



PRODUCER GROUP



OPERATIONAL MANUAL

VAAZHNDHU KAATTUVOM PROJECT



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Abbreviations

BOD	Board of Directors
CLG	Common Livelihood Groups
CIG	Commodity Interest Group
CFS	Community Farm School
CSS	Community Skill School
DPMU	District Project Management Unit
ECP	Enterprise Community Professional
EG	Enterprise Group
OB	Office Bearers
PC	Producer Collective
PG	Producer Group
PE	Project Executive
PLF	Panchayat Level Federation
NABARD	National Banking for Agriculture and Rural Department
SHG	Self Help Group
SFAC	Small Farmers Agri Business Consortium
SPMU	State Project Management Unit
VKP	Tamilnadu Rural Transformation Project
TNSRLM	Tamilnadu State Rural Livelihood Mission
VPRC	Village Poverty Reduction Committee
BOD	Board of Directors
CLG	Common Livelihood Groups

Chapter 1

INTRODUCTION TO THE PROJECT

1. Introduction to the Project

1.1 Background and Context

Tamil Nadu, is one of India's most progressive States and is among the top three States on several economic and social indicators. The State contributes 8.55 percent to India's Gross Domestic Product (GDP), making it the second largest contributor to India's GDP during 2017-18.

In farm sector, Food grain production in the State surpassed 100 Lakh Metric Tonnes, sixth time in a row for the past eight years. Tamil Nadu is first with respect to area, production and productivity of tapioca crop, spices and tamarind. Also, Tamil Nadu takes the third position in area 134 and production with respect to turmeric and coconut. Tamil Nadu also retains top position in terms of production of flowers and takes the third position in the area under cultivation of loose flowers. Tamil Nadu ranks fourth in the area and production of banana. Tapioca, onion, tomato, Brinjal and ladies' finger are the main vegetables grown in Tamil Nadu. Tamil Nadu produces 17.46% of the loose flowers in the country and continuously stands to be the leading producer at all India level. Dharmapuri, Salem, Dindigul, Krishnagiri, and Tiruvannamalai Districts play a vital role in flower production. Mango (52%) and banana (28%) are the leading fruit crops in Tamil Nadu contributing more than 80% towards total area under category offruits.

so, the Micro, Small and Medium Enterprises sector in Tamil Nadu is one of the strongest in the country and

provides an efficient supplier eco- system for the major industries.

1.2 Introduction to Tamil Nadu Rural Transformation Project (VKP)

Vaazhndhu Kaattuvom Project (VKP) is a transformative project that looks beyond poverty alleviation by building sustainability and prosperity of rural communities through enterprise promotion, access to finance and employment opportunities. The project designed to build on the investments made by Tamil Nadu Empowerment and Poverty Reduction Project (TNEPRP), Tamil Nadu State Rural Livelihood Mission (TNSRLM) and National Rural Livelihood Project (NRLP) since 2005 and 2011 respectively. These projects enabled vulnerability reduction through building strong community based institutional structures.

The Project Development Objective (PDO) is to "Promote rural enterprises, access to finance and employment opportunities in selected blocks of Tamil Nadu". The VKP is operational in 26 districts specifically focusing on 120 blocks and 3,994 village panchayats of Tamil Nadu.

1.2.1 Project Beneficiaries

The project primarily target the beneficiaries of the project is the SHG households, created in the previous projects; the focus will be on women, scheduled tribes, scheduled castes, differently abled, youth and aspiring entrepreneurs.

The beneficiaries will be producer households,

aggregated into producer groups/producer collectives and individual entrepreneurs across farm and non-farm sectors in the selected project blocks. with basic level of assets, resources and skills; and focusing on women, scheduled tribes, scheduled caste, youth and differently-abled persons.

The project targets to reach a total of 411,620 individuals, out of which 325,000 individuals will be organized into Producer Collectives (PCs), Producer Groups (PGs) and Enterprise Groups (EGs). The project plans to promote 6000 PGs, 1000EGs and 50 PCs.

PROJECT TARGET BENEFICIARIES

Group enterprises	5,000 Producer groups - each PG to have an average of 60 members	3,10,000
	1,000 Enterprise groups - each EG to have an average of 10 members	
Individual enterprises	6,000 Nano Entrepreneurs	93,682
	500 Micro Entrepreneurs	
	120 Small Entrepreneurs	
Skilling	40000 Individual Beneficiaries through convergence and 40000 through CSS	80,000
Total		4,83,682

1.3 ENTERPRISE PROMOTION IN THE PROJECT:

The project aims to promote Individual and Group Enterprises in the targeted blocks

1.3.1 Enterprise?

Enterprise is as an activity or set of activities involving production of goods and services with the objective of earning a profit. There are four types of enterprises in rural areas which are production, processing/ manufacturing, trading and services.

Types of Enterprise	Description
Production	Production goods for Selling eg. Growing fruits and vegetables, livestock rearing
Processing	Converting produce into value added product eg. Fruits into jams
Trading	Buying and selling of same produce and product e.g wholesale and retail market
Services	Main line of business is providing a support service eg. Packaging

1.3.2 Collective Enterprise?

Collective Enterprises are collectives of producers involved in a set of activities involving production of goods and services with the objective of earning a profit

1.3.3 Types of Collective Enterprise

Three types of collective Enterprise will be promoted through the project which is detailed as below:

- i) Enterprise Groups
- ii) Producer Groups
- iii) Producer Collectives/FPOs

Out of the above mentioned three categories of group enterprises, the first two categories of group enterprises are primary groups formed at the village level and the third category of group enterprises will be a federation of producer groups at the block level

i) Enterprise Groups (EGs)

“A group of members having joint ownership and control over the business activities with shared profit and Loss”. These groups will have a membership range of 10 to 30.



ii) Producer Groups (PGs)

“A group of producers engaged in a particular commodity/ subsector in a village who come together for aggregation, productivity enhancement and other collective actions”. The membership size would range between 30 and 150.



iii) Producer Collectives-

Producer Collectives are “formal higher level collective of producers for aggregation, value addition, marketing and service provisioning for economies of scale”. The membership is usually ranging between 500-5000 producers and for certain commodities and in sparsely populated tribal areas the size of the PC may be as low as 300 producers.



1.3.4 Differences between Enterprise Group, Producer Group and Producer Collective:

	EG	PG	PC
Activities	Joint Production Marketing activity	Produce Individually but market their outputs Collectively	Higher level of Enterprises for and economies of scale, mostly out of Producer Groups
Asset ownership	Joint	Individual along with common assets	Common
Membership	10-30	30-150	300-2000
Relationship with PC	Not part of producer collective	Mostly part of producer collective	-

These collective enterprises in VKP will be focused on Women and will be formed on prioritized commodities Farm, Non-farm and off-farm activities.

Chapter 2

OVERVIEW OF PRODUCER GROUPS (PG)

2.1 Rationale- Need to form a producer group

The context of the small and marginal farmers in the Tamil Nadu rural agricultural setting is very challenging. According to the Agricultural census, 2015-16, over 80% of farmers were small and marginal (with area less than 1 ha) who operated 35% of the total area. The major issue faced by the farmers is the viability of farming due to small farm size, a lower competence in terms of information, knowledge and technology and less organizing capacities. Also, the gap between the farm gate prices and market prices has widened over the years. These factors are causing an increase in the per unit cost of cultivation and declining/negative profit.

The major challenges and constraints faced by the producers are detailed as given below:

1) Production Challenges:

Timely supply of inputs like seeds, credit, fertilizers at an affordable cost is a major challenge for the farmer

2) Lack of Basic infrastructure:

Many of the villages lack the basic storage and post-harvest infrastructure facility which makes it difficult for producers to keep the agricultural produce for sale at a later time with better prices.

3) Lack of access to financial and market services, information and Technology:

As individual producers, they often face challenge to participate and compete in market

place due to lack of capital, technical skills, small scale of operation, access to technology, information and market services

4) Low profitability for their produce:

When profit margins are high; middle man often visit the villages and collect the produce at a pre determined price, however during the low price situations, farmers find it difficult to sale out the products as visit of middleman is less due to low profitability for them.

To address these multifaceted issues of producers, there is a need for collectives of small and marginal farmers which will reduce the costs of marketing of inputs and outputs and also provide a forum for members to share information, coordinate activities and make collective decisions at village level.

These organizations could benefit individual producers by collective decision making, enable access to services and serve as a point of aggregation which are as detailed below:

1. Buy inputs at a lesser cost

By buying in bulk, the group can get discounts from suppliers and share transport costs.

2. Bulk aggregation of produce.

Most small-scale producers are unable to get a good price for their produce because they are unable to access markets which offer higher prices. By Bulk aggregation, PGs can enable better prices by achieving the scale necessary to deal with buyers in these markets.

3. Better Access to finance.

Financing is a key challenge for small and marginal farmers, PGs can access finance through convergences and bank linkages

4. Utilizing Common Group Infrastructure

PG can create Common infrastructures like drying yard, storage facilities, machineries (Customer Hire Centers)

5. Production planning, Quality Management and traceability

PG facilitates a coordinated planning, monitor the quality standards and traceability of the produce.

6. Improved access to technologies

PG could link with technological institutions for improved *technologies and training to its members.

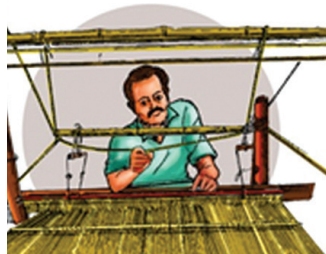
Before going into the PG it is better to understand primary producer”

2.1.1 Primary producer

A producer is any person who is engaged in any activity connected with or relatable to primary produce.

2.1.2 Primary produce

Primary produce essentially means the procedure of farmers which arises from agriculture, animal husbandry, horticulture, floriculture, fisheries, forestry, forest products, re-vegetation, beekeeping and farming plantation products. It includes the produce of persons who are engaged in handloom, handicraft or other cottage industries.



AGRICULTURE PRODUCTS

2.2 Producer Group

PG is a group of *primary producers engaged in a particular commodity/ subsector in a village or cluster of villages who come together for aggregation, productivity enhancement and other collective actions. The producer groups will be organized when there is opportunity of collectivization, aggregation, value addition and marketing of Farm commodities (like Maize, Millets, Vegetables, Pulses, NTFP and Oil Seeds) or Off- Farm (Milch animals, Goatery).

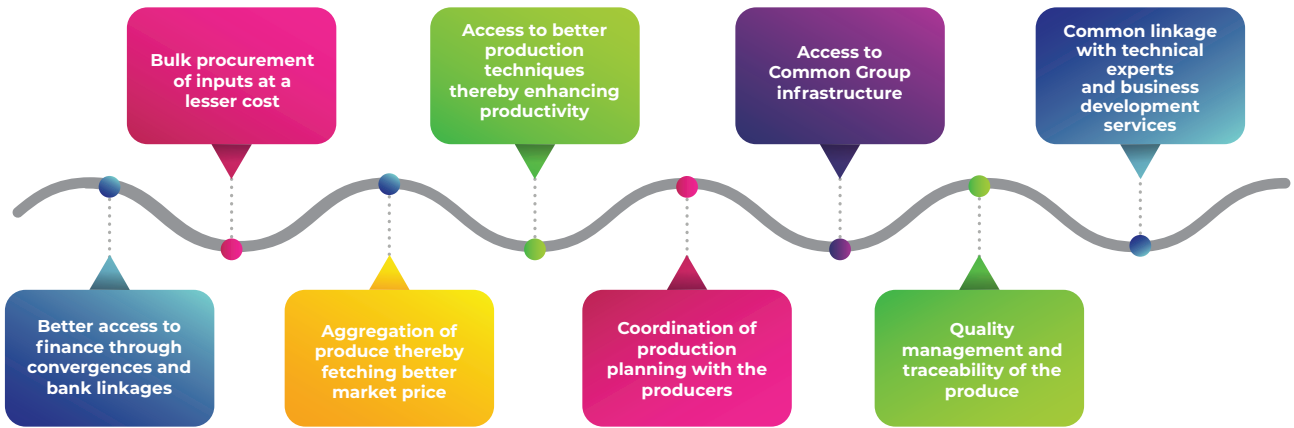
- Primary Producers are producers are dependent on natural resource base for their livelihoods and engaged in the primary production viz., farmers, milk producers, fishermen, weavers, rural artisans, craftsmen.

2.2.1 PG Objective

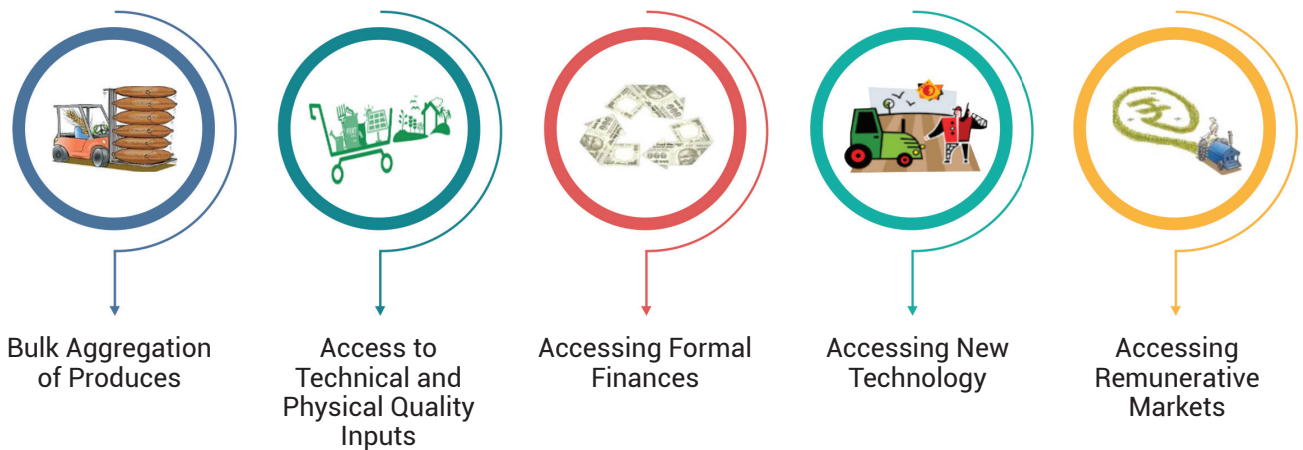
The basic objectives of the PG is to improve the productivity, profitability and thereby increasing the income of individual producers

2.3 Activities undertaken at PG level

Producer Groups are formed at the village level to undertake the following activities.



2.4 Role of PG is depicted as below:



2.5 Essential features of a PG

A producer group is owned and managed by the *primary producers for their mutual benefit to access common facilities like infrastructure, capacity building, hand-holding, financial support & markets linkages on a sustainable basis.

- PG is the primary level body at the village level
- The PG is owned by the members themselves
- Primary producers are the members of the group.

- The PG activities are related to the primary produce/product
- PG produce individually but sell their produce collectively
- Works for the benefit of the member producers.
- The Producer groups will be mostly informal and linked to a Producer Collective/FPO
- PG will adopt ecological practices in its operations.



2.7. Group size

- The membership size for PGs should be minimum 30 and maximum of 150.
- In Tribal and hilly areas, the minimum membership in the PG could be 15.

Chapter 3

PG FORMATION AND AND FUNCTIONING PROCESS

3.1 Pre-Formation of Producer Groups (PGs)-Activities

The following activities are undertaken before the formation of Producer Groups:

1. District Diagnostics Study (DDS):

This is done by the district Project team to assess the potential Farm, Non-farm and Off-farm commodities in the district.

2. Prioritization of select commodities:

Based on the DDS the district project team priorities the select commodities in the district based on the scope of the commodities

3. Value Chain Analysis (VCA) in the Prioritised commodities:

A detailed VCA is conducted in the prioritised commodities. The possible interventions and the enterprise opportunities are identified in the VCA studies

4. Participatory Growth Plan:

Based on the enterprise opportunities a Participatory Growth Plan is conducted at the village level by the block team along with the VPRC and PLF. During the process the validation of district data is done and also the scoping of potential commodities, producers and entrepreneurs, the existing groups is done.

5. Training of Enterprise CPs

Before the formation of Producer Groups, the Enterprise CPs who would be involved in the formation and functioning's would be capacitated. ECPs would be trained by the District team in the following w.r.t the PGs:

- Identification and mobilization of new producers into PGs
- Activity plan development support to PGs
- Capacity Building of PGs
- Hand holding of PGs
- Facilitating linkages with Technical Institutions and technical experts
- Facilitating Financial linkages
- Meeting the safeguards requirements and ESMF measures

3.2 Formation of Producer Groups (PGs)

3.2.1 Focus Group Discussion with the Producer Members

The Block team and ECPs are the key persons in promoting the FIGs/PGs at village/habitation level. After completing PGP exercise a focused group discussion with the identified producers should be conducted by the ECPs and the Block team.

A meeting of all the producers in the village is organised and focused group discussion with the producers is conducted to facilitate about the following,

The ECP will brief about the prioritized commodity and the possible value chain interventions that could be made through the project.

- 01 The prioritized commodity and the possible value chain interventions that can be developed through the project.
- 02 The Possibility of productivity increase and income gain from the value chain interventions.
- 03 Need for the group and expected role and benefits of the PG.

Through the discussion, the ECP has to gauge whether the producers are interested to work in the prioritized commodity and the possible value chain interventions that could be made in the particular commodity.

- If the prioritized commodity is present in the village, then the CP conducts a focused group discussion with the producers to assess the interest of the producers, scope for income enhancement and marketing linkages
- If the prioritized commodity is not present in the village, then the CP does a viability assessment of the major commodity in the village and follows it with FGDs with the producers.

The ECP/project team should encourage the women membership and participation in PGs. In Traditional activities like livestock rearing or floriculture the involvement of women is high. All women should be included as PG members for these kinds of traditional activities. If the activity is non-conventional (Eg:

Operating agricultural machineries), proactive measures will be taken by the ECPs to motivate, train and engage women in such activities , and production activities are to be discussed by group members.

The following set of measures could be adopted so as to ensure and support women to participate fully.

