

**.Government of Himachal Pradesh
Department of Cooperation**

No. Coop- F(10)-1/2022

Dated: Shimla-2, the

30th July, 2022

NOTIFICATION

With a view to provide financial support to the eligible Farmer's Producer Organizations (FPOs) to impart initial mentoring, to make these FPOs effective business entities in the State of Himachal Pradesh and to make farming a profitable venture, the Governor, Himachal Pradesh is pleased to notify a new scheme of grant and facilities for eligible Farmer's Producer Organizations (FPOs) registered as Cooperative Societies under Himachal Pradesh Cooperative Societies Act, 1968 namely "YUVA SAHKAAR KOSH Scheme" which will be as follows:-

1. **Aim:** To support the working of cooperative societies, especially those comprising of educated youth by providing mentoring support and initial sustainability grant to them and, to enable them to avail maximum opportunity for their economic advancement by using available resources, in different sectors especially the agriculture and its allied sectors. This is sought to be done by facilitation of convergence in existing schemes of State and Central Government agencies.
2. **Short Title and Commencement of the Scheme:** This Scheme may be called "Yuva Sahkaar Kosh Scheme for Farmer's Producer Organizations (FPOs) registered as Cooperative Societies under HP Cooperative Societies Act, 1968 in the State Of Himachal Pradesh" and it will be implemented by the Department of Cooperation. The Scheme will come into force from the date of publication in the official Gazette.
3. **Definitions:**
 - i) **"Bonafide Himachali Agriculturist"** means a resident of the State of Himachal Pradesh as defined by the State Government from time to time;
 - ii) **"Department"** means Department of Cooperation, The Government of Himachal Pradesh or any other Government Department, as specifically mentioned in this scheme;
 - iii) **"Registrar"** means the Registrar of Cooperation, Government of Himachal Pradesh;
 - iv) **"Cooperative societies"** means Cooperative societies registered under the provisions of H.P. Cooperative Societies Act, 1968.
 - v) **"Eligible Farmer's Producer Organization"** means Farmer's Producer Organizations (FPOs) promoted by the National Bank for

Agriculture and Rural Development (NABARD), National Cooperative Development Corporation (NCDC), or any other Government Agency in the Cooperative sector, or directly registered as Farmer's Producer Organization under the provisions of the section 9 of Himachal Pradesh State Cooperative Societies Act, 1968, after the coming into force of this scheme; or such other existing FPOs which are found eligible as per the instructions issued by the State Government from time to time.

- vi) **"Financial Institution"** means
- a) Public Sector Banks
 - b) All Regional Rural Banks
 - c) Co-operative Banks
 - d) Private Sector Scheduled Commercial Banks
 - e) Small Industries Development Bank of India.
 - f) RBI approved Non Banking Finance Corporational;
- vii) **Mentor** means the Block inspector/ Inspector of Cooperative societies who has been assigned the duty of mentoring and grooming in initial phase of the FPO.
- viii) **"Government"** means the Government of Himachal Pradesh.
- ix) **"Training, capacity building and technical support"** means training, capacity building and technical support provided by HIMCOFED and Department of Cooperation H.P.
- x) **"Plant and Machinery"** means plant and machinery/equipment at site only.
- xi) **"State"** means State of Himachal Pradesh;
- xii) **"Viable Project"** means a project whose viability has been assessed and declared so by the notified team comprising of district level officer from Cooperation Department.

4. Financial Support:

- I. Following financial grant can be availed by the eligible Farmer's Producer Organizations (FPOs) for a viable project from the Yuva Sahkaar Kosh
1. **Training and Community mobilisation support** Maximum Rs 25000 for one FPO subject to prior certification by Mentor.
 2. **FPO management cost:** Rs 2 Lakhs in the first two years after the membership has reached 100; subject to prior certification by the Mentor and the concerned Assistant Registrar Cooperative Societies.

- 3 **Seed-money equal to double of the Equity Grant:** Seed-money equal to double the equity generated by the members for any project for day to day operational costs of the FPO. Provided that this amount will not be spent on payment of salaries of the staff Maximum Rs 15 Lakhs.

