



Guidelines



Setting Up of Cluster on Certified Seed Production

Certified seed production is a crucial component of agricultural development, ensuring the availability of high-quality seeds to farmers. Quality seeds directly contribute to enhanced crop yields, uniform crop growth, and increased income for farming communities. Setting up seed production clusters through Self-Help Groups (SHGs) offers a structured and sustainable approach to seed production while empowering rural women economically. These clusters will focus on producing certified seeds that maintain varietal purity, high germination rates, and compliance with regulatory standards, thereby strengthening the agricultural value chain.

1.Objectives

- a. To create livelihood opportunities for small and marginal women farmers through organized seed production.
- b. To enhance crop productivity through the use of quality certified seeds.
- c. To ensure the availability of high-quality certified seeds to farmers.
- d. To develop forward and backward linkages in seed production and marketing.

2. Selection of Districts

Districts where pulses are predominately cultivated have been selected for implementation of seed production cluster.

3. Selection of Panchayats

3.1 Selection Committee

For establishment of pulses seed cultivation cluster in the district, **a district-level selection committee** will be formed to identify the most suitable panchayat for pulses seed cultivation. The committee will include:

- a. Project Director, Mathi
- b. Assistant Project Officer (Livelihood)
- c. District Resource Person (Farm)
- d. Block Mission Managers of block where pulses cultivation is high.
- e. Representative from Agriculture dept.

3.2 Selection Criteria

- a. **Presence of more farmers engaged in pulses production.**
- b. Availability of land with irrigation facilities.
- c. Availability of women SHGs interested in seed production.
- d. Panchayats where SHGs are already involved in seed production, as they will have the necessary skills and knowledge to take up seed production.

4. Selection of Beneficiaries

- a. A **meeting** will be conducted **at the panchayat level** involving representatives from PLF and Community Resource Person (Farm).
- b. To explain the project objectives, guidelines, and expected outcomes of the seed production cluster initiative.
- c. To highlight the benefits of collective seed production cultivation as a viable income-generating activity.
- d. To encourage participation and address queries or concerns from potential beneficiaries.

- e. Once the meeting is conducted, application needs to be obtained from the SHG members interested in taking seed production cultivation as livelihood activity.
- f. For each cluster, **select 5 women farmers** who are interested in seed production from the same panchayat where pulses production is extensively practiced.
- g. The details of selected beneficiaries to be placed in Grama Sabha and get approved.

4.1 General criteria for selection of Beneficiaries:

- a) Should be SHG member for **at least two years**.
- b) The beneficiary **should not have NPA / overdue in any NRLM fund** support.
- c) The beneficiary **should not be the President, Secretary, Joint Secretary or Treasurer of PLF / BLF**.
- d) The beneficiary **preferably not be book keeper, CST, CBC, DRP, BRP, BMM, BC or any other CRP**.
- e) There **should not be repetition of beneficiaries** under various farm livelihood schemes in the last five years.
- f) **Priority** may be given for those **SHG members who are destitute, widow, SC, ST and poor and very poor in PIP list**.

4.2 Specific Criteria

- a. **5 SHG women members** with minimum **1 acre and 2 acres of land** will be identified from each selected panchayat. **Leasehold landholders** may also be considered.

- b. Selected members must be willing to undergo structured training on Improved varieties, Integrated Nutrient Management, Irrigation & Post harvest management, etc.,
- c. Each Selected member must contribute minimum **Rs.1000/- as membership fees.**
- d. Member contribution may be used for Administrative expenses decided which may be decided by cluster based on the proper resolution.

5. Cluster- Formation

- a. A group of 5 SHG women farmers with minimum 1 acre to 2 acres land and interested / experienced in seed production from same village will be integrated to form a Seed production cluster.
- b. Each cluster **must cultivate pulses seed farm** in a total extent of **minimum 5 acres.**
- c. Secretary and Treasurer to be elected by all 5 members of cluster to manage administrative, technical and accounting works of the cluster.
- d. A **bank account** to be opened in the **nearby Indian Bank** in the name '**with Panchayat Name as prefix - TNSRLM seed production Cluster 2025.**' (Ex.Kattur TNSRLM seed production cluster 2025)

6. Implementation Strategy

- a. **High quality Foundation seeds** of the same crop (same variety) should be procured for all cluster members through the Agriculture department.
- b. Essential inputs such as bio-fertilizers, organic manures, pesticides, etc., shall be **procured in bulk** for all the members to ensure consistency and cost-effectiveness.