- The meetings time and place could be chosen to suit the women the best and thereby they can attend.
- The women may be encouraged to participate and speak in the meetings
- Separate Groups of women can be very effective, especially in managing money and handling familiar subjects.
- Specific training and responsibilities could be given to women and responsibilities to build women's confidence
- Men could be sensitized to understand the situation and potential of the women

3.2.2 Approaches in PG formation

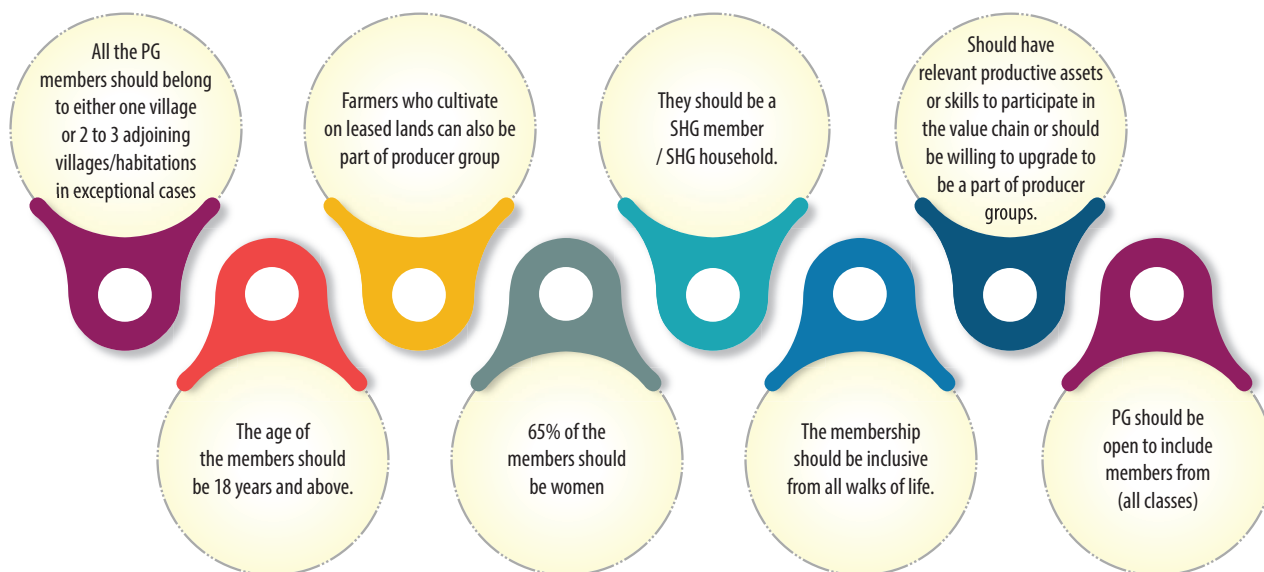
In VKP project, PGs will be formed with two approaches as follows,

1. Direct approach
2. Aggregating of FIGs/Subgroups approach.

I. Direct Approach

Under this approach, The project team will mobilize the producers identified through PGP exercise. Producer Groups will be directly formed with 30-150 members. Producers working on the same commodity /subsector will be mobilized and organized to form a Producer Group from one Village Panchayat. If it is lesser in number adjoining village panchayats may be added to form PG.

a) Membership Eligibility Criteria



b) Collection of membership fee and share amount

- Each member should contribute Rs.100/- as one time membership fee and Rs 100/- towards annual subscription which is non-refundable. The annual subscription fund will be used to meet their operational expenses.
- Membership fee should be collected within a month of PG formation. From this amount, Bank account will be opened.
- When the activities of PGs are increasing, the PG may be federated with the PC. At this point of time, a sum of Rs.1000/- may be collected as share capital from members. The share capital represent a form of member's commitment to the PC and it defines each member's stake in PC.
- The share amount of Rs.1000 per member can be collected in four installments but not exceeding two months.
- Share amount should not be used for internal lending. It should be kept in account and transferred to the PC bank account at the time of registration of the PC.

The PGs are the building blocks of higher level of collectives, the PCs (Producer Collectives). PC is a three-tier structure with primary producer at the bottom of a pyramid aggregated to form PG at the middle level. The PC at the apex level will undertake aggregation, value addition, marketing activities for economies of scale. The PG acts an informal

institutional intermediary between the individual producers and the PC in which the primary producer has stock and stake. Hence the participation of an individual member's in a PG is very crucial for the effective functioning of both PG and the PC.

c) Roles and Responsibilities of PG members

- Attending meetings regularly.
- Participating actively in the group decision making.
- Selecting office bearers.
- Paying subscription fees as decided by the group.
- Participating in PG level trainings.
- Help in developing PG plans.
- Utilizing the services of the PG.
- Buying inputs from PG.
- Produce as per the PG plan.
- Supplying his/her produce to the group.
- Evolving group norms and abiding to the norms.
- The members role in a PG can be increased in a PG by
- Developing a shared vision and goals among the members
- Sensitising on their roles and responsibilities
- Motivating them to participate in the PG meetings
- Engaging the members in the PG activities

- Constantly upgrading their present knowledge and skills
- Sharing the benefits of the PC/PG to the member
- Sharing the PG/PC decisions, business operations in PG subgroup and GB meetings

d) Group size

- The membership size for PGs should be minimum 30 and maximum of 150. The membership size has taken account the number of producers in a village and the effective number with which they can operate. The optimum size for a livestock PG may be kept low and for farm level the number can be more
- In Tribal and hilly areas, the minimum membership in the PG could be 15. In Tribal and hilly areas the number of producers in a village is very sparse and the villages are also dispersed. In such tracts the number of member producers is lowered

e) Steps for promotion of PG

- Focus Group Discussion with the Producers- After the completion of PGP process, the ECP/Block team should convene a meeting of all the producers/ entrepreneurs in the village and have a Focus group discussion with the producers to brief about the prioritized commodity and the possible value chain interventions that can be developed through the project. The ECP also explains on the possible income enhancement through the value chain interventions. The interested producers are mobilized to form a PG by the ECP/Block team.
- ECP/Block team should brief about the aims, objectives and norms of the Producer group.
- The ECP/Block team should help in framing of the rules and bye laws based on the PG guidelines framed by the State team.
- This should be followed by the selection of office bearers and the formation of Executive Committee (The formation of Executive Committee formation is explained in detail in the next section)

- The ECP/Block team should facilitate the opening up of a savings bank account
- The bank account should be opened in the name of the PG which will be operated by the president, secretary and treasurer of the PG. From the three office bearers two of them either president/secretary and treasurer should be the authorized cheque signatories for the PG Bank account.

The ECP/Block team should report the PG formation to the VKP BPMU along with the following support documents. The templates for PG formation resolution copy and member profile are given in the annexure()

1. PG formation resolution copy
2. Member profile
3. Bank account copy in the name of PG
4. The DPMU will give code number to the PGs. Example could be derived from MNREGS in which a four- letter coding is adopted. The first one represents the District, second one the Block, the third one panchayat and the fourth will represent the PG.
5. They should also maintain a Panchayat wise separate register for this purpose.

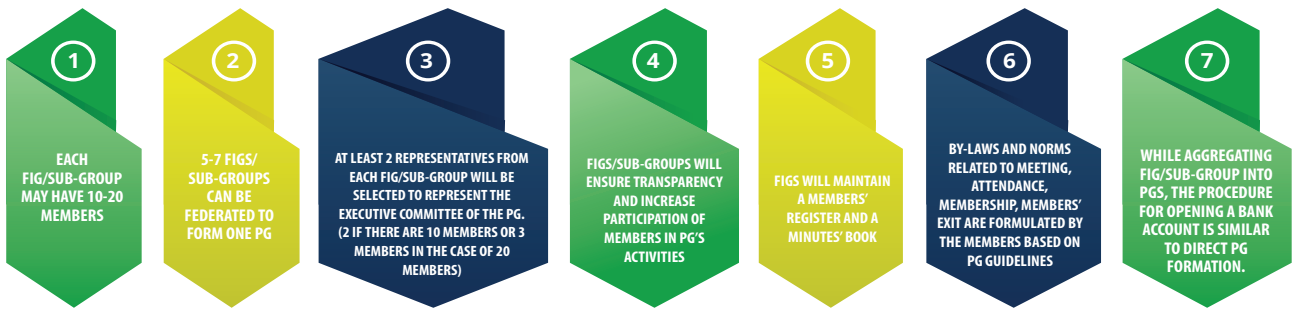
II.Sub Group / Farmer Interest Group (FIG) approach:

Every PG has to have a sub group. In case there are several FIGs, they have to be consolidated to a single PG in one village.

Farmer Interest Group (FIGs)/Subgroup: A collective of 10-20 farmer producers engaged in a particular commodity may form a FIG/Subgroup, generally at the village level. This will primarily serve the purpose of aggregation, productivity enhancement at producer (member) level.

PGs: Five or more existing FIGs/Subgroup may be federated to form a Producer Group (PG) covering one village or 2-3 adjacent villages (in exceptional cases). These are formed to undertake primary level aggregation and value addition activities at the village level.

Formation of Producer Group by aggregating FIGs / Sub Groups



3.2.3 Existing PGs

a) Supporting Existing PGs/Integrating new members in Existing PGs:

The ECP would hold a separate FGD in a village with the existing Producer groups who were identified during the PGP process to assess the strength of the group and in terms of governance, the activities and financial health, strengthened and integrated into the project.

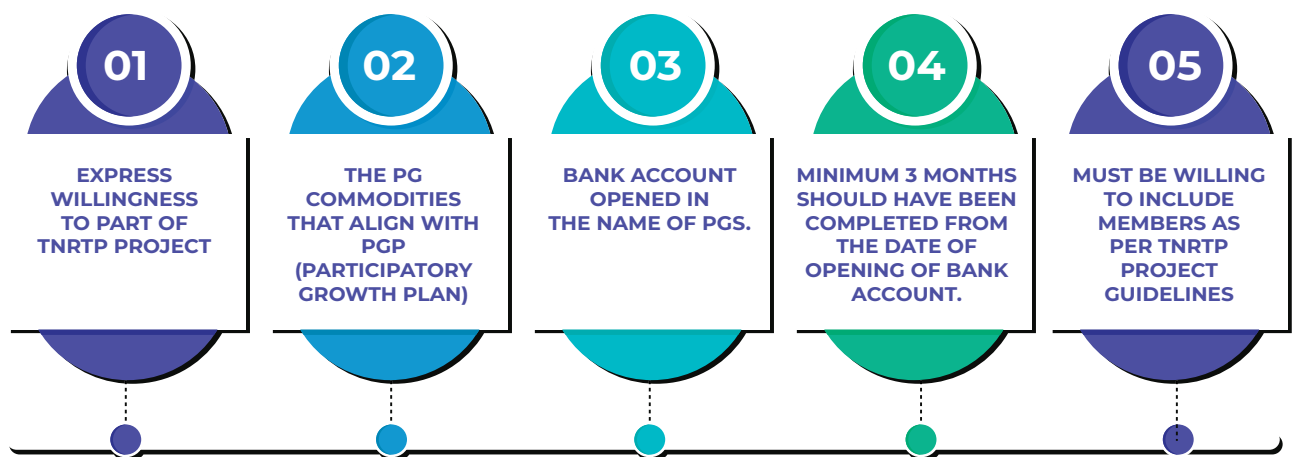
The following key points are to be discussed during the FGD process:

- The prioritized commodities and the value chain opportunities in the commodities

- The possible income enhancement possibilities through the interventions
- Steps, requirements and processes to integrate with VKP project.

Existing Producer Groups which are formed by Agriculture, Horticulture, TNSRLM, NABARD and NGOs or self-promoted and functioning in the VKP area are considered as existing PGs. The existing Producer groups in a village that are identified during the PGP process and who are willing to be part of the project would be considered for integration.

b) Criteria for Supporting Existing PGs



c) Steps for Supporting Existing PGs

- Focused group discussions with willing PGs at panchayat level by the ECPs on the PG guidelines and adopting resolutions in their meetings
- The PG details, bank account details, and member profile and resolution copy will be submitted to the project team at the District level by the BPMU and PG.
- An assessment of the PGs is conducted by the ECP/BPMU using PG grading tool for further assistance.

3.3 Growth Stages of PG:

The process of group formation takes a period of 3 months. Once the group is formed, it takes six months to settle to a stable pattern. Initially the group takes time to understand the group concept like membership, leadership, organising meetings and book keeping. This would be followed by the selection of office bearers and the formation of Executive Committee. The different stages in PG Building Process are described in the Table (i) given below:

Table(i) PG- Different Growth Stages

(i) PG- Different Growth Stages and Project Role (DPMU/BPMU)

Stage	Crop cycle	Milestones to be achieved	Project Role (ECP/Block Team)
Start up (3 to 6 months of the group)	1 Cropping seasons of production cycle	Institutional	Initiating and leading
		Group formed	Intensive involvement – at least once a week.
		Decided on rules	Regular physical visits to get to know the producers.
		Choose leaders	Learning about their farming and production systems,
		Regular meetings,	Assist in integrating with Producer Collectives
		Establishing systems of meeting and record keeping	Assist in identifying markets, opportunities, tie up with technological and financial institutions
		Activity planning	Assisting in Production Planning and coordinating the PG activities.
		Business:	
		Initiating the 1 st PG business cycle based on an activity plan	Conducting Community Farm School(CFS) and training on production technologies
		Collective input purchase and marketing	Maintaining production discipline
		Integrated with PCs	Support in implementing and monitoring
Producers realize the benefits of aggregation	Follow up on progress.		
Growth (6-12 months of the group)	2 seasons or cycles	Institutional	Guiding and assisting.
		Review and evaluate business activities	Less intensive and less frequent.
		Builds on initial achievements.	Training on new skills.
		Establishes working procedures.	Planning and managing production data
		Support the PG leadership in conflict resolutions	Support in implementing and monitoring
	Business		

Stage	Crop cycle	Milestones to be achieved	Project Role (ECP/Block Team)
		Engages in PG activities	
		Stabilising the PG activities and coordinating the production planning with members	
		Technological trainings to individual producers	
Maturation (12-24 months of group)	2 seasons or more cycles	New Activity plan	Advising and coaching.
		Group has established strong relations with other stakeholders	Preparing the group to work without the External support
		Can resolve most problems itself	Occasional visits as needed.
		Producers able to sustain the PG activities by themselves Scaling and expanding the business activities	

Chapter 4

LEGAL STATUS

The Producer groups will be mostly informal (legally not registered) since the Producer Groups will be linked with the Producer Collectives and the producer collectives will be a legally registered body. Wherever the producer groups are standalone, operate on a scale and directly linked with markets, they may require formal registration based on need.

Chapter 5

PG GOVERNANCE AND MANAGEMENT

Governance broadly refers to the way in which organisations are directed, managed and held accountable for the control of their assets and resources.

Governance of member-owned organisations, such as PGs, can be very challenging but is very important for the long-term success and viability of the organisation.

Good governance is generally characterised by principles such as equal and inclusive participation of members, accountability, transparency and the efficient enforcement of internal organisational rules and regulations.

The importance of good governance

In PGs, good governance structures empower all members to participate in a meaningful manner in the decision-making processes of the organisation. It allows members and other stakeholders to access information about the running of the organisation and the opportunity to express their views regarding the operation of the organisation. Governance structures should make sure that this information is easily available. Organisations with good governance structures can easily demonstrate that their financial resources and external funds are being managed responsibly. This gives external stakeholders and businesses confidence in the organisation, ensuring continued support.

Aspects of good governance

Good governance includes:

- **Regular, independent elections.** Group members periodically choose officers to lead the group.
- **Term limits.** These restrict how long a person may serve in the same office.
- **Transparency.** All information is open and freely available to all. For example, group meetings are open to all members, financial records may be reviewed by any member, and rules and decisions are open to discussion. When activities or decisions are transparent, it is more difficult for individuals to take advantage in their own interest.
- **A constitution.** The group should have a constitution that sets out its goals, functions and basic rules.
- **Bylaws.** The group may also decide on bylaws (internal rules) to say how it does particular things.
- **Record keeping.** Good records help the group monitor its progress, review discussions and agreements, keep track of expenses and earnings and prepare financial reports.
- **Good communication.** Good communication among group members helps them to participate in group activities and decision-making.

PG Governance:

The PG is governed by the Constitution which is framed by the members themselves at the time of formation

Need for a Constitution necessary in a PG

5.1 Importance of PG constitution

A constitution provides a clear and consistent set of guidelines to define each member's rights and obligations to the group. The constitution is meant only for the benefit and use of the members. It is made by the members and can only be changed by the members in the general assembly. A formal constitution is also required to open a bank account.

5.2 PG Norms and Rules

The Norms and Rules is decided when the group is formed based on the guidelines. Rules can be added or changed as new issues arise. It should include the goals and objectives, criteria for membership or removal, naming the group etc., Ref Annexure (I) for a sample Bylaw

5.3 PG Governance Structure

The PG will comprise of a General Body, an Executive Committee and Office bearers to govern and manage the PG effectively

5.3.1 General Body

The General Body will be the principal decision making body of the Producers' Group. All the members in the PG are considered as the members of the General body. The General Body should meet once in 6 months / agriculture season with a quorum of at least 2/3rd members.

5.3.2. Functions of General Body

The General Body will appoint the Executive Committee

The General body will approve the PG activity plan in annual general meeting

General body will verify and approve the financial statements in the annual general body meeting

GB can call meeting in case of any urgent need felt by the members and has the power to dissolve the executive committee

5.4. Executive Committee (EC):

Governance in a member based organization is difficult since engaging all the members in decision making, problem solving etc. will take lots of time and energy which will not be an easy job for the organization. To solve this issue, an executive committee will be formed.

5.4.1. Selection of Executive committee for the Producer Groups

1) For Direct Formed PG:

The GB will select the Executive Committee members directly for the PGs without any FIGs/ Sub- groups. An Executive committee of 9-11 should be selected through consensus and unanimously by the all primary producers in directly formed producer groups. Among the selected executive committee members, three members must be selected as office bearers to execute day to day activities of the producer group.

2) For PG formed by aggregating subgroups/FIG:

Two representatives from each sub groups will form the executive committee members of the PG. Total number of executive committee member will depend on number of PG members in the village. The Executive Committee shall meet at least once in each month. It will meet frequently at least once in a month in the initial days of PG formation. The Executive Committee shall have representations from all categories including SC/ST from the village. There is at least 65% of women representation in the PG EC.

- For PGs which have FIGs/Sub-groups, the executive committee will have representatives from different PG sub groups; it will ensure representation of primary member producers from all groups.
- Each FIG/sub-group will select two to three member representatives to form the Executive Committee.
- The Executive Committee will have 9- 15 members representing from different FIGs/ Sub-groups. The number of members in the Executive Committee will vary in proportion to the total members and total subgroups. (10-2, 20-3, >20-4).

- The GB will approve the Executive Committee formed out of these representatives from the FIGs/Sub-groups.
- The women members' representation in the EC will be the minimum of 65%.
- The Executive Committee will execute and govern the functioning of the Producer Group.
- The EC shall meet at least once in a month.
- The tenure of the EC will be three years and they cannot continue for more than 2 consecutive terms.
- To ensure that the vulnerable social groups are included, the Executive Committee should have a minimum representation of at least 1/3rd members from the vulnerable social communities like SC/ST and differently-abled.

5.4.2. Sub-Committees and Their Roles & Responsibilities

The PG executive body would also have Sub Committees undertaking certain functionary roles to have smooth operations. Each subcommittee will comprise of three members selected by the General Body. It should comprise of three members out of which two members should be selected from EC and one selected should be from the GB.

The tenure of the sub committees will be for two years and they cannot continue for more than 2 consecutive terms.

The different thematic Sub-committees and their roles can be as follows:

(a) Procurement Sub Committee

This sub-committee would be responsible for,

- Assessing the input needs and indent (fertilizers, seeds etc) of the individual producers and aggregate them to prepare an input procurement plan.
- Assessing volume of production

(b) Marketing Sub Committee

- Act as a liaison between the group and the PC for aggregation and marketing of produce.
- Arranging place for aggregation, sorting, grading, etc

(c) Planning and Monitoring Sub-Committee

This sub-committee would be responsible for

- Facilitate the formulation of activity plan
- Conduct of technical trainings
- Ensuring quality of the produce
- Meeting the ESMF requirements from the PG side.

5.5. Office Bearers

5.5.1. Office Bearers- Selection:

The Executive Committee will comprise of 3 office bearers namely President, Secretary and the Treasurer to run the day to day operations of the Producers' Group along with members from the subcommittees. At least two of the Office Bearers should be women. The office bearers should include members from vulnerable social communities like SC/ST and differently-abled.