II. Grant from State Government through Cooperation Department:

- (A) **Training and Community mobilisation support:** In the initial phase when the number of members of proposed FPO has gone upto at least 25, it can avail grant up to Rs. Twenty Five Thousand subject to prior verification by the concerned Mentor about the bonafides of the claim.
- (B) For greater involvement of youth in the Cooperative Movement, it will be mandatory that atleast 60% of the total seats of managing committee should be reserved for the members below the age of 45 years. In addition to this, managing body of the FPO shall co-opt atleast three local educated youth from the area of operation of the FPO, who should be graduates either in Law, Commerce, Marketing, IT or Food supply chain management.
- (C) **FPO management cost:** Rs 2 lakhs, in the first two years when the membership has reached 100, subject to prior certification by the Mentor and the concerned Assistant Registrar Cooperative Societies. This grant can be used for:
- i. Payment of honorarium to the Chief executive officer/ Secretary and the staff
 - ii. Training, capacity building, computerization, purchase of accounting and training software etc.
 - iii. For Payment of Audit fee. An audit fee will be exempted if the FPO resolves and apply to the concerned ARCS for the audit of FPO by the Departmental officials.
- (D) **Seed-money equal to double of the Equity Grant:** Maximum Rs 15 Lakhs. Any eligible FPO having at least 100 members can avail grant equal to double the equity generated by the members for any project subject to prior certification by the Mentor and the concerned Assistant Registrar Cooperative Societies. This grant can be used for:
- i) Any common infrastructure facility relevant for the functioning of FPO as decided by the concerned Assistant Registrar Cooperative Societies.
 - ii) Repair of existing infrastructure.

iii) Any Marketing related activities for the farm's produce.

Note: The purchase of land/ lease rentals towards land will not be reckoned towards project cost.

5. How to apply: (Procedure for application for availing grant by the State Government)

To avail financial grant, the eligible FPO shall first apply to the ARCS of the Concerned Circle/ District along with grant application as prescribed by the Department of Cooperation (Annexure-I) for appraisal who will then forward the same to the concerned Mentor for his comments and thereafter if found in order, sanction the grant.

Norms for Financial Grant:

- a) FPO/ Cooperative Society should be registered under the provisions of H.P. Cooperative Societies Act 1968 and Mentored by the officer/ Official of the Cooperation Department of Himachal Pradesh.
- b) Total 100 eligible FPOs would be assisted under the scheme in two years. Initially only one FPO per development block will be eligible to avail assistance under the scheme. Thereafter, depending upon the availability of resources, additional FPOs may also be covered. Existing and non-defaulter FPOs which have been registered within the last five years from the commencement of this scheme.

6. Implementation:

- i) Directorate of Cooperation shall be the Nodal Department-cum-Project Implementing Agency (PIA) for providing support to the eligible FPOs Cooperatives out of **Yuva Sahkaar Kosh**.
- ii) Minimum share cost shall be Rs 500 and an individual farmer member can avail share capital upto maximum Rs 10000/-.
- iii) The Assistant Registrar of Cooperation would scrutinize/examine the proposal in detail and assess the feasibility/ viability of the project.
- iv) Duties of the Mentor:
 - a) To identify the potential area of the block.
 - b) To identify the local youth having knowledge of professional fields besides having some land holding.
 - c) To motivate them to get into the fold of this scheme and to facilitate the preparation and submission of the project proposal to the concerned ARCS.
 - d) Initial handholding in terms of maintenance of record of meetings of the managing body, convening of elections, marketing support, maintenance of accounts etc in relation to business of FPO

