

STUDY ON OFF FARM PRODUCER ORGANIZATIONS (OFPOs) IN ODISHA



National Bank for Agriculture and Rural Development

**Odisha Regional Office** Bhubaneswar



## FOREWORD



Promotion of Rural Off-Farm Sector (ROFS) assumes significance in the context of the pressing need for reducing rural India's over - dependence on agriculture. ROFS provides alternate meaningful livelihood options and there by curb large-scale migration of small marginal farmers and agricultural laborers to urban areas.

To organise artisans and weavers in their activity clusters into a formal and registered entity and to support them to take up collective business through capacity building, business planning, market linkages, design development etc., a scheme for formation and nurturing of Off Farm Producer Organisations (OFPOs) was initiated during the year 2016-17 by NABARD.

NABARD has promoted sixteen OFPOs in Odisha during the past four years which is highest among the states in the Country. Hence, the NABARD Odisha Regional Office conducted a comprehensive study to assess the status of working and to determine way forward for the existing OFPOs supported under its Gramya Vikas Nidhi (GVN) the development fund for promoting Off- farm Sector. The study further flagged the impact of our interventions with OFPO's.

The benefits accrued by the members of sixteen OFPOs are multifaceted. From increased access to markets and technology to enhanced bargaining power, the tangible outcomes resonate with NABARD's overarching mission of rural prosperity. By enabling weavers/artisans to pool resources and knowledge, these organizations have unlocked new avenues for growth and prosperity and helped them in their production methods, designs, packaging & branding etc., thereby reaching new markets.

As we delve into the findings of this study, we craft a new road map of reviving these traditional crafts and precious skills of artisans in Odisha.

This study is an attempt for deeper understanding of the art & crafts clusters, the lives of artisans and transformative potential of OFPOs.

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## **OFF- FARM SECTOR IN ODISHA**

The Off- Farm sector in Odisha are vital contributors to the state's economy. Odisha's rich cultural heritage and natural resources make it a prime destination for tourism, while manufacturing sectors such a textiles, steel and IT contribute substantially to the state's GDP. Handloom and handicraft clusters in Odisha hold immense importance for its cultural heritage, employment generation, economic growth, sustainable development, cultural exchange. Odisha is renowned for its exquisite handloom and handicraft arts such as Sambalpuri handloom textiles, Pipli applique work, Silver Filigree crafts of Cuttack, Tribal handicrafts of Koraput, Pattachitra painting of Raghurajpur, stone carving of Konark etc. About 1.25 Lakh weavers and 1.5 lakh artisans are engaged in these activities across Odisha.

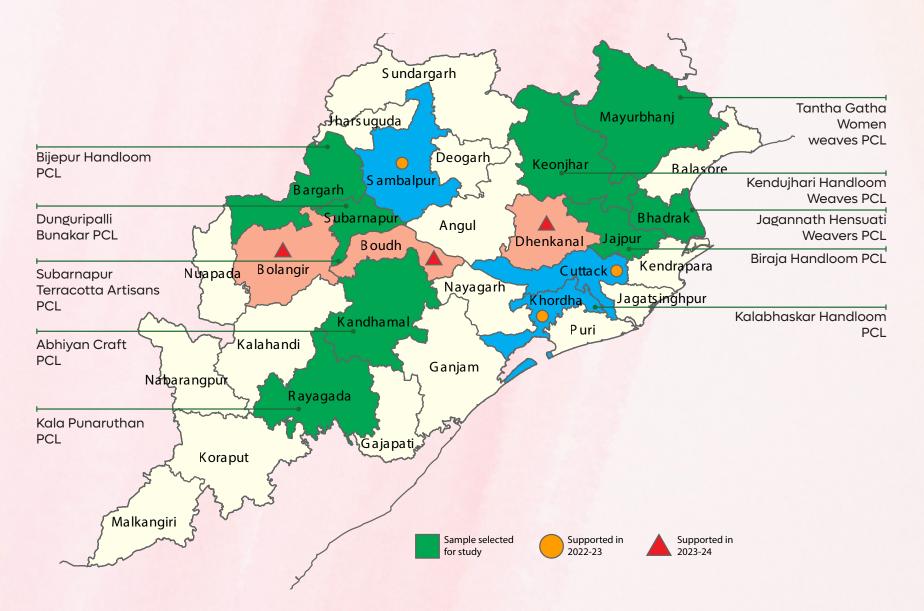
Also, Non- Timber Forest Products (NTFPs) such as medicinal plants, bamboo, lac, and honey provide sustainable livelihoods for tribal communities in Odisha. Sal leaf plates making, bamboo crafts, Dhokra metal castings etc., are other few activities where tribal population earn their livelihood.

