Production mushroom	and	sale	of	pork	and
15	Licenses obtained		musmoom					
10	■ Fertilizer/seed							
	Pesticide	NIL						
	Food Safety							
16	Infrastructure available with	•	Office in ren	ited pr	emise	S.		
	FPO.							
17	Sales/ Turnover achieved*	•	2017-18	Rs.	42500)		
		•	2018-19	Rs.	65860)		
		•	2019-20	Rs.	NA			
18	Profit*	•	2017-18	Not	availa	ble		
		•	2018-19	Not	availa	able		
19	Major Risks faced	•	Lack of cont	ributio	n of sh	are o	capital	by all
			members					
		•	Lack of effo	rts for	collect	ive r	narketi	ng
		•	Loss of moti	vation	amon	g FP	O mem	nbers
20	POPI	Maste	r Mind Societ	y for D	evelo	omei	nt, Amo	guri,
		Sivasa	igar					

^{*}As per audited financials

Green Earth Farming

The FPO is located in Tol Harkinagaon, Peoliphukon, Sivasagar district, Assam. The village is located close to Nazira town, which is one the important places in Sivasagar District. The FPO was registered under Societies Registration Act, 1860 on 07.09.2016. The FPO was formed in 2016-17 with an initial strength of 63 people with the primary activity being piggery. The main objective of the FPO is piggery.



Status of FPO-Issues/points

During the field visits, the following points have been discussed with the BOD/farmers:

i. Appropriateness of the Location:

FPO covers 05 villages spreading in 2 GPs of Nazira Block. Farmers of these villages are growing paddy, tea, vegetables, mushroom etc. Besides this, allied activity like piggery is also being taken up by the farmers. Piggeryis practiced on a commercial level by the FPO members. Thus, the location of the FPO is strategic with the Nazira town in its vicinity which has a demand for pork and pork products.

However, in the absence of fund and credit linkage, the FPO could not sustain the activity due to failure in making any profits. The same is understood to be because of the inability to aggregate pork production on a scale that would yield profits.

ii. Awareness of FPO concept among member farmers:

During the discussions with CEO/POPI, Board of Directors & farmers, it has been observed that a few Directors are aware about the concept of Farmer Producer Organization. Further, there is no clear concept about FPO among the member farmers. Therefore, there is a need for sensitization of the members / directors about the concept and benefits of FPO.

iii. Membership Growth

During the last three years, the growth of shareholders is given below:

As on 31.3.18		As on 31.3.19		As on 31.3.20	
No. of	% of	No. of	% of	No. of	% of
Membership	Membership growth over the previous year	Membership	Membership growth over the previous year	Membership	Membership growth over the previous year
163	-	148	(-)9	221	49

From the above table, it has been observed that there is an out flow of members during 2018-19. However, there is a positive growth in membership during 2019-20. As on 31.03.2020, the number of members are reported to be 221.



iv. Subscription to share capital

As on	As on	As on
31.3.2018	31.3.19	31.3.20
Share capital	Share capital	Share capital
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)
51500*	75800*	NA

^{*(}as per Audited Financials)

It has been observed from the above table that there has not been noteworthy increase in share capital contribution during the past three years and is not in tune with the number of shareholders added every year. Share money @ Rs.300.00 has been collected from each shareholder. It is understood from the BoD that there is a general reluctance among the members to contribute to the share capital.

v. Ownership/belongingness of the entity among members

Awareness about FPO function and benefits derived from FPO, the level of ownership and involvement in collective business planning is found lacking. The level of participation of members in the functioning of FPO needs to be improved substantially. There is a need for increasing awareness about the concept and benefits of FPO among the members.

vi. Adoption of New Technology & Agribusiness Aspects

During the interaction with farmers, it has been observed that majority of the farmers were selling pork to retail outlets/customers on an individual level. Mushroom cultivation was also initiated by the FPO members in 2019, but the activity did not pick up well as lack of continuous training and handholding on the same is indicated as one of the constraints. Non-aggregation of pork by the FPO has been the main reason for failure in making any notable business and profits.

