



IB&OD – FPOs - Approach of NIRD & PR



Distance Covered so far

- ▶ Organized National Workshops, Writes' shops, buyer seller meets and capacity building programs for divergent stake holders across the country the trainees include line functionaries, practitioners, BOD members and POPIs - TSAs
- ▶ Prepared hands on operational manuals, modules and work books for FPOs
- ▶ Conducted Pan India dip stick study to understand the dynamics of growth of FPOs and diagnose what works and what not
- ▶ Partner to SFAC, NABARD and different state initiatives
- ▶ Mentoring and Technically supporting 60 FPOs of north coastal AP funded by NABARD in addition to providing advisory services to TRIGP



NIRD&PR:CAS-FPO Cell works on 4 thematic areas

1. Capacity Building
2. Policy Advocacy
3. Research Studies
4. Mentoring and Technical Support



Approach of NIRD & PR



Our Approach to FPOs is

based on Pan India study of FPOs and working along with 29 SIRDPRs across the country ,cross pollinating best practices and understanding the challenges




The FPO should be statutory compliant in all respects

Its Non negotiable for us

Bankers won't finance such FPOs


**Make every last working day of month
“statutory review day”**



Bench Mark FPO vis-à-vis its current status

Socio Psycho Metric analysis in locating the FPO as Fast, Solid or Slow Climbers and contextualize interventions based on current status and potentiality in store

standard field tested tools for analysis



Skill Test for stake holders pre and post
CB intervention

Skill Test helps in self evaluation of the
trainer as well as the trainee



Strong convergence with Gram Panchayat and Panchayat Raj Institutions

- NIRD & PR has core value that Rural Development and Panchayat Raj are intrinsically woven
- Sensitize & Make Panchayat leaders at all levels appreciate the endeavors of FPO

RD and PR are inseparable



Always start with micro plan at Household level aggregating FPG or VPG and to FPO

Micro Plan gives realistic assessment of business requirements

It helps in defining patronage of each share holder

It helps evolve leadership

It also helps in GAP, PGS and Organic Certification process from bottom



Focus on Patronage spelt out in the AOA

As per the FPC Act Patronage is to be clearly defined in writing for each of the share holder during AGM

Make all value added services equity centric



NIRD&PR strongly believes in strong convergence with existing NRLM groups and their federations to leverage existing social capital and organically link them to on going value chain development



Focus on Farmers' Service Index (Happiness Index)

Remember FPC is a limited dividend company

maximum dividend declared so far is 8% with average share holding of Rs.1000 which is not very exciting for farmer but ease of doing agriculture will



Align your Business Plans with Value
Chain Development Plans

Remember VCD precedes BP



Align your plans with Critical Rating Index of NABARD

CRI is a self rating tool and your plans and CRI should always complement each other



Draw Realistic FPO Performance
Indicators first

Outreach Indicators

Operational Indicators

Financial Indicators



Remember ideal FPO buys from farmers more and sells to him less

Follow 70 – 30 formula



If FPGs are mobilized

focus on dual approach of both
FPG and FPO Linkages

FPGs are foundations blocks for
FPOs




Align with supply chain
Remember consistency is life of business

Specify daily volume, quantity,
grade/quality, package, place of
delivery, expected price, GST details
and mode of payment



As much as possible follow eco-resilient practices – ***revisit MAP defined in the AOA***

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- ▶ We owe mother earth protecting her from indoctrinate chemical use and let us contribute to Lessening carbon foot prints



Avoid direct loans to share holders

- FPC is meant for value chain development and finance should confine to VCD activities
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