NABARD, with an aim to provide solutions for generating/ enhancing livelihoods supports rural artisans for formation of Off-farm Producer Organizations (OFPOs) in such clusters to take up collective business activities, build capacity and develop market linkages.

Under this initiative, NABARD Odisha RO have formed 16 OFPOs till date and around 3500 artisans/weavers have been brought under umbrella of a producer Company. The 16 OFPOs sanctioned in Odisha by NABARD is highest number for any single state in the country and they work for revival and promotion of various activities like Sambalpuri handloom, Dhokra metal crafts, stone cravings, Pattachitra, bamboo crafts, terracotta etc. These OFPOs also help in generating livelihood in lean agricultural seasons, there by supporting the rural household income.

The study covered 10 OFPOs in districts of Subarnapur, Mayurbhanj, khorda, Jajpur, Keonjhar, Kandhamal, Rayagada, Bhadrak & Bargarh. It covered Handloom, handicrafts, terracotta, Dokhra, Pattachitra, stone carvings etc. While we have examined the effectiveness of Producer Organizations, we feel that the Off- Farm sector in Odisha needs to re-invent itself by way of better designs, dynamic interaction with potential customers, more use of IT platforms for reaching distant markets and modifying their products.

## NABARD SUPPORTED OFPOS OF ODISHA



# DETAILS OF SELECTED OFF FARM PRODUCER COMPANIES

Name of OFPO	District	Products
Dunguripalli Bunakar Producer Company Limited	Subarnapur	Sambalpuri Ikat Saree
Tanta Gatha Women Producer Company Limited	Mayurbhanj	Mayurbhanj Saree
Kalabhaskar Producer Company Limited	Khordha	Stone carving, Toy making, Metal crafts, Tala Pattachitra, Traditional painting, Terracotta
Biraja Handloom Producer Company Limited	Jajpur	Tassar Saree, Shawls and Stoles
Kendujhari Handloom Producer Company Limited	Keonjhar	Kendujhari Saree, Lungi, Stole, Towels, Bedsheets, handkercief
Abhiyan Craft Producer Company Limited	Kandhamal	Dhokra and Black Dhokra Crafts
Kalapunaruthan Producer Company Limited	Rayagada	Dhokra craft & Tribal Jewellery
Jagannath Hensuati Producer Company Limited	Bhadrak	Hensuati craft
Bijepur Handloom Producer Company Limited	Bargarh	Sambalpuri Ikat Saree
Subarnapur Terracotta Producer Company Limited	Subarnapur	Theme based Glazed Terracotta & Blue Pottery





## Dunguripalli Bunakar Producer Company Limited, Subarnapur

### **Contact Details**

Radhakanta Mahananda, +91 78947 34065 dbpcl.in@gmail.com

- 250 plus households are dependent on this activity from Dunguripali block of Subarnapur district.
- Female master craftsman, awarded by NABARDhelped in training other young girls and women in the cluster
- Only natural vegetable colors are utilized for dyeing materials.
- Artisans make cotton cloth of different designs and lengths based on orders received from big corporates from Mumbai, Hyderabad etc.
- Because of increased production the OFPO is having corporate tie up in Mumbai & New Delhi for sales.

- Product diversification through training and use of Technology.
- Use of Kosha app for product identification and Bharat rath app for digitization of records and transactions of OFPO.
- Increase in membership from 250 to 675
- Increase in turnover from ₹1,00,000 to ₹80,00,000
- Increase in the income of the weavers from ₹5,000 to ₹15,000
- Increased the market outreach of the products manufactured by the artisans.



