

राष्ट्रीय सहकारी विकास निगम
NATIONAL COOPERATIVE DEVELOPMENT CORPORATION

**Central Sector Scheme on
Formation and Promotion of 10,000 Farmer
Producer Organisations**

**Standard Operating Procedure for Processing
and Approval of Application for
FPO Management Cost**

For NCDC Internal Circulation Only
FPO Cell
Email: coopfpo@ncdc.in

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राष्ट्रीय सहकारी विकास निगम
NATIONAL COOPERATIVE DEVELOPMENT CORPORATION

No. NCDC: 5-87/2019-ICDP

Dated: 15/09/2021

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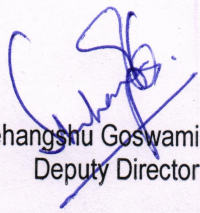
Sub: CSS-Formation and Promotion of 10,000 FPOs- SOP for Processing and Approval of Application for FPO Management Cost –Reg.

The following instructions are issued with the approval of Competent Authority for compliance by all concerned.

- i. The FPO will submit application for FPO Management Cost in prescribed format with enclosures, signed by the Chairman/ Chief Executive Officer or one authorised member of Board of Directors along with all necessary documents.
- ii. One Original and one copy of the Application for FPO Management Cost attested by the CEO or one authorized member of Board of Directors and the concerned CBBO should be submitted.
- iii. The application will be accompanied by a Check list of documents, Statement of Expenditure & Utilisation Certificate of previously disbursed funds, if any. The expenditure statement and Utilisation Certificate will be duly certified by the CEO or duly authorised member of Board of Director and verified by CBBO .
- iv. The CBBO will check and verify all the information and documents, record its recommendation and submit the application of the FPO to NCDC Regional Office in prescribed format.
- v. The concerned Regional Office, NCDC after due diligence, will recommend the disbursement of eligible FPO Management Cost and forward the application of FPO to NCDC Head Office for further necessary action within 5 (five) working days of receipt of application.
- vi. NCDC, HO will disburse the eligible FPO Management Cost directly to the Bank Account of FPO. The disbursement of eligible FPO Management cost will be done in the following manner:-

Sr. No.	Particulars	Frequency and mode of disbursement	
1	Salary of CEO/ Manager	1 st installment will be released on advance basis for a period of 6 months and thereafter funds will be released on advance basis on receipt of utilization of previously disbursed funds.	
2	Salary of Accountant		
3	Office Rent		
4	Utility charges: i. Electricity Charges ii. Telephone charges		
5	i. Travel cost ii. Meeting cost	Disbursement on reimbursement basis at half yearly intervals.	
6	Miscellaneous i) Stationary items ii) Cleaning iii) Other Misc./ Petty items		
7	One time registration charges, if any		Actual expenditure will be reimbursed on production of bills/ proof etc.
8	One time cost for minor equipment, Furniture & Fixture		100% Disbursement on advance basis. The itemized utilization of funds to be submitted by the concerned FPO duly certified by the CEO or duly authorised member of Board of Directors and verified by CBBO within a period of 45 days from date of disbursement of funds by NCDC. A suggestive list of items is at Annex-C .

- vii. Eligible FPO Management Cost will be disbursed to concerned FPO as per availability of funds for the purpose from Government of India. The total disbursement of FPO Management Cost to an FPO, in any case, shall not exceed Rs.18.00 lakh or actual whichever is less over a period of 3 years from FPO becoming eligible under the scheme.
- viii. On receipt of FPO Management Cost, the FPO will submit acknowledgement / money receipt.


Snehangshu Goswami
Deputy Director

Checklist of Documents for seeking FPO Management Cost under CSS-Formation and Promotion of 10,000 FPOs.

