

**Implementation of the aonla cluster (intensive)  
promoted by NABARD in Pratapgarh district of Uttar  
Pradesh and sustainability issues thereof**



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### **Disclaimer**

This Study Report has been prepared by Sunil Kaushik, Faculty Member, National Bank Staff College (NBSC), Lucknow based on the field study conducted by him on 29 January 2019 at Pratapgarh, Uttar Pradesh. Views expressed in the report are that of the author. It does not necessarily represent or reflect the policy or view of National Bank Staff College (NBSC) or National Bank for Agriculture & Rural Development (NABARD). NBSC and NABARD accept no financial liability or any other liability whatsoever to anyone using this report as also for the accuracy of facts and figures quoted in the report.

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## **Executive summary**

### **In house study on**

#### **‘Implementation of the aonla cluster (intensive) promoted by NABARD in Pratapgarh district of Uttar Pradesh and sustainability issues thereof’**

Pratapgarh district (Uttar Pradesh) is known for being the largest producer of aonla in the country. About 2,00,000 tonnes of aonla is annually produced in the district from nearly 20,000 ha of aonla orchards. An Intensive Cluster Development Programme for Aonla in Pratapgarh district of Uttar Pradesh was sanctioned by UP RO, NABARD to the Centre for Technology and Entrepreneurship Development (CTED). NABARD sanctioned a grant assistance of Rs.75.70 lakh for a five year period from 2007-08 to 2011-12, which was announced before the beneficiaries at the time of launching the Cluster on 04 February 2008 and released Rs.41.405 lakh till 2014-15. The CTED acted as the Cluster Development Agency (CDA) for the project. A Cluster Development Committee (CDC) was set up to review the progress of the project. A Common Facility Centre (CFC) was established with facilities for shredding, punching, pulping, juice making, pickle mixing, boiling and powder making.

Construction of the CFC building was started by the CDA. Later on it was found that the concerned land was disputed and construction work had to be halted on the land after incurring a heavy expenditure. It adversely affected the financial condition of the CDA. However, building for a training centre being run by the CDA was constructed on another land and now the CFC is running in a portion of this building. The CFC has reasonable built up space to carry out its operations. A power transformer was to be installed at the instance of the CDA as there was no power connection in the vicinity of the CFC. An amount of Rs.3.00 lakh was spent on this facility, which was not a part of the sanctioned project. Average monthly expenditure on power consumption in the CFC is about Rs.4000/-.

The CFC has fixed processing charges @ Rs.3.00 per kg of aonla for the members of the CFC and @ Rs.5.00 per kg of aonla for others. The CFC processes about 400 quintals of aonla on rental basis. However, the CDA reported that all charges were in arrears and farmers are reluctant to pay for the services. The CFC does not have permanent employees. During aonla harvesting season, nearly ten workers are employed by the CFC for three months.

The CFC has a processing capacity of 10 quintals per day (eight hour day). Capacity utilisation stands at 20%. Fresh aonla is available for three months only. To make aonla available for rest of the year, it is preserved in potassium meta-bisulphite solution in the drums with a capacity of storing one quintal of aonla fruits. This is used for making aonla products throughout the year.

The CDA started two showrooms for marketing aonla products, one at Sultanpur and the second at Jagdishpur. Now an FPO (Ashray Farmer Producer Company Ltd.) has been created to operate the CFC. The FPO has a membership of nearly 300. Assets of the CFC will be transferred to the FPO. Filter machine has been purchased by the CDA from its own resources.

Price for aonla fruits depends on the variety. Non-descript varieties fetch the least price whereas Lakshmi-52 and Banarasi get the highest price in the market. Chakaiya fetches average price. The Patanjali Ayurved played an important role in promotion of aonla products, which increased the market demand for aonla. Now farmers are satisfied with the price of raw aonla they are getting from the buyers. New aonla products (juice, candy) have become popular, therefore, demand for aonla has tremendously increased in the last few years. However, apprehension remains that if large companies stop purchasing aonla, prices of aonla may again crash.