As reported, FPO members also constituted 12 Joint Liability Groups (JLGs) for practicing piggery and 2 of these have availed loans from Assam Gramin Vikas Bank (AGVB). Further, the FPO members have also started vermi-composting after receiving training from Krishi Vigyan Kendra. There is good potential of marketing



vermi-compost in the nearby areas. However, the lack of collective procurement and marketing has hampered the business potential of the FPO.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

During the interaction with CEO/BOD/POPI/farmers, it has been observed that notable efforts have been made by the FPO to get the benefits of different agencies/departments, namely, Krishi Vigyan Kendra, State Veterinary Department and the Block Office, Nazira. However, the awareness about the schemes needs to be improved among the BoD / members of FPO.

viii. Conduct of meetings

AGMs are held every year with almost participation of more than 50% of members. However, village level meetings with members of FPO were not held.

ix. Maintenance of books of accounts

Various books of accounts, viz., Membership register & Meeting register are maintained by the FPO. Cash register and Stock registers are also maintained. Audited financials are in place for the years 2017-18 & 2018-19.

x. Business objective and Business Development Plan

The business objective of the FPO is to uplift the economic status of rural village farmers by means of self-support and mutual cooperation through production and sale of pork and mushroom. Although the business plan has been prepared for an initial period of 3 years by the FPO, there is no business plan as of now. The FPO was formed with piggery being the primary activity, the same has not been continued in a focused manner. The FPO needs to prepare a business plan for the next three years considering the potential activities such as piggery, vermi-composting and mushroom. Further, the marketing strategy needs to be strengthened further for future growth.

xi. Impact of FPO on socio-economic status of FPO members

Majority of the farmers have been growing tea on small scale as also paddy and vegetables and selling the surplus individually in the market apart from pork. The members are of the view that there is an increase in income indirectly through the



knowledge gained in training on scientific rearing of pigs, mushroom cultivation from KVK etc.

xii. Major Areas where FPO needs improvement

There are some major areas needs to be improved, viz., Inputs support – quality feed, marketing linkages, capacity building of BOD, enhancement of share capital, realistic business plan, maintenance of books of accounts, submission of annual returns, and credit linkages. Motivation is needed among the Directors/farmers.

xiii. CEO Appointment

Shri. Rekibuddin Ahmed is CEO of the FPO who is a graduate by qualification. His involvement with the FPO is clearly visible during the discussions.

xiv. Role of POPI

The POPI has provided training and handholding support to the FPO for the past 3 years. However, the FPO needs immediate support in terms of mobilisation of members, augmentation of share capital, input supply, credit linkage, sensitization about Government schemes and marketing of pork. The role of POPI in these areas is observed to be limited.

xv. Major issues at FPO level

- Low capital base
- Lack of Motivation
- Lack of credit linkage
- Lack of input and marketing support to members of the FPO in production and sale of pork and pork items
- No value addition done in respect of pork items



xvi. Recommendations

Short Term

- Membership needs to be increased to at least 500 in next two years and all the members to contribute to share capital.
- Awareness regarding FPO function is to be created at village level among the farmers by CEO and POPI on bi-monthly basis. Participation of large section of members may need to be ensured especially in the meetings (BoD/AGM/ village level etc.) for developing involvement.
- Realistic Business Plan for next two to three years needs to be prepared. The
 present business plan may be reviewed.
- Efforts to be made for supply of inputs (pig feed, good quality piglets, mushroom spawns, earthworms for vermi-compost etc.)
- Procurement of piglets / pork from members and open a retail outlet for sale of pork items, mushroom items at village level
- Audited Financials for 2019-20 to be prepared.
- Credit linkage may be established.

Long Term

- Suitable Marketing strategy is to be evolved for providing better services & prices.
- BOD/CEO is to be given training on business planning, maintenance of books of accounts, marketing etc. at least twice in a year
- Convergence with the Animal Husbandry and Veterinary Development department is required for sourcing of good quality piglets.

