

Support to Strengthen Marketing Operations of Producer Owned Institutions

In January 2021, NDDB had introduced the scheme – “Support to Strengthen Marketing Operations of Producer Owned Institutions (POIs)” with the objective to support smaller POIs to strengthen their marketing operations so as to increase their market share of milk & milk products. Subsequently, in August 2022, the scheme was modified to broaden its scope in terms of activities undertaken as well as coverage. This document is indented to provide the basic salient features of the scheme.

Scheme Period: The scheme will be implemented over a period of five years from 2021-22 to 2025-26.

Major Activities: Under the scheme, support will be provided to the POIs for the following activities:

- i. Establishment of milk parlours, visi coolers/chest coolers, insulated boxes, and insulated crates.
- ii. Point-of - Sale (POS) publicity material (like sign board, wall painting, danglers, etc.).
- iii. Deployment of professional branding/marketing agency –consultancy services will be provided for the brand development of the beneficiaries.
- iv. Manpower support by hiring sales and marketing professionals and field sales representatives for two years.
- v. Handholding support will be provided through sales and distribution consultants for the beneficiary POIs
- vi. Training & Capacity building.
- vii. Market Research Studies

Eligibility Criteria

- General Criteria:
 - Milk Procurement greater than 5 TKgPD and less than 200 TKgPD in the last financial year. Exception- North Eastern and Hilly region milk unions less than 5 TKgPD may be considered.
 - Liquid Milk Sales greater than 2 TLPD and less than 100 TLPD in the last financial year. Exception: North Eastern and Hilly region milk unions less than 2 TLPD may be considered.
 - POI should be operational for more than 3 years.
 - In case, a State Milk Federation is marketing milk & milk products, the above criteria may be relaxed on case-to-case basis.
- Governance Criteria:
 - POI should have a duly constituted Governing Body such as Board of Directors /Management Committee. In case, for any reason, the elections

cannot be held and Board of Directors not constituted, the reasons for same should be mentioned.

- POI should have a full time Chief Executive Officer /Managing Director (or equivalent).
- NDDDB will have right to nominate one member in the Board of the POI. In case where it is not feasible to nominate a member to be BoD/Management Committee of POIs, the respective POI should agree to have NDDDB representative as special invitee to their Board/MC meetings during the tenure of the project.
- Financial Criteria:
 - The POI should not be in a default to any Bank/Financial Institution (including NDDDB).
 - It should be willing to contribute its share in the scheme.

Funding Pattern

No.	Particulars	Funding Pattern	
		NDDB Grant	POI
1.	Visi-coolers/Chest coolers/Insulated Boxes	40%	60%
2.	POS publicity material	60%	40%
3.	Milk parlours	50%	50%
4.	Branding & Marketing support through professional agency	100%	--
5.	Hand Holding Support to strengthen Sales & Distribution though S&D consultants	100%	--
6.	Training and Capacity Building	100%	--
7.	Manpower support for deployment of Sales & Marketing professional and field sales representatives for two years	Tapering: Y1-75%, Y2- 50%	Y1 -25%, Y2- 50%
8.	Market Research studies	NDDB: 75%	25%

For further information, POIs can contact their respective NDDDB Regional Office.