**GENERAL GUIDELINES FOR SELF HELP GROUPS**

The Scheme would support clusters and groups such as producer SHGs along their entire value chain for all kinds of post-harvest activities as well as value adding activities like sorting, grading, storage, common processing, assaying, packaging, marketing, processing of Agri-produce, and testing laboratories.

1. **BENEFITS POSSIBLE FOR SHGs, SHG Federations: -** Grant @35% with credit linkage,
2. **TRAINING & HANDHOLDING SUPPORT TO SHGS:** For support to SHGs, a large number of trained resource persons are available with State Rural Livelihood Missions (SRLMs). These local resource persons of SRLM having expertise in Agro-produce would be utilized for training, upgradation of units, DPR preparation, handholding support, etc.
3. **ELIGIBILITY FOR APPLYING FOR CREDIT LINKED SUBSIDY FOR AN SHGs**
4. Priority would be given to SHGs involved in ODOP produce.
5. The SHGs should have sufficient own funds for meeting 10% of the project cost and 20% margin money for working capital or sanction of the same as grant from the State Government.
6. The SHG members should have for a minimum period of 3 years’ experience in processing of the ODOP product.
7. **GUIDELINES FOR EVALUATING THE APPLICATION**
8. **Guidelines for Subjective Evaluation**
	1. **Proposed Processing –** The processing proposed by the SHGs should be organically linked to the livelihood of the members. The proposed project should be a natural extension of what the farmers/producers are already doing.
	2. **Capital Investment –** Project should have justification for capital expenditure. The proposal should be clear about how capital investment will help the members. For e.g. It may help them in fetching a better price from the market through further value addition, quality assurance, better packaging through larger machinery etc.
	3. **Type of Applicant**
		1. Past experience of the applicant enterprise should be relevant.
		2. Innovative and value addition promoting applications to be preferred.
9. **Guidelines for Financial Evaluation**

**Past Track Record of the SHGs -** Profitability of the enterprise should be checked based on their financial statements. Already profitable businesses to be given priority. Also, the projected growth should be realistic.

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| **Approval Checklist for SHGs** |
|  | CATEGORY | INDICATOR | **Positive Indicators for assessment** |
| 1 |  Financial &Business Efficiency (Historical) | Gross Profit Margins  | More than 1%  |
| Net Profit Margins | More than 1% |
| Break even Analysis | Positive |
| Sources of Finance | Higher % of own Contribution – Higher Wtg. |
| Loan Repayment | Firm with good repayment history to be given wtg |
| Banking | Healthy business credit matching with sales to be given wtg |
| 2 | Vintage/Stability | Having own Business Premise |  |
| Vintage  | 3 years+ |
| Compliance with laws of the land |  |
| 3 | Social Impact | Number of people getting employed or gaining additional income from the project |  |
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1. **Activities possible for gaining Credit linked subsidy for the SHGs (where capital investment is required)**

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| **Particulars**  | **Process** | **Kinds of Capital Investments possible** |
| Primary Processing | **Farm level** - Sorting, grading, cleaning **Preparatory activities** - chopping, dicing, blanching, grinding etc. | Gravity separator, vibrating sieve, magnetic separator, blanchers, pulverizers, crushers, dicers and slicers, cyclone separators etc. |
| Secondary Processing | Cooking, baking, blending, fermentation, canning, bottling, drying, brining, retorting, freezing, addition of additives, smoking, pasteurization etc | Cooking kettle, Oven, planetary mixer, fermentator, retort chamber, hot air driers, blast freezers, pasteurizers, homogenizers, centrifuge etc. |
| Packaging and labeling | Primary, secondary and tertiary packaging, modified atmospheric packaging, intelligent packaging etc.  | Packaging machines, form-fill-seal machine etc.  |
| Standardisation and Quality Assurance | Quality testing, Moisture Content, Fat, SNF, Acidity, Protein, Adulteration, platform testing, Online Process Testing, Microbial testing | Bench-top Muffle furnace, Moisture balance, water activity meter, pH meter, hunter colorimeter, Soxhlet apparatus, test tube and other glass wares, Laminar chamber, refractometer etc  |
| Storage facilities  | Storage, Cold Storage, Ambient Storage, Controlled Atmosphere, Modified Atmosphere | Anti-lock room, cold storage, CA, ULO Technology, Chillers, humidity room, Modified atmosphere rooms, Refrigerators etc. |
|  |  | **Ancillary equipment. -** Buckets, drums, taps, Packaging material, trolleys, conveyor belts and transportation line, stacking pallets, crates etc. |

**Other Plant and Machinery can include**

1. Furniture and fixtures
2. Computer and office equipment
3. Work shed