Conclusion

Currently, the FPO is under C rated category. The FPO has the potential to migrate into higher category subject to implementation of the above mentioned suggestions / recommendations.





KUNDIL PARIYA KRISHI PRODUCER & ALLIED CO-OPERATIVE SOCIETY LTD. TINSUKIA DISTRICT





Farmer Producer Organisation at a glance

Sr No	Particulars	Details		
1	Name of the FPO	Kundil Pariya Krishi Producer & Allied Cooperative Society Ltd.		
2	Legal status	Registered under Societies Registration Act XXI of 1860		
3	Registration Number and date	SDY-45 of 2015-16		
4	Place of registration	Asstt. Registrar of co-operative societies, Sadiya, Assam		
5	Registered Address	Sadiya, Dist- Tinsukia, Assam		
6	Contact details Address Phone / Fax Email Website	9707426647 Abhijit.abhijit.gogoi@gmail.com		
7	Board of Directors			
	 No of Directors 	06		
8	 Women Directors Name of the CEO & Contact 	Nil		
0	number	Abhijit Gogoi		
9	Number of employees on payroll	1		
10	Share Capital(₹ lakh) ■ Authorised ■ Paid up	Not available Rs. 337000/- (as reported by POPI). However, the same is not duly reflected in the Audited Financials as on 31.03.2020		
11	Number of Share holders	337		
12	Area of operation District Block Panchayat	Tinsukia Sadiya 01 GP, 12 villages		
13	Sectors in which the FPO is working	 Mustard and Bee Keeping 		



Sr No	Particulars	Details
14	Products and services	Production and sale of Mustard and Honey
15	Licenses obtainedFertilizer/seedPesticideFood Safety	NIL
16	Infrastructure available with FPO.	 Working in Rented premises, Furniture, Computer
17	Sales/ Turnover achieved* Profit*	 2017-18 Rs. 130000 2018-19 Rs. 380000 2019-20 Rs. 500000 The above information is reported by POPI. However, in the Audited Financials, there is no income shown from sale of produce. Thus, the turnover is NIL. 2017-18 Not Available
	Tront	• 2018-19 Not Available
19	Major Issues faced	 Lack of continuous handholding for bee keeping and honey production Loss of motivation among FPO members Lack of Processing Facilities Wild animals (elephant) attack of standing crops.
20	POPI	Surjodaya NGO

^{*}As per the audited financials



Kundil Pariya Producers and Allied Cooperative Ltd

The FPO is located in Kukurmora Village in Kundil area, Tinsukia district, Assam. The village is located close to Sadiya town, which is one the important places in Tinsukia district and on the border area between Assam and Arunachal Pradesh. The FPO was registered under Societies Registration Act, 1860 on 25.02.2016. The main objective of the FPO is to give focussed attention on Bee Keeping and Mustard Cultivation.

Status of FPO-Issues/points

During the field visits, the following points have been discussed with the BOD/farmers:

i. Appropriateness of the Location:

The FPO covers 12 villages spread across Sadiya Block. Farmers of these villages are growing Mustard, Paddy, vegetable etc. Besides this, Bee keeping is also taken up by farmers. Majority of the villages are situated near the riverbank areas of Brahmaputra river and mustard cultivation is taken up in large areas. Therefore, the area is appropriate for the FPO activity.

ii. Awareness of FPO concept among member farmers:

During the discussions with CEO/POPI, Board of Directors & farmers, it was noted that majority of the members were not aware about the importance and functioning of FPO. They also lack motivation to collectively work with other members for greater benefit.

iii. Membership Growth-reason for slow growth

(a) During the last three years, the growth of shareholders is given below:

As on 31.3.18		As on 31.3.19		As on 31.3.20	
No. of	% of	No. of	% of	No. of	% of
Membership	Membership growth over the previous year	Membership	Membership growth over the previous year	Membership	Membership growth over the previous year
150	-	280	87	355	27



From the above table, it has been observed that there is a positive growth of membership during project period. But the FPO has given little services to its shareholders/members which may be one of the causes for non-enrolment of new members/shareholder and withdrawal of share money by existing members. There is a need to motivate the farmers.