- Assistance for Mobilization, Formation, Registration
  of OFPO
- Working capital assistance to start production, infrastructure assistance in form of CFC, New looms for better production of handlooms products which will help artisans in having collective bargaining power for reduced input costs and better sales.
- Skill development on both product and design diversification.
- ₹ 18,00,000/- working capital loan from Nabkisan, an exclusive subsidiary of NABARD for FPO/OFPO finance.



Demonster	The	Norm
Parameter	Then	Now
Product diversification	1	5
Design diversification	10	80
Membership	250	675
Equity	₹ 100000	₹ 9,71,500
Sales i.e Turnover	₹ 100000	₹ 80,00,000
Average Income per month	₹ 5000 to ₹ 7000	₹ 12000 to ₹ 15000
Awareness on marketing of products	Nil	Completely aware. Market demand based production
Infrastructure created	Nil	New Looms







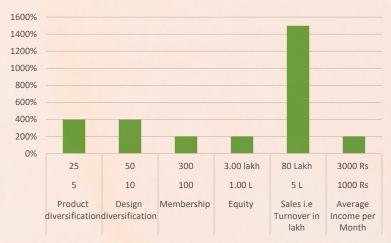
## Tanta Gatha Women Producer Company Ltd., Mayurbhanj

### **Contact Details**

Ms. Yajnaseni Dasmangaraj, +91 81178 52959 yajnaseni.dasmangaraj@maunadhwani.org

- Products bags, diary covers, shirts, stolls, laptop bags and sarees in the cluster.
- OFPO is in process of reviving 17 designs of Mayurbhanj Saree.
- OFPO and POPI has mobilized 150 looms, since its inception.
- OFPO is currently managing 8 CFCs across three blocks of Mayurbhanj.

- Provided new avenues of income and identity to women weavers in the district.
- Increase in the average income of the artisans per month from ₹ 1000 to ₹ 3000 at the individual level.
- Helped to establish own natural dye manufacturing sector in their cluster
- Revival of region based sarees
- Trainings on new technology opened up the doors for corporate tie ups and New markets
- Increase in the turnover of the products manufactured in the cluster and Product diversity .
- Increase in the equity of the artisans which is being used as a working capital from ₹ 1 Lakh to ₹ 3 Lakh



Parameter	Then	Now
Product diversification	5	25
Design diversification	10	50
Membership	100	300
Equity	1.00 L	3.00 lakh
Sales i.e Turnover in lakh	5 L	80 Lakh
Average Income per Month	1000 Rs	3000 Rs
Awareness on the marketing	Nil	Completely aware.
of the products	1111	Demand-based production
Infrastructure created	Nil	30 Looms



- Assistance for establishment of common facility centre for integrated production of Handloom products.
- Capacity building assistance for product and design diversification.
- New looms to OFPO to cater the requirement of growing Members.









## Kalabhaskar Producer Company Ltd., Bhubaneswar, Khordha

### **Contact Details**

Mr. Laxmikanta Mohapatra, +91 98275 07077, +91 70081 16430 laxmikantamohapatra9960@gmail.com

- Cluster is spread across 50 KM radius in Pipli and Khurda. Around 100 households are involved in this activity.
- BOD members have good understanding of business and their roles & responsibilities
- It is a multi craft cluster of Stone carving, Wooden toys, Pattachitra, in which stone carving contribute to maximum revenue.
- The OFPO maintains proper books of accounts and has GST number.

- Sophisticated infrastructure and state of art technology helped in preserving cultural heritage and promoting sustainable livelihoods for artisans.
- Market Linkage and exposure visits to exhibitions, fairs increased sales volume and product diversity Exposure visits to new markets, exhibitions, fares, melas etc
- Brought renaissance for crafts which were about to extinct
- Doubled the average income of the artisans and increased the overall turnover of the cluster from ₹ 20Lakh to ₹ 40Lakh
- Increased in equity of the artisans and also expansion of the cluster.