- Selection of PG Office bearers may be done by nomination by the majority of members by the Executive Committee.
- The Office Bearers (OB) will be accountable to the EC for their day to day activity.
- Any two of the elected OBs (The president/ secretary and the Treasurer) operate the PG bank account with the approval of Executive Committee.
- The PGs may decide to rotate the office bearers amongst the members at specific intervals (2 years) in order to inculcate leadership qualities among all members and to promote shared responsibility.
- Two of the office bearers should be replaced by new office bearers during this rotation.
- Office bearers report to general assembly during the annual general meeting and they get instructions for the next year.

5.5.2 Roles and Responsibilities Of Office Bearers

a) ROLE OF A PRESIDENT

The president leads, coordinates and represents the group. He/ She is the custodian of the group and provides overall guidance and ensures regular conduct of meetings and participation of members.

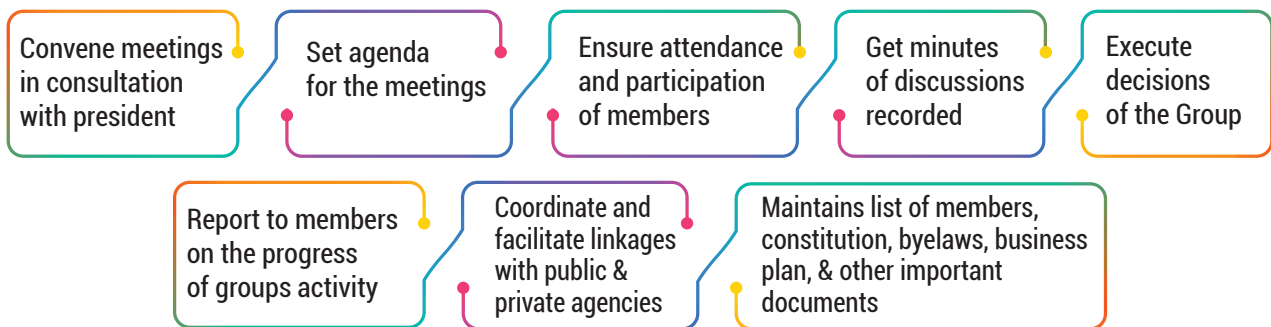
The role of president is to



b) ROLE OF A SECRETARY

The secretary manages the group's correspondence and records. She/He is the custodian of all records and books of accounts of PG and its assets and responsible for organizing meetings regularly.

The role of a secretary is to



c) ROLE OF A TREASURER

The treasurer manages the group's money.

The role of a treasurer is to



Chapter 6

GROUP FUNCTIONING

6.1 HOLDING MEETINGS

6.1.1. GROUP MEETINGS

a) Purpose

Group meetings are the most important place for discussions, learning and decision making. Members who do not attend meetings cannot participate properly in the group. If a member cannot come to a meeting, he or she should say so in advance, and give a reason.

Meetings can be combined with a training session to make it more productive. The ECPs can use the meeting as a forum to train the members for the first six months after formation. Maintaining group unity and commitment is important.

b) Regular meetings

PG meetings could be held at regular frequent intervals preferably once a fortnight/week in the beginning of PG formation. The members meet to discuss and plan activities and allocate tasks. A group may hold more frequent meetings only at harvest-times of the year and meet less frequently during other seasons. In livestock PGs meeting can be done once in a month.

c) Attendance

The members are stressed to attend these meetings regularly. The group may decide to fine people who do not attend. At each meeting, the members have to sign an attendance sheet as they arrive.

6.1.2 Annual General Meeting:

Annual General Meeting is a meeting of all the group's members (Including the PG sub group members) and normally meets once a year. It normally takes place at the end of the production or marketing season.

At the annual general meeting:

- The president and other officers report to the members on the group's activities and achievements during the previous year. The treasurer reports on the group's financial situation.
- The members elect the officers for the coming year.

The annual general meeting should be held at least once in every financial year.

An advance notice of every such general meeting shall be given by the PG to its members within such period as may be prescribed before the day appointed for the meeting. The notice shall specify the day, hour and place and the object of the meeting and, in case any amendment of a bye law contained in the memorandum is intended to be proposed, shall contain a copy of every such amendment.

6.1.3 Extraordinary general meeting

The committee may, at any time call an extraordinary general meeting of the PG and shall call such a meeting within such period as may be prescribed after receipt of a requisition in writing from such number of members of proportion of the total number of members as may be specified in the bye-laws.

6.1.4 COMMITTEE MEETINGS:

The management committee meets regularly to plan and coordinate activities. A large group may have subcommittees to deal with specialist subjects, such as inputs, marketing or water management

6.1.5 PROCEDURE DURING MEETINGS:

Meetings of the management committee or the whole group should follow a standard procedure.

(a) Preparing for the meeting:

The president and secretary invite members to the meeting and inform them of the date, time, location and purpose. The president and secretary plan a meeting agenda and should write the agenda on a piece of paper or a blackboard so everyone can see it.

(b) Conduct of meeting:

Where possible, the members should sit in a circle, so everyone can see and hear what is being said, and has equal chance of contributing. The group's president facilitates the meeting following the agreed agenda. The secretary takes notes of the discussions and key decisions made.

The types of meeting at PG level is summarized as below:

(c) Meeting Follow-up:

The secretary/Book-Keeper writes up the minutes and submits them to the president. The president follows up with the people responsible to make sure that any decisions made are put into effect.

Meeting	Frequency	Importance
Regular meetings (EC Committee meetings)	Once every month/Season	Periodic monitoring and follow-up of transactions
	Crop- 9 meetings	Explore scope for regular transactions, such as collective buying and selling.
	Livestock- 12 meetings	To identify, discuss and take up activities & programs.
	Key Participant: EC members	Provides opportunity for the capacity building of the EC members and for developing their communication skills.
Sub group meetings	Once every month/Season	Sharing and communication about the EC committee decisions
	Crop meetings- 9 Livestock- 12 meetings	Discussions on the regular transactions and requirement of the members
	Key participants Members	Provides opportunity for the members to know on the PG meetings and also capacity building and developing commodity specific skills
Annual general body meeting(AGM)	Once in Six months Participant: All (Members)	Key Confirm the proceedings of the previous General Meeting. Declare the names of Office bearers and EC members selected as per the PG rules. Approve the expenditure, budget and reports. Take note of admission of new member and removal of members during the year.
Emergency meetings	As and when required Participant Office bearers	Key To address the urgent requirement related with PG Functioning and business.
Sub-Committee meetings- Examples:- Marketing committee, procurement committee, monitoring committee etc.	As and when required Participant: Sub-Committee members	Key Are importance to effective functioning of PG and its ability to carry out its role. This is need based. For smooth functioning and sharing of responsibilities committees can be formed.

6.2 LEADERSHIP:

The importance of good leadership in a PG

Strong leadership plays a very important role in the effective representation of producers by PGs. Not only do leaders have to set the direction and main goal of the organisation, they also have to ensure that all levels of membership within an organisation are adequately represented.

Anyone in the group with the right skills can become a leader. It requires literacy and numeracy to be a treasurer and a secretary if you cannot read and write. It is possible (though more difficult) to become a chairperson without being able to read. In many groups the most open or outgoing members are chosen as president and secretary.

As seen in the earlier section for a group to work well, a group has a president, secretary and treasurer which are the key leadership positions.

6.2.1 Qualities expected of a good leader:

- (i) **Integrity:** A leader must be honest and impartial and must earn the trust and respect of others.
- (ii) **Vision:** Vision gives direction and builds cohesion among the group members. People trust a leader who knows where they should go and how to get there.
- (iii) **Enthusiastic:** Leaders must inspire and motivate the group members, and must convince outsiders about what they do.
- (iv) **Team Player:** Good leaders work well with other people, and lead by example.
- (v) **Confident and Purposeful:** Good leaders have the ability to make decisions, an ability to inspire confidence in others, and the talent to draw out the best efforts of the team and to get things done well.
- (vi) **Resolving Conflict:** He or she helps resolve disputes among members and guides their energy into positive channels.
- (vii) **Good communicator:** Leaders must be able to communicate well with the group members. They encourage the building of relationships within the group and with outsiders.
- (viii) **Calm, focused and analytical:** Good leaders manage crises by staying calm, and keeping the main goal in mind. They break down a task

into manageable steps to make it progress easier.

- (ix) **Knowledgeable:** Good leaders have a good understanding of the problems that group members face, and should have ideas on what the solutions might be.
- (x) **Participatory.** To lead a group of farmers, a leader must make it possible for all the members to voice their ideas and contribute to the group's growth.

6.2.2. Difference between a leader and a manager.

The leader inspires, motivates, initiates change, sets the pace, challenges the status quo. A Manager controls, organises, adjusts to change, accepts current practice, administers, reacts and follow procedure

6.2.3. Who can become a leader?

Leadership is about attitude behaviour and skills second. Anyone can become leader in EG if he/she has attitude, behaviour and appropriate skills. It is important for a treasurer to have numeracy skills and for secretary to have the basic literacy skills

6.3. DECISION MAKING

6.3.1. Committee decision making

Decisions are made by the committee when it is impractical to gather all the members' opinions. For example:

- Setting weekly targets
- Planning activities.

6.3.2 Democratic decision making

Democratic decisions are best where the approval of the majority is needed, but full agreement is not absolutely necessary. For example:



6.3.3. Consensus decision making:

All group members must agree in order to make a decision. Consensus is best when everyone's agreement is needed, For example: Changing the group's norms.

6.4 CONFLICT RESOLUTION

A certain amount of conflict or creative tension is always there in the group. Differences are inevitable in an PG having members with different experiences, attitudes and expectations. Differences of ideas about tasks also help in choosing better tasks and business deals. If the members have different opinions and express them the group can weigh up the options and choose the best. It is therefore useful to see conflicts as expressions of existing differences within a group. How effectively a group deals with conflict management largely affects the efficiently level of its functioning

Decision making in PG

The importance of good decision making structures in PG.

Strong internal decision-making structures are important to the establishment of fully sustainable PGs. In PGs there is a possibility that leadership and management can easily make decisions without consulting lower level members.

During important decision-making processes all the different levels viz., General body, Executive Committee and the Subcommittees all the members have to be involved and have all the relevant information to make an informed decision. Once the sub-committee reaches a decision, they should report to the executive committee above them. This decision, along with the decision of an executive committee, is then reported to the General Body in the decision-making. Feedback on decisions follows the same procedure down the hierarchy. This process guarantees that ideas and proposals will be discussed fully before a final decision is made. It also guarantees that all the members of the PG are involved in the decision-making process and that their concerns and ideas are accurately represented.

Different ways of enhancing governance at the PG level is as given below. The ECP with the support of Block project team should handhold the members and office bearers to govern their PGs effectively.

Enhancing Governance in PGs

S.No	Mechanisms/Processes	Responsibility
1.	Ensuring that the PG's organisation structures (GB, EC, Subcommittee, Office bearers) are in place	Office bearers facilitated by ECP/Project team
2.	Sharing the vision and goals with the members of the PG	Office Bearers
3	Ensuring the processes (meetings, consultative decision making) are in place	Office bearers
4	Sensitising on the role of members and motivating the participation of all members to attend group and GB Meetings	Office bearers
5	Providing opportunities for frequent interactions among the members in the subgroup meeting	Executive Committee
6	Regular update on the PG business activities and decision making to the members in the subgroup meetings.	Executive Committee
7	Ensuring the regular conduct of GB meetings	Office bearers
8	Distribution of benefits to participating members(in terms of business)	Office bearers
9	Participating and facilitating to conduct first few GB meetings	ECP/Block team
10	Enhancing the leadership qualities, business and technical competencies among the office bearers and EC members by training and handholding	ECP/Block team
11	Ensuring conduct of timely audit and submission to GB	Treasurer facilitated by ECP

Group Management

A functional Producer Group

- Has a shared vision and mutual trust
- Sustains and shares learning internally
- Is capable of resolving internal conflicts
- Has democratic management & Shares the benefits among its members

Chapter 7

CAPACITY BUILDING

Capacity Building will be given to both PG members and PG Office bearers by the ECP and from Master trainers. The Master trainers will be from a pool of resource persons from the Block level project team (PE and BTL) and senior community professionals. The Master trainers and the Block team will be trained by the TSAs. The PG members will receive a basic orientation training on PG, PG formation, members and office bearer's responsibilities, Group functioning, Book-keeping from the ECP. The Capacity building to be given to the members are summarised at the end of this section

PG office bearers will receive training on VKP project, Organisation building, Roles and Responsibilities, Activity Planning, Activity Management and Monitoring, Book keeping and accounting, Linkage with PC. The trainings will be delivered by trained Master CPs.

The Block team along with the ECP can identify and list of persons who are willing to attend the training and share it with the DPMU. The DPMU along with the support of TSAs shall identify potential technical partners (KVKs and regional institutes) for conduct of technological trainings. The DPMU can share the training events to the block team. DPMU can further

plan and the farm tie up with technical institutions and expert for imparting technical trainings to the PG members.

VKP aims to address the skill gaps in the farm and non farm sector through Community Farm School (CFS) and Community Skill School (CSS) programmes. The project will assist in addressing the skill gaps through setting up of these community based schools focused on skills and livelihoods.

The issue of different productivity levels between farmers within the same community is evident in farm sector leading to the importance of access to knowledge and acquiring requisite skills. The project proposes to create Community Farm School (CFS) model which will identify specific skill gaps in farming related occupations and will also address the specific needs of women and Tribal communities.

CFS seeks to develop a cadre of self-employed technical service providers (Sparks) in selected agriculture and allied sub-sectors, who will in turn build skills amongst the community members in selected value chains through the use of Farm Schools run by well-trained community professionals called Sparks.

The purpose of CFS is detailed as below:

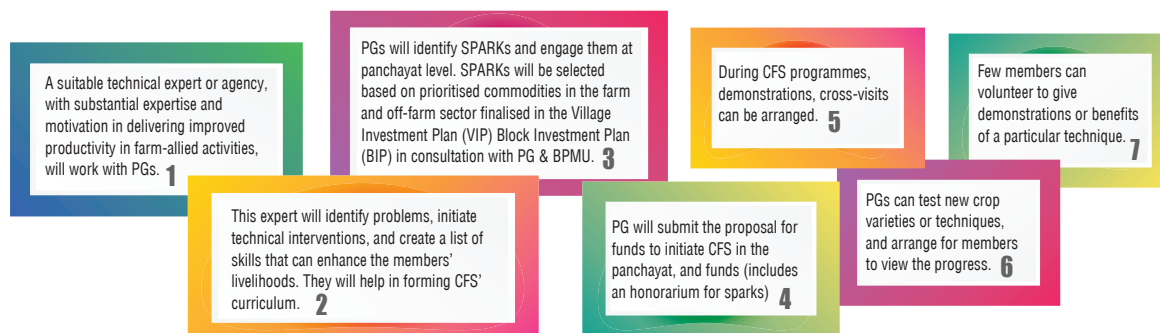
- Identify specific skills gaps in farming related occupations,
- Bring in required technical expertise to provide appropriate technical solutions
- Identify and train Sparks to train in delivering these to the community
- Conduct regular “Farm Schools” by Sparks for transmission of the identified technical solutions and services to the producer households.

The steps and processes to be followed in CFS are listed as below:



PG’s role in CFS

The CFS initiative will work in close conjunction and synergy with the PGs promoted by the project. CFS initiatives will be aligned to those value chains short listed by the project and that are farm-based (includes off-farm). For example, the domains based on the value chains selected could be agriculture, horticulture (Floriculture & Olericulture), fisheries, dairy, goat rearing, and poultry. The PGs will support in identification of opportunities and demand for the specific agriculture allied activities, which are conventionally practiced by the community members in that region.



.The ECP with the support of Block and District project team can support the group by arranging and inviting experts, government officials, potential customers or other groups, to such events. They are a good opportunity to gain a reputation in a particular area and to attract support and expert opinion. PG members can also go on cross-visits to other farmers' groups, as well as to information sources such as research institutes, markets, processing plants and potential customers The Block and District project team shall facilitate for cross visits of PG members.

Convergence with other departments and resource institutions for technological support:

The state and central institutions and departments have many schemes to support the farmers for providing technical support. The project will also leverage the schemes and related institutions such as KVKs, Agriculture Department, Animal Husbandry Department Horticulture Department, Fisheries department, Soil and Water Conservation, Civil Society Organizations (CSOs), Agriculture Universities, Forest Department, etc.,

VKP project will collaborate with these line departments and universities wherever possible. District and State level workshops will be held to ensure effective convergence and linkages the relevant departments for technical support.

Capacity building procedure and Summary

Stages	Tasks	Duration
	Training to ECPs by TSA	
Pre- Formation	Awareness Raising Project Team- ECPs/ Project team to VPRC and PLFs	1 Day
	Discussion with VPRC and PLFs on need of a producer group	1 Day
	Formal meeting with VPRC and PLF to discuss membership, sharing membership form, norms, membership fee for PG, executive body selection	1 Day
Formation	Organizing first executive body training to discuss on Objectives, activities, norms of membership, roles and responsibilities, selection of office bearers	3 Days
	First General Meeting for all the PG members to finalize Vision, Goals and activities	1 Day
	Support in maintaining books	Regular
	Book keeping training	1 Day
First six month	Facilitate Monthly meeting- Discussion on seasonal activities, marketing production challenges,	Regular
	Organize exposure- Market to understand present flow of products, identifying space of PG to engage in marketing,	3-4 Days
	Scopes of alternate market channels, orientation social safeguards and ESMF requirements	
	Organize exposure- Best practice sites of relevant activities	1-2 days
	Training on finalizing the activity plan- production related, plan- Training, Demonstration etc. Marketing	2 Days
	Support in finalizing activity plan	
	Implementing and monitoring the activity plan	1 day

Chapter 8

ACTIVITY PLANNING

A guided process of activity planning can be helpful in shaping a prospective future of the producer groups.

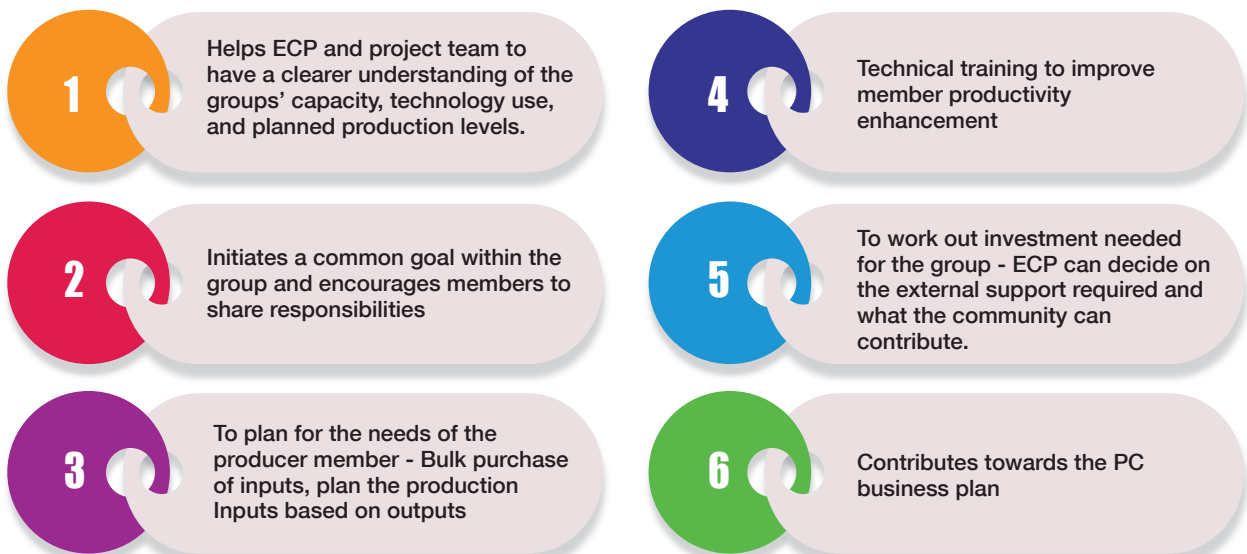
8.1 Activity Planning

Activity plan is a consolidation plan of the PG with respect to production related activities, market linkages and a plan to support the member level production activities. During the planning exercise the selection of service providers for supporting the member producer activities will also be done. Plan of trainings, demonstration and marketing will also be included in the activity plan.

