

 सत्यमेव जयते	<p align="center">DIRECTORATE OF FOREST BASED INDUSTRY Khadi & Village Industries Commission Ministry of Micro, Small and Medium Enterprise (Govt. of India) 3 - Irla Road, Vile Parle (West), MUMBAI - 400 056. Telefax : 022- 26708064 E-mail : fbi@kvic.gov.in 022 -26708064 : fbi@kvic.gov.in</p>	 कर्मणे बुद्धिमत्तायाः प्राणिनाम् आर्तिनाशनम्॥
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No: FBI/Balasore/BKC/ADB-KRDP/2015-16/ Date: 7th March' 2016.

1905

SANCTION ORDER

Sub: Sanction of funds to the tune of Rs. 169.68 Lakhs from Direct Reform Assistance under KRDP (With ADB assistance) in favour of Balasore Beekeeping Industrial Cooperative Society, P.O.- Alupura, Balasore- 756 001 for establishment for implementation of Balasore Beekeeping Cluster - Reg.

Ref: 1.SFC resolution No. V.I. / 2015-16 / 19 dt. 22/ 12/ 2015.
2. Budget Allocation No. BGT /V.I. /Allo. / 2015-16/133 dated 11.02.2016.

In pursuance of the DPR/ Action plan received by this office duly recommended by State office, KVIC, Bhubaneshwar, the F.A. and C.E.O. have extended the approval of total cost of Rs. 169.68 Lakhs (*Rupees One Crore Sixty Nine Lakhs and Sixty Eight Thousands Only*) comprising of Rs. 19.24 Lakhs (*Rupees Nineteen Lakhs Twenty Four Thousands Only*) as own contribution from the Implementing Agency (IA) and Rs. 150.44 Lakhs (*Rupees One Crore Twenty Fifty Lakhs and Forty Four Thousands Only*) in favour of Balasore Beekeeping Industrial Cooperative Society P.O. Alupura, Balasore- 756 001 for establishing of Balasore Beekeeping Cluster under KRDP. The head wise summery furnished in "**Annexure-I**", details of year wise funds sanctioned in **Annexure-II** and The Roles & Responsibilities of KVIC, KVIB, I.A., CBRTI (T.A.) Beekeepers, Cluster Development Executive (CDE), State Bank Of India and Canara Bank, Cluster Development Coordinator, etc. in **Annexure-III**. The sanctioned funds shall be routed through State Director, KVIC, Bhubaneshwar to the Implementing Agency and other stake holder.

Cont. at page No. 2/-

**Brief summary of funds sanctioned for implementation of
BALASORE BEEKEEPING CLUSTER by the Implementing agency:
Balasore Beekeeping Industrial Cooperative Society P.O. Alupura,
Balasore- 756 001**

I.	Particulars of the financial outlay	(Rs. in lakhs)		
		SC/ ST Category (Rs. In Lakhs)		Total (Rs. In Lakhs)
		Contribution of IA	Contribution of KVIC	
a.	Capacity Building	--	12.30	12.30
b.	Common Facility Centre and tools supply			
	➤ CFC (75% NA's contribution and 25 % IA contribution)	19.24	57.71	76.95
	➤ Tools supply (100% NA)	--	40.68	40.68
	Sub total	19.24	110.69	129.93
c.	Marketing Promotion	0.00	6.25	6.25
d.	Operational Expenditure / Working fund	0.00	5.50	5.50
e.	Management Grant to IA (@Rs. 3.00 lakhs per year)	0.00	9.00	9.00
f.	Cluster Development Executive (CDE)	0.00	9.00	9.00
g.	Beekeepers welfare measure fund	0.00	6.00	6.00
h.	Cost of T.A. /Project management services	0.00	4.00	4.00
	Total	19.24	150.44	169.68

**TERMS AND CONDITIONS FOR COMPLIANCE BY THE STATE
OFFICES, BHUBANESHWAR, IA, UNDER KRDP PROGRAMME**

1. An agreement will be executed between State Director and Implementing Agency (I.A.) in the prescribed format (specimen copy enclosed) on non-judicial stamp paper as per the stamp Act / Rules existing in the respective states before extension of Direct Reform Assistance and fulfilment of conditions laid down there upon.
2. KVIC shall extend under assistance under KRDP in kind and / or financial support as required. The State Director shall operate a separate ESCROW account for operation of fund for implementation of this programme and maintain necessary books of accounts and follow the guidelines circulated vide letter No. VIC/ V.I. Clusters under KRDP/ 2014-15.