1. Registered under Cooperative Societies Act prevailing in the State.
2. It has raised equity from its Members as laid down in its Articles of Association/ Bye laws.
3. The number of its Individual Shareholders is in accordance with the terms hereto read together with the Scheme (minimum 300 in plains and 100 in NE & Hilly areas)
4. Minimum 50% of its shareholders are small, marginal and landless tenant farmers as defined by the Agriculture Census carried out periodically by the Ministry of Agriculture, Gol.
5. Women farmers' participation as its shareholders.
6. Representation of women farmer member(s) in the Board of Directors of the FPO (minimum one woman member)
7. Maximum shareholding by any one member not more than 10% of total equity of the FPO.
8. It has a duly constituted Management Committee responsible for the business of the FPO.
9. Application for availing FPO Management Cost **(Annex-A)**
10. Attested copy of Bank Account Statement of the FPO (clearly indicating Account No. of the FPO, Bank Name, Branch, IFSC Code), for last 6 months. FPO claiming FPO Management Cost within 6 months may submit upto date Bank account statement.
11. Board Resolution for availing FPO Management Cost as per Operation Guidelines of Central Sector Scheme - Formation and Promotion of 10,000 FPOs and authorization of Board of Directors for executing all documents. **(Annex-B)**
12. Board Resolution for appointment of CEO/Manager and Accountant.
13. Copy of Appointment letter of CEO/Manager and Terms and Conditions of appointment along with Government issued Photo ID (Aadhaar Card/ PAN card/ Driving license etc.).
14. Copy of Appointment letter of Accountant and Terms and Conditions of appointment along with Government issued Photo ID (Aadhaar Card/ PAN card/ Driving license etc.).
15. Full Address of the Office of the FPO, including PIN and copy of Rent Agreement, if any.
16. Certified copies of Receipts / Paid bills against Registration Charges, if any, for claiming one time registration charges.
17. Utilisation Certificate and item wise expenditure of previously disbursed funds, if any, under FPO Management Cost duly certified by CEO or duly authorized Board member of the FPO and verified by CBBO. **(Annex-D)**
18. Each page of the Application Form and accompanying documents signed by CEO or authorized Board Member of the FPO.
19. Recommendation of Regional Director, NCDC for disbursement of FPO Management Cost.

Format for Application for availing FPO Management Cost

Date:

To,

The Managing Director,
National Cooperative Development Corporation (NCDC),
4, Siri Institutional Area,
Hauz Khas, New Delhi 110016.

Sub: Application for FPO Management Cost under scheme of Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)

Madam/Sir,

We herewith apply for FPO Management cost as per the provisions under the captioned scheme.

1. The details of the FPO are as under-

SI. No.	Particulars to be furnished	Details
1.	Name of the FPO	
2.	Complete address of Office of FPO including email id, if any.	
3.	Contact details of FPO, Mobile number of Chairman/Secretary/other member	
4.	Registration Number	
5.	Date of registration/incorporation of FPO	
6.	Name of CEO/Manager and date of appointment	
7.	Name of Accountant and date of appointment	
8.	Brief account of business of FPO	
9.	Number of Shareholder Members	
10.	Number of Small, Marginal and Landless Shareholder Members	Small- Marginal- Landless -
11.	Paid up Capital (in INR)	
12.	Maximum shareholding of an Individual Shareholder Member	
13.	Bank name in which account is maintained	
14.	Account number	
15.	Branch name & IFSC code	
16.	Number of Directors with their briefs (Supporting documents)	
17.	Mode of Board formation (election/ nomination)	
18.	Number of Women Director(s)	
19.	Date(s) of Board/Governing Body Meetings held in the last year	

2. Details of membership of FPO:-

S.No	Membership Details of FPO (No.)								No. of Members of FPO				
	SC		ST		Other		Total		Small	Marginal	Tenant	Other	Total
	Man	Woman	Man	Woman	Man	Woman	Man	Woman					

3. We submit our application along with the supporting documents justifying the claim and request that the FPO Management Cost of Rs..... as detailed under be approved. It is further stated that the funds received under the scheme will be utilized as per the Operational Guidelines of the Scheme for the purposes for which funds is disbursed by the Implementing Agency. We understand that the total FPO Management Cost available under the Scheme will be upto Rs.18.00 lakh or actual whichever is less from the date the FPO has attained the minimum eligible number of members under the Scheme (300 members in plains or 100 members in North-Eastern and Hilly areas).