- c. Simultaneous planting shall be encouraged to enable synchronized harvesting and marketing.
- d. CRP (Farm) and BC (LH) to check the seed production cluster and regular technical support and guidance should be provided to farmers throughout the crop period by the DRP (Farm) and CFS Trainer / SPARK identified by VKP.
- e. Harvesting shall be Synchronized to facilitate **efficient aggregation and collective despatch of seeds to TANSEDA**

7. Registers to be Maintained

- a. Beneficiaries basic Data Register
- b. Resolution Register
- c. Cash Book
- d. Loan disbursement and collection register
- e. Seed production and sales register
- f. Visitor Register

8. Fund Allocation

Each seed production cluster will receive a total of Rs.2 lakhs.

a. Table-1 Fund allocation breakup

Sl. No.	Details	Amount (Rs.)
1	Pulses seed crop cultivation cost, Transport cost, loading, unloading, processing & Seed certification standard compliances. (RF) (To be repaid)	1,95,000
2	Training to beneficiaries (Need not be repaid)	5,000
Total		2,00,000

*As per above table Rs.1,95,000/- should be repaid

8.1 Fund Release

- a. The CRP-Farm will verify and confirm the selection of office bearers and the opening of cluster's bank account.
- b. The Formation of the cluster and **eligibility of selected members** will be **verified by BC (Livelihood), BMM and APO (Livelihood)** as per Annexure 2 &3 and a recommendation will be submitted to DMMU.
- c. Rs. 1.95 lakh shall be disbursed from DMMU to the BLF within 7 days and BLF will transfer the amount to the cluster within the next 7 days following the **execution of a tripartite agreement** between BLF (agreement model given in Annexure – 4) Cluster and the Beneficiary which consists clause stating
 1. Shall utilize the funds for cultivation of seed production in the designated Village.
 2. To follow cluster approach for procurement of fertilizers, Plant Protection inputs, aggregation marketing and to carry out value addition in the seed production cluster.
 3. To repay the loan with **6% interest**, starting from the sixth month.
- d. Fund release to BLF should have narration with cluster name
- e. Under this scheme Rs.0.39 lakh per acre will be provided to each member as revolving fund for seed production cultivation.
- f. If the cost of cultivation exceeds Rs.0.39 lakh per acre, the additional cost should be borne by the member.
- g. All the transactions should be only through ECS (RTGS/ NEFT)

9. Training to beneficiaries

- a. **One day training** program covering seed selection, certification process, field inspection, seed processing, and marketing will be taken up by the DRP Farm and it may include **visit to nearby seed production field**.
- b. An **amount of Rs.5,000/-** is allocated for one day training out of Rs.2 lakhs allocated to each seed production cluster.

S. No.	Activity	Unit cost	No of units	Amount (Rs.)
1	Resource person fee to DRP Farm for 1 day	1,500	1	1,500
2	Food & Refreshments @ Rs.250/- per head for 5 members	250	5	1,250
3	Transport charges	1,750	1	1,750
4	Stationery, Projector, leaflets	500		500
	Total			5,000

10. Marketing Strategy

- a. **DRP(Farm)** should facilitate procurement of produced seeds by **TANSEDA** (Tamil Nadu State Seed Development Agency).
- b. **TANSEDA** to procure the seeds and credit the production incentive to the cluster's account.

11. Repayment

- a. All members shall repay the loan with an **interest rate of 6%,**
- b. A **moratorium period of 3 months** is fixed during which only interest is to be repaid.
- c. Following the moratorium, repayments should be made in monthly instalments. The repayment amount, along with the applicable interest, should be paid on or **before the 5th of every month to the cluster account.**
- d. Repayments should be recorded in a cash Book and proper receipts to be given to the beneficiary. Repaid amount should be deposited promptly into the Cluster's bank account.
- e. From the Cluster account, **the due amount (principal & interest) for that month should be transferred to the BLF Farm Cluster Account through ECS**
- f. **Repayment period may be 12 months** after the moratorium period.
- g. The Repaid amount along with the collected interest may be lend again for seed production during the next season or for production on additional land by the cluster's existing members **upto two more repayment cycles.**
- h. If existing members are **not willing to continue seed production** in the next season or on additional land, **eligible new members** who are interested in joining the cluster may be included **after verification by the team consisting of BC (LH), BMM and APO (LH).**
- i. If no SHG member in the panchayat is willing to produce seeds in later year or after two more repayment cycles, BMMU with approval from DMMU should release the fund to **a new cluster** willing to take up seed production as a cluster activity.