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3. The interest accrued on the amount deposited in the bank, if any, for this programme should be refunded to Central Office from time to time under intimation to Directorate of FBI and Director (RID).
4. Since RID/ KRDP assistance will be in the form of grants -in-aid, the assets acquired by the institution wholly are substantially out of Government grant shall not be disposed off without obtaining prior approval of KVIC.
5. Procurement of other implements related to the RID/ KRDP programme shall be preferably made from the reputed manufacturer/ ensuring the quality, rate reasonableness etc. by **obtaining expert opinion from CBRTI (T.A.)**. The purchase terms and conditions should include supply of implements within the stipulated time period.
6. The supply contract/ agreement/ condition must include provision for proper skill development training to the master artisan, so that they can be able to handle maintains of the equipment, day to day operational problems etc. by T.A. The training shall also be organized as per project for the artisan so that the artisan could optimize its utilization and be able to ensure qualitative and quantitative production.
7. The payment shall be made to the suppliers and other parties strictly by Demand Draft / crossed Cheque only.
8. The Institution shall maintain separate record of the details for the assets acquired under this assistance. For procurement of machineries, goods assignment of work, norms prescribed in the GFR shall be followed.
9. The grants in aid shall be utilized for the purpose for which it has been sanctioned and shall not be diverted for any other purpose.
10. The assets created out of the RID/ KRDP funds be invariably mortgaged / hypothecated to KVIC as the case may be.
11. Registers of fixed assets, dead stock, etc., should be maintained in the prescribed preform by the Implementing Agency (I.A.)
12. Details of new artisans proposed to be covered and existing artisans in the project are to be maintained and informed to the State / Divisional Offices from time to time in the reports.
13. The utilization of RID/ KRDP fund is subject to the audit and review by a Chartered Accountant acceptable to ADB or internal audit of KVIC.

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14. The assets and renovation / construction of work completed shall be made available for inspection by any officials of MSME, Govt. of India or its authorized agents or agencies and KVIC.
15. The project duration will be three years. After completion of the project the institution must continue the programme in the interest of the artisans and workers of the institution as per the Business plan.
16. The Cluster Development Executive (CDE) and State / Divisional Director shall submit the Physical & Financial progress report of the project on quarterly basis by **15th April, July, October and January for the quarter ending 31st March, 30th June, 30th September and 31st December** covering details of the expected outcome and achievements against the target projected in the approved Action plan.
17. I.A. shall appoint a Cluster Development Executive (CDE) for management of day to day activities for implementation of this programme and also an IT Assistance (ITA) for handling the IT related works. The required qualification and experience of RIO and ITA shall be as prescribed by N.A. utilizing the budget provision earmarked. The Cluster Development Executive (CDE) and IT Assistant must submit their monthly work report on progress of programme to the State Office, KVIC, Bhubaneswar.
18. In order to monitor and evaluate the programme, a Cluster Monitoring Committee (CMC) headed by the State / Divisional Director, Lead Bank Mangers, Representative of KVIB, CDE and T.A. shall be constituted.
19. The Cluster Development Executive (CDE) and the State Director should ensure that the minutes of the Field Level execution Committee meeting is prepared and forwarded to Directors (FBI) and Director (RID) within a week time for transparency and speedy implementation of the programme.
20. Within the overall fund sanctioned for this programme under various heads, inter change of heads is permitted as per the need on the recommendation of CMC. Any cost escalation over and above the total sanctioned fund will have to be borne by the IA.
21. A Target should be given to Implementing Agency (I.A.) in consonance with Forest Based Industry for achievement of production, sales and employment during the annual SIRT meeting

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This is issued with the administrative approval of CEO to Implementing Agency & State Director, KVIC, Bhubaneswar execute the agreement and program, ensuring compliance of the above condition scrupulously.

The U.Cs are to be submitted in time to time by the State Director.

This issued with the approval of F.A and CEO of KVIC.