Parameter	Then	Now
Product diversification	10	40
Design diversification	25	100
Membership	100	350
Equity	100000	509200
Sales i.e Turnover	20.00 Lakh	44.00 Lakh
Average Income per Month	2000 to 3000	4000 to 5000
Awareness on the marketing of the products	Nil	Completely aware. Market demand based production
Infrastructure created	Nil	Computer etc. purchased



- Assistance for setting up of common facility center separately for each crafts.
- ₹10,00,000/- working capital loan from Nabkisan, an exclusive subsidiary of Nabard for FPO/OFPO finance.
- All meeting and office required stationary of NABARD procured from the OFPO.







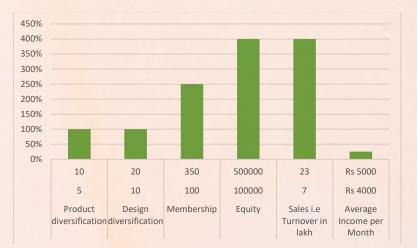
## Biraja Handloom Producer Company Ltd., Jajpur

## Contact Details

Mr. Ranjan Ku. Guin, +91 99371 50233 ranjanguin@gmail.com

- OFPOs was formed in December 2021. Around 100 households involved in this activity.
- Board of Directors are well empowered to carry out the functioning of OFPPO, Channelising production as per demand and identifying markets for better price realisation.
- OFPO is charging 2% margin on sales commission to augment its reserve.

- Organising small and dispersed artisans into a formal body
- Training in the design and product diversification has augmented the manufacture of new products and income enhancement of entire village of Chakagopalpur
- Opened up gates to pool of markets inside and outside state
- Increase in Average income of the weavers from ₹ 4000 to ₹ 5000 per month
- Increase in the overall turnover of the cluster from Rs 7Lakh to Rs 23Lakh.
- Increase in the equity of the artisans from ₹ 100000 to ₹ 500000 which is remarkable figure in itself.



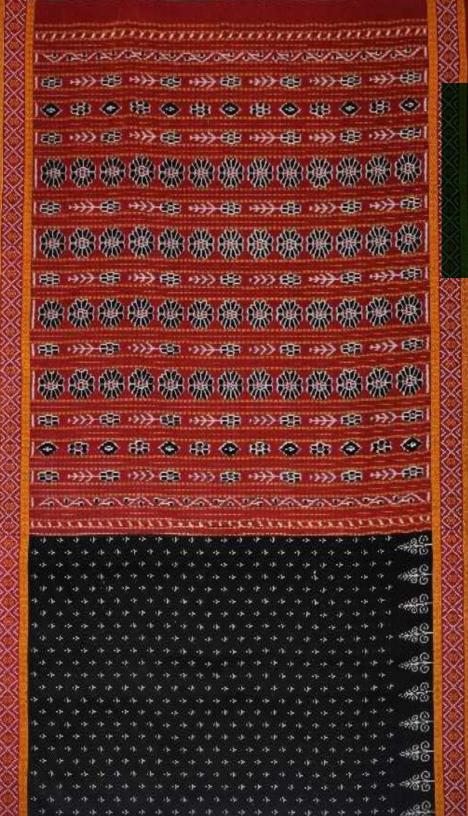
<b>Product diversification</b>	5	10
Design diversification	10	20
Membership	100	350
Equity	100000	500000
Sales i.e Turnover in lakh	7.00	23.00
Average Income per Month	Rs 4000	Rs 5000
Awareness on the marketing	Nil	Completely aware. Market
of the products	1111	demand based production
Infrastructure created	Nil	4 Looms from grant
Infrastructure created	Nil	30 Looms



- Four looms (one Jacquard fitted) are purchased from NABARD support which is kept at first floor of office building used for training of new members
- The OFPO was given opportunities to sales is produced in NABARD's stall in mall programme organised in the prestige Esplanade to DN Regalia mall of Bhubaneswar.
- Skill development on both product and design diversification.