iv. Subscription to share capital

As on	As on	As on
31.3.2018	31.3.19	31.3.20
Share capital	Share capital	Share capital
(amount in Rs.)	(amount in Rs.)	(amount in Rs.)
100000	150000	335000

^{*}As per the information provided by POPI/FPO

Rs.1000.00 has been collected from each farmer as share money. However, the same is not duly reflected in the Audited Financials of the Society as on 31.03.2020. There is a need for reconciliation of the share capital in view of withdrawal of more than 100 members from the FPO.

v. Ownership/belongingness of the entity among members

Awareness about FPO function and benefits derived from FPO, the level of ownership and involvement in collective business planning is found lacking. There is a lack of ownership among the members and more than 100 members have also withdrawn their share money.

vi. Adoption of New Technology & Agribusiness Aspects

JLGs and farmers club were combined to form the FPO. Members were already doing mustard cultivation and the same was also incorporated as one of the primary activities of the FPO. The area has a large production of Mustard. Bee keeping was also started initially with 20 members of the FPO. However, lack of technical know-how on maintenance of bee-hives and bee-colonies led to almost 80% of the members exiting the activity. As a result, only a few members are now actively engaged in bee keeping. The honey is sold to traders in the Tinsukia Market on a very low scale.



It is reported that wild elephants also cause problems in the area destroying agriculture fields. The FPO has suggested to have bio fencing as a control measure. Land is available in riverbank area for members of the FPO to work.

vii. Extent of support from Govt., utilized by FPO (Convergence of Govt. Schemes)

During the interaction with CEO/BOD/POPI/farmers, it has been observed that notable efforts have been made by the FPO to get the benefits of different agencies/departments, namely, Krishi Vigyan Kendra, State Agriculture Department. One tractor has been taken under Government scheme and the same is being used by the FPO. It may be mentioned that bee keeping activity was also started with State Government aid. Members received hive structure and training on bee keeping under the Government scheme. There is an opportunity for developing good market linkages and credit linkages. The CEO has also has worked for convergence of schemes and as a result, farmers have benefitted.

viii. Conduct of meetings

It has been reported that board meetings have been conducted after establishment of FPO. AGMs are held regularly and various issues of FPO were discussed during the meeting.

ix. Maintenance of books of accounts

Various books of accounts, viz., Membership register & Meeting register are maintained by the members. Cash register and Stock registers are also maintained.

x. Business objective and Business Development Plan

The business objective of the FPO is to uplift the economic status of rural village farmers by means of self-support and mutual cooperation through production and sale of mustard and honey. Business Plan was prepared for an initial period of one year but not prepared thereafter. The FPO needs to prepare a realistic business plan for the next three years which should, inter alia, include the increase in membership, share capital, honey production and processing and mushroom cultivation and processing. However, the same would fructify upon fostering market linkages for the produce.



xi. Impact of FPO on socio-economic status of FPO members

Majority of the farmers have been growing mustard. But due to lack of adequate processing facilities (conversion in to mustard oil and oil cake), the impact on the income level of members have been found to be unsatisfactory. Bee keeping was also discontinued by the members. Seasonal migration of people to Arunachal Pradesh in search of jobs is prevalent in the area.

xii. Major Areas where FPO needs improvement

There are some major areas that need to be improved, viz., inputs support, marketing linkages, capacity building of BOD, enhancement of share capital, realistic business plan, maintenance of books of accounts, submission of annual returns, and credit linkages. Motivation is needed among the Directors/farmers. Establishment of marketing linkages is to be taken up on urgent basis.

xiii. CEO Appointment

The CEO has been actively working with the FPO and has been instrumental in convergence of schemes like bee keeping etc. But the CEO has informed that he has not been receiving salary regularly.