8.2 Importance of Activity planning in a PG

The process of preparing an activity plan and implementation plan is needed.

Activity plan is needed for the following purposes



8.3 Activity planning process

The basic purpose of the PG being productivity enhancement, it is important to assess and understand the production factors that contribute to yield like seasonality, inputs (seeds, fertilisers, pesticides), water and soil management practices.

The activity plan developed by PG needs to be facilitated by the ECP who is trained in this process. During the process there will be a discussion on seasonal activities, the challenges in production and marketing of their products. The producers also need to analyse the market requirements of a product, the quality issues, and effect of supply on pricing, type of markets, challenges in marketing and alternate marketing channels. (Questions for understanding production and marketing context is enclosed in the annexure)

The producers may visit market to understand present flow of products, identifying space of PG to engage in marketing, scopes of alternate market channels. The producer can discuss about introducing new activities and developing alternate business channels.

This requires problem analysis, production planning at the producer level which is compiled at the PG level. It is detailed as below:

8.3.1 Problem analysis.

The problems and challenges from pre-production to marketing activities at a producer level need to be analysed in the Producer group and the possible solutions for the problems could be explored. Further the activities that needs to undertaken at PG level needs to be planned.

8.3.2 Production (Micro) Planning

Planning the area of land each producer will plant, seed type, variety, planting density, weeding methods, fertilizer application, irrigation need for crop production. In case of livestock the planning for breeding, feeding methods, veterinary care at the producer's level needs to be done. The production planning at the producer level will support the PG to plan for the Input supplies, technical advice, financial services, marketing services, transport, sorting, grading activities for its members.

The production planning needs to be planned at PG for the member producers is needed for the following reasons.

- Staggered sowing Eg Vegetables
- Planning for purchase of inputs
- Fix the production target as required for supply
- Planning the kind of inputs to be planted at producer level.

The development of PG annual activity plan of PG could be taken up after three months of functioning of the PG.

8.4 Components of an Activity Plan

The activity plan should have following components.

- 1. Description of activity** to be taken up by PG, with individual farmer/producer level detailing out of the activities like crop(production) planning and cycle, seasonality and its pre-production, production, post-harvest and marketing activities etc., This will also detail out the infrastructural requirement if any
- 2. Input requirement** - The PG has to plan for the inputs procurement like seeds, fertilisers, pesticides, feeds in case of livestock, renting of machineries its member producers in total for bulk procurement.
- 3. Human resource requirement** - The skilled man power required and training required for its members to undertake the activities
- 4. Financial plan:** The PG will also details out the capital (fixed and working capital) required, sources of fund and the estimate of costs and Income to undertake the PG activities, the returns at producer and PG level
- 5. Technical support requirement:** This details out the need for any innovative and cost- effective technologies if any.
- 6. Sales and marketing plan:** The type and amount of produce, the details of supply and the logistics required for bulk aggregation of produce has to be included in the plan

The formats for Activity plan are given in the Annexure (V)

8.5 MIS and Digitization of PG data

The PG should have full information on its members, production and business/sales data to meet its objectives. Interaction of the Farm Level, producer level and the PG Level data can help in strengthening the PGs and their business. The producer and producer level data are usually maintained in physical registers.

PGs as an entity is one of the most effective ways of aggregating demand and supply at a farmer level, digitisation will help PGs and FPOs to connect/ transact with member farmers on time.

The digitization of the manual records and updating of the PG activities will:



Thus digitisation could act as an enabler for PGs and and three sets PG data are important:

- Farm and Farm-level data
- Dynamic Data of PG daily operations
- Yield estimation and weather alerts

With adequate training and development it could help producers transition from manual process to

one that is digitally enabled, so that their adoption of technology is smooth and enduring.

Developing action plan for the PG:

EXAMPLE OF AN ACTION PLAN

Problem: Production of vegetables

Solution: Buy improved seeds and apply fertilizer

Date	Activities	Persons Responsible	Participants	Location	Inputs required	Budget	Details
When?	What?	Who manages?	Who does it?	Where?	With what?	How much?	
1 Aug	Production planning meeting	Secretary	All members	Village hall	Facilitation done by ECP		Plan production for next season. Work out inputs needed
15 Aug	Source loan	Treasurer		Bank		Rs 5,000	Source loan for inputs
1 Sep	Buy seed and fertilizer	Assigned from Procurement committee		Input dealer	Bank loan, Transport	Rs 7,000	Purchase inputs in bulk
2-10 Sep	Distribute inputs	Assigned from Marketing committee	All members	Storage centre			Keep records of amounts distributed

8.6 Implementing and monitoring the activity plan

Once plan has been completed, discussions are over, and the farmers need to put their activity plans into action. The needs now shift from planning mode to implementation and monitoring. The group leadership should check production performance and follow if the group members are following the plan. The respective subcommittee members support the PG office bearers in implementing and monitoring the activity plan.

The project block team along with the ECP supports the PG in planning, implementing and monitoring of the PG activities.

PG business activities

The major business activities undertaken at PG level as mentioned earlier are Bulk procurement of inputs, coordination of production planning and increasing the outputs (production and productivity) of its members.

PG Business activities (Production to sale) outline with an example

Stage	Activity	Process
Pre- production	Input procurement, nursery	The group will coordinate production activities its members, allocating a production quota to each producer based on his/her capacity (Eg:acreage available) and willingness to produce The producer will use certified seed bought from the local input suppliers at the local market. If they do not own enough land, they will lease land
Production activities (Member level)	Ploughing sowing, weeding	Production activities include ploughing, sowing, fertilisation and weeding. Farmers are skilled in all of these operations. Labour are from family or from hired workers
Post harvest	Drying sorting, storage	After harvested product will be dried, threshed and winnowed and put into sacks(of unit weight)
Marketing	Buyer or Producer Collective linkage, negotiation, transport	Each member will deliver the agreed amount of produce to the group's collection point. In the collection point the sacks will be weighed and loaded on to a vehicle. The team from the PG will deliver the sacks to the PC.

The key steps and processes to to be followed in few key PG business activities are described as follows:

Bulk procurement of inputs

- Member wise requirement/indenting is done for inputs (seeds, fertilisers etc.,)
- Group estimation is done by collating the details of requirements of individual members.
- The procurement subcommittee collects the details and arranges from the procurement from the PC or input suppliers by making an advance payment.
- An arrangement is made for the transport of the supplies to a common centre where is stored.
- The supply is recorded in the input record and stock book
- The members of the PG purchase the inputs from the PC or input suppliers

Coordination of Production level activities

The PG play an interface role in connecting the PC and the producer members. The PG has to co-ordinate with member producers and associated PCs in order to adhere to any supply contracts

with buyers. The PGs organise the production and procurement process by incorporating the PG plan into the members production plan. The PG may need to hold numerous village level meetings, convincing producers, raw material collection, processing and close monitoring to implement this.

Increasing output:

PGs may have to find ways to increase their total output, i.e. the total quantity they are able to supply. PGs can increase their output by:

- Increasing the number of members.
- Increasing the productivity of individual member by providing training and input services to members and distribution /Output Procurement at PG level

Managing the PG activities

Effective management of the PG activities is very important for success of the PG which involves the following

- Assigning tasks and responsibilities
- Making sure the plan is followed
- Holding coordination meetings
- Dealing with problems.

1) Assigning tasks and responsibilities

For each task, someone has to be responsible for making sure it gets done. This should be part of the action plan and must be shared equally, and everyone should be agree with their tasks and when they have to do them.

For regular tasks, the group should schedule showing who is responsible for the task on a particular day. Members may change tasks or dates, but have to inform the person in charge to avoid misunderstandings.

2) Making sure the plan is followed

The president or (depending on the tasks) the person assigned from the monitoring committee in the group has to make sure the action plan whole is being followed. The group should meet regularly to coordinate activities and agree on changes as needed.

The secretary should constantly follow it with members about their responsibilities and remind them about their particular job. For jobs that require particular skills, the group should make sure that an expert in that skill is on hand. For example: For handling harvester: how to run the equipment.

3) Holding Coordination meetings

The EC (or the sub committee assigned with the task) should hold regular meetings to coordinate activities. These meetings should focus on the task at hand, and aim to ensure that it is done smoothly and efficiently. The meetings may be informal, but they should still follow a set procedure, like the regular group meetings (see section on Holding meetings). The decisions should be written down as a reminder.

At each meeting, the members should draw up a list of further actions to be taken, and who should do what.

4) Leadership

The group may face many problems during implementation of everyday activities. The members may start complaining, lose interest and drop out.

Good leadership is especially important during such times. A good leader:

- Inspires members to continue working on challenging and uninteresting tasks, when the benefits are in long term.

- Reminds constantly the members of the goals and the need for diligence and hard work to achieve them.
- Leads by example, with enthusiasm and hard work.
- Ensures that the members continue to make decisions and feel responsible for the success of the activity.
- Resolves problems and disputes before they get out of hand.

5) Dealing with problems

Many factors may interfere with the plan. Some of these may be under the control of the group: Eg: If any member gets ill, the work of the member could be substituted by another. Some problems may be beyond the group's control: Bad weather may cut yields or disrupt the harvest.

In either situation, the members must find a way of overcoming the problem, or at least of reducing its impact. If the members cannot solve a problem by themselves, they should refer it to the office bearers, who may need to refer it to the group as a whole at the next meeting.

6) Finding solutions to problems

The members may try to solve the problems using indigenous skills and knowledge or also seek to solve problems with the support of the ECP or project team/TSA. The different methods by which the PG can solve a problems are as given below:

- a) Tapping the skills of innovative members who like to try out new ideas.
- b) By making cross-visits to another group to see how they deal with a problem.
- c) Seeking assistance from specialists or expert advice from the project team, government extension service, input suppliers, traders, researchers or other development agents.

The ECPs with the support of project team may also support and facilitate the arrange a special training about a specific subject. Some problems can be solved by trials that the group does itself. For example, members can test several crop varieties to find out which grows best on a particular soil.

7) Keeping records

Records are an important management tool. They show what has been done, what inputs have been used, how much has been sold, and what the results were. It is particularly important to keep records of work and marketing plans, cash in and going out, inputs, and products produced and sold. The ECP should train and help the members decide what must be recorded, and suggest ways of doing it. The ECP/Project team should constantly verify and monitor the records.

Records are particularly important for certain types of information:

- Regular activities. Dairy PG, for example, should have a list showing how much of milk is collected each day and how much inputs have been distributed.

- Activities where many people are involved. Where different people are responsible for doing a task on different days, they need a way of communicating with each other. Has a particular job been finished? What problems were encountered? What needs to be done next?
- Handling Stock. The group should keep track of stocks such as fertilizer, seed and agrochemicals. This helps prevent misuse, and track when new supplies have to be bought.
- Recording money. It is important to keep records of how much money comes in and goes out. Financial records help in transparency and accountability and make sure that the business is well-run

Record Keeping is explained in detail in the next section

A functional Producer Group

- Has a shared vision and mutual trust
- Is capable of resolving internal conflicts
- Sustains and shares learning internally
- Has democratic management & Shares the benefits among its members

Monitoring of PG activities

The monitoring of PG performance periodically (monthly/yearly) could be done against the indicators as given in the table below:

Table - PG Monitoring indicators

Key Areas to be monitored	Indicators	Periodicity	Responsibility
Governance	• No. of EC meetings conducted	Monthly	Secretary/ECP/Block team
	• Attendance in EC meetings	Monthly	
	• Conduct of AGM	Yearly	
	• Membership fee collected	Yearly	
	• Rotation of office bearers	As per norms	
Book keeping	• No. of registers maintained	Monthly	ECP/Treasurer
	• Regular update of registers	Monthly	
	• Conduct of internal and external audit	Yearly	
Business management	• No. of activity plans	Yearly	Office bearers/ECP
	• No. of members following the activity plan	Production cycles	
	• No. of business activities undertaken by the PG	Yearly	

Key Areas to be monitored	Indicators	Periodicity	Responsibility
	• No. of members actively participating in PG business		
	• Increase in price margin		
	• No. of members benefitted by PG	Business cycle	
	• No. of members trained by CFS	Yearly	
	• No. of members practicing environmental safety measures	Yearly Production cycle Production cycle	
Financial linkages	• Start up fund availed from the project		ECP/Block team
	• No. of loans obtained from financial linkages		
	• No. of grants obtained from government departments		
Institutional linkages	• No. of members having shares with PCs		Office bearers/
	• No. of members actively participating in PC business		

Chapter 9

RECORD- KEEPING AND ACCOUNTING

9.1.IMPORTANCE OF RECORD-KEEPING

1. Record-keeping

Book-Keeping is gives information on PG organization, activities and income. It gives for group members on actions that have been taken by the group, and what or how much has been bought, sold or repaid.

2. Importance of Record-keeping

The group should keep records for several reasons:



3. Types of records to be kept in a PG

The group should keep various types of records.

a) List of members (Members Profile)

The group needs to keep a list of members, their contact details, and whether they have paid their membership fees.

b) Record-Keeping at Producer Group

The List of Books are to be maintained at the PG level is as given below:

i) Non-Financial Registers

1. Membership profile register: This has the complete details of each member including the details of land assets, machineries, livestock, etc
2. Planning register: This details the planned activities and the tentative dates for carrying them out.

3. Minutes Book: General Body The details of the meeting proceedings and the decisions taken by the GB is recorded in the minutes book

4. Minutes book: Executive Committee The details of the executive committee proceedings is recorded

5. Training Register: The details of the trainings attended by the PG members are recorded

6. Visitor's register

ii) File

1. Membership application and member profile file
2. Monthly progress report file
3. ECP- monthly progress report file
4. General file letters and agreement

9.2. Types of Records and Registers to be maintained at PG level

i) Registers

1. Cash Book
2. Cheque book Register
3. General Ledger Book
4. Input requirement register: Recording of purchases Input Details of the seeds, fertilisers,

pesticides required for the members/PG done at PG.

5. Procurement (Inward) and sales register- Records the purchase of the produce made.
6. Stock Register- The details of stock(inputs or supply) is maintained and recorded which is kept at a given point of time

Bill No., Date & Name of Supplier	Qty	Rate (Rs.)	Amount (Rs.)	GST (Rs.)	Total Amount (Rs.)	Cash Book/ Bank Book Folio No.

No., Date name of	Opening stock (units)	Value (Rs.)	Purchase (in) Qty	Supply (out) Qty	Closing stock	Balance (Rs.)

1. Asset Register- Details of the assets of the PG like land, building etc
2. Register for renting of machineries
3. Cheque-book and bank pass book

basis (i.e.,daily, weekly or monthly), or whenever meetings are held or activities take place.

- The information about agreements, assignments and finances are important and care should be taken not to lose them.
- The records should be kept in a safe place. Copy of important records should be made.

ii) File

1. Receipt and payment Voucher file
2. Audit report file
3. General finance file–quotation, budget and bank reconciliation

9.3. ACCOUNTING

A simple accounting system consists of Cash Book, Bank Book, Receipts and Payments documents

Cash book

Cash receipts and cash payments, pertaining to the PG only, may be recorded in cash book against appropriate account heads

Bank book

Any transaction made through the bank is recorded in the bank book.

Cash Box

The money in the cash box is recorded at all times. Every time money is received or payment is made it is recorded in the cash book.

File folders

to hold receipts and other documents. The group will need one folder for the cash receipts and another for the bank receipts and statements.

C) Minutes of group meeting

The agenda and records of the group meetings with the details of the subjects discussed and the decisions or conclusions made are written down in the minutes. The secretary is responsible for writing the records of group meetings.

d) Record-keeping- Procedures

- The group will decide and appoint a book-keeper with basic literacy and numeracy skills to maintain written records and pay an honorarium to the book-keeper.
- The treasurer is responsible for keeping financial records.
- The records should be transparent and they should be open for all members to check at any time.
- Book-keeping should be done on a regular

9.3.1 Cash Book

The format of cash book is given below:

CASH BOOK

Debit side(Dr.) Credit side (Cr.)

Date	V.No.	Particulars	L.F	Amt. (Rs.)	Date	V.No.	Particulars	L.F	Amt.(Rs.)

- All the items of cash receipts are recorded on the debit side (left hand side) and all the items of cash payments are recorded on credit side (right hand side) in order of date of the cash transaction.
- The difference between the total of two sides shows balance of cash in hand i.e. excess of summation on debit side over the summation on credit side.
- Cash Book may be balanced whenever there is a cash transaction and Treasurer may put his/her signature after it.

9.3.2 The Bank book

All transactions related to receipt of money in Bank and payment made through bank are recorded in the bank book. The format of Bank book is similar to that of cash book. However, it is important to note that transactions routed through a Bank only (i.e. money received in Bank & payment made through Bank) be recorded in this book.

BANK BOOK

Name of Bank:.....

Account Type & No.....

Debit side(Dr.) Credit side (Cr.)

Date	Particulars	L.F	Amount (Rs.)	Amount (Rs.)
	Account head to be debited Dr.		XXX	
	Account head to be creditedCr. (Narration)			XXX

The difference between debit side (left hand) & credit side (right hand) of Bank book on any particular day will reveal the balance in Bank account of EG. Debit balance (excess of total of debit side over credit side total) represent bank balance, while credit balance (excess of credit side total over debit side total) represent Bank overdraft. The Bank book is closed by striking a balance on a given date. The treasurer may put his/her signature in Bank Book when Bank balance is struck.

Bank book helps to reconcile difference between balance as per bank book of PG & balance as per pass book of Bank account of PG.

9.4. Preparation of Bank Reconciliation Statement (BRS)

Normally, bank balance as per bank book of PG and that as per pass book of Bank should be similar. However, on a particular day this balance may differ. Therefore, to know the reason for difference in balance as per these books, a reconciliation statement is prepared which is called Bank reconciliation statement. This shall be done by the treasurer at the end of each month. The ECP will support the treasurer of the PG for the BRS.

9.5. Receipts and Payments

When a payment is made from the PG, there has to be a receipt obtained for the amount paid. If there is no

receipt, the person who makes the purchase should write the date, item and amount on a slip of paper, and sign it. The treasurer puts all these receipts in a file folder in chronological order.

On the top right corner of each receipt, the treasurer should write the same number as in the cash book or bank book. The treasurer should check regularly (perhaps once a week) whether the amount of money in the cashbox is the same as the latest balance stated in the cash book.