Encl: As above

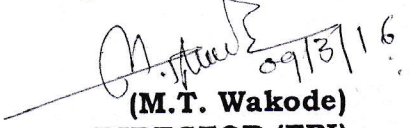

(M.T. Wakode)
DIRECTOR (FBI)

To,
The Secretary,
Balasore Beekeeping Industrial Cooperative Society Ltd.,
P.O. Alupura, Balasore- 756 001 (Orissa)

Through: State Director, KVIC, Bhubaneswar

Copy for information and necessary action to:

1. The Director, State Office, KVIC, Plot No. J/16, Bihpur, Gandamunda, P.O. Khandagiri, Bhubaneswar for necessary action.
2. The Dy. C.E.O (East Zone), KVIC, 33, Chittaranjan Avenue, 7th floor, Kolkata - 700 012 for information and necessary action.
3. The Asst. Director I/C, CBRTI, KVIC, Pune (T.A.) with request to extend necessary technical assistance in all respect to I.A. of the Balasore beekeeping cluster as per the approved DPR through SBEC, Bhubaneswar.
4. CEO, Odisha Khadi & Village Industries Board, Kharavelanagar, Unit-III, Khurda, Bhubaneswar - 751 001 for information and participation.
5. Secretary, SFC (V.I.), KVIC, Mumbai - 56 for information
6. State Director, State Office, KVIC, Plot No. J/16, Bhimpur, Gandamunda, P.O. Khadagiri, Bhubaneswar- 751 030 for execution.
- ✓ 7. The Director (RID & New Scheme), KVIC, Mumbai - 56 for information.
8. The Director (Budget), KVIC, Mumbai -56
9. The Director (IT), OCKVI, Mumbai- 56 with request to upload in the KVIC website under Directorate of Forest Based Industry.
10. Director (Accounts), OCKVI, Mumbai-56 for release funds on receipt of Pay order.
11. In charge, State Beekeeping Extension Centre (SBEC) Bhubaneswar for coordinating with I.A., CBRTI (T.A.) and State Director and organize the Skill Upgradation Programs and other cluster execution activities.


(M.T. Wakode)
DIRECTOR (FBI)



ग्रामोदया 3, इर्ला रोड, विले पार्ले (पश्चिम), मुम्बई - 400056.
Gramodaya, 3, Irla Road, Vile Parle (W), Mumbai - 400056.
Phone : 022-26708064, Fax : 022-26708064
Email - fbi@kvic.gov.in Web : www.kvic.gov.in

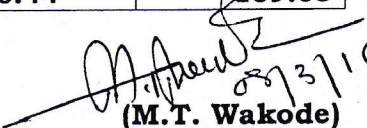
DIRECTORATE OF FOREST BASED INDUSTRY

ANNEXURE - I

Brief summary of funds sanctioned for implementation of Balasore Beekeeping Industrial Co-operative Society Ltd., P.O.- Alupura, Balasore- 756 001, (SC /S.T.)

(Rs. in lakhs)

I.	Particulars of the financial outlay	SC/ ST Category (Rs. In Lakhs)		
		Contribution of IA	Contribution of KVIC	Total (Rs. In Lakhs)
a.	Capacity Building	--	12.30	12.30
b.	Common Facility Centre and tools supply			
	➤ CFC (75% NA's contribution and 25 % IA contribution)	19.24	57.71	76.95
	➤ Tools supply (100% NA)	--	40.68	40.68
	Sub total	19.24	110.69	129.93
c.	Marketing Promotion	0.00	6.25	6.25
d.	Operational Expenditure / Working fund	0.00	5.50	5.50
e.	Management Grant to IA (@Rs. 3.00 lakhs per year)	0.00	9.00	9.00
f.	Cluster Development Executive (CDE)	0.00	9.00	9.00
g.	Beekeepers welfare measure fund	0.00	6.00	6.00
h.	Cost of T.A. /Project management services	0.00	4.00	4.00
	Total	19.24	150.44	169.68


(M.T. Wakode)
DIRECTOR (FBI)

DIRECTORATE OF FOREST BASED INDUSTRY

Annexure: II

**Year-wise operative plan/work-plan of activities and funding provision for
the three financial years for Balasore Beekeeping Industrial Co-operative
Society Ltd., P.O.- Alupura, Balasore- 756 001, (SC /S.T.)**