Sl. No.	Particulars	Period of claim (From..... To	Amount (in Rupees)
1	Salary of CEO/Manager		
2	Salary of Accountant		
3	Office Rent		
4	Utility charges:		
	i. Electricity Charges		
	ii. Telephone charges		
5	i. Travel cost		
	ii. Meeting cost		
6	Misc.		
	i. Stationary items		
	ii. Cleaning		
	iii. Other, misc/ petty items		
7	One time registration charges, if any		
8	One time cost for minor equipment, Furniture & Fixture		
Total			

Yours faithfully,

Chairman/Chief Executive Officer/Manager or Authorized Board of Director

VERIFICATION CERTIFICATE BY CBBO

I,(name of the Authorized Signatory),(Designation) as authorized vide letter No.....dated.....by the..... (name of CBBO) have thoroughly checked and verified all the information, documents submitted by(Name of FPO) and its application for availing FPO Management Cost of Rs.....for the period from to under Central Sector Scheme - Formation and Promotion of 10,000 FPOs, for further submission to the Implementing Agency – National Cooperative Development Corporation (NCDC). It is further certified that the office address and other physical assets have been physically verified.

Signature of Authorized person:
 Name of the Authorised person:
 Designation of the Authorised person:
 Name of the Organisation:
 Date:
 Place:
 Seal of the Organisation:

Resolution of Board of Directors/Governing Body to seek FPO Management Cost

FPO to seek FPO Management Cost (Certified True Copy)

- a) Place of meeting.....
- b) Date of meeting.....

Agenda of Meeting: To avail FPO Management Cost for the period from..... To

Whereas, the FPO has been formed under.....(legal registration status of FPO) and on the basis of the decision of the AGM/EGM held on.....(mention the date) to avail FPO Management cost under Central Sector Scheme - Formation and Promotion of 10,000 FPOs for the period from to.....

We, the Board of Directors of the FPO unanimously resolve that-

- i. Claim for FPO Management Cost under Central Sector Scheme - Formation and Promotion of 10,000 FPOs shall be submitted to National Cooperative Development Corporation (Implementing Agency).
- ii. The grant received as FPO Management Cost shall be utilized for the purpose for which funds is received as per Operational Guidelines of the scheme.
- iii. The accounts of the said grant shall be maintained in a proper manner.
- iv. Expenditure statement along with Utilization Certificate for the funds received will be submitted within the timeline prescribed by National Cooperative Development Corporation (IA).

We further resolve that to execute the documents pertaining to this support, the Chairman/ CEO or in their absence the following Board of Director, whose signature is given is authorized to sign all documents and forms. Further resolved that this Resolution be communicated to National Cooperative Development Corporation (NCDC) and shall remain in force until further notice in writing.

Name of authorized Board of Director	Signature

Signed and sealed by the CEO and Chairman

**Indicative necessary items for one time Office Equipments and Minor Equipments including
Furniture and Fixture for FPO Cooperative**

Sl. No.	Name of item	Quantity (Nos.)	Amount (Rs.)
1	Desktop Computer, UPS and printer	1	42,000
2	Office Almirah with locker	1	12,000
3	Table	2	12,000
4	Computer Table with Chair	1	8,000
5	Executive chairs	2	5,000
6	Visitor's chair / ordinary chair	6-8	14,000
7	Other fittings and fixtures as per requirement, if any	-	7,000
Total			1,00,000

Statement showing expenditure on items in support of claim for FPO Management Cost for the period from
 to

Sr. No.	Particulars	Rate (Per month/ Per year / Per Unit)	Period From..... To..... .	Amount (in Rupees)
1	Salary of CEO/ Manager			
2	Salary of Accountant			
	Sub-Total (Salaries)			
3	Office Rent			
4	Utility charges:			
	i. Electricity Charges			
	ii. Telephone charges			
5	i. Travel cost			
	ii. Meeting cost			
6	Misc.			
	i) Stationary items			
	ii) Cleaning			
	iii) Other Misc./ Petty items			
	Sub Total (Recurring Expenditures)			
7	One time registration charges, if any			
8	One time cost for minor equipment, Furniture & Fixture			
	Sub Total (One time expenses)			
	Grand Total			

UTILIZATION CERTIFICATE

It is to certify that an expenditure of Rs..... has been incurred by.....
(name of FPO) for the period from..... To on the items
 as indicated above.

Signature of CEO/Authorized Board of Director

Verified and Certified (by CBBO)

Signature of Authorized person:
 Name of the Authorised person:
 Designation of the Authorised person:
 Name of the Organisation:
 Date:
 Place:
 Seal of the Organisation: