

झारखण्ड सरकार  
कृषि, पशुपालन एवं सहकारिता विभाग  
(कृषि प्रभाग)

131

अधिसूचना

राज्य योजनान्तर्गत FPO को सहायता अनुदान योजना की प्रचालन मार्गनिर्देशिका अधिसूचित की जाती है। (प्रचालन मार्गनिर्देशिका संलग्न)

2. FPO को सहायता अनुदान योजना की प्रचालन मार्गनिर्देशिका पर राज्य मंत्रिपरिषद् की दिनांक-16.03.2024 को संपन्न बैठक में मद सं0-50 के रूप में स्वीकृति प्रदान की गयी है।

आदेश:-आदेश दिया जाता है कि इस अधिसूचना को सर्वसाधारण के अंतर्गत राजकीय पत्र के आगामी अंक/असाधारण अंक में प्रकाशित किया जाय एवं प्रकाशित राजकीय पत्र (गजट) की 200 प्रतियां विभाग को प्रेषित की जाय।

झारखण्ड राज्यपाल के आदेश से,

(अबुबक्कर सिद्दीख पी.)  
सरकार के सचिव।

ज्ञापांक-03/कृ0रा0यो0-22/2023 744 रांची, दि0- 16/03/2024  
प्रतिलिपि: अधीक्षक, राजकीय मुद्रणालय, झारखण्ड, डोरण्डा, रांची के अगले अंक में प्रकाशनार्थ प्रेषित।

सरकार के सचिव।

ज्ञापांक-03/कृ0रा0यो0-22/2023 744 रांची, दि0- 16/03/2024  
प्रतिलिपि: महालेखाकार, झारखण्ड, राँची/मुख्य सचिव, झारखण्ड/विकास आयुक्त, झारखण्ड/सभी अपर मुख्य सचिव/प्रधान सचिव/सचिव/सभी विभागाध्यक्ष, झारखण्ड, राँची/सभी प्रमण्डलीय आयुक्त/उपायुक्त, झारखण्ड/सभी कोषागार/उप कोषागार पदाधिकारी, झारखण्ड को सूचनार्थ एवं आवश्यक कार्रवाई हेतु प्रेषित।

सरकार के सचिव।

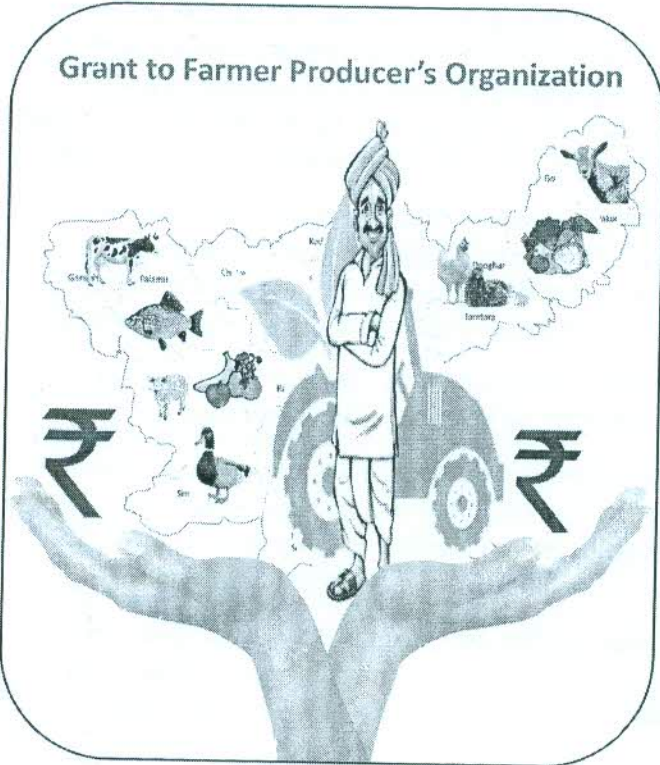
ज्ञापांक-03/कृ0रा0यो0-22/2023 744 रांची, दि0- 16/03/2024  
प्रतिलिपि: कृषि निदेशक, झारखण्ड, राँची/निदेशक, भूमि संरक्षण, झारखण्ड, राँची/निदेशक, उद्यान, झारखण्ड, राँची/निदेशक, समेति, झारखण्ड, राँची/सभी संयुक्त कृषि निदेशक/सभी संबंधित जिला कृषि पदाधिकारी/सभी संबंधित अनुमण्डल कृषि पदाधिकारी-सह-जिला कृषि पदाधिकारी को सूचनार्थ एवं आवश्यक कार्रवाई हेतु प्रेषित।