I.	Particulars/Head	(Rs. in lakhs)			
		1 st Year	2 nd Year	3 rd Year	Amount
A.	Capacity Building				
i.	One Trust building activity	1.00	--	--	1.00
ii.	20 Awareness	1.00	1.00	0.00	2.00
iii.	One Master Beekeepers Program at CBRTI	2.00	--	--	2.00
iv.	Skill upgradation to 400 existing beekeepers	1.60	0.80	0.80	3.20
v.	25 Quality Control & trg. SHGs	--	0.20	--	0.20
vi.	100 Beginners Training Program	--	0.40	0.40	0.80
vii.	Sp. Training on Honey Processing and honey analysis	--	0.60	--	0.60
viii.	02 Exposure visits	--	1.25	1.25	2.50
	Sub- Total-1	5.60	4.25	2.45	12.30
B.	CFC				
i.	New Work shed 500 sq. ft. and repairing to existing building	15.00	0.00	0.00	15.00
ii.	Generator	3.00	0.00	0.00	3.00
iii.	Hand operated CF Mill with melting unit	1.20	0.00	0.00	1.20
iv.	Honey processing Plant (HPP) 300 kg capacity for 8 hrs.	0.00	12.00	0.00	12.00
v.	10 Raw honey SS storage containers 100 Kg Capacity	0.00	1.50	0.00	1.50
vi.	03 SS processed honey storage containers 1000 kg capacity	0.00	1.50	0.00	1.50
vii.	Sealing machine	0.00	0.50	0.00	0.50
viii.	5 Honeybee Nurseries and carpentry unit	10.00	5.25	3.00	18.25
ix.	20 Bee venom kit	1.00	1.00	0.00	2.00
x.	Honey bee colonies Migratory grant (exp. On hiring vehicle shifting colonies from place to places)	1.00	1.00	1.00	3.00
xi.	Honey hut / honey parlour	0.00	7.00	5.00	12.00
xii.	Honey testing Laboratory	0.00	5.00	2.00	7.00
	Sub Total-2	31.20	34.75	11.00	76.95
C	Tools supply				
i.	Two Bee Houses	3.00	0.00	0.00	3.00
ii.	Tools to 200 existing beekeepers in the cluster. @ Rs. 11, 500/-	11.50	11.50	0.00	23.00
iii.	Honey testing kit 25 SHGs	0.00	3.18	0.00	3.18
	Tools to 100 new entrants @ Rs. 11, 500/-	0.00	5.75	5.75	11.50
	Sub Total-3				

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I.	Particulars/Head	1st Year	2nd Year	3rd Year	Amount
D.	Marketing & Promotion				
i.	Buyers sellers meet	--	1.00	--	1.00
ii.	National & international exhibitions	-	0.00	1.00	1.00
iii.	IT managerial	--	2.00	--	2.00
iv.	Agmark and Barcoding	0.00	2.00	0.00	2.00
v.	Advertising / booklets	0.00	0.00	0.25	0.25
	Sub Total-4	0.00	5.00	1.25	6.25
E.	Operational Expenditure / Working fund	0.00	2.75	2.75	5.50
F.	Management Grant to IA	3.00	3.00	3.00	9.00
G.	Cluster Development Executive (CDE)	3.00	3.00	3.00	9.00
H.	Artisan welfare measures	2.00	2.00	2.00	6.00
	Cost of T.A.	1.00	2.00	1.00	4.00
	Sub Total- 5	9.00	12.75	11.75	33.50
	Grand Total	60.30	77.18	32.20	169.68

Note: Funding provision would be head-wise proportion as per the guidelines (i.e. proportionate contribution of Nodal Agency & I.A.)

M. T. Wakode
(M.T. Wakode)
DIRECTOR (FBI)

DIRECTORATE OF FOREST BASED INDUSTRY

Annexure: III

Operational mechanism and roles and responsibilities of the Balasore beekeeping Cluster

1. The financial assistance have different components like Capacity Building, Establishment of Common Facility Centre, Marketing Promotion, Product Development and Design Development, Operational Exp., Remuneration to CDE, Cost of TA and Beekeepers Welfare Measures, etc.
2. The funds should be utilized strictly as per the need based and ascertaining rate reasonableness through competitive bidding / quotation etc. in a transparent manner, which has to be ensured by the State Director.
3. The State Director should ensure that all the artisans/ beekeepers are covered under social security measures launched by the Govt. Of India recently like Jandhan Yojana, Pradhanmantri Suraksha Bima Yojana, Etc., issue of Identity Cards, health insurance, linkages with the Banks for Credit, linking all beneficiaries through Adhaar Number / Ration Card Nos., etc. so that these beneficiaries can be uploaded in KVIC website while implementing the project.
4. The Circular No. VIC/ VI Cluster under KRDP/ 2014-15 dated 9th Sept' 2014 should be complied in all respect during the implementation.
5. To ensure the proper implementation of the cluster project, a monitoring committee comprising the following members (Cluster Monitoring Committee (CMC)) under the control of State Director, KVIC, Bhubaneswar as Chairman. (Monthly meeting shall be conducted)
 - Director, S.O., KVIC, Bhubaneswar - Chairman
 - Lead Bank Manger - Member
 - Representative of Odisha KVIB - Member
 - Representative of T.A (CBRTI) - Member
 - In charge, SBEC, Bhubaneswar - Member
 - Secretary of NGO (IA) - Convener