12. Monitoring & Evaluation

- a. **CRP (Farm)** shall be responsible for ensuring **timely loan repayments** by the SHG members and providing regular handholding support at the cluster level.
- b. The name of the cluster, year, beneficiary details, internal loan given details, quantity of Foundation seeds, etc., to be maintained by the **PLF in the Livelihood register.**
- c. **BMM, Zonal BC & BC (LH) will inspect the cluster**, ensure regular meeting, and oversee the expenditure made and income generated besides maintenance of registers.
- d. BLF also to maintain a register with the cluster name and year.
- e. The **District Resource Person (Farm)** to visit cluster and provide necessary **technical advice** in coordination with the Agriculture Dept.
- f. The **Assistant Project Officer (Livelihood)** will conduct monthly inspections to **monitor Utilization of cluster funds**, Maintenance of records, Adherence to planned activities and timelines.
- g. The Project Director, Mathi, shall randomly visit the operational cluster.
- h. The **PD, (Mathi)** should conduct **monthly review** on functioning, repayment and earnings of the seed production cluster cluster with APO(LH), DRP Farm, BMM and BC LH.
- i. **Once in six months**, progress can be reviewed in **convergence meeting** with the Line departments under the chairmanship of **District collector.**

13. Expected Benefits

- a. Enhanced income for rural women through organized seed production.
- b. Improved access to high-quality seeds for farmers.

- c. Strengthening of rural seed supply chains and reduction in reliance on external sources.
- d. Promotion of scientific agricultural practices.

14. Way Forward

- a. Scale up the certified seed production clusters across more districts.
- b. Foster partnerships with research institutions for continuous capacity building.

Annexure -1

District wise Target

Sl.no	District	No. of clusters
1	Ariyalur	1
2	Coimbatore	1
3	Cuddalore	7
4	Dharmapuri	7
5	Dindugal	2
6	Erode	1
7	Kallakurichi	6
8	Karur	1
9	Krishnagiri	6
10	Madurai	1
11	Mayiladuthurai	6
12	Nagapattinam	4
13	Nammakal	1
14	Pudukottai	2
15	Ramanathapuram	1
16	Ranipet	1
17	Salem	6
18	Thanjavur	5

19	Tenkasi	4
20	Theni	1
21	Thiruvavarur	8
22	Thoothukudi	9
23	Thirunelveli	1
24	Tirupattur	2
25	Tirupur	2
26	Tiruvallur	1
27	Tiruvanamalai	5
28	Tirchy	1
29	Vellore	1
30	Villupuram	5
31	Virudhunagar	1
		100

Annexure -2

Recommendation for fund release from DMMU to BLF.

S. No.	Particulars	Details
1	Name of the Block	
2	Name of the Cluster	
3	Name of the Panchayat	
4	Grama Sabha approval date of selected Beneficiaries	

5	Date of Account opening	
6	Bank Name	
7	Branch Name and IFSC code	
8	AccountName as per bank passbook	
9	Account Number	
10	Secretary Name and Mobile Number	
11	Treasurer Name and Mobile Number	
12	Beneficiary eligibility (Sub format enclosed) for number of Beneficiaries whether verified	
13	Per member contribution in (Rs.)	
14	Conduct of Regular meeting	
15	Name of the Register Maintained	
16	Near by TANSEDA. (mentioned area and distance)	

Cluster formation and selection of beneficiaries are verified as per guidelines and Recommended for release of funds to the _____ cluster of _____ PLF in _____ Block.

**Block Coordinator
(LH)**

**Block Mission
Manager**

**Asst. Project Officer
(LH)**

Annexure -3

Sub Format for Eligibility of Beneficiary Identified***

S. No.	Particulars	Details
1	Name of the Beneficiary	
2	Name of the Husband/ Guardian	
3	Address	
4	Date of Birth/Age	
5	Mobile Number	
6	Name of the SHG	
7	Number of years as an SHG member	
8	NRLM member ID No.	
9	Community(SC/ST/MBC/BC/Others)	
10	Whether comes under special category (Diff. abled / Widows/Destitute widows)	
11	Aadhar card Number	
12	Smart card Number	
13	Do you have MGNREGA card?,If yes provide card number	
14	PIP Number and Category	
15	Total area of Land owned / leased(Acres)	

16	Whether the member presently cultivates seed production?	
17	Experience in seed production cultivation	
18	Area of land were seed production cultivation(in cents)	
19	Any loan availed under livelihood activities a. Name of the scheme: b. Loan amount availed in Rs.	
20	Any overdue / NPA in Rs.	

I declare that the above details are correct and in line with my consensus.

Date:

Beneficiary

Signature

Place:

The above details were verified by me and found correct

Name of the CRP (Farm):

CRP (Farm) Mobile Number:

Signature of CRP (Farm):

Attachment:

1. Aadhar Card Xerox Copy
2. Smart Card Xerox Copy

3. MGNREGA Xerox card
4. SHG Resolution copy for the number of years as an SHG member
5. SHG Resolution copy not to be an office bearer in BLF/PLF
6. SHG Resolution copy for No overdue or NPA in any Bank/institution
7. Patta copy/Lease agreement copy
8. Selected Member gramasaba approval copy

******* This format to be collected for each beneficiary separately and attached to the Annexure-2 for fund release to BLF.

