

## **Frequently Asked Question (FAQ) Regarding Promotion and Management of FPO**

### **FPO Formation, its Registration.**

**Q. 1 What is the minimum and maximum limit of Directors in a FPC**

**Ans.** Minimum 5 and maximum 15 directors.

**Q 2. Can there be more than one FPO in a cluster.**

**Ans.** No. But if a cluster have more area under horticulture than it can be.

**Q.3 Can a FPO appoint auditor for various compliances under assistance from SFACH.**

**Ans.** Yes, as per cost norms & guidelines of FPO Handholding & Management by SFACH.

**Q.2 Can Handholding & Management Assistance can be provided by SFACH to a self-promoted FPO enlisted in SFACH.**

**Ans.** Yes, as per cost norms & guidelines of FPO Handholding & Management by SFACH perquisite so that the FPO has not availed such assistance from any other source

**Q.3 Is Agriculture, Animal Husbandry & Fisheries FPO Registered and promoted by SFACH in Parivartan as well as other blocks in the State can be enlisted in SFACH.**

**Ans.** Yes

**Q.4 Can Handholding & Management Assistance be provided by SFACH to Agriculture, Animal Husbandry & Fisheries FPO Registered and promoted by SFACH in Parivartan as well as other blocks in the State.**

**Ans.** Yes

**Q.5 What are the voting rights of a member?**

**Ans.** Every shareholder member will have the right to one vote.

**Q.6 Who can be a member of FPO and his position in the Company?**

**Ans.** Any Producer can be a shareholder member in a FPO and his position in the Company will be as shareholder member of the Company.

**Q.8 Who will bear the cost of the registration of a FPO?**

**Ans.** SFACH

**Q.9 What are the basic principles for running a registered FPO?**

**Ans.** FPO are autonomous, self-help organizations controlled by their farmer-members to maintain FPO autonomy.

**Q.10 Who will be the Board of Directors in a registered FPO?**

**Ans.** Any producer can be a director in FPC.

**Q.11 Who will be the Office Bearers in a registered FPO?**

**Ans.** CEO, Manager, Executive Director

**Q.12 What are the roles and responsibilities of Resource Institution (RI)?**

**Ans.** Formation, Registration, Handholding and Management of FPO

**Q.13 Can a farmer be a member of FPO who does not have any land on record & he works on leased land.**

**Ans.** No

**Q.14 If he can be a member then what are documents needs for his/her membership such as affidavit with notary attested.**

**Ans.** No document, a farmer having land and is producer can be a member of a FPC

**Q.15 If a farmers Father/Mother having land and his son is cultivating the land can son be a shareholder member of FPO or not?**

**Ans.** No

**Q.16 What will be the CA Fees charges for Audit of FPO and this fees will be paid by the FPO or SFACH.**

Ans. It will vary from CA to CA. SFACH will pay a fixed amount of Rs.10000/- for this purposes.

**Q.17 Is it possible to add more than 15 Director in a FPC**

Ans. No.

**Q.18 Can FPO add farmers without share money.**

Ans. yes

**Q.19 Who will pay CA fee in initial stage.**

Ans. SFACH

**Q.20 Without own land any horticulture farmer can be FPC member yes or not.**

Ans. Not

**Q.21 In a cluster can be all 10 directors from a single village yes or not.**

Ans. Yes

**Q.22 In a cluster can be 2 horticulture FPCs, because somewhere understanding in between 2 villages are not good, so they want a separate FPO.**

Ans. No, as SFACH Standard Operating Procedures(SOP) only one FPO in a cluster is allowed.

**Q.23 Can the Farmers of Surrounding Districts also be associated with the FPC?**

Ans. First priority should be given to the cluster farmers.

**Q.24 Who has the power to make decisions in a FPC/FPO?**

Ans. BoD (Board of Directors)

**Q.25 Who has the authority to convene meeting of the members of the FPC?**

Ans. Executive Director

**Q.26 All members are required to give details of the FPC income and expenditure during the annual general body meeting of FPC?**

Ans. Yes.

**Q.27 what is the tenure of the Chairman of the FPC, can it be removed in the middle?**

Ans. Three Years.

**Q.28 The audit fees of the FPC will be borne by whom?**

Ans. By SFACH but to a fixed norm by it.

**Q.29 What conditions will be required for a FPO/FPC to earn equity grants?**

Ans. When it set up its office in all respect and enrolled atleast 200 members

**Q.30 If the FPO goes to los after the equity grant taken by FPC, will the government take action to withdraw equity grant from him/FPC?**

Ans. No

**Q.31 Can the net profit of a FPC be shared in the shareholders of the FPC?**

Ans. Yes as a dividend.

**Q.32 Can a FPC apply for a License for pesticides, because it is necessary to have a B.SC or B.SC (Agriculture) to obtain a pesticide license?**

Ans. Yes. But it should have one member having B.SC or B.SC (Agriculture) degree and in whose name license can be applied.