



SFAC
Kerala

SMALL FARMERS' AGRIBUSINESS CONSORTIUM, KERALA

(Department of Agriculture Development & Farmers welfare, Government of Kerala)

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SFAC- 22/2020

Dated 13-09-2023

To

ABPA's
PD ATMA's

Sub: Rashtriya Krishi Vikas Yojana (RKVY)-2019-20-Promotion of Farmer Producer Organizations (FPO's) In Kerala-Disbursement of Funds to Agri Business Promoting Agencies up to July 2024-Working Instructions, Issued- Regarding

Ref:

- i. G.O. (Rt). No. 431/2020/Agri Dated 15.05.2020. Kerala Farmer Producer Organization (FPO's) Policy 2020
- ii. TM (1) 11560/2020 Dated 30/06/2020. Operational Guidelines for FPOs In Kerala Issued by The Director, Department of Agriculture Development and Farmers Welfare
- iii. Virtual Meeting held on 24-03-23 anon RKVY FPO promotion scheme review with PD ATMA, SFAC Kerala, ABPAs and PMU-SFAC, Kerala
- iv. Rashtriya Krishi Vikas Yojana (RKVY)-2019-20-Promotion of Farmer Producer Organizations (FPO's) In Kerala-Disbursement of Funds to Agri Business Promoting Agencies-Working instructions

Kerala Farmer Producer Organizations (FPO) policy, 2020 was approved as per reference i) cited above. As per reference ii) cited above operational guidelines for Farmer Producer Organizations in Kerala was approved by Director of Agriculture and the task of formation and handholding of FPOs entrusted to Agri Business Promoting Agencies (ABPAs) who have well established credentials and proven track record in promoting FPOs and related activities. SFAC Kerala has entrusted the forming, norming, grooming and handholding of FPOs to reputed consulting agencies with experienced staff, who have proven credentials and expertise in such activities. The state is divided into five zones and 10 FPOs will be formed in each zone. The activities of each zone have been entrusted to ABPAs as mentioned below based on e-tender. As per reference iii) cited above a virtual meeting was held on 24-03-23 on RKVY FPO promotion scheme review with PD ATMA, SFAC Kerala, ABPAs and PMU-SFAC, Kerala, chaired by Ms. ANJU K.S., Director, Department of Agriculture Development Farmers Welfare, Government of Kerala. As per reference iv) cited above working instruction for the first 2 stage related project components Vis-à-Vis project milestones/deliverables was issued. After reviewing the scheme progress wherein all the three ABPAs are at 2nd stage of project implementation and considering the opinions from ABPAs and PD ATMAs and to simplify the process the working instructions for project stage three to seven Vis-à-Vis project components and deliverables along with means of verification is hereby circulated for further action.

In the above context you are directed to prepare Monthly Advance Action Plan (MAAP) with activity break-up to achieve the project Stages/deliverables-component wise and revert by 12th April 2023 as per the format enclosed as ANNEXURE-2 for Quarter 1 of FY 2023-24 and by 18th April 2023 for Quarter 2-3 and 4. MAAP to necessarily include the followings but not limited to: No of FIG meetings planned, number of shareholders to be mobilised, meetings with FPC or related stakeholders planned, plan to increase the no: of shareholders, business plan implementation related activities, credit linkage related activities, input linkage related activities, scheme convergence related activities, aggregation and market linkage related activities, CHC, establishment of CFC /value addition units and marketing of FPC products related activities, activities related to increasing FPC business transactions/turnovers, benefits to farmers, compliance related activities, etc.

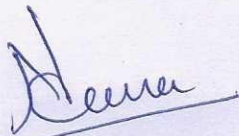
Steps/guiding factors for submission of supporting documents with respect to invoice submissions are detailed in this working instruction with stage wise project components, allocated deliverables along with means of verifications. ABPA's are directed to submit documents based on this working instruction to concerned ADAs and PD ATMA's. PD ATMAs are directed to monitor the activities and progress of the scheme based on the working instructions and guidelines/communications issued from SFAC Kerala from time to time.