Annexure-4
TRIPARTITE AGREEMENT

This Tripartite Agreement is made on this ____ day of _____, 20__ at _____

Among:

1. Block Level Federation (BLF), a community-based organization constituted under the guidelines of the [Tamil Nadu State Rural Livelihoods Mission], having its office at _____, represented herein by its President/Secretary, Shri/Smt. _____, hereinafter referred to as the "First Party" (which expression shall, unless excluded by or repugnant to the subject or context, include its successors and permitted assigns);

AND

2. _____ Cluster, a collective of _____ cultivating SHG women farmers functioning under the aegis of the First Party, with its registered/recognized office at _____, represented by its Cluster Leader/Representative Selvi/Smt. _____, hereinafter referred to as the "Second Party";

AND

3. Selvi/Smt. _____, daughter/wife of _____, residing at _____, a member of the Self Help Group _____ under the jurisdiction of the above-mentioned BLF, hereinafter referred to as the "Third Party" or the "Beneficiary".

WHEREAS:

- The First Party is responsible for facilitating and overseeing Cluster initiatives at the Block level.
- The Second Party manages implementation and support at the cluster level.
- The Third Party is a beneficiary of the scheme, participating through her Self Help Group (SHG).

NOW, THEREFORE, THIS AGREEMENT WITNESSETH AS UNDER:

1. Roles and Responsibilities

1.1 First Party (Block Level Federation) Shall:

- Facilitate capacity building, training, and support services for _____(Agriculture/Horticulture/Sericulture/Animal Husbandry)
- Mobilize and release funds/grants/subsidies received under any government or non-governmental scheme to the Second and/or Third Party, as per approved norms.
- Release the _____ cluster funds Rs. _____ received from the District Mission Management Unit to the Second Party's bank account within 7 days from the date of receipt of funds.
- Participate (through any one of its representatives) in the monthly meeting of the cluster and monitor the cluster activities and progress.
- Monitor the proper maintenance of registers by the cluster.
- Provide conflict resolution support and maintain oversight over operations.
- Monitor and evaluate the implementation of the project and ensure adherence to prescribed guidelines.

1.2 Second Party (_____ Cluster) Shall:

- Coordinate procurement, input supply, training, and market linkages.
- Maintain records of disbursements, training, production, and sales.
- Release of Rs. _____ against activities such as to the Third Party's bank account within 7 days of receiving funds from the First Party.
- Monitor the utilization of the fund released to the Third Party for the above-mentioned purposes.
- Collect 6% interest from the Beneficiary starting from _____ month onwards and transfer the loan due amount (principal & interest) to the 1st party's Farm Cluster Bank account.

1.3 Third Party (Beneficiary) Shall:

- Utilize the funds strictly for the purposes they are meant for and shall not divert the funds for consumption or personal purposes.
- Repay the loan with 6% interest starting from the _____ month from the date of receiving funds from the Second Party and pay only interest during the _____ months.
- Properly maintain all assets acquired under the scheme and shall not sell or transfer them to outsiders without prior approval from the Second and First Parties.
- Participate in training, share production data, and allow inspections as required.
- Ensure cleanliness in _____ units, and follow standard protocols.

2. Duration

This Agreement shall remain in force till the repayment of loan unless extended by mutual consent or terminated earlier as per Clause 5.

3. Financial Terms

Disbursement and utilization of funds shall follow the instalment structure detailed in Section 1.2.

All repayments with interest shall be made as per the repayment schedule.

Refer to Annexure A for repayment schedule.

4. Dispute Resolution

Disputes, if any, shall be resolved amicably at the Panchayat level first. If unresolved, they shall be escalated to the Block Level Federation under the TNSRLM.

5. Termination

This Agreement may be terminated:

- By mutual consent of all parties;
- By the First Party upon breach or non-performance by the Second or Third Party;
- By the Third Party upon return of all assets and repayment of funds as applicable, with 30 days written notice.

6. Miscellaneous

The Agreement does not constitute an employment or agency relationship.

All annexures, rules, guidelines, and communications relating to the scheme are binding components of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Signature of First Party (BLF Secretary & Treasurer)

Name: _____ Name: _____

Designation: _____ Designation: _____

Seal: _____ Seal: _____

Signature of Second Party (_____ Cluster Secretary & Treasurer)

Name: _____ Name: _____

Designation: _____ Designation: _____

Seal: _____ Seal: _____

Signature of Third Party (Beneficiary)

Name: _____

SHG Name: _____

Witnesses:

1. _____ (Name & Address)

2. _____ (Name & Address)

Annexure A: Repayment Schedule

Name of the cluster or Activity:

Name of the Beneficiary with Father or Husband Name:

Name of the SHG:

Total Loan Amount:

Interest rate:

Repayment period:

S. No.	Month	Repayment Amount (Rs.)		Total amount to be repaid
		Principal	Interest	
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
	Total			

Signature of the BLF

Secretary & Treasurer

Signature of Cluster

Secretary & Treasurer

Signature of the Beneficiary