The summary of Record Keeping at the PG level is given below:

S.No	Books Records of	Purpose	Maintained	Frequency of Updating records
1	Minutes Book/ Resolution Register	Regular group meetings of meetings/Executive committee of /AGM/General Body meeting minutes will be recorded in the register. Also to record all the important collective decisions will be recorded in a continuous manner for enabling the members to understand them. Decisions taken by the group will be known to all the members from time to time and it will promote them to take the right decisions in their meetings.	Secretary	Monthly / Based on requirement
2	Members' Profile	A PG having producers as its members, has to keep record in place for getting basic information about its members	Secretary	Time to Time (on regular basis)
3	Asset Register	As part of the financial management process, PGs need to maintain a Fixed asset registers.	Secretary/ Treasurer	Time to Time (on regular basis)
4	Cash Book	Cash receipts and cash payments, applicable to PG will be recorded in cash book against appropriate account heads.	Treasurer/ Book-keeper	Daily
5	Bank Book	All transactions related to receipt of money in Bank and payment made through bank are recorded in the bank book	Treasurer/ Book-keeper	Daily
6	Bank Reconciliation Statement	Normally, bank balance as per bank book of PCs and that as per pass book of Bank should be similar. However, on a particular day this balance may differ. Therefore, to know the reason for difference in balance as per these books, a reconciliation statement is prepared which is called Bank reconciliation statement.	Treasurer/ Book-keeper	Monthly Basis
7	General Ledger	Ledger is a summarized record of accounting entries for account heads debited or credited in Cash book, Bank book or Journal for the given period of time (i.e. year). Entries made in prime books (cash book, bank book, journal) are posted in ledger to know the cumulative position under each account head. A separate folio is maintained for each account head. On posting of transaction from prime book (cash/ bank book & journal) into ledger, a reference folio number of prime book is indicated in ledger.	Treasurer/ Book-keeper	Monthly Basis
8	Input (Purchase, Sale & Stock) Register	The record will be maintain for recording the detail of Purchase of inputs , sale detail and balance stock of PC	Treasurer/ Member from Marketing subcommittee	Time to Time (on regular basis)
9	Produce (Purchase, Sale & Stock) Register	The record will be maintain for recording the detail of Purchase of Produce, sale detail and balance stock of PC	Treasurer/ Member from Procurement subcommittee	Time to Time (on regular basis)

Chapter 10

BASIC FINANCIAL MANAGEMENT

10.1 Importance of financial management

It is vital for any enterprise to keep track of investments, costs, and income. In order to make good decisions, the farmers have to know how much material and labor cost, how much money comes in, and how much profit to expect. This information will enable the farmers for preparation of the activity plan through some simple calculations.

10.2 Costs Estimation

The basic information to calculate this can be done by taking into a of the previous years cultivation expenses of the farmer in the group

For the estimating the costs of cultivation in the group- The average cost of production per hectare (or per acre) may be used for estimating the costs for each of the farmers in the group.

10.2.1 Estimating costs of cultivation for Group with Farmers with different land areas

Farmers who cultivate 1 hectare will have different costs from those who have 10 hectares This is obtained by multiplying the average costs per unit area by the size of land that each farmer plans to grow the crop on that season. Adding up the costs for all the farmers could be done to get the total for the group as a whole.

10.2.2 Estimating costs for Groups with farmers using different production methods

Instead of using land area, here the farmers are divided into categories based on the production technology they use: with and without irrigation, or with and with fertilizer.

In some groups some farmers may use irrigation but others may not, they will incur different costs. The same is true if some use fertilizers but others do not. Using the average for the whole group is not realistic. In this case the farmers needed to be divided into categories. For example, the farmers into those who have more than 5 ha of land and those with less may be divided. The average costs for a sample of farmers in each category could be worked out. These averages to estimate the costs for the other farmers in the same category.

10.2.3. Cost Of Materials (Variable cost, Fixed costs, and Labour costs)

a) **Variable** costs are things that get used up in the production cycle or year. These include the costs of renting land and buildings, hiring equipment, and using irrigation, seeds, fertilizer, agrochemicals, fuel, transport, veterinary products, bags, string, and packaging materials. Other items that could be included in this head are Market fees, taxes, service fees (such as a visit from a mechanic to fix an irrigation pump).

b) Fixed items are things that last a long time. Some items are expensive, but last for many years. Examples are buildings such as grain stores and tree seedlings, equipment such as hoes, wheelbarrows, pumps, mills, and mobile phones, and livestock such as milking animals. In this case you need to estimate how many years the item will last, and then divide the cost by this number of years.

For example, if an irrigation pump costs Rs 15000, and you expect it to last 10 years, the cost of the pump for one year is Rs 1500. (Note that the fuel for running the pump is are curing).

c) Note: When costs are estimated for different land areas, the costs of fixed items increase at a lower rate than recurring materials, as the land area increases in size. For example, the costs for a plough will not change for modest increases in farm sizes such as 1–2 acres, whereas the costs of fertilizer will increase proportionally with land area.

d) Total Material Costs: The combination of the fixed material costs and the recurring material costs provides the total cost of materials.

Total Material Costs = Fixed Item Costs + Variable Item Costs

e) Cost of Labor: Labor includes payment for people to do tasks such as nursery preparation, land clearing, ploughing, seed-bed preparation, planting, weeding, irrigating, applying fertilizer, spraying, animal feeding, milking, herding, crop harvesting, threshing, packing, storage, handling, negotiating with traders, and transport to market.

f) Total costs: By adding together the costs of fixed and recurring materials and labor, the total costs could be calculating the total costs. Example Table().

10.3 Income Estimation

The estimate of the income is obtained by multiplying the amount of the product the farmer expects to produce and sell and the price the farmer expects to get for selling the product.

The estimates of the amount to be sold and the price have to be realistic. If the information on output and prices is available for the last few years, these could used as a basis for the estimates. When using

information from previous years, it is best to take the average, giving more weight to the most recent years.

a) Estimating margins for the PG: The costs, income, and profits for all members of the farmers' group could be calculated from records kept by all farmers. But in only a few farmers might have records, the figures for costs and income per hectare to estimate the costs and incomes of the other farmers in the group.

10.4 Reducing losses and increasing returns at Producer/Farmer level

The farmers in the group could review and discuss the reasons for a loss or profit at individual producer level and incorporate in the plans to increase the margins at the individual/farmer level.

There are two ways to reduce losses or increase returns at individual producer/farmer level

By Reducing costs. For Example Using a different technique that allows them to avoid spending money (such as using integrated pest management rather than spraying expensive pesticides).

By Increasing income. For example, the farmers might harvest earlier, so benefiting from higher prices. They could increase the area planted, or switch to a higher-yielding variety. Or they could select a different target market that pays more for their produce.

Reducing costs of production: This approach can increase profitability, through lowering costs or making efficiency gains. Once farmers know their costs of production for a crop, they can explore ways of reducing costs. Examples include micro-application of fertilizer (which costs less than broadcasting it), drip irrigation to reduce costs and save water, or spraying herbicides to cut the labor costs for weeding.

Comparing among different producers: The progressive farmers can explain to other farmers how they invest in their crops, where they pay more money and where they keep their costs down. This will help farmers to see how others manage their money to increase their production and income.

Chapter 11

ACCESSING FINANCES for PGs

The Producer Group (PG) may require finances for production activities, purchase of tools and equipment, primary processing, procurement activities etc. The funding for PGs can be accessed through

Start-up fund from the Project

Convergence with Line Departments

Bank linkages

11.1 Project start up fund

The project will fund a start-up grant of a maximum of Rs.75000/ based on their activity plan and the fund would be released on submission of application articulating the need i.e. for establishment of common infrastructure or for the working capital of the group.

If the activity plan exceeds the start-up fund and as there is a less possibility of formal finance, the balance amount will be borne by the producer group.

11.1.1 Application Process for a Start Up Grant by a PG.

Once the activity plan is prepared by the PGs, an application for release of Start- up Grant needs to be submitted to the block team through ECPs for review whether the funds requested for the purposes and will forward it to the district team with recommendations. The application form is attached in annexure()

Based on the recommendation the district team will release the funds to PGs bank account in one tranche. The PG will submit utilization certificate after the fund is utilized which will be authorized by the block team after due diligence. If the fund is not utilized within a year, then the PG would re-plan their activities which will be approved by the project.

11.1.2 Milestones to be achieved for PG start up grant release

The following conditions have to be fulfilled by PGs to get Start up grant for any common infrastructure or services.

- Bank account in the name of PGs.
- Minimum 3 months should have been completed from the date of opening of Bank Account.

- 100% Collection of membership fee.
- Activity/Business plan completed.
- Ensure 65% women membership

11.1.3 Procedure for release of Start up Fund- Steps

1. The PGs with the support of ECP/block team will prepare an activity plan and submit a start up fund application form to the block team.
2. The activity plan will be forwarded a to the block team.
3. The Block level committee (EO (ED), EO (BPF), EO (S&J), concerned block BTL and TSA district coordinator) will assess and forward to the District Office.
4. The DEO will scrutinize and get approval from District Executive Committee headed by District Collector and submit the proposal to SPMU.
5. SPMU will release the funds to the concerned districts and upon execution of agreement between the PG, BPMU and DPMU the funds will be directly transferred to the PG bank account from the DPMU.
6. The PG can utilize the start up funds for meeting working capital expenses ie., input purchase (seeds, fertilisers, pesticides etc.), purchase of tools / equipment (for weeding, spraying, harvesting etc), Storage and drying infrastructure etc.,
7. PG shall submit utilization certificate after the fund is utilized.
8. If the fund is not utilized within six months, then the PG would re-plan their activities which will be approved by the project.
9. The Start Up fund should not be utilized for individual asset creation.
10. The Start Up fund should not be redistributed among the members.

11.2. Convergences:

(With Financial Institutions and government agencies)

Apart from the project funds, the PGs will avail finance through bank linkages and convergences depending to meet its requirements for production activities of its members. For group infrastructure, the project will assist PGs to access funds through convergence. The ECP along with the project team will support the PG in linking with the institutions.

The type of finance to be availed by the PGs will depend on the kind of assets to be purchased – Individual or common assets.

- The purchase of Individual (productive) assets will be financed through loans from SHGs/PLFs, bank linkages or convergences whichever is applicable. ECP will support the individual in the purchase of assets if needed.
- For group infrastructure, the project will assist PGs to access funds through convergence.
- Possible Convergence with Government Schemes at PG level
 - a) Identification of individual and common infrastructures that can be built under MGNREGS and facilitating proactive action on inclusion of demand in MGNREGS plans.
 - b) Converging for agricultural interventions with agriculture schemes like RKVY, Krishi Sinchai Yojana, Paramparagat Krishi Yojana, Soil Health Card, Organic certification etc.
 - c) Converging with horticultural schemes on fruits and vegetables.
 - d) Utilising the services of Livestock and fishery department schemes like skill training, vaccination, nutrient management, poultry and egg production, development of fish ponds, provision of nets, insurances etc.
 - e) Working with forest department and Tribal development for NTFP collection and marketing
 - f) Converging with textile and handloom department schemes to support non-farm activities.

The table below gives the central and state schemes that could be availed by the PGs. The details of the schemes are given in the annexure ().

Central level schemes

Department	Central level
Agriculture	RKVY (Rashtriya Krishi Vikas Yojana)
	Pradhan Mantri Krishi Sinchai Yojana (PMKSY)
	Paramparagat Krishi Yojana
	NFSM: Special Action Plan for Increasing Pulses Productivity:
	Pradhan Mantri Kisan Maandhan yojana
	Land Development Scheme
	NFSM (National Food security Mission): Special Action Plan for Increasing Pulses Productivity:
	Soil Health Card
	Soil Health card, Organic certification
	Pradhan Mantri Fasal Bima Yojana (PMFBY).
	Minikit Programme for Rice
Horticulture	Integrated package with drip irrigation for banana sucker
	Without integration for banana sucker
	Without integration for TC banana
	High density planting of mango and guava
	Integrated package with Drip irrigation for Acid lime
	Integrated package with Drip irrigation for cashew
	Mushroom production unit
	Shade net house- Cost of planting material and cultivation of high value vegetables grown in polyhouse
Livestock	National Livestock Mission (NLM)
	Kissan Credit Card (KCC) to livestock farmers SDCFPO (Supporting Dairy Cooperatives and Farmer Producer Organizations engaged in dairy activities)
	Innovative Poultry Productivity project
Fisheries	National Agriculture Development Programme Skill Development Programme to Marine and Inland fishermen to improve the livelihood Training on seaweed culture Inland Fish culture training under
	Get Trained and Develop skills in Fisheries
	Construction of New Ponds/Tanks Reclamation
	Renovation of Tanks / Ponds
	Fin Fish Culture
	Freshwater prawn/ Cold water fish culture
	Fisheries management for sustainable livelihood project (fimsul-ii)
Rural Development	MGNREGS- Individual and common infrastructures

Dept.	Schemes
Agriculture	Land Development Schemes
	Distribution of Certified Seeds of maize
	Distribution of Certified seeds - Oil Seeds & Distribution of Gypsum - Oil Seeds
	Mission on Sustainable Dryland Agriculture (MSDA)
	Integrated Farming system
	Pradhan Mantri Fasal Bima Yojana (PMFBY).
Livestock	Free distribution of Milch Cows
	Free distribution of Goat
	Poultry Development
	Free Aseel birds
	Innovative Poultry Productivity project for Low Input Technology birds and broilers
	State Fodder Development Scheme (SFDS)
	Azolla cultivation scheme
	Silage making
	Advanced Institute for Integrated Research on Livestock and Animal Sciences (AIIRLIVAS)
	Kalnadai Padhukappu Thittam (KPT)
	Rural Artificial Insemination Programme
	Livestock Insurance
	Fisheries
State Saving-cum-Relief Scheme (SFERS) for Marine Fisherwoman	

Facilitating Convergences

For facilitating convergences, a district level meeting for convergence would be held by the DPMU. Based on the meeting, the TSA/DPMU would prepare a database of different schemes benefiting the target Producer Groups (PGs). TSA would prepare a possible Convergence plan along with the Block level Team.

The Block Team would consult the Producer Groups and would prepare a database of the different producer groups in the block and the kind of interventions that has been planned for each group based on the schemes available for convergence and the needs of the Producer Groups (PGs). Once the convergence plan is finalized, the TSA with the assistance of the ECPs/Block team would facilitate the convergence with different line departments. The Enterprise ECPs and the block team would then mediate the convergence activities between the line departments and the PGs.

Chapter 12

LINKAGE WITH PRODUCER COLLECTIVES

12.1 Need for Producer Collective?

The Producer Groups which have been formed at village level are usually small and also disaggregated. Therefore, they cannot individually engage effectively in large scale economic interventions and exploit the market potential. To achieve goal of maximum price realisation to the producer a larger professionally managed and community owned institution would be more effective. Hence a Producer Collective which is a formal higher level collective of producers is formed. This will undertake aggregation, value addition, marketing activities for economies of scale.

12.2 PGs link with PC

The PC is a higher level of collectives is formed with PGs as its building blocks. It is a three-tier structure with primary producer at the bottom of a pyramid aggregated to form PG at the middle level. The PC at the apex level will undertake aggregation, value addition, marketing activities for economies of scale. The PG acts an informal institutional intermediary between the individual producers and the PC in which the primary producer has stock and stake.

- PG is the building block of the PC. Its very purpose of formation is to be a constituent unit of the PC in the Panchayat. It is complementary and supplementary to the mission objective of the PC.

- The PGs play intermediary role between PC and the member producers
- The PG will aggregate the needs of its member producers in terms of input supply, technology support and products to be marketed and provide the information to the PC.
- The members of the PG are the shareholders in the PC. Therefore, the member should patronise the services of both PG and PC as per bye-laws and business rules of the PC.
- The Board of Directors (Governance) of the PC are selected from the PG representatives.
- The PC planning is a consolidation plan of the PG plans. The PG planning is done with a bottom-up approach starting from primary household to PG level Micro planning.
- The PGs should actively participate in the proactively participate in the various committees formed by PCs like marketing committee, custom hiring committee, etc
- PG members participate in the decision making of the PC by participating in the PC Annual General Meeting (AGM).

PG and PC Inter Linkage

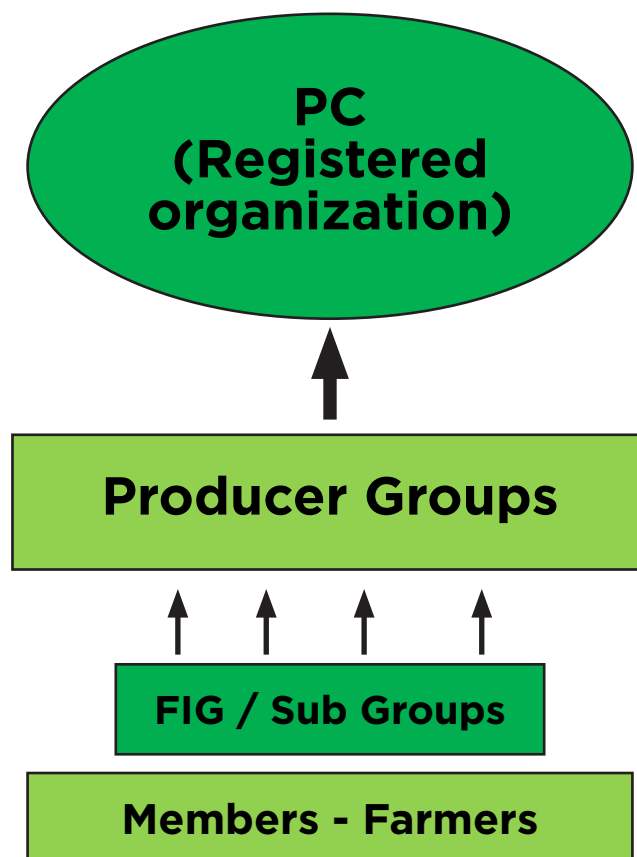
PC can be conceived as three-tier structure with primary producers at the bottom of the pyramid,

in the middle, their Producer groups (PGs) and the federation of PGs as apex PC. This model of PC Facilitates PG as shareholder representing the equity of all its members. With a large number of shareholder producer / farmers directly representing the General Body, has a risk of last mile primary producer getting marginalised as better-off amongst them may take advantage of the collective. PG as intermediary structure ensures that primary producer is well represented with the spirit of equity and equality. The Producer Company Act has provisions for such group membership.

PC formation - Federated Approach

- PC will be a membership-based organization having member of PGs and as individual shareholders.

- The Producer Groups (PGs) which are formed at the village level will be federated in the form of Producer Collectives (PC) at the appropriate (Block/District) level as per the requirement of the commodity/ sub sector, business potential and the type of activities.
- All PCs in the project will be legally registered bodies.
- The Producer Collectives can initiate with a single commodity and then over a period of time can diversify into multiple commodities.
- Majority of the PC Formed in VKP project would follow this approach.



Chapter 13

MARKETING

Most of the PGs promoted through the project would be linked to higher level institution i.e Producer Collective for marketing their produce or in very few cases directly linked to the market.

- i) Through Producer collectives: In cases where the aggregation is being done at the PG level and it is the responsibility of the Market Integration Committee of the PG to ensure timely procurement of the produce from the sub groups, aggregate it and supply it to the PC.
- ii) Directly linked to market: In case the PGs are directly linked to the market or private players for better economic returns the PGs will be advised to enter into formal agreement based on need.

The steps and processes done during collective marketing in a PG is as follows:

Collective marketing

- Crop/Production Planning is done with the members of PG based on the demand by the member of the planning subcommittee
- Training and monitoring of the production planning of the members is done by the member of the marketing sub-committee of the PG.

- Estimation of produce done by the PG.
- Arrangement of transport and storage facilities
- PG arranges for collection from the farm gate/ production point or members bring the produce to a common collection point (in case of milk at a particular time)
- Quality check of the collect made using equipment (weight, SNF (for milk) before procurement
- The amount of procurement made is recorded in the purchase register
- The produce is supplied to PC or Markets using vehicle
- Incentives to the members based on the quality and quantity
- Payment made to the members weekly/ fortnightly (based on the quality Eg; In Milk based on SNF content payment varies from members to member)

In some cases when an individual enterprise has a demand the PGs will support that as feeder unit/ sub-contractor.