## Kendujhari Handloom Producer Company Ltd, Keonjhar

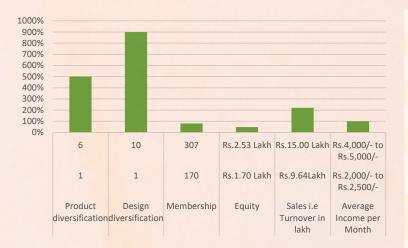
### **Contact Details**

Mr. Babun Mohanty, +91 94371 69743 babunassa@rediffmail.com

- Around 75 household are involved in handloom activity which is providing them meaningful employment round the year.
- 70 looms mobilized by OFPO.
- Products Saree, Lungi, Stole, Towel, Bedsheet, Handkerchief etc.
- Stole, Towel are most sold items which having a very good demand for customers.

#### Benefits accrued to the artisans after the formation of the OFPO

- Revival of old tribal handloom design and improvisation of conventional method of manufacturing sarees.
- Doubled the monthly income of the artisans.
- Introduction to new market places, exhibitions and fairs not only provided boost in sales but also helped to learn modern state of art technology.
- Elimination of middlemen saving the artisans from exploitations.
- Increase in equity and members of the OFPO.



Parameter	Then	Now
Product diversification	1	6
Design diversification	1	10
Membership	170	307
Equity	Rs. 1.70 Lakh	Rs.2.53 Lakh
Sales i.e Turnover in lakh	Rs.9.64Lakh	Rs.15.00 Lakh
Average Income per Month	Rs.2,000/- to Rs.2,500/-	Rs.4,000/- to Rs.5,000/-
Awareness on the marketing of the products	Nil	Completely aware. Market demand based production
Infrastructure created	Nil	Nil



- Assistance for Mobilization, Formation, Registration of OFPO
- Working capital assistance to start production, infrastructure assistance in form of CFC, New looms for better production of handlooms products which will help artisans in having collective bargaining power for reduced input costs and better sales.
- Skill development on both product and design diversification.









## Abhiyan Crafts Producer Company Ltd, Kandhamal

## **Contact Details**

Mr. Debashis Mohanty, +91 83288 99043 debashismohanty31@gmail.com

- 90 households are dependent on this activity from Barakhama, Sudra, Mediakia villages of Balliguda block of Kandhamal district.
- Each member is able to make sales worth ₹ 7,000 to
  ₹ 10,000 more in a month.
- The project able to retain the rural youth in villages by providing alternate employment.

- Increase in the income of the artisans at the individual level from ₹ 1200 to ₹ 3500 per month.
- The machineries were also supported as part of the project which helped in better polishing of the products inturn getting better price for the goods.
- Revival of Tribal Dhokra Craft which not only provided identity to the craft but also organised the artisans community to organised sector
- Market Linkage and exposure visits to exhibitions, fairs
- Imparted new technology and skills.
- Exponential increase in the turnover of the cluster from ₹ 4 Lakh to ₹ 15 Lakh.





Parameter	Then	Now
Product diversification	20	70
Design diversification	10	30
Membership	40	303
Equity	Rs50 Lakh	Rs.1.51 Lakh
Sales i.e Turnover	Rs.4 Lakh	Rs.15.45 Lakh
Average Income per month	Rs.1200/- to Rs.1500/-	Rs.3200/- to Rs.3500/-
Awareness on the marketing of the products	Nil	Completely aware. Market demand-based production
Infrastructure created	Nil	Few machines supported.



- Common facility center for production of black dhokra items.
- Infrastructure and working capital support to commence the production.
- Skill development on both product and design diversification.





## Kalapunaruthan Producer Company Limited, Rayagada

### Contact Details

Mr. Debendra Mishra, +91 70776 45474 msfdebendra@gmail.com

- 85 households are dependent on this activity from Jigidi and Gatiguda villages of Rayagada district.
- Training has been provided to artisians.
- OFPO has appointed an exclusive marketing person in addition to CEO
- Proper books of accounts are maintained and OFPO has GST number.

- Training in the design and product diversification has augmented the manufacture of new products and income enhancement of entire village and Opened up gates to pool of markets inside and outside state
- Increase in the income of the artisans at the individual level from ₹ 3,000 to ₹ 10,000 per month.
- Increase in equity and membership.
- Revival of Tribal Dhokra Craft and jewellery which not only provided identity to the craft but also organised the artisans community to organised sector.
- Market Linkage and exposure visits to exhibitions, fairs.
- Exponential increase in the turnover of the cluster from ₹ 4 Lakh to ₹ 20 Lakh.