There were 400 members selected for participation in the cluster activities out of which 180 were trained under REDPs and SDIs under the project. The Bank of Baroda, Main Branch Pratapgarh provided credit facilities to 163 members. Most members were financed for small processing units and retail shops for aonla products. Performance of most of the accounts is satisfactory, however, a few are under default.

The CFC was inaugurated on 03 February 2011 with installation of the proposed machinery under the project. The CDA makes procurement of aonla from the producers and returns them the processed aonla products. It has been registered under the FSS Act 2006 by the GoI in the name of CEO of the CDA Sh. Sanjay Singh. It sells aonla products under the brand name 'Amla Amrit' registered by the CDA. Products are also sold through an e-portal <http://www.amlaamritproducts.com>. Procurement, branding and marketing are being done by the CDA.

Under the project, 180 growers / processors were provided training under REDP/SDI, credit facilities were provided to 163 candidates from Bank of Baroda, Main Branch, Pratapgarh.

The CDA has established an FPO (Ashray Farmer Producer Company) of the beneficiaries. Membership of the FPO is around 300. Financial assistance is available to the FPOs from the Government of India and State Governments eg. Custom Hiring Centre. This assistance can be used to reduce the cost of production for its member farmers by providing them agricultural implements on rental basis. Equity grant support (Rs.15.00 lakh) is available from the Small Farmers Agribusiness Consortium (SFAC). Similarly, a credit guarantee support up to Rs.1.00 crore is available from the SFAC, which may be availed if the FPO is willing to expand its business.

## **Implementation of the aonla cluster (intensive) promoted by NABARD in Pratapgarh district of Uttar Pradesh and sustainability issues thereof**

**Introduction:** Pratapgarh district (Uttar Pradesh) is known for being the largest producer of aonla in the country. About 2,00,000 tonnes of aonla is annually produced in the district from nearly 20,000 ha of aonla orchards in the district. Most of the orchards are located in a cluster (Gondey, Chilbilia and Makoonpur villages) in the district about 15 km away from the district head quarter. Major chunk of the production is supplied to big industrial houses like Dabur, Baidyanath etc. Barely 20% of the aonla produce is locally processed. About 400 families in and around the cluster are involved in the processing of aonla. More than 100 shops on Sultanpur-Pratapgarh road are selling aonla products. Keeping above facts in view, an Intensive Cluster Development Programme for Aonla in Pratapgarh district of Uttar Pradesh was sanctioned by UP RO, NABARD to the Centre for Technology and Entrepreneurship Development (CTED), with a financial outlay of Rs.75.70 lakh for a five year period from 2007-08 to 2011-12. The CTED acted as the Cluster Development Agency (CDA) for the project. The cluster was launched on 04 February 2008. An integrated approach for cluster development was adopted which included growing of high quality aonla fruits, localised processing, diversification of products, providing common brand name, observance of health and hygiene standards etc. It was envisaged that 440 growers and processors would be identified for final support under the project. Activities proposed under the cluster included awareness programmes, REDP and SDI, product development workshops, setting up of Common Facility Centre (CFC), quality control laboratory, publicity and brand promotion, marketing outlets etc. A Cluster Development Committee (CDC) was set up to review the progress of the project.

### **Performance budget for Aonla intensive cluster during implementation (2007-08 to 2012-2013)**

Sr. No.	Particulars	Budget sanctioned		Achievements	
		Physical	Financial	Physical	Financial
1	Launching of cluster	1	0.20		0.20
2	SDIs/REDPs	20	10.00		7.00
3	Awareness meetings with bankers and supporting agencies	20	1.50		1.50
4	Product development workshop	5	2.50		2.50

