How to register Shareholder and Equity Grant claim in a Farmer Producer Company

A guide to the process and documentation for shareholder registration and claiming equity grant for members

This playbook has been designed for PRADAN

Primary user: CEO/BOD
Secondary users: CRPs

What need/pain-point is this playbook addressing?

This playbook was created using **PRADAN's** resources

There are various compliances a farmer has to follow to become a member of a Farmer Producer Organisation/Company. These are in line with the guidelines laid out by the Companies Act 2013. These are essential to the proper functioning of the institution, especially for the information of the farmer members.

This playbook lays down the documentation process for FPO member registration as well as the processes and steps of applying for the equity grant of shareholders.

What are the benefits to stakeholders?

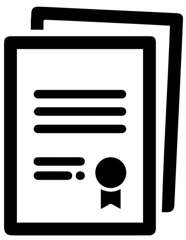
- This will help the farmers in claiming the equity grant process
- It will help the Producer Group members to compile the required documents

What steps does this solution take?

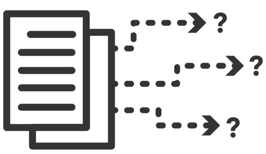
Step 1	Step 2
Training & grooming of Board of Directors (BOD)/Chief Executive Office (CEO) about the process, further they will do it on their own • Membership of FPO, • Sharemoney collection, • Registration of members, Documentation for equity grant	Cluster Based Business Organisation will directly hand hold them to complete the process

Documents required

FPO Membership form



Annexure format



Resolution format

FPO Business plan, Trainings related information

Process to be followed:

- Collect the documents from the farmers to become a member
- Fill the membership form
- Collect the sharemoney from the members
- Pass the resolution from BOD to issue the share
- PASS 3 process of members
- Issue the share certificate
- Pass the resolution from BOD for the claiming the equity money
- Fill up the annexure formats

Step 1:

Collect the following documents from the farmers to become a member

- Aadhar card
- Bank Passbook
- Land receipt

Step 2:

Fill the membership form with:

- Basic details
- Contact number of members
- Signature of member
- Membership fee
- Provide the money receipt

Step 3:

- Collect the sharemoney from the members
- Provide the money receipt

Step 4:

- Pass the resolution from BOD members to issue the shares to the FPC members
- BOD member needs to take decision to issue the share of member

Step 5:

PASS 3 process of members

- Share the required documents to Chartered Accountants
- Check on the Ministry of Corporate Affairs portal

Step 6:

- Issue the share certificate & provide it to member

Step 7:

Pass the resolution from BOD for the claiming the equity money

Step 8:

Fill up the annexure formats

- Send it to CA
- Check the MCA portal

Step 9:

Provide the share certificate to the shareholders of equity money

What caveats/disclaimers do we need to keep in mind?

Problems	Solution
Pass 3 should be doone within 60 days after becoming a member	Pass the resolution in BOD meeting & Make sure it gets uploaded in MCA portal
Share certificate should be provided within 30 days after Pass 3	Provide the share certificate to members within timeline
All the required documents should be taken from the meber	Documents should be collected with the sharemoney
Bank account must be of member	1st page of bank passbook should be taken

Do you have any other remarks /suggestions?

- All the processes should be minutise in the BOD meeting of FPO
- All the resolutions must be passed by 60% of FPO BODs
- All the processes should be as per the norms of company act

References (Links to pdfs or videos)

https://abcd.com
https://efghijklmnop.com
https://qrstuvw.com
https://xyz.com

What resources (human and financial) are required to implement this playbook?

Financial Resources:

- The fee of PASS 3
- The charges of CA

Human Resources:

- CA
- Bank Branch Manager

Are there companies that provide materials and/or services required to implement this playbook?