Parameter	Then	Now
Product diversification	25	80
Design diversification	15	40
Membership	25	274
Equity	Rs.1.00 Lakh	Rs.4.20 Lakh
Sales i.e Turnover	Rs.4 Lakh	Rs.20.20 Lakh
Average Income permonth	Rs.3,000/- to Rs.4,000/-	Rs.8,000/- to Rs.10,000/-
Awareness on the marketing of the products	Nil	Completely aware. Market demand based production
Infrastructure created	Nil	Solar Buffing machines supported.



- Presevation of trival Dhokra crafts by forming this OFPO.
- Assistant for Mobilization, Formation, Registration
  of OFPO
- Skill development on both product and design diversification.
- Nomination for prestigious national level fairs and exhibitions like Mahalakshmi, Saras mela in Mumbai, Surajkund mela, Delhi haat, Decan haat etc.







## Jagannath Hensuati Producer Company Ltd., Bhadrak

### **Contact Details**

Mr. Laxmidhar Mallick, +91 88478 00542 laxmidharmalik802@gmail.com

- Hensuati earlier not been recognised as a craft in the directory of handicraft department with this initiative, Hensuati notified as handicraft item through official gazzet
- Earlier women did not do much work in Hensuati. But after interventions a women based Hensuati Company was formed.

- Renaissance of Hensuati craft
- Better price realisation through improved design for household items.
- Provided gainful employment to women of the nearby villages in OPPO operation area.
- Increase in the average income of the artisans per month from ₹ 1000 to ₹ 1300 at the individual level.
- Increase in the turnover of the products manufactured in the cluster nearly 5 times.
- Increase in the equity of the artisans which is being used as a working capital from ₹ 1 Lakh to ₹ 5 Lakh



Parameter	Then	Now
Product diversification	5	10
Design diversification	10	30
Membership	100	311
Equity	1.00 Lakh	5.00 Lakh
Sales i.e Turnover in lakh	3.00 Lakh	16.08 Lakh
Average Income per Month	1000Rs	1300 Rs
Awareness on the marketing of the products	Nil	Completely aware. Market demand based production
Infrastructure created	Nil	Nil



- In addition to support for formation and registration the OFPO provided with modern machines required to stitch hensuati products
- Capacity building of members for new designs on both product and design diversification.
- Nomination for participation in national level exhibition and fairs.









# Bijepur Handloom Producer Company Ltd., Bargarh

## **Contact Details**

Kanhu Charan Majhi, +91 99372 20386, +91 79785 27954 debadattaclub@yahoo.co.in

- OFPO have covered 12 villages in 10 KM radius and mobilized 585 shareholders.
- OFPO has helped more than 500 households in 12 villages.
- For marketing OFPO devised a strategy for weekly collection of products from its members and selling to venders on a forthnightly basis. Advance payment of 50% of the procured value paid to the members to take care next production cycle.

- Equity of OFPO increase 5 times were as membership increased 6 times.
- Doubled the turnover of the products manufactured in the cluster .
- Bandha saree produce by the OFPO brought fame to the handloom community.
- Organising small and dispersed artisans into a formal body
- Introduction to modern infrastructure increased average income of the artisans and training on new technology enhanced product diversification
- Increased the market outreach of the products manufactured by the artisans. The artisans knowledge about the markets have improved to a large extent after the formation of the OFPO.





Parameter	Then	Now
Product diversification	2	3
Design diversification	10	15
Membership	100	585
Equity	100000	500000
Sales i.e Turnover	1000000	1963800
Average Income per month – Six months' time.	7000/-	7600/-
Awareness on the marketing of the products	Nil	Completely aware. Market demand based production
Infrastructure created	Nil	Under Process



- Assistance for formation and registration, provision for working capital to maintain a sustainable production cycle.
- Capacity building of members for design diversification.
- Support in marketing through nomination for various a state level and national level fairs.