ABPAs are directed to strictly comply with as per various instructions from Project Monitoring Unit and SFAC Kerala and in case of deviations from the procedure; FPOs and ABPAs are not eligible for project funds. The final MAAP will be jointly reviewed in the subsequent months in presence of concerned PD ATMAs, ABPA representatives, PMU representatives, SFAC Kerala.

Enclosed:

1. ANNEXURE-1: Project stages Vis-à-Vis components, Deliverables and Means of Verifications
2. ANNEXURE 2: FPC Wise Monthly Action Plan- Format
3. ANNEXURE 2: Sample request letter format for processing of invoice




MANAGING DIRECTOR
SFAC-KERALA

Managing Director
Small Farmers' Agribusiness Consortium
Thiruvananthapuram

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1. ANNEXURE-1: Project stages Vis-à-Vis components, Deliverables and Means of Verifications

SL No	Project Stage	Components	Deliverables	Means of Verification by PD ATMAs for recommending ABPA payment file to SFAC Kerala (Copies to be enclosed)	Time Period	Percentage of Payment	Amount
7	STAGE - 3	Incubation and Marketing support services for implementation of business plan 1. Input facilitation	Support in Establishment of Input centres, Agro service centres, CFC, Linkage with schemes, for infrastructure, grading and marketing facilities.	1. FPC BoDs resolution obtained for establishment of input shop as per the Business plan of the FPOs (resolution copy, as per the business plan) 2. Networking with suppliers, etc.- is done. (Details of the meetings with suppliers for input business linkage, GPS-photographs, descriptions of the same). 3. License for input business activities basis requirements is filed and obtained (Copy of application and licenses attached- Fertilisers, Pesticides, organic, bio-fertilisers, seed, etc.) 4. Orientation on key activities (specialised training on input operations including fertilizer control order and Insecticide act with special emphasis on bookkeeping) for managing input business operations/activities is given to the CEO, BoDs, etc. of each FPC (Photographs, training modules write-up, etc.) 5. Estimation of input requirements for the farmers is done & presented before FPC BoDs. (Copy of estimated input requirements details-season wise). Copy of approved minutes. 6. Ensure adequate management of FPC input business operations (Copy of stock purchase, stock receipt, stock sales/inventories, financial transactions, POS machine purchase, etc.). 7. Updation on MIS with Stock keeping unit (SKUs), quantity of input sold as the part of establishment of input centre and related turnover (Copy of MIS data sheet).	6-9 Months	15 Percent	277200



[illegible]

[illegible]

	4. Linking with Central and State Government schemes like Janakeeyasoothranam, SAMPADA, Special Economic Zones, PMEGP, NHB, SFRUTI and other MoMSME Schemes etc.	1. FPC BoDs resolution obtained for linkages with appropriate schemes based on the FPC specific requirement. 2. Facilitate application filing along with necessary documents basis FPC requirements based on FPC BoDs resolution by linking with appropriate Central and State Government schemes like Janakeeyasoothranam, SAMPADA, Special Economic Zones, PMEGP, NHB, SFRUTI and other MoMSME Schemes etc. (Acknowledgement copy of application) 3. Copy of approval of schemes to be attached with claims 4. Training on various central and state government schemes to be imparted by ABPA to all BoD members. 5. Update on MIS	6-12 Months		
	5. Equity grant, Credit guarantee fund, Venture Capital Assistance of Central SFAC and other sources	1. FPC board resolution copy on obtaining Equity grant and application filed to SFAC Kerala 2. FPC board resolution copy obtained on appropriate linkages with schemes and application filed for Credit guarantee fund, Venture Capital Assistance of Central SFAC and other sources such as AIF, etc. based on FPC actual requirements. 3. Proof of copy of application filed for Credit guarantee fund, Venture Capital Assistance of Central SFAC and other sources such as AIF, etc. based on FPC actual requirements. 4. Copy of approval of credit and disbursement from various sources to be attached in the claim 5. Update on MIS	6-12 months		
	Interim review and monitoring. Management and financial audit	1. Submission of interim review report on management and financial audit of the FPC approved through BoD meeting. 2. Update on MIS	12 Months		
8	Incubation, Marketing support and forward linkages	Conduct of buyer seller meet, Brand	6-15 Months	15 Percent	277200