xiv. Role of POPI

The Role of POPI is limited to training and capacity building of members and BoDs. However, it could have been much better in terms of providing / facilitating the technical know-how for bee keeping, harvesting and marketing of honey, establishment of oil milling unit for value addition of mustard etc. FPO members are of the view that the POPI has not been engaging with the FPO regularly and as a result the FPO is also not working to its full potential.

xv. Major issues at FPO level

- · Low membership and low capital base
- Lack of efforts for retention of members Members withdrawing their share capital
- Lack of Motivation for continuing the bee keeping activity
- Lack of credit linkage



- Lack of input and marketing support to members of the FPO in production and sale of mustard
- Lack of processing / value addition

xvi. Recommendations:

Short Term

- Membership needs to be increased to at least 500 in next two years and all the members to contribute to share capital.
- Awareness regarding FPO function is to be created at village level among the farmers by CEO and POPI on bi-monthly basis. Participation of large section of members may need to be ensured for developing involvement
- Realistic Business Plan for next two to three years needs to be prepared.
- Training and handholding on honey production.
- Establishment of oil milling unit for mustard and developing a brand name for the FPO.

Long Term

- Suitable Marketing strategy is to be evolved for providing better services & prices.
- BOD/CEO is to be given training business planning, maintenance of books of accounts, marketing trainings at least twice in a year.







Way Forward

The diagnostic study of the C & D rated Farmer Producer Organisations (FPO), spread cross eight districts in the State of Assam has been carried out by NABCONS for the client, Farm Sector Development Department, NABARD, Assam Regional Office, Guwahati. The study primarily focused on the group dynamics, financial strength of the FPO, commitment / involvement of the directors / members, benefits to the members through provision of input services, collective purchase of inputs and marketing of outputs, book keeping, scope for diversification etc.

The observations point out that most of the C & D rated FPOs are ailing from the lack of sufficient membership and consequent share capital, lack of any notable input services to the members of the FPO, lack of coordination between the POPI and members of the FPO, lack of regular meetings at village level for convincing the members about the benefits of FPO, lack of collective procurement of inputs and marketing of outputs etc. Further, preparation and submission of audited financial statements is also delayed by the FPOs. Lack of credit / KCC is also encountered as one of the issues faced by the FPOs.

As these FPOs are congregations of farmers especially small and marginal farmers, efforts are to be made to strengthen them for which the primary involvement may need to come from the members themselves. BoDs of the FPO need to be dynamic and active in convincing the members about the benefits of the FPO and facilitate continuity of one or more services to the members in the form of input supply, identifying the skill needs of the members, linking with concerned departments for training and capacity building, identifying the problems faced by the farmers through regular meetings at the village level and making efforts for addressing the concerns etc.

Collective procurement and scientific storage of the commodities and striving for value addition of the primary produce will only attract new members into the FPO as well as help in retaining the existing members. The training on value addition and preservation technologies is the need of the hour for every FPO especially in the wake of the ODOP policy of the Gol. The recent policy for formation of 10000 new FPOs also provides



an opportunity for the existing FPOs for availing equity grant, credit guarantee and advisory services from National Project Management Agency (NPMA) under the scheme for formation of 10000 FPOs.

It is visible at the field level that the FPOs focusing on a single activity are not progressing well and hence multi-crop orientation is required for the success of the business of the FPO. Assam, richly bestowed with natural resources, has advantage that the farming is mostly integrated in nature, i.e., crop husbandry, AH (piggery, poultry, dairy) and fishery. Though the system can provide remunerative returns to the farmers, lack of value addition and credit appears to dampen the advantages. The issuance of KCC to eligible farmers without much hassle and promoting agripreneurship avenues for the farmers will keep the cohesiveness of the FPO and manage the FPOs in a profitable and sustainable way.