5	Setting up of CFC and QCL	1	20.00		17.14
6	Marketing and processing consortium	1	1.00		1.00
7	CDC meetings	20	0.20		0.20
8	Exposure visits	8	8.00		1.00
9	Exhibitions / trade fairs	5	7.50		1.00
10	Catalogue, web designing and publicity	2	2.00		1.00
11	Buyer-seller meets	3	3.00		1.00
12	Brand promotion	2	2.00		1.00
13	Marketing outlets / emporia	2	8.00		0.00
14	Documentation/success stories		0.10		0.00
15	Remuneration to CDF for 5 years		3.90		2.90
16	CDA overheads (rent, conveyance etc.)		4.20		3.20
17	Office infrastructure	1	0.60		0.60
18	Miscellaneous for 5 years		1.00		0.21
	<b>Total</b>		<b>75.70</b>		<b>41.405</b>

Item-wise achievement figures are estimates only. Total figure is final and given by UPRO.

The CFC was inaugurated on 03 February 2011 with installation of the proposed machinery under the project. It was envisaged that aonla processing in the district would reach 50% after the establishment of the CFC, which was at about 15-20% of aonla production. The CFC was supposed to be self-sustainable within one year of its operation. The CDA makes procurement of aonla from the producers and returns them the processed aonla products. It has obtained the Food Safety Management System Certificate from the MSA Certification Co. Ltd. and has been registered under the FSS Act 2006 by the Government of India. It sells the aonla products under the brand name 'Amla Amrit'. Products are also sold through an e-portal <http://www.amlaamritproducts.com>. An amount of Rs.41.405 lakh was released by NABARD to the CDA during the whole implementation period. Processing, training, storage, quality control and packaging were the major activities proposed for the CFC. Procurement, branding and marketing were supposed to be done by the CDA.

Under the project, 180 growers / processors were provided training under REDP/SDI, credit facilities were provided to 163 candidates from Bank of Baroda, Main Branch, Pratapgarh. To get facilities from the CFC, members were required to deposit a fee of Rs.100/-. More than 100 producers were registered as members of the CFC.

## **Objectives of the study:**

1. To evaluate the implementation of the aonla cluster (intensive)
2. To review the present status of the cluster
3. To find out the sustainability issues of the cluster

**Study methodology:** The diagnostic study report on the Aonla cluster in Pratapgarh district of UP, details of the project sanctioned and progress report on the implementation of the project (as on 07 February 2012) was obtained from the UP Regional Office. These reports were analysed. Preliminary discussions on the project were held with DDM Pratapgarh over telephone. He accompanied the undersigned during the field visit and discussions with other stakeholders in the Cluster. His ground level experience of the project helped us analyse the crucial backward and forward linkages of the project. Field level discussions with the CDA were held by visiting the CFC and project area on 29 January 2019. CDA's analysis of the project implementation has been accounted for while preparing the report.

Feedback from 7 farmers was taken to analyse the present status and actions to be undertaken in future for sustainability of the project.

Two financing banks were approached for performance of the accounts of beneficiaries / processing units covered under the project.

Questionnaires were developed for collecting information from the stakeholders. Report has been prepared on the basis of the information received from the UPRO and field level discussions with the concerned stakeholders. Sample questionnaire is given as Annexure.

## **Observations:**

**Common Facility Centre (CFC):** The CFC was found to be operational. Machinery used for shredding, punching, pulping, juice making, pickle mixing, boiling and powder making were available in the CFC building. The CDA repeatedly said that NABARD announced the grant assistance of Rs.75.70 lakh in the public meeting, but released only Rs.41.405 lakh. It led to creation of a public perception that the CDA did not spend the whole Rs.75.70 lakh, which adversely affected the operation of the CFC. The CDA also courted a few controversies regarding the building of CFC. Relations with NABARD UPRO were not very cordial during the implementation phase, which also adversely affected the implementation of the project.

Initially in over enthusiasm, land records for the CFC building were not verified and construction of the CFC building was started by the CDA. Later on it was found that the concerned land was disputed and construction work had to be halted on the land after incurring a heavy expenditure. It adversely affected the financial condition of the CDA. However, building for a training centre being run by the CDA was constructed

on another land and now the CFC is running in a portion of this building. The CFC has reasonable built up space to carry out its operations.