Chapter 14

GRADING of PGS

The assessment of Producer Groups would be done for PGs for performance on the regularity in conduct of meetings, attendance, Book keeping systems, member's participation in the PG business etc., using the grading tool developed by the SPMU/ TSA. Those Producer Groups which have completed at least 12 months after formation are eligible for grading. The ECP with the support of Block Team would do the Grading of PGs. The PGs will be graded as A, B, C or D based on the scores obtained. The grading will be useful for further strengthening and obtain financial linkages.

The parameters on which the Grading is to be done are as follows:

- Institution Building
- Book keeping systems and financial activity
- PG Business Management
- Financial and Institutional linkages (Convergence & Partnership)

- Environmental and social safeguards compliances
- Affiliation to PC / or possibility for affiliation

Eligibility Criteria for Grading and frequency of Grading

- In the project, Grading exercise will be organized regularly once in a year
- The PGs which have completed at least 12 months from the date of formation are eligible for grading.
- For the PGs which are graded as C & D the lacking parameters shall be further strengthened and they can reappear for grading within six months.

The Grading Orientation on the grading exercise should be given to the grading team by the district project team with the support of TSA.

Chapter 15

ENVIRONMENTAL SAFEGUARDS REQUIREMENTS FOR THE PGS:

The PGS have to adhere to the following Compliances related to Production:

- Sale, stock or exhibition of sale or distribution of any insecticide cannot be done without license as per Insecticide Act 1968
- Sale or distribution of seed should comply with The Seed Act, 1966
- Purchase, stock, sale, distribution or exhibition of pesticides and chemical fertilizers without license as per The Fertilizer (Control) Order, 1985 is not allowed
- Avoid use of banned and restricted pesticides by Government of India and the pesticides that are non-permissible according to Pest Management Policy of World Bank (WHO class 1a, 1b and II)
- Use of forest land or any portion of it (for cultivation, aggregation, processing activities etc.) without prior approval is not permitted
- Stopping or diverting water flow in to or from any wild life sanctuary (for irrigation, processing etc.) should not be done

Chapter 16

MONITORING THE PG ACTIVITIES

The different roles of the VKP project team and ECP w.r.t monitoring the PG activities is as given below

Unit	Roles
1	SPMU <ul style="list-style-type: none"> • Developing MIS tool and tracking the performance of the PGs through reports from DPMU • Making monitoring visits to the districts
2	DPMU <ul style="list-style-type: none"> • Conducting Physical verification to check the utilization of the project grants • Tracking the performance of PGs by consolidation and analysis of ECPs reports • Monitoring and review of ECPs
3	ECP <ul style="list-style-type: none"> • Regularly participating in their meetings • Physical verification of the records • Making Frequent physical visits to member fields • Monitoring the utilization of the project grant • Monitoring the PG business activities • Facilitating of the PG for grading. • Reporting to the DPMU on PG activities

Chapter 17

ROLE OF ENTERPRISE COMMUNITY PROFESSIONALS IN PG ACTIVITIES

- Identification of people/members involved in farm and non-farm producer activities.
- Provide project information to producers who are willing to peruse enterprise collectively into Producer Group.
- Mobilise identified producers to form new Producer groups.
- Support group members to participate in capacity building training, refresh training, etc provided by project through TSA.
- Facilitate the producer groups for support services through the OSF/TSA as guided by the project team.
- Support Producer Group compliances to environment and social inclusion and safeguards.
- Assist Producer Group in obtaining permit, license, etc through project, OSF and TSA
- Assist the members of Producer Groups to participate in CFS training and input sessions organised by the project.
- Support project in creating demonstration plots for CFS on best practices, peer learning, etc., with the identified SPARKS and Super SPARKS.
- Participate in regular meetings of Producer Groups and provide handhold support to PGs in tandem with block teams, Technical support agencies and OSF.
- Disseminate information/awareness on the project financial instruments and assist in promotion of PGs into Producer Collectives.
- Support Producer Groups in convergence benefits from on-going schemes and programs through district team.
- Update and manage all village level information of Producer Group through basic level Data updation as guided by VKP Project
- Provide any other follow up support to Producer Group as guided by the project.
- Integration of safeguard measures and compliance with the same

Annexure-II

Membership Application Form and General Member Profile

To

The President

.....ProducerGroup, village

Sub: Application form formembershipof Producer Group

Dear Madam,

I am resident ofvillage and a member ofSelf Help group under..... VPRC. I amaproducerof.....andlike

to join as member of the producer group. I will obey all the rules and regulations of the Producer Group and actively provide all my support to achieve group aim and objectives. I will also deposit INR 100/ as registration fee to the PG and ready to contribute INR 100 as monthly contribution to the PG. Details of my family is attached in the applicationform.

With regards,

(Signature of the member)

Name:

Name of SHG Name of VPRC:

Membership No:

General Profile of the Member

Name of member	:	Name of Husband/Father	:
Name of SHG	:	Name of VPRC	:
Social Category	: GEN/ST/SC/OBC	Economic category	: APL/BPL
		Bank Account	: YES/NO

HH person Details:

Sl. No.	Name of HH Member	Relationship	Sex (M/F)	Age	Marital Status	PWD (Y/N)	Education	Primary Occupation

Resource Details:

Name of the Resource	Unit	Number of unit	Present use
Land(Own/Leased)	tin		
Irrigation source			
Livestock(cow/goat/chicks)			
Machineries			
Infrastructure			

Income Details:

Sr. No.	Source of Income	Total Annual Income (in INR)

Major issues and challenge is Production:

Annexure-III

Draft Constitution of Producer Group

Name of the Producer Group: Address:

Date of formation:

Article-I Formation of Producer Group:

Today, 1st of October, 2018, ...day atPM/AM all the producers of (name of the commodities) organized a general meeting. In the general meeting the all producer felt need of forming a producer group in the village to improve the income of the producers engage in the activities. After a detail discussion all the producers present in the meeting decided to form a Producer Group in the village. And the general body decided the following for the Producer Group-

Name of the Producer Group:

Address of the Producer Group:3.

Objectives of the Producer Group: (a)

(b)

(c)

Selection of executive Committee members and EC formation:

Sl. No.	Name of EC Member	Address	Subgroup Village

Selection and appointment office bearers

Sl. No.	Name	Designation
		President
		Secretary
		Treasurer

Article-2

Norms for membership:

- (a) Must be a SHG member, 18 years and above.
- (b) Should be primary producer (like, livestock rearer, agriculture farmer, horticulture farmer, fishery farmer, weavers & artisans, etc.)
- (c) Only single membership only female will be allowed per household.
- (d) A member shall belong to the same village or adjoining villages producing similar products.
- (e) A member shall be required to abide by the rules and regulations of the PG.
- (f) A member shall be ready to pay annual or regular contribution as per the group decision.

Exit norms of members

A member willing to withdraw from the producer group has to submit an application to the president of PG citing reasons, PG in its monthly meeting will decide on the withdrawal of membership, after discussion PG will come to a final decision, similarly for termination of membership due to absence from meeting, non adherence to group norms, not performing roles and responsibilities will also be discussed and decided in the group meeting.

Power and Function of office bearer:

- (a) Role of President:**
 - To chair the meetings and facilitate discussions engaging all members

- To help the group arrive at decisions
- To oversee implementation of group decisions
- To represent the group in different forums and meetings/seminars
- To support conflict resolution efforts
- Facilitate linkage and key person in developing functional linkage with relevant stakeholders

(b) Role of Secretary:

- The secretary shall be in charge of all the correspondence and records of the producer group, keep the meeting minutes
- To convene meetings in consultation with President
- To set the agenda for the meetings
- To ensure attendance and participation of members
- To get the minutes of discussions recorded
- To execute the decisions of the Group
- To report the members on the progress of groups activity
- To coordinate and facilitate linkage with public and private agencies.

(c) Role of the Treasurer:

- To become custodian of cash and bank balance of the group
- To ensure safeguarding and accounting for all funds received by the group
- To issue receipts for the fund received
- To arrange up to date recordkeeping
- To present financial picture of the group from time to time
- To finalize accounts at the end of each fiscal year and facilitate timely audit
- At least 1 audit per year

General Body: The General Body will be the principal decision making body of the Producers' Group and will comprise of all the members of the group. The general body will meet at least once in three months with a quorum of two third of its members.

Functions of General Body:

1. Executive committee will develop activity plan for the financial year, Generalbody will approve the plan in annual generalmeeting

2. General body will verify and approve the financialstatements
3. GB can call meeting in case of any urgent need felt by the members and has the power to dissolve the executivecommittee

Executive Body: Two representative producers from each PG subgroup of the village will form the Executive Committee of the Producer Group.

Functions of Executive committee-



The Office Bearers (OB) will be accountable to the EC for their day to day activity. The EC shall meet at least once in a month with a quorum of two third of its members. 30% of the EC members shall change and be re-elected every year by the General Body. A member of the EC can serve not more than 3 years in the committee.

Article -III

1. Registration Fee:

Each member of the Producer Group need to deposit INR 100 (Rs. Hundred) as registration fee to the producer group

2. Monthly contribution:

Each member will contribute INR (need to decide by the PG) as monthly deposit to the PG for building the group working capital. Once the member left from the PG then PG will return the same to the members after the annual audit of the group with addition of proportion of profit/loss PG had made in last financial year.

3. Fine:

If any member of the executive committee absent in the EC meeting without any prior information then PG will charge fine of INR Rs:(need to decide by the group) from the respective EC member.

4. Financial Management:

To manage the fund of the PG in a transparent and effective way the PG will open a saving bank account of the PG at any Nationalize bank. The three office bearer will be joint signatory of the saving bank account.

5. Loan and renting of equipment:

PG will not provide any loan support to its member. It will rent out necessary equipments or mercenaries with a decided rate (EC will fix the rate) to its member.

Article- IV

1. General Body Meeting Norms: GB meeting will held two time in a year (in 1st year) and 2nd year on ward once in a year.
2. Meeting Norms of Executive Committee : EC meeting will take place once in every month. The date and time of EC meeting is.....date of every month on AM/PM at venue.
3. Quorum: In general body meeting quorum is minimum presence of minimum 50% of GB members. In EC meeting quorum is minimum

presence of 2/3rd of its EC members.

4. Decision making process: Decision will be taken on the basis of consensus of all the PG members. If consensus cannot be build then the decision will taken by majority voting basis.

Article V

- The capital of Producer Group shall be monthly contribution paid by members, registration fee and rent received on leasing of implements.
- The liability of each member in case of liquidation is limited to the value of monthly contribution by members after adjustment made after the audit.

Article VI

Consent of 3/4th or 75% members is required for dissolution of Producer Group. With the consent of the all the member of PG, the cash shall be distributed among members in proportion to monthly contribution deposited. And assets, implements received from VKP/ other Govt should be handed over to VPRC of the village.

Adoption of Constitution by Producer Group:

We the recent undersigned members of Producer Group established on have read, understood and accepted the rules and regulations of the Producer Group and we hereby attest the signatures to the rules and Regulations on this day of the month in the year

Sl. No.	Name	Designation	Address	Signature
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

14				
15				
16				
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30				

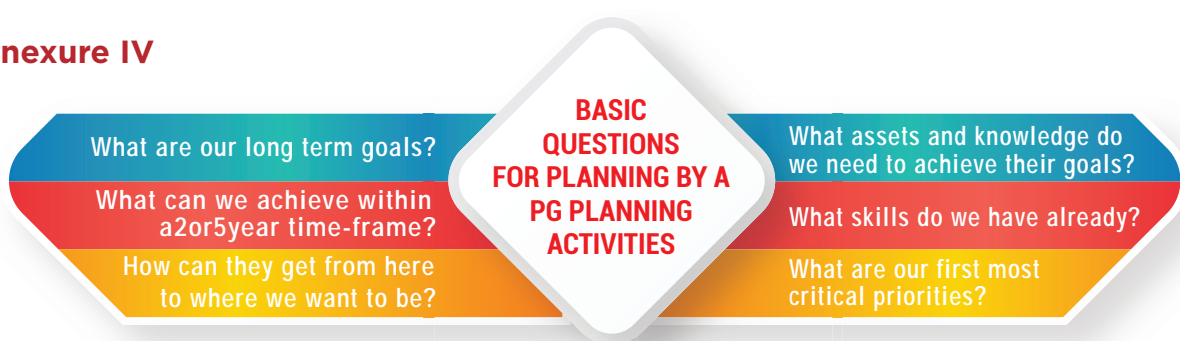
Certified to be a true copy of the Rules and Regulations of the
 Producer Group

Date :

Seal of the Producer Group

Signature & Stamp of President & Secretary

Annexure IV



Production

- What are our current management practices and what do we need to change: seed type, variety, planting density, weeding methods, fertilizer application, irrigation usage, etc.? For livestock, what are the breeding, feeding, veterinary care and housing we need?
- When do we need to plant crops (or breed animals)?
- What area of land will each farmer plant? How many animals will each farmer keep?
- What tools and equipment will we use?
- What area of land will each farmer plant?
- How many animals will each farmer keep?
- How will we monitor production to make sure we get the right amounts and quality?

Postharvest handling

- What are our current harvest practices in the current product? What are the standards and improvements we can make in the post harvest practices?
- How will we store the product? What facilities will we need?
- How will we sort grade, package and label the product?

Marketing

- Who are our potential buyers? What are their requirements?
- How will we identify buyers? How will we market the product? Who will negotiate on behalf of the group?
- What transport will we need? What will the delivery schedule be?
- What price range will we negotiate for? What should the payment terms be?

Business development services

- What business services will we need? Input supplies, technical advice, financial services, marketing services, transport, etc?
- Which services are the most important?
- Which services need to be strengthened?
- Which services do we need to pay for? How will we pay for them?

Annexure V

**PG FORMATS (Crop Planning)
Format for Crop Planning**

..... PG								
Name of the PG:		Habitation:						
Sl. No.	Name of the Member	Totalland	Season-1		Season-2		Season-3	
			Crop	Extent	Crop	Extent	Crop	Extent

Format for Data Compilation (Crop Plan)

..... PG								
Sl. No.	Name of the/Habit ation	Total land	Season-1		Season-2		Season-3	
			Crop	Extent	Crop	Extent	Crop	Extent
1								
2								
	Total							

Format for Data Compilation (Procurement)

Sl. No	Crop	Extent	Estimat ed Product iv-ity	Estimated Product ion (Tonnes)	Estimated Procure-ment Quantity (Tonnes)	Provi-sional Price	Estimated Procure-ment Value (Rs.)

Annexure VI

PG ACTIVITY PLAN FORMAT

- 1) Name of the Producer Group:
- 2) No. of members:
- 3) Date of formation:
- 4) Commodities (Crop/Livestock/others) planned:
- 5) Production cycle and season
- 6) Date of Activity Planning:

S.No	Areas/stage of Intervention	Activities Planned (check list of activities- more activities could be added)	No. of units required	Budget (required amount)	Timeline of Expenditure
1.	Production	Crop planning (time, season, Cultivation method, Varieties, Irrigation etc.) Training on production methods Collective Input purchase (Bulk purchase of seeds, fertilizers, pesticides etc.) Custom hire of machineries/tools			
2.	Post-harvest handling	Collective Procurement from farm gate Weighing scale Storage points- Renting of warehouse, Common infrastructure facilities like drying yards etc., Training members on sorting, grading and packing procedures			
3.	Marketing	Organise and Transport (Producer Collectives or Markets) Retail sales point			
4.	Organizational Development	Open a Bank account Establish group fund Book and Record keeping Train leaders and group members			
5.	Monitoring	Establish monitoring systems for the PG			
	Total				

ABSTRACT

S.NO	REQUIREMENT	DETAILS	UNITS	Amount
1.	Inputs (for procurement)	seeds, fertilisers, pesticides, feeds in case of livestock, renting of machineries etc.,		
2.	Human Resource	Skilled man power and trainings required for its members		
3.	Financial	Capital (fixed and working capital)		
4.	Technical Support	Innovative and cost effective technologies		
5.	Sales and Marketing Plan	Type and amount of produce, details of supply and logistics		
	Total			

**Office bearers
President, Secretary and Treasurer**

Verified By
ECP/PE

BTL

TSA / EO-ED

Annexure VII
TAMIL NADU RURAL TRANSFORMATION PROJECT
START UP-FUND - APPLICATION FORM FOR PRODUCER GROUP

1. Name of the Enterprise Group (Name of the Panchayat, Block, District):
2. Communication Address with Phone Number:
3. Date of formation:
4. Commodity/ subsector:
5. Total Number of Members:

7. Proposed Activities & Fund Requirement details:

S. No	Areas/stage of Intervention	Activities Planned (check list of activities- more activities could be added)	No. of units required	Budget (required amount)	Timeline of Expenditure
1	Production	Crop planning (time, season, Cultivation method, Varieties, Irrigation etc.,) Training on production methods Collective Input purchase (Bulk purchase of seeds, fertilizers, pesticides etc.,) Custom hire of machineries/tools			
2	Post-harvest handling	Collective Procurement from farm gate Weighing scale Storage points- Renting of warehouse, Common infrastructure facilities like drying yards etc., Training members on sorting, grading and packing procedures			
3	Post-harvest handling	Collective Procurement from farm gate Weighing scale Storage points- Renting of warehouse, Common infrastructure facilities like drying yards etc., Training members on sorting, grading and packing procedures			
	Total Amount				

categories	No of members	BC	MBC	SC	ST	others	SHG Members	SHG family members	Differently abled
Female									
Male									
Total									

6. Details of Bank Account

- Name of the Bank:
 Branch:
 Account Number:
 IFSC Code

7. Proposed Activities & Fund Requirement details:

S. No	Activity	Amount Required (Amount in Rupees)	Timeline
1			
2			
3			
	Total Amount		

Declaration:

We the representatives of the Enterprise Group, hereby declare that the above furnished details are true to the best of our knowledge and request you to sanction us loan to carry out our Enterprise Group activity.