ANNEXURE



Diagnostic Study of C&D Rated FPOs

Name of	f the FPO:			
District:				
Date of	Study:			
Study To	eam:			
S.No.	Particular		Comments / Obse	rvations
<u>I</u>	Formatio			
		me behind the formation		
	of FPO			
		FPO formed from existing		
	group (SI / FIG / oth	HG / JLG / Farmers' Club lers)		
		lages (including) hamlets	<u> </u>	
	covered			
		s and Blocks covered		
	FPO	teness of the location of		
		f members who were		
		form an FPO at the time		
	of formation	_		
		n for mobilisation of FPO		
	members	(before registration)		_
П	Registrat	ion of FPO		
••		egistered under the		
		es Act / Societies Act?		
		egistration of FPO		
		ng Authority		
		C / Registration number		
		d Address of the FPO		
		umber of key personnel	CEO	
	(CEO/MD		Chairman / MD / Bo	D
	Email id o	f FPO		
III	Capital S	tructure (Rs.lakh)		
		d Share Capital (Rs.lakh)		
	Paid up ca	1 \		
	S.No.		No of shareholders	Paid up
				capital (Rs.lakh)
	1	2017-18		
	2	2018-19		

S.No.

Year

2019-20

Net worth of the FPO

Net worth (Rs.lakh)



						0047.40	
				1		2017-18	
				2		2018-19	
				3		2019-20	
		ımber of shares issued	l by				
	the Con						
	Share v	alue (Rs./share)					
	Total nu	ımber of share certifica	ites				
	issued b	by the FPO.					
	Reason	s for difference, if any.					
	Norms f	ollowed by the FPO fo	r				
	share co	ollection					
IV	Shareh of the F	olders and Managem PO	ent				
	Number	of members					
	Of which	h Male and Female					
	Whethe	r all members contribu	ted				
	shares?)					
	Number	of shareholders					
	Of which	h Male and Female					
	Number	of small and marginal					
	farmers	as shareholders					
	Of which Male and Female						
	Number of landless labourer as						
	shareho	olders					
	Of which	h Male and Female					
	Number	of SC/ST farmers as					
	shareho	olders					
	Of which	h Male and Female					
	No. of D	Directors					
	Of which	h Male and Female					
	CEO of	the FPO					
		onal qualification /					
		nce of the CEO					
		n process of CEO,					
		ration and extant roles					
		sibilities etc.			1		
		onal qualification of	the	S.	.No.	Name	Edu.Qua
	Board o	f Directors					
	_	M of the FPC held on					
		of AGM held during the			yea		,
	S.No.	Financial Year	Date			Number of	Major
			AGM			members	resolutions
						attended	



	Growth of	memb	pership		S.No.	Year		(limited to three) Number of members as at the end of
					1 2 3	2017- 2018- 2019-	-19	FY.
	Reasons f	or slov	w growth in			•		<u> </u>
	membersh							
		able w	ith FPO and the			ıl qualifi		
	S.No.		Name	Jo	b role		Edu	ı. Qualification
	1		2017-18					
	2		2018-19					
	3		2019-20					
V	Infrastruc Performa		and Business					
	Whether t	he cor	npany is operatir	ng				
	in own or							
	Infrastructure available with the FPO				Land Building Plant & Other A	Machir	nery	
			wn by the memb					
			aken by the FPC)				
	(procurement and sale of input /							
	procurement of produce / processing / marketing / training etc.)							
	Input services provided by the FPO (fertiliser, pesticides etc.)							
	Other services provided by the FPO (subsidy, credit facilitation etc.)							
	Type of products Produced and marketed by FPO				1. 2. 3. 4. 5.			
			ucts marketed /					-
	S.No. Name of the Produce / Ir			e / In	puts		uantity aded	y (MT) sold /
	I	2017	7-18					