A power transformer was to be installed at the instance of the CDA as there was no power connection in the vicinity of the CFC. An amount of Rs.3.00 lakh was spent on this facility, which was not a part of the sanctioned project. Average monthly expenditure on power consumption in the CFC is about Rs.4000/-which is reasonably high when there were no receipts from the farmers on account of using the CFC facilities. Recently, the CDA paid an amount of Rs.2,00,000/- towards power bill.

The CFC has fixed processing charges @ Rs.3.00 per kg of aonla for the members of the FPO and @ Rs.5.00 per kg of aonla for others. The CFC processes about 400 quintals of aonla on rental basis. However, the CDA reported that all charges were in arrears and farmers are reluctant to pay for the services, as they perceive that the CFC was given as a grant (Rs.75.70 lakh) to the CDA, which is under an obligation to provide services to the farmers free of cost. The CFC does not have permanent employees. During aonla harvesting season, nearly ten workers were employed by the CFC for three months. At the time of the visit two woman workers were found to be working in the CFC.

Punching machine installed in the CFC was found not suitable for making preserve. It could not punch the fruits fully and left a lot of space on the fruit without punching. Therefore, punching machine could not be used properly. Similarly, shredding machine produced very small shreds, which could not be used in laddoo making. It required larger shreds which could be obtained through manually operating the grating machine.

The CFC has not prepared any balance sheet and income and expenditure statements. When it was discussed with the CDA, it responded that it (Establishment of CFC) was a part of training programme, hence did not require any balance sheet to be prepared. There is no record available which may lead to concrete data on profit and loss for the CFC.

The CFC has a processing capacity of 10 quintals per day (eight hour day) however, it is processing about 2 quintals of aonla per day. Capacity utilisation stands at 20%. Fresh aonla is available for three months only. To make aonla available for rest of the year, it is preserved in potassium meta-bisulphite solution in the drums with a capacity of storing one quintal of aonla fruits. This is used for making aonla products throughout the year. Further investment is required by the FPO to purchase the requisite number of drums and working capital for procurement of aonla depending on the demand for aonla products.

**Cluster Development Agency (CDA):** The CDA started two showrooms for marketing aonla products, one at Sultanpur and the second at Jagdishpur. The CDA

could not develop an institutional mechanism to take forward the work done under the cluster. Now an FPO (Ashray Farmer Producer Company Ltd.) has been created to operate the CFC. The FPO has a membership of nearly 300. Assets of the CFC will be transferred to the FPO. Filter machine has been purchased by the CDA from its own resources.

The CDA was initially enthusiastic about the project. Once it consolidated its area of operations under training for the youth supported by other institutions, its focus shifted from the CFC to other areas of its work, consequently, CFC could not get the attention it deserved from the CDA which hampered the growth of CFC operations. CFC is working but its operations have stagnated and CDA does not have plans to expand its business. This expansion of business is the total responsibility of the FPO.

Exit of CDA and entry of FPO is a desired development, however, the FPO is not immediately in a position to completely take charge of the project hence support of the CDA may continue for some time and CDA may focus on strengthening the FPO.

### **Feedback from farmers:**

Many farmers still sell aonla produced in their orchards through the contractors. By giving the orchard to the contractor, production risk is transferred to the contractor. Depending upon the likely production of the fruits, contractors value the orchard and advance money is paid by the contractor to the farmers. There are about 25 registered commission agents in Pratapgarh district, who procure aonla from the farmers for forward supply to industrial houses or other big markets. They supply aonla to different States. There are more than 50 processing units for aonla in Pratapgarh. More than 30 units have FSSAI license. Most of the units sell their products through local retail shops in the district. Farmers felt the need for a nursery in the district, which could provide them high quality planting material. Farmers may also go for rejuvenation of old and senile orchards.