Role of the officials of CMC in cluster development

- a. **Director, S.O., KVIC, Bhubaneswar:** He will play the role of Nodal Agency. Provide funding support, monitor and guide in the programme execution. Extended support services for the effective implementation of the programme.
- b. **Implementing agency:** Balasore beekeeping Industrial Co. op. Society Ltd. will be the implementing agency of the cluster development programme. The NGO is expected to play a key role in coordinating and implementing all proposed activities of the cluster as per the schedule.

- c. **CBRTI, Pune:** Investigator of cluster from CBRTI, Pune is the technical agency of the cluster development programme. T.A. is expected to provide technical support towards the effective functioning of the cluster. TA will monitor the programme implementation on a regular basis and guide the CDE and the IA for smooth implementation of the programme. TA will also guide the CDE and the IA in preparation of action plans and their validation in the (CMC).CBRTI will ensure the tools & machinery supplied are of slandered specification in the Cluster.
- d. **Cluster development Executive (CDE);** CDE will be an employee of the NGO and work under the guidance of T.A, I.A. and the nodal Officer of KVIC. CDE is the key functionary of the project who will lead the entire project under the guidance of ISA/TA and NA. He is expected to implement programmes as per plan and co-ordinate with other stakeholders for their involvement in the programme execution process.
- e. **KVIB, Odisha:** KVIB Odisha will be the overall catalyst agency who will help the beekeepers and honey hunter in terms of getting the programme benefits. They will also co-ordinate with the IA for development and smooth execution of the programmes.
- f. **Lead Bank Manager:** Expected to provide working capital support to the IA and other stakeholders for undertaking beekeeping on a commercial basis. He also help in execution of credit cards, micro financial credits and operation of bank accounts of IA and Beekeepers.
- g. **State Beekeeping Extension Centre:** Technical know – how as well as help in skill-upgradation training etc.
- 6. Proposed operational Mechanism of Common facility Centre**
- Secretary of NGO (IA) – Chairman
 - In charge, SBEC, Bhubaneswar – Member
 - Three leading beekeepers – Members
 - CDE – Member convener

The committee will meet fortnightly for smooth functioning of the cluster with following functions

- A CFC maintenance committee consisting of leading beekeepers needs to be formed to look after the effective day to day functioning of the CFC
- The IA would be the custodian of the CFC and the fostering agency for the development of the cluster
- The beekeepers may avail the machinery support at the CFC for processing and packaging of their honey
- The artisans will be provided with a honey testing kit and storing drums with bee colonies, medicines as proposed in the action plan.

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Role of I.A.

- The IA would mobilize fund from Banks and other sources to run the honey production centre at the CFC.
- The primary producers through their SHGs would sale honey to the production centre / CFC and get the price immediately, instead of middle men exploitation and distribute of incentives from the profits to associated beekeepers.
- The procurement price would be mutually decided based on quality and market demand of honey in the general body meeting each year as per the prevailing market rate by the State Director, S.O., KVIC, Bhubaneswar./ Secretary of the IA (SPV)
- The IA would in turn sale processed honey in different markets through established networks and also supported with Honey Parlour provided through this program.
- The beekeepers will get adequate information from the CFC on marketing of product and would be provided with opportunities for participation in exhibitions, sales in local and district level markets, trade fair etc. on their own or with the support of the IA.
- The artisans on a rotation basis would be given opportunity to work at the production centre and get income.
- Trainings and meetings, etc. would be conducted at the CFC and it would serve as a centre for beekeeper's development.
- In the long run after the project is completed, a nominal charges will be collected (service charge) from the beekeepers through their SHGs towards the maintenance cost of the machineries on being used by them.
- To carry out the business activity the artisan SHGs will be linked with the Bank for necessary credit support.
- The IA will engage suitable persons for the smooth management of the CFC
- The centre would be equipped with computer and other infrastructure facilities and machineries for processing and production of quality honey.
- A work shed along with other facilities should be established.
- The State Director, S.O., KVIC, Bhubaneswar may be made as nodal officer for the Balasore Beekeeping Cluster and technical officials of Forest Based Industry posted at Sub Office, KVIC, Sambalpur and S.O., KVIC, Bhubaneswar may be posted at Balasore on rotation basis for proper monitoring and day to day reporting.