सरकार के सचिव।

ज्ञापांक-03/कृ0रा0यो0-22/2023 744 रांची, दि0- 16/03/2024  
प्रतिलिपि: माननीय मंत्री के आप्त सचिव/सचिव के प्रधान आप्त सचिव/विशेष सचिव/अपर निदेशक-सह-अपर सचिव/अवर सचिव(योजना)/नोडल पदाधिकारी, विभागीय वेबसाईट, कृषि, पशुपालन एवं सहकारिता विभाग (कृषि प्रभाग), झारखण्ड, राँची को सूचनार्थ एवं आवश्यक कार्रवाई हेतु प्रेषित।

सरकार के सचिव।

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# GRANT TO FARMER PRODUCERS' ORGANIZATION (FPO)

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Operational Guidelines



DEPARTMENT OF AGRICULTURE, ANIMAL HUSBANDRY & COOPERATIVE  
Government of Jharkhand

**Back Ground:**

The Government of Jharkhand plans to create a conducive environment for Farmer Producer Organizations by promoting the activities involved in the field of Agriculture and allied sector through transformational interventions and participation of all stakeholders. Collectivisation of producers, especially small and marginal farmers, into producer organisations has emerged as one of the most effective pathways to address the challenges of agriculture but most importantly it will lead to improved access to investments, technology, inputs, and markets. The development of FPOs will be actively encouraged and supported by the Government of Jharkhand through convergence with various ongoing central and state-funded schemes along with resources mobilized from the financial institutions. As per an estimate more than 400 FPOs are functional in the state.

The Department of Agriculture, Animal Husbandry & Cooperative and other department of State Government is already supporting FPOs in the state while engaging these institutions as distribution point for seed distribution on subsidy to farmers, fertilizer dealership and also as procurement centers of Paddy on MSP, Trader/ Seller on e-NAM platform, One district one product etc.

Further, to make these FPOs as self-sustainable enterprise with active involvement of active participation of shareholders, it is must that these FPOs should be supported by State Government.

In this connection, The Government of Jharkhand decided to extend financial support to FPOs which are well performing in the state. The financial support will be given in the form of matching equity grant and incentive for 5 years towards creating suitable business proposition and scale up the business towards self-sustainability and profitability

This scheme shall act as a catalyst in the collective income and economic growth of farmers of Jharkhand resulting in higher scale employment generation in rural areas through people, public and private partnership and also help in development of cluster based approach and entrepreneurship.

**Farmer Producer Organization:**

FPO is a generic name, which means and includes farmer- producers' organization incorporated/ registered either under the Companies (Amended) Act 2020 under Chapter XXIA under part-1 or under Co-operative Societies Act of the Jharkhand state and formed for the purpose of leveraging collectives through economies of scale in production and marketing of agricultural and allied sector. However, FPOs registered under Co-operative Societies Act of the State (including Mutually Aided or Self-reliant Cooperative Societies Act by whatever name it is called) for the purpose of this Scheme, is to be insulated from all kinds of interference including in election process and day today management through suitable provisioning in their Memorandum of Association and Bye-laws with a view to encourage healthy growth and development of FPO.

**Objectives of this scheme:**

1. To extend financial support to FPOs in the form of one time matching equity grant to well performing FPOs in Jharkhand state.
2. To provide performance based financial incentive to well performing FPO for next 4 years.
3. To enhance viability and sustainability of FPOs.
4. To increase and improve business activities and net worthiness of FPOs.
5. To facilitate FPOs to be leader on One district one product as Cluster based approach enterprise.
6. To create conducive environment for establishment of new FPOs in untouched area.

**Salient Features of Scheme:**

1. The scheme will be implemented through online portal.
2. The FPOs registered in the state will be eligible.
3. The one time matching equity grant maximum up to Rs 15 lakhs will be provided to eligible FPOs.
4. The FPO will also be incentivise for incremental sales turnover or profitability.
5. The FPO will also be given various other financial support & awards for certification of organic produce, branding of produce of Jharkhand.
6. FPO will provided support for development of business through dedicated facilitation cell at state level
7. Easy evaluation process for providing financial support to FPOs.
8. Regular & strict review of FPOs activities at district level and support through convergence of various schemes.

**Institutional Set up for implementation of Scheme:**

There will be 2 levels of monitoring Committee for implementation of scheme as under:

1. State Level Monitoring Committee (SLMC)
2. District Level Monitoring Committee (DLMC)

**A. State Level Monitoring Committee:**

The SLMC will formed under chairmanship of Director Agriculture who will be State nodal officer of this scheme. The composition of committee will be as under:

S.No.	Designation	Position
1	Director, Agriculture	Chairman
2	Director, Animal Husbandry	Member
3	Registrar Cooperative Societies	Member
4	Director, Horticulture	Member
5	Director, Dairy	Member
6	Managing Director, JSAMB	Member
7	Director, Fisheries	Member
8	Director, Soil Conservation	Member
9	CEO, JSLPS	Member
10	Representative of CGM, NABARD	Member
11	State Head, NAFED	Member
12	State Head, NCDC	Member
13	State Head, SFAC	Member
14	SIO, NIC, Ranchi/JAPIT/NICSI, Ranchi	Member
14	Special invitee with permission of Chairman	Member

**Roles and Responsibilities of SLMC:**

- The SLMC will be monitoring the progress of the scheme.
- The SLMC will take decision on operational matters of Scheme.
- The members of SLMC will coordinate each other for smooth implementation of scheme.
- The SLMC will organize review meeting of stakeholders in Second week of every quarter immediately after DLMC review meeting.
- The SLMC will recommend Government for intervention in policy matters related to scheme.

**B. District Level Monitoring Committee:**

S.No.	Designation	Position
1	Deputy Commissioner	Chairman
2	District Agriculture Officer	Nodal Officer
3	District Horticulture Officer	Member
4	District Animal Husbandry Officer	Member
5	Director, Dairy Development Officer	Member
6	District Cooperative Officer	Member
7	District Soil Conservation Officer	Member
8	District Fisheries Officer	Member
9	District Rural Development Officer	Member
10	Marketing Secretary, JSAMB	Member
11	DDM, NABARD	Member
12	LDM of concerned district	Member
13	Representative of CBBO of Implementing agency	Member
14	Invitees FPO/Bankers with permission of Chairperson	Member

**Roles and Responsibilities of DLMC:**

- The DLMC will be monitoring the activities and progress of FPOs.
- DLMC will recommend for sanction of one time matching equity grant.
- Nodal Officer will undertake re- verification/check of members of FPO on sample basis or full for whom equity is being claimed by FPO.
- Nodal officer or any nominated official by Chairperson will undertake visit to FPOs who have availed benefit under the scheme for ensuring utilization of fund for the purpose for which FPO has availed the grant.
- The DLMC will facilitate FPOs to increase business activities & membership.
- The DLMC will facilitate FPOs for development of Cluster for business activities with focus on one district one product cluster.
- The DLMC will facilitate FPOs in linkages with various other schemes of Government.
- The DLMC will organize review meeting of stakeholders and FPOs in the first week every quarter.
- The Nodal officer will upload the proceeding of quarterly meeting on Web Portal so that same can be put up in SLMC meeting in every quarter.
- The DLMC may recommend SLMC for intervention in Policy related matters under this scheme.

**Nodal Agency for implementation of Scheme:**

The Directorate of Agriculture will be the Nodal agency for implementation of Scheme in the State.

**Implementation Mechanism of Scheme:**

**a) On boarding of Scheme on web Portal:**

- The scheme will be implemented in online mode for transparency and better monitoring of scheme.
- An online scheme structure will be developed and will be on-boarded on integrated portal of Department.
- The proposed domain name of the scheme will be **www.granttofpo.gov.in**. However domain name may also be selected as per availability or convenience.
- The necessary user id and logins will be created on portal for stakeholders and others.
- The existing PMU & manpower deployed for portal management will be assisting the Nodal agency towards implementation of Scheme.
- However, if required, the additional technical manpower may be hired for management of Portal in consultation with NIC/JAPIT/NICSI, Ranchi etc.
- The required technical manpower related to management of portal may be hired through GeM portal/NICSI/Agency approved by JAPIT.
- The NIC, Ranchi/JAPIT etc will provide technical support towards development, integration, related infrastructure, coordination, man power etc with technical team of Implementing agencies and Government of India and State Government.