	A						
	В						
	С						
Ш	201	8-19					
	Α						
	В						
Ш	201	9-20					
	Α						
	В						
	С						
Annual	Turnove	r and Profit	(Rs.lakh)				
S.No.	Year	Turnover	Of col	Of col no.3		Other	Net
		(Rs.lakh)	no.3	Manufactur	ing	income	profit
			Trading	Rs.lakh		(if any)	
			Rs.lakh				
1	2017-						
	18						
2	2018-						
	19						
3	2019-						
	20						
Marketi	ng chani	nel		Own / Franchise			
				Retail / Instit	tutio	nal	
		as % of sal					
		O is having					
		the product					
		members a	re				
	services		_				
		ercentage of					
		ng services.					
		er member	s not				
	services						
		FPO to inc					
		availing se					
		annual in					
		ers of FPO					
Net annual savings by members from various services of FPO (in							
Rs.)	anous s	ervices of	rro (III				
	on in no	st-harvest	wastaga				
	bers (in		wasiaye				
	•	ess plan h	as heen				
	d by the		ao boon				
		nd for ho	w many				
years?	wiioii a	110 101 110	iv illality				
•	ns face	d by FPO	in the				
	s activiti						
		ement and	sale				
		g / value ad					
iviaiit	a. aotai ii i	g / value ac	MINOIT				



Marketing	
carrying out the business activities:	
Statutory and Bogulatory	
• •	
Whether Audited Financial	
Statements as on 31.03.2020 are	
available?	
Whether there is any delay in	
submission of Audited Financial	
Statements to ROC in the past	
years.	
<u> </u>	
rectified.	
· · · · · · · · · · · · · · · · · · ·	
,	
<u> </u>	Auditor Fees -
, , ,	
	GST Fees -
compilarious.	Fees for license renewal -
	Other fees -
	Other rees -
Convergence	
Government / Gol.	
Training programmes given by any	Number:
	Members benefitted:
reputed agencies?	Moniboro bononttoa.
reputed agencies?	Weinsele senented.
If no convergence so far, reasons	Wornsord Borionatou.
	whether there is any delay in submission of Audited Financial Statements to ROC in the past years. If so, whether the same has been rectified. Name of the Auditor and address Whether the GST returns have been filed (in case the turnover is more than Rs.40 lakh) in time for the past 3 years. Approximate expenses being incurred by the FPO for Statutory compliances. Convergence Convergence Convergence Convergence of Panchayat /Block/District level/ State level institutions with the FPO to deliver their respective services to the members/people of the cluster. Subsidy availed by the FPO, if any under schemes of State Government. Subsidy availed by the members under schemes of State Government / Gol.



	Possible future areas of convergence	
VIII	Role of POPI	
· · · · ·	Formation of FPO	
	Training and capacity building of BODs	
	Value addition	
	Marketing	
	Filing Annual returns	
	Filling of data in FPO Asset view portal of NABARD	
	Credit linkage	
	Meetings with different stakeholders	
	What is the frequency of meeting between the POPI and FPO	
	No. of Meetings conducted by POPI during the past three years.	
	Duration of service of POPI.	
IX	Credit, Equity & Grant support	
	Whether any credit availed from	
	bank / NBFC	
	If so, the following details	
	Name of the bank and branch	
	Date of loan sanction	
	Whether term loan or Working	
	Capital	
	TL / WC limit_sanctioned	
	Purpose for which the credit is	
	availed	
	Repayment frequency	
	Is there any overdue	
	If so, reasons.	
	If no credit availed, reasons for the same?	
	Whether grant support from SFAC	
	availed?	
	If so, the following details	
	Date of application	
	Date of sanction of equity grant	
	Amount sanctioned	
	Purpose for which the same is utilised by the FPO	
	If not reasons, therefor	
	Grant sanctioned by NABARD under PRODUCE Fund	
	Amount released	
		<u> </u>



	Amount utilised	
	Reasons for any undrawn grant	
	amount?	
X	Capacity building and level of awareness	
	Whether meetings are held regularly by the FPO and frequency of meeting of members and BODs.	
	Capacity building initiatives of the FPO in dissemination of new technology to members.	
	Areas identified for capacity building / training of BOD / FPO members.	
		(-
XI	Major areas where FPOs need improvement for sustainability - Recommendations	(Training, Skill development, technical support, finance, business plan, marketing, grant support, convergence etc.)
	Short term	comorganise etc.,
	1	
	2	
	3	
	Long term	
	1	
	2	
	3	
XII	Others	
	Whether the database of farmer members digitised? If not, how the records are being maintained?	