STAGE-4	Linking with e- NAM, e-commerce seller portals, Online marketing channels, etc.	registration, formal tie-ups	1. FPC board resolution copy for linkages on e-NAM, e-commerce seller portals, Online marketing channels, etc. 2. Training and exposure visit on Incubation, marketing support, forward linkages and online market etc to be imparted to all BoD members and 25 lead farmers. 3. FPC registration is made on E-Nam portal. (Copy of E-NAM registration). 4. FPC products are onboarded or listed on, e-commerce seller portals, Online - marketing channels, etc. based upon FPC actual requirements (Minimum 2-3 Products to be targeted) 5. Product photoshoot of all the intended products/commodities for listing on online marketplace (Copy of FPO Products) 6. Description of product/commodities intended for listing on online marketplace with details such as: Name of the product, packaging size, packaging type, MRP, etc. (Copy of details as mentioned). 7. Brand registration of FPO Products 8. Buyer-seller meet is conducted, the meeting outcomes are documented with details of discussions, requirements of buyer, possible transaction timelines, etc. (Details of buyer-seller meet, photographs, etc.) 9. MOUs signed with the buyers or formal tie-ups are made.		
	Linkage with financial institutions	1. Working capital loan/term loan/OD requirements of the FPC for the business operations is assessed through physical meetings and documented in terms of reports/DPRs/Proposals, etc as per banks requirements (Copy of the proposal file) 2. FPC BOD resolution obtained for obtaining the financial assistance from the banks 3. Linkages with the banks developed 4. Application filed with the Banks for linkages along with submission of	1. 2. 3. 4.		



9	Establishment of Brands, designing Logos and packaging, Branding. Registration etc.	required documents by the bank (Copy of report/DPR/Proposal submitted to bank with acknowledgement of bank, Copy of approval and disbursement of loan from the concerned institutions to be attached with the claim) 5. Monitor loan amount utilisation by the FPC 6. Copy of approval of loans from concerned institutions 7. Updation on MIS **All the above works should be informed well in advance and duly recognised by the FPC BODs, CEO, Concerned ADA & PD ATMA. Minimum 2-3 Products to be targeted for below mentioned activities which may include commodities as well as value added products also: 1. FPC products/SKUs finalised (Copy enclosed) 2. SKUs packaging size finalised (Copy enclosed) 3. SKUs packaging type finalised (Copy enclosed) 4. SKUs pricing finalised (Copy enclosed) 5. SKUs Product labels are designed (copy of product labels) 6. Logo is designed (copy of logo design) 7. Packaging design is accomplished (copy of packaging design) 8. Copy of trademark registration 9. Brand registration related application is filed 10. Product promotions on social media: LinkedIn, Facebook, Twitter, WhatsApp and other platforms based upon FPC requirements. 11. Updation on MIS	6-15 Months	
10	Conduct of Buyer seller meets	1. Conduct buyer seller meeting- Physical mode 2. Details on outcomes of buyer-seller meets with photographs, attendees list, commodities/products of interest, details of buyers and MOUs/formal agreements/tie-ups 3. Updation on MIS	15-18 Months	



11		Assessment and Audit, Mid-term evaluation and grading of FPCs		1. Submission of assessment and audit report of the FPC 2. Submission of evaluation and grading report of the FPC 3. Updation on MIS	18 months or as required by SFAC Kerala		
12	STAGE-5	Exploring diversification, Value addition and expansion	Facilitate proposals on Value Addition and Buyer seller meet	• Scope for establishment of value addition unit including product diversification is assessed through physical meetings and documented through FPC board resolution (Copy of FPC BoDs resolution) • Training and exposure visit on value addition to all BoD members and 25 lead farmers to be conducted by ABPAs. • Facilitate identification of land for the business commencement (copy of land tax receipt/lease agreement) • Suppliers identified and finalised through IFQ based on FPC board resolution • Local permission and licenses related application filed, if any • Proposal for establishment of Value addition unit is made and submitted to bank for term loan/WC loan, etc. (Copy of proposal) • Updation on MIS • Identify the scope of exports for the FPC value chain crop related products basis requirements of the FPCs through BoD resolution (FPC resolution copy) • Facilitate export import certificate application filing-APEDA (Copy of application), in case of export-oriented products • Facilitate any other licenses or certifications related to export import business basis requirements of FPCs • Facilitate export of FPCs products to identified export markets in case of export oriented products. • Updation on MIS	6-24 Months	15 Percent	277200
13		Exploring export potential, licenses and clearances					
		Buyer seller meet Management and financial audit		• Conduct buyer seller meeting- Physical mode • Details on outcomes of buyer-seller meets with photographs, attendees list,	6-24 Months		



