



# Bihar Rural Livelihoods Promotion Society State Rural Livelihoods Mission, Bihar



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#### Office Order

In continuation of the office order Ref No. BRLPS/PRO/473/13/4114 dated:02/11/2013 regarding policy on producer groups, certain modifications and clarifications have been made for further deepening and smoother roll out of the PG strategy taking into account the learnings of the project from its experience with the producer groups.

## 1) Budget Line for booking of PG funds:

#### a. Establishment Cost:

The establishment costs of a producers group amounting to a total of Rs 1,10,000/- is to be booked under the budget line 1.2.1 and account head 1.2.1.1 of BRLP Budget and budget line 3.2.3 and account head 3.2.3.2 of NRLP and NRLM Budget.

/	Sub- Component	Budget Line	Account Head
BRLP	1.2 Formation & Development	1.2.1 Operational cost	1.2.1.1 VO/SHG/PG Establishment cost
NRLP	3.2 Social mobilization& Community Institutions	3.2.3 SHG/VO/CLF starting cost	3.2.3.2 VO/PG start up Cost
NRLM	3.2 Social mobilization& Community Institutions	3.2.3 SHG/VO/CLF starting cost	3.2.3.2 VO/PG start up Cost

## b. Gap Funding:

The gap fund (One time Grant/seed Capital) to be given to a producer group on the basis of the business plan prepared upto a maximum amount of Rs 5,00,000/- is to be booked under the budget line 2.1.4 of BRLP budget and account head 2.1.4.1 of BRLP Budget and budget line 4.2.1 and account head 4.2.1.1 of NRLP and NRLM Budget. Recurrent year operational cost will be met by the income of PG.

	Sub- Component	Budget Line	Account Head
BRLP	2.1 Grants to CBO's	2.1.4 Expenditure by Producer Groups/ Producer Companies against grants	2.1.4.1 Agriculture
NRLP	4.2 Livelihood Initiatives	4.2.1 Facilitation of Producer Groups and Collectives	4.2.1.1 Corpus to Producer groups
NRLM	4.2 Livelihood Initiatives	4.2.1 Facilitation of Producer Groups and Collectives	4.2.1.1 Corpus to Producer groups

- 2) Each producer group shall have a village resource person used by the producer group for the facilitation of its activities. The honorarium of a village resource person at PG level will be governed by the approved policy and the PG shall make fund requisition from the CLF in accordance with the Community Professionals policy already approved.
- 3) The DPM has full authority to approve and disburse funds for all business plans of PGs upto Rs 5,00,000/- upon appraisal and recommendation of the business plan as per the PG Policy. For business plans of Producer Groups which make a gap funding request of a sum amounting to more than Rs 5,00,000/- the business plan is to be appraised by the DPM/LH-Manager and forwarded to the SPM for approval.
- 4) A state level ToT on Books of Records had been organized for the community Finance managers, LH-Managers and 2 LHS from each of the BRLP districts considering the urgent need of deepening of PG strategy. This resource team shall organize a training for the LHS and BPM's of the district who shall act as a resource within a block for training at PG level.
- 5) DPCU shall maintain a record of all producer groups for all the Cluster level federations along with the details of funds transferred to these producer groups. Data entry of profile of each PG is to be done at DPCU level. The DPCU will deploy a separate Data Entry Operator for Livelihoods-Farm and PG/PC related data entry.
- 6) Further, to facilitate the monitoring and roll out of trainings at PG level DPCU shall provide vehicle support to the Livelihoods Manager

(Farm) for at-least 10 days every month. PG strategy being an integral part of the livelihoods theme shall be reviewed by the District Project Managers and Block Project Managers at the monthly review meetings at district level and Block level separately on the basis of PG progress reports submitted by LH-Manager and LHS respectively.

(Dr. N. Vijya Lakshmi)

Chief Executive Officer-cum-State Mission Director

### Copy to:

- 1. All DPMs/DPMs Incharge
- 2. IT Section
- 3. Concern file.