Date

Office Bearer's Signature

Enclosures to be attached:

- 1) Photocopy of bank passbook
- 2) Meeting resolution
- 3) Activity plan

Annexure VIII

PG START UP FUND

Assessment of the Milestones achieved

S.No	Details	Means of verification	Yes/No	Remarks
1.	Whether the PG has bank account in its name?	Group Bank pass book		
2.	Whether the PG has completed minimum of three months from the date of formation?	Copy of minutes book		
3.	Membership fee collected (%) $\{ \text{Amount collected} / \text{Total Fee (Total members} \times 100) \} \times 100$	Minutes book, Bank Pass Book		
4.	Whether the PG has completed its activity plan?	Activity plan document		
5.	% Women members- (No. of women members/Total members) x 100	Member profile, Minutes book		

Whether the PG is eligible to receive start up fund:

Recommended for Start-up fund- Yes/No

Assessment made by Block team comprising of

BTL

BPF EO

EO-EED

Verified by TSA (District Lead)

Approval by DEO

State Level Schemes

Tamil Nadu

I. Agriculture Schemes

1. Assistance to the farmers for quality seed production		
A. Seed Multiplication Scheme of Paddy		
Welfare Scheme Components and its benefits	Eligibility and conditions for availing the benefits	Officer to be Contacted
In order to encourage the farmers and to offset the special efforts taken by them incentive is provided for all the seeds produced by the farmers.	All farmers who produce and supply the seeds to the Department of Agriculture on Contract basis are eligible to enroll and register their seed farms under this programme.	Assistant Agricultural officer at the Village Level
Paddy Premium for the production of Certified class seeds Rs.2/- per Kg of seed	Preference will be given to farm women groups, Farmers Interest Groups.	Assistant Seed Officer / Deputy Agricultural Officer / Agricultural Officer at the Block Level
	The required source seed will be supplied by the Department of Agriculture through the Agricultural Extension Centres on payment.	The Assistant Director of Agriculture at the Block Level
	The farmers should follow the guidelines given by the field level functionaries / Seed Certification officers to maintain the Quality.	The Joint Director of Agriculture at the District Level
2. Assistance to farmers for increasing the crop productivity		
Macro Management Mode Schemes		
Cereals Development Programme - Paddy		
a. Quality seed Distribution through seed village concept: A subsidy of Rs.5 per kg of paddy seeds will be allowed in the sale price at the time of purchase at the	All farmers are eligible to avail the subsidy under this scheme. Preference will be given to Small/ Marginal women farmers and 30% flow will be assured to SC/ST	Assistant Agricultural officer at the Village Level
Agricultural Extension Centers or 50% cost whichever is less		
b. Demonstrations on System of Rice Intensification: Assistance for improved seed, Conoweeder, Marker, Bio fertilizers and Micro Nutrient Mixture - Subsidy of Rs 3000 per demonstration of 0.4 Ha each.	This Scheme is in operation in all the districts of the state except Chennai, The Nilgiris and NFSM rice implementing districts of Nagapattinam, Tiruvarur, Sivagangai, Ramanathapuram and Pudukkottai.	Assistant Seed Officer / Deputy Agricultural Officer / Agricultural Officer at the Block Level

<p>c. Integrated Pest Management Demonstration cum Training @30 farmers per training (Farmers Field School) - A lumpsum provision of Rs.17,000 includes Honorarium, Training material and conduct of field days</p>		<p>The Assistant Director of Agriculture at the Block Level. The Joint Director of Agriculture at the District Level</p>
<p>3. Tamil Nadu Agricultural Modernization and Water bodies Restoration Management (IAMWARM)</p>		
<p>a. Demonstrations Paddy SRI (1 ha) 100% subsidy (or) Rs.6,000/-</p>	<p>All farmers through Water Users' Association in the respective phase I (2007-08), Phase II (2008-09), Phase III (2009-10) are benefited under this scheme.</p>	<p>Assistant Agricultural officer at the Village Level</p>
		<p>Assistant seed officer /Deputy Agricultural Officer / Agricultural Officer at the Block Level</p>
		<p>The Assistant Director of Agriculture at the Block Level</p>
		<p>The Joint Director of Agriculture at the District Level</p>
<p>4. Seed Village Scheme</p>		
<p>a. Distribution of Foundation / Certifiedseeds of Paddy at 50% cost for the production of quality seeds by farmers</p>	<p>All the farmers in the State who are willing to produce quality seeds from their lands for their own use and for distribution to other farmers.</p>	<p>Assistant Agricultural officer at the Village Level</p>
<p>b. Three Days Training on seed production technology in three important phases of the crops to farmers who receive seeds from the department @ 50% cost for production of quality Seeds. 50 farmers per training totally 8000 training per year.</p>		<p>Assistant seed officer /Deputy Agricultural Officer / Agricultural Officer at the Block Level</p>
<p>c. Supply of Storage Bin to the farmers. Rs.3000/- for 20 qtl bin and Rs.1500/- for 10 qtl. bin (or) 33% cost of bin</p>		<p>The Assistant Director of Agriculture at the Block Level</p>
<p>Rs.2000/- for 20 qtl bin and Rs.1000/- for 10 qtl. bin (or) 25% cost of bin</p>		<p>The Joint Director of Agriculture at the District Level</p>

5. National food security mission rice operated in Nagapattinam, Pudukkottai, Ramnad, Sivaganga and Tiruvarur districts:		
Inputs for the Demonstration on improved package of practice @ Rs.2500/- Demo of 0.4 ha or 50% cost whichever is less	All farmers in the National Food Security Mission Rice districts. 33% of the allocation to SF / MF / Women farmers. 16% of the total allocation to SC farmers and 8% to ST farmers. Assistance limited to five hectare per farmer.	Assistant Agricultural officer at the Village Level
Inputs for the Demonstration on SRI @ Rs.3000/- Demo of 0.4 ha or 50% cost whichever is less		Assistant Seed Officer / Deputy Agricultural Officer / Agricultural Officer at the Block Level
Inputs for the Demonstration on Hybrid rice technology @ Rs.3000/- demo of 0.4 ha or 50% cost whichever is less	All farmers in the National Food Security Mission Rice districts. 33% of the allocation to SF / MF / Women farmers. 16% of the total allocation to SC farmers and 8% to ST farmers. Assistance limited to five hectare per farmer.	The Assistant Director of Agriculture at the Block Level
Production incentive Hybrid rice seeds @ Rs.1000/-qtl		The Joint Director of Agriculture at the District Level
Distribution subsidy of Hybrid rice seeds @ Rs.2000/-qtl or 50% cost whichever is less		
Incentives for Micro Nutrients @ Rs.500/-ha or 50% cost whichever is less		
Incentives for Conoweeder and otherFarm Implements @ Rs.3000/- implement per farmer or 50% cost whichever is less		
Plant Protection Chemicals and Bio-Pesticides @ of 50% subsidy or Rs.500/- ha whichever is less.		
Distribution of Transplanter at Rs.70,000/-(or) 50% cost whichever is less		

II. Farm mechanization schemes

1. Agricultural Mechanisation Programme

Name of Scheme	:	Agricultural Mechanisation Programme
Project Area	:	All Districts (Except Chennai)
Details of Works	:	Subsidy assistance is provided to farmers for procuring Agricultural Machinery and implements such as Tractors, Power Tillers, Self propelled Paddy Transplanters, Self propelled paddy reapers, Rotavator, Cultivator, Disc Plough, Chisel Plough etc.,
Benefits offered (Subsidy)	:	25% of the cost of machinery / implements or the ceiling limit prescribed by Government of India for each machinery / implement, whichever is less.
Officer to be approached	:	Assistant Executive Engineer, AED in the Revenue Division. Executive Engineer, AED in the District. Superintending Engineer, AED in the Region. Chief Engineer, Agricultural Engineering Department, Nandanam, Chennai-35. Phone 2435 2686 , 2435 2622

2. Land Development Scheme Area of operation

Name of Scheme	:	Land Development Scheme Area of operation
Area of operation	:	All Districts
Details of Works	:	Land Shaping Land Levelling Land Reclamation Ploughing, Puddling Paddy Harvesting by Combine Harvester.
Benefits offered (Subsidy)	:	Agricultural Engineering Department hires out machinery to (Subsidy) farmers as per Government approved hire charges and execute the above works. (Hire charges of machinery are furnished below)
Eligibility	:	Farmers of all categories
Time-limit for Implementation	:	Machinery are allotted on priority basis.
Officer to be approached	:	Assistant Executive Engineer , AED in the Revenue Division. Executive Engineer , AED in District. Superintending Engineer , AED in the Region. Chief Engineer, Agricultural Engineering Department, Nandanam, Chennai-35. Phone 2435 2686 , 2435 2622

Details of hire charges of Land Development Machinery

Sl. No.	Name of Machinery	Hire Charges (Rs. per hour- With Diesel)
1	Tractor	265
2	Bulldozer	670
3	Tractor mounted Combine Harvester	780
4	Class crop Tiger Combine Harvesters rubber track type	1130

3. National Agriculture Development Programme (NADP)

Name of Scheme	:	National Agriculture Development Programme (NADP)
Project Area	:	All Districts (except Chennai)
Details of Works	:	

Sl.No	Component	Item of works
1	Agricultural Mechanisation	a) Introduction of newly developed agricultural machinery / implements b) Popularising conventional machinery / implements.
2	Dry Land Development	1. Plastic lined farm pond with portable sprinkler unit b) Unlined farm pond c) Compartmental Bunding
3	Establishment of land resources inventory and GIS data base	Digitisation of cadastral maps of potential crop growing villages

Benefits offered (Subsidy) :	50% subsidy assistance is provided to farmers for purchasing newly developed agricultural implements such as mini combine harvester, multi crop thresher, paddy transplanter , and 25% subsidy assistance is provided to farmers for purchasing conventional machinery / implements such as power tiller, rotavator, cultivator, offset disc harrow, disc plough etc.,
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4. Rain Water Harvesting and Runoff Management Programme and NABARD assisted Rain Water Harvesting Programme

Rain Water Harvesting and Runoff Management Programme

Project Area : All Districts (Except Chennai and Nilgiris)

NABARD assisted Rain Water Harvesting Programme

Project Area: Kanchipuram, Thiruvallur, Villupuram, Cuddalore, Vellore, Salem, Erode, Namakkal, Trichy, Perambalur, Karur, Dindigul, Theni, Virudhunagar, Ramnad, Sivaganga, Thoothukudi, Coimbatore and Nilgiris.

Details of Works :	Percolation ponds Major, medium and minor check dams Farm Ponds Rejuvenation of unused wells Village tanks / Ooraries.
Benefits offered (Subsidy) :	100% grant is provided on cost of works taken up in community lands. However, the beneficiaries are required to contribute 10% of the cost of works (it is 5% in case of SC/ST) in cash which will be deposited in the name of the Village Development Association / Watershed Association for future maintenance of the assets created. 90% subsidy is provided on cost of works in patta lands and the remaining 10% is collected as beneficiary share.
Officer to be approached :	Assistant Executive Engineer, AED in the Revenue Division. Executive Engineer , AED in the District. Superintending Engineer , AED in the Region. Chief Engineer, Agricultural Engineering Department, Nandanam, Chennai-35. Phone 2435 2686 , 2435 2622

5. Replacement of old Pumpsets with new Pumpsets.

Name of Scheme :	Replacement of old Pumpsets with new Pumpsets.
Project Area :	All Districts (except Chennai.)
Details of Works :	Replacement of old, inefficient electrical pumpsets with new BIS pumpsets and Renewal of Electrical accessories.
Benefits offered (Subsidy)	

Description	For SC/ST Farmers	For Other Farmers
Pump sets below 5 HP	Subsidy of Rs.3500 or 50% of the cost of the pump set Whichever is less	Subsidy of Rs.2500 or 25% of the cost of the pump set. Whichever is less.
Pump sets of 5 HP & above	Subsidy of Rs.6000 or 50% of the cost of the pump set Whichever is less	Subsidy of Rs.5000 or 25% of the cost of the pump set. Whichever is less.
Cost of renewal of panel and other electrical accessories	Subsidy of Rs.1500 or 50% of the cost of panel Whichever is less.	

Eligibility	:	The farmers having agricultural wells with old, inefficient Electrical pump sets in all the districts of Tamil Nadu (except Chennai)
Officer to be approached	:	Assistant Executive Engineer , AED in the Revenue Division. Executive Engineer, AED in the District. Superintending Engineer, AED in the Region. Chief Engineer, Agricultural Engineering Department, Nandanam, Chennai-35. Phone 2435 2686 , 2435 2622

Promoting SRI in 40000 Ha. through conduct of demonstrations

- a. Supply of seeds and other key inputs @ Rs.800/- per ha
- b. Supply of Conoweeder and Marker @ Rs.2200/- per ha

Farmers of all districts adopting SRI except Chennai, The Nilgiris and Kanyakumari.

Distribution of Conoweeder and Marker to 3000 Women Self Help Groups

Supply of 5 Conoweeders and one Marker @ Rs.7400/- per women group at free of cost for custom hiring to ensure easy accessibility of implements 3000 TANWABE / SHG Women Groups of all districts except Chennai and The Nilgiris

Central Schemes

1. Institutional Credit Facilities

Institutional credit is the vital factor in agricultural development.

The National Agriculture Policy targeted annual growth rate of 4 percent over the 10th plan period.

The Task Force on Agricultural Credit has given the main emphasis on adequate and timely credit support to the farmers, particularly small and marginal farmers for adoption of modern technology and improved agricultural practices.

The institutional credit disbursed through co-operatives, Commercial Banks and Regional Rural Banks.

The institutional credit to Agriculture is offered in the form of short term, medium term and long term credit facilities:

Short term and medium term loans

Name of Scheme	Eligibility	Objective/Facilities
Crop Loan	All categories of farmers.	To meet cultivation expenses for various crops as short-term loan. This loan is extended in the form of direct finance to farmers with a repayment period not exceeding 18 months.
Produce Marketing Loan	All categories of farmers.	This loan is given to help farmers to store produce on their own to avoid distress sale. This loan also facilitates immediate renewal of crop loans for next crop. The repayment period of the loan does not exceed 6 months.
Kisan Credit Card Scheme (KCCS)	All agriculture clients having good track record for the last two years.	This card provides running account facilities to farmers to meet their production credit and contingency needs. Minimum credit limit is Rs. 3000/-. Credit limit is based on operational land holding, cropping pattern and scale of finance. The Kisan Credit Card is valid for 3 years subject to annual review. It also covers personal insurance against death or permanent disability for maximum amount of Rs. 50,000 and Rs. 25,000 respectively.

Long term loan

Name of Scheme	Eligibility	Objective/Facilities
Agricultural Term Loan	All categories of farmers (small/medium and agricultural labourers) are eligible, provided they have necessary experience in the activity and required area.	The banks extend this loan to farmers to create assets facilitating crop production/income generation. Activities covered under this scheme are land development, minor irrigation, farm mechanization, plantation and horticulture, dairying, poultry, sericulture, dry land / waste land development schemes etc. This loan is offered in the form of direct finance to farmers with a repayment span not less than 3 years and not exceeding 15 years.

3. Minikit Programme for Rice: Ministry of Agriculture

Sponsored by Central Government

Funding Pattern The programme is 100% funded by the Government of India.

Ministry/Department Department of Agriculture & Cooperation

Description The objective of the scheme is to increase the productivity by popularising the use of newly released hybrid/high yielding varieties and spread the area coverage under location specific high yielding varieties/hybrids.

Eligibility criteria All states are eligible to avail this scheme.

How to Avail The benefits of the scheme reach the farmers through State Departments of Agriculture

4. Minimum support price scheme

Minimum price for a product, established by a government and supported by payments to producers in the event that the market price falls below the specified minimum price.

A price support scheme can also be an agreement set in order by the government, where the government agrees to purchase the surplus of at a minimum price.

For example, if a price floor were set in place for paddy, the government would be forced to purchase the resulting surplus from the paddy farmers (thereby subsidizing the farmers) and store or otherwise dispose it.

The price support scheme is basically to ensure farmers a minimum support price which is worked out by the Commission for Agricultural Costs and Prices (CACP) set up by the Government of India.

In the procurement operation, National Agricultural Co-operative Marketing Federation -NAFED appoints state level agencies in consultation with the State Governments who in turn involve their co-operative marketing societies for the procurement at the field level.

This scheme safeguards the farmers' interest especially during periods of high production and crash in price.

Commodity	Variety	Minimum support price (2010-11)
Paddy	Common	1000
	Grade 'A'	1030

5. National Agricult-ural Insurance Scheme (NAIS)

Beneficiaries:

Scheme is available to all farmers loanee and non-loanee both irrespective of the size of their holding.

Objectives/facilities:

To provide insurance coverage and financial support to the farmers in the event of failure of any of the notified crop as a result of natural calamities, pests and diseases attack.

To encourage the farmers to adopt progressive farming practices, high value in-puts and high technology in agriculture. To help to stabilize farm incomes, particularly in disaster years.

General Insurance Corporation of India (GIC) is the Implementing Agency.

Sum insured may extend to the value of threshold yield of the area insured.

Provides subsidy of 50 percent in premium of small and marginal farmers. The subsidy will be phased out over a period of 5 years on sunset basis.

STATE SCHEMES:

Agriculture and Farmers Welfare department

- Distribution of Certified Seeds of maize
- Distribution of Certified seeds - Oil Seeds
- Distribution of Gypsum
- Distribution of Gypsum - Oil Seeds
- Distribution of manually operated Plant Protection Equipment
- Distribution of Minikits at free of cost
- Distribution of Nuclear Poly Hedrosis Virus
- Distribution of Rhizobium
- Distribution of Rhizobium Packets - Oilseeds
- Distribution of Soil Health card
- Farmers Interest Group (FIG)
- Farmers Training
- Farm Production System and micro enterprises - Sponsored By State Govt
- Generator subsidy
- Infrastructure subsidy for Privately Developed Industrial Estates.

- Integrated Pest Management Demonstration cum Training
- Livelihood activities for asset less persons-2012
- Livelihood activities for asset less persons - Sponsored By State Govt
- Low Tension power tariff subsidy
- Micro Nutrient spray
- Organizing Block Demonstration
- Organizing Block demonstration on Polythene mulch Technology in Groundnut
- Organizing Block Demonstration through Department and also through TNAU
- Pipes carrying water from source to field
- Pipes carrying water from source to field - Pulses ISPOM
- Price Preference for Micro and Small Enterprises in Government purchases
- Production of Certified Seeds
- Production of Certified Seeds of Maize
- Production of Foundation and Certified Seeds
- Production of Foundation Seeds
- Quality Paddy seed Distribution
- Rebate on Stamp duty and registration charges for Privately Developed Industrial Estates
- Rebate/ Reimbursement of Stamp duty & Registration charges for Micro and Small Enterprises
- Reimbursement of hall rent for conducting exhibition by MSME Association
- Reservation for Micro Enterprises in TANSIDCO Industrial Estates
- Reservation for Micro , Small and Medium Enterprises in SIPCOT Industrial Estates
- Seed Multiplication Scheme of Paddy, Millets, Pulses, Oilseeds and Cotton
- Skill Development Training Schemes and Skill Upgradation Training Schemes
- Special capital subsidy for thrust sector enterprises
- Stamp duty exemption on mortgaged and pledged documents
- Subsidy on the assessed Value Added Tax (VAT)
- Subsidy on the cost of Patent Registration in India or abroad
- Subsidy on the cost of Trade Mark Registration in India or abroad
- Technology Development Fund for evolving cleaner and / or energy efficient or IT enabled technologies for Micro, Small & Medium Manufacturing Sector.
- Term loan obtained for ISO Certification/R&D under NSICTANSIDCO Consortium
- Term loan obtained for Technology upgradation / modernisation schemes
- Term loan obtained under Credit Guarantee Fund Trust Scheme
- Term loan obtained under NEF scheme of TIIC (Renamed as Micro/Small Enterprises Funding Scheme)
- Training of Farmers on Pulses Production Technologies
- Training to Farmers
- Under Integrated Scheme for Oilseeds, Oilpalm and Maize (ISOPOM)
- Unemployed Youth Employment Generation Programme (UYEGP)
- Visit of Contract Farming farmers to the Research Stations in Karnataka
- Waiver of Earnest Money Deposit for participation in Tenders

Concerned Department: Agriculture and Farmers Welfare department

Concerned District: All Districts

Organisation Name: Agriculture Directorate

Scheme Details

Title / Name: Farmers Interest Group (FIG)

Associated Scheme: 6815

Sponsored By: State

Funding Pattern: Rs. 400 /- to Rs. 20,000/-

Beneficiaries: Farmers

Benefits Types: Grants

Eligibility criteria

Income:--

Age:--

Community:--

Other Details:--

How To Avail: The application is to be submitted to: Assistant Agricultural officer at the Village Level Agricultural Officer / Deputy Agricultural Officer at the Block Level The Assistant Director of Agriculture at the Block Level The Joint Director of Agriculture at the District Level