14	STAGE-6	Exploring possibility of Organic and GAP certification and marketing under India/ Kerala Organic or Safe-to- Eat Brands	Certification, agreements and MoUs on trading and volume of business/turnover	- commodities/products of interest, details of buyers and MOUs/formal agreements/tie-ups - Facilitate financial audit of the FPC and file audit report duly signed by the respective auditors - Explore and facilitate organic and GAP certification through FPC BoDs resolution (FPC BoDs resolution copy) - Provide marketing related support under India/Kerala organic or safe-to-eat brands (Copy of supports provided to the FPC) - Training and exposure visit on organic and safe to eat/GAP certification and marketing to be conducted by ABPAs. - Update on MIS	6-30 Months	15 Percent	277200
15		Tie-ups/ linkages with retail chain at formal domestic and international level or developing own retail chains / outlets and developing technology for Block chain in agriculture and setting up of modern supply chain system		- Facilitate Tie-ups/ linkages with retail chain at formal domestic and international level or developing own retail chains / outlets and developing technology for Block chain in agriculture and setting up of modern supply chain system (Copy of the supports provided) - MOUs with buyers (copy of signed MOUs) - Actual business transactions /turnover of the FPCs (Copy of bank passbook highlighting the transactions or copy of audited balance sheet if available) - Update on MIS	6-30 Months		
16	STAGE-7	Linkage with NABKISAN, NABFIN etc.	Certification, agreements and MoUs on trading and volume of business/turnover	- FPC BoDs resolution is obtained for seeking credit support from the financial institution (Copy of FPC BoDs board resolution) - Linkages with financial institutions are established (NABKISAN, NABFIN, AIF, etc. as appropriate basis FPCs requirements)- (Copy of application) - Convergence with credit guarantee schemes (Copy of the document) - Monitor usage of bank credits/loans by FPCs (Copy of FPC bank passbook highlighting the transactions) - Update on MIS	6-36 Months	15 Percent	277200



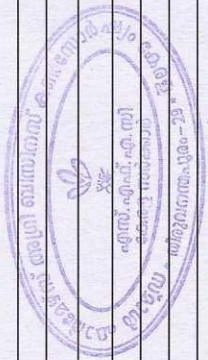
17	Final evaluation and grading FPOs/FPC's Management and financial audit	• Evaluation and grading tool is developed and FPCs documents are verified as per the data set required and the findings are captured in the report • Financial audit is carried out and the report is submitted highlighting the business turnover/transactions • Approval in BoD meetings resolution • Update on MIS	30-36 months or as required by SFAC Kerala	
18	Sustainability and Final phase out	• Report on sustainability and final phase out of the project is prepared and submitted through the project completion report (PCR) including all key activities/milestones achieved by the ABPA over the total project period. • Details of output created through infrastructure is included in the PCR • Copy of Details of benefitted farmers including list of all shareholder farmers • Copy of Audited Financial Statement showing increased business turnover of three years • Details of FPO rating • Performance report of CEO & other staff verified by BoDs • List of value added products and product photos • Other documents etc., with detailed inventory list submitted to SFAC Kerala - All word files, PPTs, Excel sheets, etc. • Copy of all MOUs with buyer or input service providers or others • All details of portals/links on which FPOs product are listed • All loan sanction copies by the bank/financial institutions • All scheme convergence related sanction copies • FPC specific promotions copy -Social media links, user id, password • Update on MIS	36 Months	