**b) Process of Selection of FPOs for the scheme:**

It will be ensured that the applicant/beneficiary FPO will have ease in every process of scheme. Therefore it will be tried that scheme model will be such that most of the process will be completed through online.

**c) Eligibility criteria for FPOs:**

- FPO should be incorporated/ registered either under the Companies (Amended) Act 2020 under Chapter XXIA under part-1 or under Co-operative Societies Act of the Jharkhand state and formed for the purpose of leveraging collectives through economies of scale in production and marketing of agricultural and allied sector.
- FPO should have minimum membership of 100 shareholders farmers with minimum equity shareholding of Rs 2 lakhs.
- FPO should have proof of Equity received from shareholders or shares distributed.
- FPO should have turnover of minimum turnover Rs 10 lakhs during the last 3 financial years with minimum turnover of Rs 3 Lakhs each financial year.
- FPO should have audited balance sheet from Chartered accounts for the last three years.
- FPO should have PAN/TAN/GST registration.
- FPO should have ITR for last three years.
- FPO should have atleast 5 office bearers on the company role.

- FPO should have active current bank account.
  - FPO should be ready to enter into MoU with Government of Jharkhand.
- d) Application by FPO for obtaining Matching Equity Grant:**
- The eligible FPO will register themselves through OTP based password and then complete the application process in prescribed format. The Application format will be downloaded from web portal.
  - The eligible FPO will have to apply for matching equity grant.
  - Office bearer will fill all desired details on web portal .
- e) Verification and recommendation of application at DLMC :**
- The received application for FPO will be evaluated at DLMC level.
  - Nodal Officer will scrutinize the application.
  - Nodal Officer may undertake /check of members or shareholders of FPO on sample basis for whom equity grant is being claimed by FPO.
  - Nodal Officer- DLMC will verify and recheck the application and will put before DLMC recommendation.
  - Nodal officer will put the scrutiny report before DLMC for evaluation and approval.
  - Nodal officer will forward application into Login of Implementing agency for further processing.
- f) Verification & recommendation of application at State Level:**
- **Director, Agriculture will scrutinize the application received from DLMC and sanction the matching equity grant for eligible FPO.**
  - Existing PMU at directorate will assist in scrutiny and coordination among Implementing agencies, FPOs and District.
  - After due diligence the eligible FPO will be approved for entering into MoU.
  - If required, implementing agencies may be asked for further clarification.
- g) Drafting of MoU:**
- The MoU will be drafted by SLMC. In drafting of MoU will be done in consultation with implementing agency and should be based on prescribed MoU by Government of India Guidelines.
  - If required draft MoU may also be vetted by Law Department.
- h) Entering into MoU:**
- The Director, Agriculture will invite approved FPO by DLMC for entering into MoU within given time line. **(Maximum 30 days from the date of signing MoU, however in no case period should exceed 60 days)**
  - Authorized official (who has applied for obtaining benefit of scheme on behalf of FPO) of approved FPO will enter into MoU with the Director, Agriculture.
  - The signed MoU will be uploaded on portal.

- The time period of MoU will be valid till validity of MoU between FPO and implementing agency.
- In case the approved FPO failed to sign MoU within given timeframe, the FPO will be marked as ineligible FPO for availing the matching grant under this scheme. Such ineligible FPO has apply fresh application online again with valid reasons/ justification.

**Note: In case of death of applying authorized official of FPO. FPO need to submit application to District Agriculture Officer along with Board resolution for second authorized official)**

**i) Release of matching equity grant to FPOs:**

- After entering into MoU, the one time matching equity grant will be released to the bank account of FPO by Director Agriculture through DBT. Maximum amount of one time matching equity grant will be Rs 15 lakhs (Fifteen lakhs only). As for example, if FPO having 100 shareholders and equity is Rs 2 lakhs then FPO will be given Rs 2 lakhs matching equity grant.
- Matching grant will be released within 30 days of MoU.
- Director, Agriculture will ensure timely processing of application and release of matching equity grant to FPOs.