- v) The Assistant Registrar of Cooperation would recommend the proposal to the Registrar Cooperative Societies H.P. for the administrative and financial sanctions.
 - vi) After issuance of the administrative approval and financial sanctions the Assistant Registrar Cooperative societies will ensure that the copy of the approved proposal is sent to the concerned FPO/ Cooperative society along with the grant.
 - vii) Periodic inspections of the progress will be done by the concerned Assistant Registrar Cooperative Societies.
 - viii) A robust monitoring mechanism with periodic evaluation will be done.
 - ix) The AR Circles will maintain beneficiary FPO/ Cooperative society wise record and will put the same on the departmental web site.
7. FPO/ Cooperative Society can avail financial assistance/ grant under any other financial assistance scheme of Central Government or State Government in view of the principal of convergence, i.e. the grant under other schemes can be availed only for the components not covered under this scheme.
- Provided that a FPO can avail the difference between the grant admissible under the same component, between this scheme and such other scheme, if such FPO has exhausted the maximum limit of the component available under this scheme, and, the other Central/ State Government provides for larger limit for the same component.
8. If the State Government is satisfied that the financial assistance by the FPO/ Cooperative society has been obtained by misrepresenting an essential fact or furnishing false information the FPO/ Cooperative society would be liable to refund all the financial assistances obtained after giving an opportunity of being heard, failing which recovery will be made. Decision of the Secretary (Cooperation) to the Government of Himachal Pradesh will be final in this regard.
9. **Power to amend and /or relax/repeal any provisions of the scheme.**
- i) Notwithstanding anything contained in any of the provisions of this scheme, the State Government may at anytime,
 - a) make any relaxation in applying the provisions of this scheme on merits of each case, make any amendment to this scheme or repeal it, as the State Government may consider necessary and appropriate;
 - b) impose any condition in addition to the provisions of this Scheme on merits of each case, as the State Government may consider necessary and appropriate.


ii) In case there is any issue/ dispute regarding interpretation/ implementation of this scheme, the matter will be referred to the Secretary (Cooperation) to the Government of Himachal whose decision shall be final and binding on all. In any special case(s), the Government may set up a committee and refer any particular dispute to it for final decision.

10. This Yuva Sehkaar Kosh will comprise of such grants as may be given by the State Government from time to time.

By order
Dr. Ajay Kumar Sharma
Secretary (Cooperation) to the
Government of Himachal Pradesh.
30th July, 2022

Endst. No.: Coop-F(10)-1/2022 Dated: Shimla-2, the
Coy to the following for information and necessary action.

1. The Pr. Private Secretary to the Chief Minister, HP
2. The Special Private Secretary to the Cooperation Minister, HP
3. The Special Private Secretary to the Chief Secretary to the Government of HP, Shimla-2.
4. The Addl. Chief Secretary/Pr. Secretary/Secretary (Agriculture/ Horticulture/ Industries/ Animal Husbandry) to the Government of HP, Shimla-2
5. The Registrar Cooperative Societies, HP, Shimla-9.
6. The Controller, Printing and Stationary Department, H. P. Shimla-5.
7. The Chief General Manager, NABARD, Regional Office Shimla, HP
8. The Regional Director, National Cooperative Development Corporation, Shimla, HP.
9. The Joint Secretary (GAD) to the Government of HP, Shimla-2 w.r.t. item No. 36 of CMM meeting dated 27-05-2022.
10. All Addl./Joint/Deputy/Assistant Registrar Cooperative Societies, HP.
11. Guard file.


(P. K. Taak)
Joint Secretary (Cooperation) to the
Government of Himachal Pradesh.

Application for obtaining grant from Yuva Sahkaar Kosh by the FPO registered as Cooperative Societies under HP Cooperative Societies Act, 1968 in the State of Himachal Pradesh:

1.	Name and Address of FPO/ Cooperative society	
	Contact details of the office bearers of the society	
2.	Contact details of the Secretary/ CEO	
3.	Act under which Registered	
4.	Registration No and date of registration.	
5.	Total No. of Shareholders	
	Farmers shareholder's list	
6.	Annual Turnover	
7.	Name of Commodities FPO/ Cooperative society is dealing with	
	1.	
	2.	
	3.	
8.	No. of Panchayats covered	
9.	Size of Land available with FPO/ Coops for the project: if, Leased land, Number of years leased for.	
10.	Grant applied for:	
11.	Purpose of Grant.	
12.	Detail of grant already availed under this scheme.	
13.	Mentor's report on the proposal	
14.	Name and Designation of Mentor along with signature.	
15.	Report/ recommendation of ARCS	