Validity of the Scheme

Introduced On:

Valid Upto:--

Description: 15 farmers per group) for Agricultural crops. An assistance of Rs.5000 per group towards purchase of office equipments, purchase of technical bulletins and setting up of Library - Training and acquisition of skills by farmer Members @ Rs.4000/- per group, issue of ID cards @ Rs.400/- per group and for district level meeting @Rs.20,000/- per meeting

Convergence on Department of Horticulture Schemes

Name of the Scheme	central/ state central/ state	Permissible cost	Pattern of Assistance	Eligibility
Integrated package with drip irrigation for banana sucker	Central	Rs2.0 lac/ha	Maximum of 0.80 lakh/ha(40% cost) for meeting expenditure on planting material,drip irrigation and cost of material for INM/IPM, in 2 installments(75:25)	All farmers
Without integration for banana sucker	Central	Rs.87,500/ha	Maximum of Rs. 0.35 lakh/ha (40% of cost) for meeting the expenditure on plantingmaterial and cost of INM/ IPM in 2installments (75:25).	All farmers
Without integration for TC banana	Central	Rs. 1.25 lakh/ha.	Max. of Rs. 0.50 lakh per ha, (40% of cost) for meeting the expenditure on plantingmaterial and cost of INM/ IPM in 2installments (75:25).	All farmers
Papaya without integration	Central	Rs. 60,000/ha	Maximum of Rs. 0.30 lakh/ha (50 % of cost) for meeting the expenditure on plantingmaterial and cost of INM/ IPM in 2installments (75:25).	All farmers
High density planting of mango and guava	Central	.Rs 1.00 lakh/ha.	Maximum of Rs. 0.40 lakh/ha (40% of thecost) for meeting the expenditure on planting material and cost of INM/ IPM in 3installments (60:20:20).	All farmers
Integrated package with Drip irrigation for Acid lime	Central	Rs. 1.00 lakh/ha	Maximum of Rs. 0.40 lakh/ha. (40% of cost) for meeting the expenditure on planting material, cost of drip system, INM/IPM, canopy management etc in 3 installments of 60:20:20 subject to survival rate of 75% in2nd year & 90% in 3rd year for perennial crops and for non perennial crops in 2 installments of 75:25.	All farmers
With out Drip irrigation	Central	Rs. 60,000/ha	Maximum of Rs. 0.30 lakh/ha (50 % of cost) for meeting the expenditure on planting material and cost of INM/ IPM	All farmers
Integrated package with Drip irrigation for cashew	Central	Rs. 1.00 lakh/ha	Rs. 0.40 lakh per ha (40% of cost) for meeting the expenditure on planting material and cost of material for drip system, INM/IPM etc) in 3 installments of 60:20:20 SUBject to survival rate of 50% in second lvear and 90% in third year	All farmers

Name of the Scheme	central/ state central/ state	Permissible cost	Pattern of Assistance	Eligibility
Integrated Horticulture Development Scheme (SCP)	State		1) For Horticulture Plants, the subsidy would be given for 1 ha. per beneficiary. 2) for vegetable seeds, subsidy would be given for 0.5 ha. per beneficiary. 3) For flower seeds / plants, the subsidy would be given for 0.5 ha. per beneficiary	SC/ST Certified Citizens
Mushroom production unit	Central	Rs. 20.00 lakh/ unit	40% of cost for private sector, for meeting the expenditure on infrastructure, as credit linked back ended subsidv.	All farmers
Mushroom Spawn making unit	Central	Rs. 15.00 lakh/ unit	40% of cost for private sector, for meeting the expenditure on infrastructure, as credit linked back ended subsidv.	All farmers
Compost making unit	Central	Rs. 20.00 lakh/ unit	40% of cost for private sector, for meeting the expenditure on infrastructure, as creditlinked back ended subsidv	All farmers
Shade net house : Cost of planting material & cultivation of high value vegetables grown in poly house	Central	Rs.140/Sq. m	50% of cost limited to 4000 Sq.m per beneficiary	All farmers
Vermicompost unit	Central	Rs1,00,000lakh/ unit for permanent structure and Rs16,000/unit for HDPE Vermibed.	50% of cost conforming to the size of the unit of 30'xS'x2.5' dimension of permanent structure to be administered on pro-rata basis. 50% of cost conforming to the size of 96 cft (12'x4'x2') and IS 15907:2010 to be administered on pro-rata basis.	All farmers

Convergence for Training

S.No.	Type of Assistance	Pattern of Assistance for the activity	Scheme/ Component
1	Training of groups of 50-150 farmers on seed production and seed technology aspect.	Rs. 15,000/- per group	Seed Village Programme (SMSP)
2	Assistance for training on seed production and seed technology for a group of 50 to 150 farmers.	Rs. 15,000 per training (i) At the time of sowing of seed crop: training on seed production technique, isolation distance, sowing practices and other agronomic practices. (ii) At the time of flower initiation stage of the crop. (iii) After harvest and at the time of seed processing	Certified seed production of oilseeds, pulses, fodder and green manure crops through Seed Village Programme, SMSP
3	Training of Farmers in recognized institutes (stipend, boarding, lodging and to & fro transportation cost would be provided to farmers).	Rs. 5200/- per farmer per month	Post Harvest Technology Management
4	Farmers' training	Rs. 24,000/- per training for 2 days for 30 farmers per batch (@ Rs. 400/- per farmer per day).	NMOOP
5	Training on plant protection measures to group of 40 farmers	i) Rs. 29,200/- per Farmer Field School of NGOs/Private Bodies ii) Rs. 26,700/- in case of state govt. organizations.	Plant Protection Scheme
6	Training on Repair, Maintenance, Operation and selection of various Agricultural Machinery & Equipments and Post Harvest Management	Rs. 4000/- per person per week	Sub-Mission on Agricultural Mechanization (SMAM)
7	Promotion of Farmers' Associations/ Groups of 15-20 farmers and tie up with Financial Institutions and Aggregators	Rs. 4075/- per farmer in three installments spread over 3 years	Vegetable Initiative for Urban Clusters (VIUC)
8	Training of farmers outside the state upto 50 man-days / block	Rs. 1250/ farmer per day which includes transportation, boarding and lodging of farmers	ATMA Scheme, Sub schemes NHM/HMNEH under MIDH
9	Training of farmers within the State(100 man-days / block)	Rs. 1000 /- per farmer per day which includes transportation, boarding and lodging of farmers	ATMA Scheme

S.No.	Type of Assistance	Pattern of Assistance for the activity	Scheme/ Component
10	Farm School (Training to 25 farmers per season at six critical stages of crop).	Rs. 29,414 /- per Farm School	ATMA Scheme
	a) Capacity building, skill development of farmers' groups and for other support services(for 20 groups per block) b) Seed Money to these groups as one-time grant for taking up income generating activity c) Food Security Groups (2 groups/block)	Rs. 5000 per group Rs. 10,000/group Rs. 10,000/group	ATMA Scheme

I Convergence on Department of Agriculture Schemes

Name of the Scheme	Central/ state	Districts in which it is operated	Assistance	Eligibility
Distribution of Gypsum and manually operated Plant Protection Equipment	State	All Districts	50% on the cost of Material plus transport limited to Rs. 750/- per Ha.A subsidy of 50% on the cost of equipment or Rs. 800/-	All farmers who raise seed farms with Pulses crop are eligible to avail the subsidy subject to availability of funds. SC/ST 24%, Farm Women 20%
Distribution of Certified Seeds of maize	State	Coimbatore, Dindigul, Erode, Dharmapuri, Krishnagiri, Namakkal, Perambalur, Virudhunagar, Theni, Villupuram, Vellore, Salem, Pudukkottai, Madurai, Sivagangai, Trichy, Tirunelveli and Thoothukudi	50% of the cost of the seed subject to a maximum of Rs.1200/-per Quintal whichever is less	Small/Marginal farmers 24% flow to SC/ST farmers will be ensured 20% flow to women farmers/ women groups
Distribution of Certified seeds - Oil Seeds & Distribution of Gypsum - Oil Seeds	State	Ariyalur	50% of the cost of seed or Rs. 1200/-perquintal whichever is less	Those farmers who produce and supply Foundation and Certified Class seeds to the Department are eligible & Rs. 750/- per ha .
Pradhan Mantri Kisan Maandhan yojana	Central	All district	Pension of Rs 3000 / month on attaining the age of 60.	small & marginal farmers of 18 - 40 yrs Rs 55 to 200/ month up to 60 yrs
Land Development Scheme Area of operation	State	All Districts (except Chennai.)	Government approved hire charges as subsidy. Land Shaping, levelling, reclamation, ploughing, puddling,	Farmers of all categories Machinery are allotted on priority basis.
	State	All Districts (except Chennai.)	Pump sets of 5 HP &above. Subsidy of Rs.5000 or 25% of the cost of the pump set for others.	Subsidy of Rs.6000 or 50% of the cost of the pump set for SC/ST
Replacement of old Pumpsets with new Pumpsets.	State	All Districts (except Chennai.)	Cost of renewal of panel and other electrical accessories	Subsidy of Rs.1500 or 50% of the cost of panel Whichever is less.

II Convergence on Department of Animal husbandry Schemes

S.No	Name of the Scheme	Objectives	Activities	Central/state	Eligibility
1	National Livestock Mission (NLM)	"to enhance the level of nutrition and standard of living of livestock keepers and farmers especially small holders through sustainable, safe and equitable livestock development"	Dairy Development, Livestock Development, Fodder & Feed Development, Skill development Technology transfer and Extension	Central (thro NABARD), EDEGP (Entrepreneurship Development & Employment Generation program (25% for General and 33.33% for SC&ST beneficiary)	Small farmers, Marginal farmers, Landless.
2	Kissan Credit Card (KCC) to livestock farmers	"to provide all dairy farmers of Milk Cooperatives and Milk Producer Companies with Kisan Credit Cards"	nil	Central Scheme (Nationalised Bank)	Livestock farmers attached with Co-op, FPC
3	SDCFPO (Supporting Dairy Cooperatives and Farmer Producer Organizations engaged in dairy activities)	(i) To assist the Cooperative Societies and farmer producer organizations engaged in dairy activities. (ii) To provide stable market access to the dairy farmers. (iii) To enable Cooperative Societies and farmer producer organizations engaged in dairy activities	Due to Economic Impact of Covid-19 on Dairy Sector, Ministry introduced a new component "interest subvention on Working capital loans for Dairy sector" as one of the components under (SDC&FPO)	implemented through NDDB (National Dairy Development Board). "working Capital loan"	Providing soft loans for working capital to enable Cooperative Societies and farmer producer organizations engaged in dairy activities a stable

II Convergence on Department of Animal husbandry Schemes

S.No	Name of the Scheme	Objectives	Central/ state	Districts	Eligibility	Assistance
1	Free distribution of Milch Cows	to improve rural economy and to increase the crossbred cattle population and focus on empowering rural women.	State	21+9 = 30 districts.	landless, women, widow, disabled, BPL listed, 30%sc/st, 18 - 60 yrs	1 milch cow and calf with free insurance
2	Free distribution of Goat	to improve their living standards thro' "production management centric approach"	State	21+9 = 30 districts.	landless, women, widow, disabled, BPL listed, 30%sc/st, 18 - 60 yrs	1+3 animal of Goat/Sheep with free insurance
3	Poultry Development	to enhance the livelihood opportunities and promote entrepreneurship in rural areas	State	Villupuram, Cuddalore, Ariyalur and Perambalur , Tirunelveli, Thoothukudi and Virudhunagar	women, widow, disabled, BPL listed, 30%sc/st, 18 - 60 yrs	
4	Free Aseel birds	to encourage native poultry rearing in rural areas	State	All districts except chennai	women, widow, disabled, BPL listed, 30%sc/st, 18 - 60 yrs, PIP (Participatory Identification of Poor) Member	50 Aseel chicks with cage
5	Innovative Poultry Productivity project for Low Input Technology birds and broilers	Encouraging rearing of Low input technology dual purpose birds that are capable of producing both egg and meat with minimum investment and maintenance cost.	Central & State	Dharmapuri and Ramanathapuram & Villupuram and Thiruvannamalai	women, widow, disabled, BPL listed, 30%sc/st, 18 - 60 yrs, PIP (Participatory Identification of Poor) Member	200 chicks with cage
6	State Fodder Development Scheme(SFDS)	To reduce the gap between the demand and supply of feed and fodder through	State	All districts of irrigated land except chennai	woman, widow, disabled, BPL listed, 30%sc/st, 18 - 60 yrs, PIP (Participatory Identification of Poor) Member	Co-4, Co-5, fodder Sorghum, along with Cow pea, Desmanthes
7		enhancement of production and efficient utilization of available resources, increased fodder production and feeding of green fodder reduces feeding cost and improves production.		All districts of Dry lands except chennai		Kalyanamurungai, Velvel, Agathi, Subabul, Camelia, Glyricidia pocket seedlings

S.No	Name of the Scheme	Objectives	Central/ state	Districts	Eligibility	Assistance
8	Azolla cultivation scheme					1 Azolla bag with seed
9	Silage making :					250kg capacity bag 4nos
10	Mission on Sustainable Dryland Agriculture (MSDA)	Organising animal husbandry practices on scientific lines for increasing production and productivity of livestock		All districts except chennai	women,widow,disabled,BPL listed, 30%sc/st, 18 - 60 yrs,	MN mixture, harmone powder to 30 members in 6 villages
11	Advanced Institute for Integrated Research on Livestock and Animal Sciences (AIIRLIVAS)	To establish livestock and poultry farms on proven scientific technologies to be adopted by the farmers. To upgrade skills among farmers and field veterinarians to organize need based training programmes in the field of livestock and poultry	State	All districts	All categories	
12	Kalnadai Padhukappu Thittam (KPT),	veterinary services is taken to a remote inaccessible village and all the necessary services	State	All districts except chennai	All categories	treatment of ailing animals, deworming, vaccination, castration,
13	Rural Artificial Insemination Programme		State	All districts except chennai	10th completed,youth and having two wheeler license.	
14	Live stock Insurance		State	All districts except chennai	50% sc/st 30 % others for premium. Goat10 nos.1-3 yrs.	
15	Integrated Farming System	providing nutritive food, supplementing family incomes and generating gainful employment in the rural sector	Dept of Agri, Horti, Planta tion crops, Animal Husbandry , and the Dept of Environ ment & Forest.	28 districts except Kancheepuram, Kanya kumari, Ariyalur and Chennai.	Poor farmers	Cows, goats and desi Birds, ducks, turkey, quails and rabbits were given to selected farmers at subsidised costs

III Convergence on Department of Fisheries Schemes

S.No	Name of the Scheme	Objectives	Central/state	operative in TN	Funding Pattern	Eligibility	Assistance
1	National Agriculture Development Programme	To promote the fishing efficiency of the individual and also the catch per effort. To increase in fish production and also the income of the individual fishermen.	Central	Krishnagiri	50 % subsidy	Members of Inland Fishermen Co-operative society, who are fishing in the inland water bodies.	50 % subsidy for supply of fishing implements
2	Skill Development Programme to Marine and Inland fishermen to improve the livelihood	Imparting Skill Development Programme to Marine and Inland fishermen to improve the livelihood and pursue better employment opportunities of the fisher folk.	NFDB			Fishermen & Fisher women	Training on Community Tank Management for enhancing fish production, cat fish culture and seed production, Re- Circulatory Aquaculture system and Marine Finfish seed rearing in ponds.
3	Training on seaweed culture	Seaweed culture technologies to be taken up by fisherwomen		Ramanathapuram district		Fisher women groups	
4	Inland Fish culture training under Tamil Nadu Irrigated Agriculture Modernization Project (TNIAMP)		State			Farmers	
5	Get Trained and Develop skills in Fisheries		Central				Rs 500/ trainee and all allowances
6	State Saving-cum-Relief Scheme (SFSRS) for Marine Fisherwoman		State			Active fisherwoman, member of a functional local fishers cooperative society/ Federation/ any other registered body., Below Poverty Line (BPL) and age 18 - 60 years .	Rs 4500/- to the fisherwoman in 3 equal installments during the lean/ ban period of 3 months every year.

S.No	Name of the Scheme	Objectives	Central/state	operative in TN	Funding Pattern	Eligibility	Assistance
7	Fishing Ban Period & lean period Assistance		state	Thiruvallur to Kanniyakumari coastal area			Ban period and lean period Rs 5000/- per marine fishermen family
8	Construction of New Ponds/ Tanks		Central & State		Total cost 3.0 lakhs / ha	ST/SC fish farmers 25 %subsidy, others 20% subsidy	
9	Reclamation – Renovation of Tanks / Ponds		Central & State		Total cost 75,000/ha	ST/SC fish farmers 25 %subsidy, others 20% subsidy	
10	Fin Fish Culture - cost of input		Central & State		Total cost 50,000 /ha	ST/SC fish farmers 25 %subsidy, others 20% subsidy	
11	Freshwater prawn/ Cold water fish culture		Central & State		Estimated cost is Rs.1.80 lakh/ha	ST/SC fish farmers 25 %subsidy, others 20% subsidy	
12	Establishment of Fish seed Production Centre (Hatcheries)	To increase fish production by encouraging fisherman to exploit underutilized marine fishery resources in order to reduce fishing pressure in inshore areas. To augment aquatic resource production in inshore areas through conservation measures, stock enhancement, establishment of artificial reefs, etc., along the coast. To continuously improve the	National Agriculture Development Programme (NADP)		Estimate cost - Rs. 10.00 Lakh/2ha	Subsidy (50 per cent)	
13	Establishment of Fish seed Rearing Centres		National Agriculture Development Programme (NADP)		Estimate cost - Rs. 3.00 Lakh/ha	Subsidy (50 per cent)	

S.No	Name of the Scheme	Objectives	Central/state	operative in TN	Funding Pattern	Eligibility	Assistance
14	Reclamation – Renovation of Tanks / Ponds		National Fisheries Development Board Scheme. (NFDB)		estimated cost of Rs.75,000/- per ha.	ST/SC fish farmers 25 %subsidy, others 20% subsidy	
15	To construct new fish farms for intensive fish culture				estimated cost of Rs.3.00 Lakhs per ha.	ST/SC fish farmers 25 %subsidy, others 20% subsidy	
16	Establishment of Fish seed Production Centre (Hatcheries)				estimated cost of Rs.12.00 lakh,	capacity of 7 to 8 million fry per year,20% subsidy	
17	Construction of new fish seed rearing centre in an area of 2.5 acres with a production capacity of 2.5 lakhs fingerlings				estimated cost of Rs.3.00 Lakhs per ha.	ST/SC fish farmers 25 %subsidy, others 20% subsidy	
18	Aquaculture in Farm ponds:		Tamil Nadu Irrigated Agriculture Modernisation and Water bodies restoration and Management scheme (IAMWARM)		estimated cost of Rs.40,000/0.1ha	(Beneficiary contribution - Rs.5000/- and AED – Rs.35,000/-)	
19	Fish Seed rearing in cage				cost of one unit is Rs.30,000	100%subsidy	
20	Supply of Fishing Implement				FRP Coracle - Rs.9000 with Gill Net - Rs.6000 (or) Drag Net - Rs.20000	inland Fishermen Co-operative societies with 90 per cent subsidy.	
21	Fisheries management for sustainable livelihood project (fimsul-ii)		World Bank funded CDRRP	Coastal districts	12 modern fish kiosk(fish marketing structure)	fisher widows	





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