**j) Performance based incentives to FPO:**

- The well performing FPOs will be incentivise over and above one time matching grant for next 4 years towards promoting and encouraging their business capabilities, competency and transactions.
- Based on performance evaluation the FPOs under MoU will also be given annual financial assistance up to next 4 years from the date of release of one time matching grant. The performance of FPO will be evaluated on incremental annual sales turnover and profitability of FPO. A marking system will be developed for performance parameters and based on evaluation the assistance will be given to FPO.
- The FPO will be given financial incentive up to maximum Rs10 lakhs equivalent to profit margin before tax or on incremental sales turn over for next 4 years. The minimum profit before tax of FPO should be Rs 2 lakhs for a financial year. As for example, if a FPO has made incremental profit margin before tax from business transaction of Rs 2 lakh in a particular year, then they will be given Rs 2 lakhs as an incentive, however in no case incentive will be more than Rs 10 lakhs. Similarly, if annual sales turnover of FPO increased by Rs 2 lakh over previous year then FPO will be given equivalent incentive of Rs 2 lakhs, however, in no case incentive will be more than Rs 10 lakh. The minimum incremental sales turnover should be Rs 2 lakhs over previous year.
- In case , if FPO performance is below Rs 2 lakhs in terms of profitability or sales turnover in any year during the first 5 years from the date of selection under this scheme, then for that year no incentive will be given. In any case, the time period for availing incentive will not be beyond 5 years from the date of selection of FPO under this scheme.
- The incentive will be either for annual incremental sales turn over or profitability. FPO performance will be judged either on any criteria.
- FPO have to submit audited balance sheet for claiming incentive based on profitability/ sales turn over.

**k) Re-imbusement of Certification charges in case of natural/ organic farming:**

- FPOs which are engaged in organic or natural farming and having certification for organic cultivation on agricultural, horticultural, dairy, fisheries, poultry, piggery, goaterly, duckery, NTFP and allied activities from recognized and renowned agencies of national and international repute will be given special assistance towards reimbursement of 100% certification charges.

**l) Award and other incentives:**

- 3 Best FPOs will be awarded with cash price of Rs 1 lakh, Rs 50,000 & Rs 25000 each for performance in terms of Turnover, image building for one district one product, profitability and number of shareholders.
- Best FPOs will recommended for national and international awards and return economy flight tickets for two office bearers will be reimbursed towards attending such events.
- Selected FPOs will be encourage to participate in national & international level exhibitions, trade fairs etc to show case their unique business and products. The expenditure towards stall charges-(minimum charges), return economy flight ticket for two office bearers and lodging & boarding charges for 3 star accommodation will be reimbursed.
- Selected FPOs will invited to participate in State level exhibition, programmes & occasions etc to exhibit their capabilities, products, activities during such occasion.

**State level FPO facilitation centre:**

- A state level FPO facilitation centre for supporting business development of FPOs will established.
- The facilitation center will extend support to FPOs for need based B2B networking and market linkage, management support, technical support etc will be established.
- A State level FPO facilitation center will be set up by Director, Agriculture.
- A expert PMU will be setup to run the facilitation center. The PMU will be hired through online open tender.
- If required district level PMU may also be set up.
- The expenditure towards setting up and running of such facilitation center will be born under admin expenditure.

**Mechanism of Fund Transaction:**

- Director, Agriculture will open a corpus fund account in bank .
- The expenditure will done through PFMS portal.
- Other expenditure will be met through administrative expenditure.

**Budget Provision:**

- A budget Rs 50 crore has been earmarked for the financial year 2023-24.
- A corpus fund will be created and fund will kept in bank account for smooth operation under this scheme.

- 5% of total budget will be kept towards admin expenditure.
- Depending upon the need, admin expenditure towards various activities like set up of PMU/Facilitation centre, incentives, awards, training, exposure visit, exhibition ect may be increased/revised from next year onwards with approval of Department level.

**Online Grievance re-addressal :**

All types of Grievances of applicant will be processed through portal. The application processing status may be check by applicant online. However a help line number will also be created for the applicant. The Grievance cell will be set up at Directorate of Agriculture.

**Creation of conducive environment for special FPOs:**

Under this scheme formation of new and need based FPOs will be supported in the area/location where there is no existing FPOs through convergence of schemes.

**Amendments in Operational guidelines:**

Based on recommendations of State level monitoring committee the Operational aspect of guidelines may be amended by the department.

**Disclaimer:**

A due diligence has been taken to prepare this guidelines, however, there are possibilities of typo and grammatical error. Hence, readers and users of guidelines are requested to carefully read and use this document.