Establishment of CFC helped them gain knowledge about the technology for making different products of aonla like juice.

Farmers frequently used pulping machine of the CFC for making pulp.

Processing facilities for aonla in the district have also been made available by the Department of Horticulture and Khadi Gramodyog Board.

Price for aonla fruits depends on the variety. Non-descript varieties fetch the least price whereas Lakshmi-52 and Banarasi get the highest price in the market. Chakaiya fetches average price.

The Patanjali Ayurved played an important role in promotion of aonla products, which increased the market demand for aonla. Now farmers are satisfied with the price of

raw aonla they are getting from the buyers. New aonla products (juice, candy) have become popular, therefore, demand for aonla has tremendously increased in the last few years. However, apprehension remains that if large companies stop purchasing aonla, prices of aonla may again crash.

### **Feedback from the banks:**

There were 400 members selected for participation in the cluster activities out of which 180 were trained under REDPs and SDIs under the project. The Bank of Baroda, Main Branch Pratapgarh provided credit facilities to 163 members. Most members were financed for small processing units and retail shops for aonla products. Performance of most of the accounts is satisfactory, however, a few are under default. The FPO should work to improve the performance of these loan accounts so that it may avail credit facility if the need arises in future.

### **Annual processing of aonla for preparation of different products:**

<b>Sr. No.</b>	<b>Item</b>	<b>Aonla used in kg</b>	<b>Quantity of product in kg or litre</b>	<b>Processing charges (Rs. / kg or litre) including sugar and other ingredients and labour</b>	<b>Total processing charges including sugar and other ingredients (Rough estimates)</b>
1	Aonla juice	15000	5000	15	75000
2	Laddoo	1500	1500	75	112500
3	Burfee	1500	2000	75	150000
4	Candy	1000	500	55	27500
5	Murabba	1600	2000	45	90000
6	Pickle	1500	1500	35	52500
		22100		Total	507500

### **Prices charged by the CFC for its products:**

<b>Sr. No.</b>	<b>Item</b>	<b>Wholesale price (Rs./kg or litre)</b>	<b>Retail price (Rs./kg or litre)</b>	<b>Sales at wholesale price (Rs.) –total</b>
1	Aonla juice	80	100	400000
2	Laddoo	120	150	180000
3	Burfee	120	150	240000
4	Candy	320	360	160000
5	Murabba	75	95	150000
6	Pickle	90	100	135000
	Total			1265000

**Average price of aonla: Rs.10/kg, Sugar: Rs.40/kg, Other ingredients as per need**

### **Sustainability of the CFC:**

**Targets and achievements:** Project was deemed to be complete in 2014. The CDA was sanctioned a grant assistance of Rs.75.70 lakh out of which an amount of Rs.41.405 lakh was released under the project. It is obvious that all the activities proposed in the project could not be completed, which led to partial fulfilment of the objectives of the project. It remained the major weakness of the project. However, establishment of the CFC, a major component envisaged under the project, could be achieved and is still operational. Meanwhile, the CDA got engaged in other activities and working of the CFC did not get the attention from the CDA it deserved being an entrepreneurial activity.

**Institutional mechanism to carry forward the work of CFC:** Till recently, the CDA could not stabilize an institution to look after the interests of the CFC as well as the beneficiary farmers and processors, which could take its operations forward and become self-sustainable. Therefore, its operations remained limited and capacity utilization could not go beyond 20%. Now it has established an FPO (Ashray Farmer Producer Company) of the beneficiaries, which may make the operations of the CFC more vibrant and sustainable. The FPO has to shoulder a bigger responsibility of making the CFC sustainable. It should work for meeting rental, operational and maintenance expenditure of the CFC. It has to work on both backwards linkages as well as forward linkages. It should make efforts to reduce 'aonla production' input costs for the members by their bulk purchases keeping demands of the members in view. It may organise training programmes for its members in association with Department of Horticulture. The FPC may also act as aggregator for its members. If it is able to negotiate a better price with the consuming companies, then supply of raw aonla after aggregating from its members may be considered. Grading and sorting of aonla will further add to its bargaining strength.