## Subarnapur Terracotta Producer Company Limited, Subarnapur

### **Contact Details**

Mr. Prameet Kumar Rana, +91 93482 60361 info@kumbhsala.com

- 100 households are dependent on this activity from Tarva block of Subarnapur district.
- Artisans sell their articles in good quantities directly in craft fairs, public exhibitions and weekly markets throughout the year.
- Machinery has been provided to members for making terracotta molds.
- Artisans of Tarva block are using fine clay from river bank of Tel, Mahanadi and Anga, Suktel available with in 5 to 10 Km. from their village. The other material 'Majan' the coated clay is also available and collected from nearby places of their villages. The firing materials like straw, firewood, dry leaves, dry branches & twigs, etc are easily available locally in all the villages. This way all the material localy available used for income generating activity

- Brought new ray of hope in field of Terracotta arts and crafts.
- Market exposure and trainings helped artisans to learn new skills and enhance their income.
- Increase in the turnover of the products manufactured in the cluster from ₹ 1 Lakh to ₹ 3 Lakh.
- Increase in the equity embership.
- Digistisation of records and transactions .
- Website based value chain/ Billing process.



Parameter	Then	Now
Product diversification	20	30
Design diversification	15	30
Membership	121	237
Equity	Rs.1.00 Lakh	Rs.4.64 Lakh
Sales i.e Turnover	Rs.1 Lakh	Rs.3.00 Lakh
Average Income per month	Rs.3,000/- to Rs.4,000/-	Rs.5000/- to Rs.7000/-
Awareness on the marketing of the products	Nil	Completely aware. Market demand based production
Infrastructure created	Nil	Solar Buffing machines supported.



- In addition to assistance provided for formation, registration, the OFPO also supported with solar powered potter wheels which is non polluting and reducing the human drudgery
- ₹5,00,000/- working capital loan from Nabkisan to expands it activites.
- Skill development on both product and design diversification in collaboration with National Institute of Design Kolkata.

## WAY FORWARD

- All artisans tasted success with this intervention and more artisans are now coming to the OFPOs fold.
- The revenue of OFPOs are growing at a faster pace which is likely to multiply many folds in next few years.
- This help in unity the artisans in a common thread of their rich culture and thereby preserving the near extinct art.
- This initatives aims to attract the future generations to take up this act in a commercial scale for livelihood.
- It helped in increasing the wages of artiteens and consulidating thir effort in an organisied manner.
- Bring a change in the thought process of artisans and increase their self-esteem boosting their confidence.
- Focus on Packaging and branding.
- Onboarding to E- commerce and E-marketing Platforms like ONDC Amazon, Flipkart etc.
- Linking with payment gateways to ensure digital transaction and transparency
- Sectoral approach to cater unidentical requirements of individual sectors to help creation of common facilities required by indivisual sectors.
- Improvement branding and packaging for better price realisation.
- More initiatives like One Station One Product (OSOP) which Odisha regional office launched in collaboration with Eeast Cost Railways for better marketing.

## CONTACTS

Name of OFPO	Contact Person Name	Mobile Number
Dunguripalli Bunakar Producer Company Limited	Radhakanta Mahananda	7894734065
Tanta Gatha Women Producer Company Limited	Ms.Yajnaseni Dasmangaraj	8117852959
Kalabhaskar Producer Company Limited	Mr. Laxmikanta Mohapatra	9827507077/7008116430
Biraja Handloom Producer Company Limited	Mr. Ranjan Ku. Guin	9937150233
Kendujhari Handloom Producer Company Limited	Mr. Babun Mohanty	9437169743
Abhiyan Craft Producer Company Limited	Mr. Debashis Mohanty	8328899043
Kalapunaruthan Producer Company Limited	Mr. Debendra Mishra	7077645474
Jagannath Hensuati Producer Company Limited	Mr. Laxmidhar Mallick	8847800542
Bijepur Handloom Producer Company Limited	Kanhu Charan Majhi	9937220386 / 7978527954
Subarnapur Terracotta Producer Company Limited	Mr. Prameet Kumar Rana	9348260361

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