



An Initiative of Government of Bihar for Poverty Alleviation





1*Floor, Vidyut Bhawan-II Bailey Road, Patna - 800 021; Ph.: +91-612-250 4980; Fax: +91-612-250 4960, e-mail: info@brlp.in, Website: www.brlp.in

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Office Order

PROCUREMENT OF JEEVIKA POULTRY FEED FROM ARANYAK AGRI PRODUCER COMPANY LIMITED, PURNEA BY POULTRY UNITS SUPPORTED UNDER INTEGRATED POULTRY DEVELOPMENT SCHEME

1. Introduction

JEEViKA and TechnoServe, have been engaged with Aranyak Agri Producer Company Limited, Purnea (AAPCL) since 2014 for demonstration of viable business models and strengthening of the farmer producer companies through value chain interventions as part of the technical assistance programme - "Women's Advancement in Rural Development and Agriculture (WARDA)" - funded by Bill & Melinda Gates Foundation. AAPCL has successfully carried out the core business activities of maize procurement and trading for last 3 years. The value chain intervention model not only brought more transparency in terms of weighing, grading and usage of electronic trading platform, but also members realized better price by selling produce to the Farmer Producer company. The scale of business of the company grew from 1,014 MT of maize procured from 299 smallholder women farmers in 2015 to 13,944 MT from 3,466 smallholder women farmers in 2017. The number of shareholders has also been steadily increasing from 500 registered shareholders in 2015 to 2,601 shareholders in 2017.

AAPCL has planned to commence an innovative pilot of processing and marketing of poultry feed under JEEViKA brand as part of next stage of value chain intervention. The planned intervention is expected not only to help the company in adding value to the procured maize and increasing member farmer's income, but it will also help poultry farmers in Bihar by making good quality poultry feed available at affordable prices. The experience gained by AAPCL will be useful for other JEEViKA supported Farmer Producer Companies in undertaking processing and marketing activities and realize full potential of their respective value chains.

JEEViKA is extending financial and managerial assistance whereas TechnoServe is extending technical assistance to AAPCL for the innovative pilot.

2. Strategy

As per recommendations of the feasibility study on setting-up of maize processing plant commissioned by TechnoServe in November 2017, AAPCL is commencing the pilot intervention of processing on job work basis. The company, with support from

TechnoServe, has identified good quality poultry feed processors in Bihar and selected M/s Hitech Nutrisol Private Limited for processing and supply through a formal MOU. The company will manage quality assurance, transportation and storage of poultry feed, as per approval under the proposal. The quality assurance process will include quarterly random sampling and testing by accredited labs.

AAPCL will supply to JEEViKA supported poultry units in twelve (12) selected districts based on demand from the districts, under the Integrated Poultry Development Scheme for marketing of poultry feed in the pilot phase (Annexure – 1). More districts may be added for supply of poultry feed based on demand from such districts.

The intervention will be monitored and supported by SPMU, Livestock and Farm teams.

3. Process and Roles & Responsibilities

- (i) Managers/YPs/In-charge (Farm) will be responsible for production and supply of poultry feed and ensuring smooth delivery at a cluster level point. The concerned cluster level point will ensure supply of poultry feed to the mother unit.
- (ii) Managers/YPs/In-charge (Livestock) will be responsible for generating and maintaining regular demand from mother units and timely payment to AAPCL from concerned VOs/CLFs towards poultry feed
- (iii) Livelihoods Specialists (LHSs)/Area Coordinators (ACs) from the operational blocks of poultry units, under the overall guidance of respective Block Project Managers (BPMs), will be responsible for supporting respective Managers/YPs/In-charge (Livestock and Farm) to ensure supply as per demand and payment to AAPCL.
- (iv) DPM & BPM will ensure timely payment of dues from concerned VU/CLF to AAPCL for poultry feed purchased
- (v) AAPCL will discuss and finalize the rate chart (on FOR basis up to cluster point) for both pre-starter and starter varieties of poultry feed with the coordination committee consisting of authorized representatives of AAPCL, SPMU (Livestock and Farm), and TechnoServe on a monthly basis or as mutually decided by all parties. Monthly rates disclosed by Poultry Federation of India and/or any similar mechanism for price discovery will be benchmark for deciding the prices.
- (vi) The JEEViKA DPCUs will compile purchase orders from concerned CLF through BPIUs as per format attached (Annexure 2) after collating demand information from concerned BPIUs and the same will be sent to CE, AAPCL for supply of feed.

The process flow:

Mother units -> VO/CLF -> LHS (BPIU) -> Manager/YP/In-charge (Livestock), DPCU -> DPM (DPCU) -> CE (AAPCL)

The concerned DPMs will send the compilation of purchase orders to CE (AAPCL) through designated email (cewfpc1_purnea@brlp.in) for supplies to various locations as per quantity. A copy of the email will also be marked to SPM, Livestock and Farm, and designated representative of TechnoServe.

- (vii) AAPCL will manage the supplies to identified locations/cluster points in the concerned districts.
- (viii) The logistics service provider will provide acknowledgement/receipt duly signed by the authorized receiver at a cluster point.
- (ix) Concerned VOs/CLFs will make an advance payment of 10% of total value of the order. Remaining 90% of the order value amount will be paid to AAPCL within 7 working days from date of receipt of feed.
- (x) The TechnoServe team will support in:
 - a. Finalizing the agreements,
 - b. Drafting guidelines for supply chain management,
 - c. Providing detailed SOPs,
 - d. Providing state level training to JEEViKA identified staff for managing the supply chain and understanding the business model,
 - e. Monitoring sales staff at the FPC level in 6 potential districts, and

f. Managing MIS for FPC for the intervention

(Balamurugan D.)

Chief Executive Officer-Cum-State Mission Director

Copy to:

- 1. All DPMs
- 2. All PCs/SPMs/PMs/SFMs/AFMs
- 3. OSD/Director/AO/CFO/PS/PO
- 4. IT Section
- 5. Concerned file.

Annexure 1 – List of Selected Districts

Sl.No.	Districts		
1	Nalanda		
2	Nawada		
3	East Champaran		
4	Madhepura		
5	Purnea		
6	Buxar		
7	Gaya		
8	Rohtas		
9	Jamui		
10	Katihar	Havigons an Romotatical Cart	
11	Muzaffarpur		
12	Samastipur	to the unique to the same of t	

Annexure 2 - Format for Purchase Order

District Name:				Month:			
S1.No.	Name and Address of Mother Unit	Name of CLF/ Nodal VO	Name of Cluster Point for supply	Name of Block	Demand of Feed in 50 Kg bags		Person's Name
					Starter	Starter	and Number
2							
3							
4							
5			(r) (s)	المهالا			
5							
7							
3							
						17.	
0							
	Total						

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