2. ANNEXURE 2: FPC Wise Monthly Action Plan (On the basis of which ABPAs will submit Monthly Progress Reports (MPRs))

- | | |
|---|--|
| <ul style="list-style-type: none"> ▪ Name of the FPC: ▪ Chairman (Name & Mobile No): ▪ Date of incorporation: ▪ Age of the FPC as on 31st March 2023: ▪ CEO Employment status, (Name & Mobile No): ▪ Experience of the CEOs (In months): ▪ LRP status (Name & Mobile no): ▪ No of shareholders: ▪ Share capital collected in (Rs): ▪ No of FIGs formed till date ▪ No of trainings conducted to BoD/farmers within district, in the state, inter-state ▪ No of farmers/BoDs participated for the training ▪ Name of the business activities which are implemented: ▪ Total business turnover of the FPC in FY 21-22, FY 22-23 (In, Rs Lakh): | <ul style="list-style-type: none"> ▪ Name of the value-added products, if any: ▪ FSSAI No: ▪ Name of the other licenses obtained: ▪ Proposed Interventions as per business plan prepared by ABPA: ▪ Action points for implementing the Business Plan made (For Eg: DPR prepared, Land identified, quotations invited, backward-forward integration, Scheme convergence, Licenses, Bank Loans etc): ▪ Total Fund Reimbursements Received from the Scheme, till 31st July 2023 with component wise break-up: ▪ Total equity grant received (In Rs): ▪ equity shares allocated to member farmers (Status): |
|---|--|

Monthly Advance Action Plan for the month of2023

Activities Planned		FPC Name:
1. No. of FIG meetings to be conducted:		
2. No. of FIGs to be formed		
3. Number of shareholders to be registered		
4. Share capital to be collected (Rs)		
5. No. of BoD meetings planned for business interventions related discussions		
6. Number of review meeting to be conducted at PD ATMA level/ADA for reviewing scheme progress		
7. Fund requirement of the FPC (As per Financial assistance for FPOs under the project)		
8. Business activities planned for the FPC		
9. Revenue targeted for the month (in Rs)		
10. Activities Planned for the project stage 3: Components and deliverables		
11. Activities Planned for the project stage 4: Components and deliverables		
12. Activities Planned for the project stage 5: Components and deliverables		
13. Activities Planned for the project stage 6: Components and deliverables		
14. Activities Planned for the project stage 7: Components and deliverables		
15. Activities planned for any other project stages		



3. ANNEXURE 3: Sample request letter format for processing of invoice

Sample request letter format for processing of invoice for the month of _____
2021 (on ABPA letterhead) for _____ Farmer Producer Company Limited

To
MD SFAC Kerala
Agricultural Urban Wholesale Market, Anayara, Venpalavattom PO,
Thiruvananthapuram, Kerala 695029

Sub: Request for processing invoice for the month of Year.....of,
.....Farmer Producer Company Limited

Dear Madam/Sir,

Please find the attached monthly progress report with supporting documents and subsequent
invoice for stage.....completion related toproject components pertaining
to Farmer Producer Company Limited.

Required documents are enclosed in _____ Farmer Producer
Company, for your kind perusal.

Request you to kindly process our invoice.

Yours Sincerely,
Concerned official name
Designation
ABPA name
Sign & Seal

- I. Recommendation and amount recommended by Assistant Director of Agriculture (in
whose area of jurisdiction registered office of the FPC is located)/ in case of banana
export FPCs supported by APEDA, signature of concerned VFPC District manager/
Assistant Manager of VFPC in charge of the site instead of Assistant Director of
Agriculture of the block)

.....
.....
.....

Assistant Director-Agriculture/VFPC District Manager/Assistant Manager of VFPC: -

Name, Signature and office seal

- II. Recommendation and amount recommended by DPD ATMA of the concerned
District

.....
.....

Name, Signature and Office seal



III. Recommendation and amount recommended by PD ATMA of the concerned District

Name, Signature and Office seal

IV. Recommendation of PMU CA SFAC Kerala

Amount recommended: Rs./-

Name, Signature and Office seal

V. Recommendation of Concerned Officer In charge (OIC) SFAC Kerala

Amount recommended: Rs./-

VI. Sanction of MD SFAC Kerala

Amount sanctioned: Rs./-

(.....)

Order No....., Date.....

MD SFAC Kerala

Office seal & signature

Copy to: PD- ATMA..... District