**Improvement in quality of aonla fruits:** Member farmers indicated that fruits of Lakshmi-52 and Banarasi varieties fetched highest price in the market. The FPO may work out an arrangement with existing nurseries to supply plants of these varieties to its members or assist a few of its members to start a nursery for aonla plants to propagate Banarasi and Lakshmi-52 plants. They may be deputed to agricultural university or Krishi Vigyan Kendra to learn propagation techniques for aonla plant. Training programmes may be organised in association with Department of Horticulture to train the farmers on replacement techniques for non-descript or desi varieties of aonla with better quality varieties i.e. Banarasi and Lakshmi-52. This will ensure the regular supply of good quality aonla to the CFC if it decides to expand its business.

**Legal requirement to run the CFC:** The FSSAI license is in the name of Sh. Sanjay Singh, the CDA representative. The FPO has to obtain a fresh license or get the present license transferred and registered in its name. Similarly Amla Amrit brand has to be transferred to the FPO. The CDA has provided space to the CFC in its own building to carry out processing operations. The FPO should reach a position, where it can pay rent to the owner of the building or have its own building.

**Membership of the FPO and its Board:** Membership of the FPO is around 300, which is much less than the desirable to make the FPO a viable entity. The FPO Board of Directors should appoint a Chief Executive Officer (CEO) to look after the business interests of the FPO. Already established CFC, existing brand, available marketing outlets and reasonable market potential for aonla products should facilitate the operations of the FPO becoming viable even in a short run. Key to success of the FPO will be the Board and CEO. Financial assistance is available to the FPOs from the Government of India and State Governments eg. Custom Hiring Centre. This assistance can be used to reduce the cost of production for its member farmers by providing them agricultural implements on rental basis.

**Assistance available to FPO from other sources:** The FPO should make efforts to become eligible for equity grant support (Rs.15.00 lakh) from the Small Farmers Agribusiness Consortium (SFAC). Similarly, a credit guarantee support up to Rs.1.00 crore is available from the SFAC, which may be availed if the FPO is willing to expand its business.

**Contribution from members towards processing charges:** District Pratapgarh produces nearly 2,00,000 tonnes of fresh aonla every year. Procurement of fresh aonla at reasonable prices should not pose any problem for the CFC provided it is able to market the products. The CFC has a processing capacity of 10 quintals per day in a shift of 8 hours. As per information provided by the CDA, the CFC processes nearly 600 quintals of aonla on annual basis. About 400 quintals of aonla are processed for the farmers or small processors. The CFC has fixed processing charges @Rs.3.00 per kg. The FPO can do the same and persuade the processors to pay the processing charges and get nearly Rs.1.20 lakh annually at current capacity utilization. It will strengthen the financial position of the FPO, which may help it expand its operations and upgrade the machinery.

**Better utilization of processing facility:** Fresh aonla is available for nearly three months. Depending on the demand in the market for aonla products, the CFC may increase capacity utilization during these three months. If capacity utilization stands at 20% and price paid for aonla is Rs.10 /kg, it will take about 7 years to recover the full cost of machinery. If capacity utilization stands at 40% and price paid for aonla is Rs.10 /kg, it will take just 3 years to recover the full cost of machinery. If capacity utilization stands at 40% and price paid for aonla is Rs.15 /kg, it will take 4 years to

recover the full cost of machinery. If the cost of machinery is financed by loan @12% per annum, then CFC can be viable in five years at 40% capacity utilization. When cost of machinery is fully supported by grant assistance, CFC is viable even from first year. Estimates are given in Annexure.

**Reducing cost of power for CFC:** Roof top of the building, in which CFC is located, offers good scope for installation of solar power, which should cater to the needs of the CFC as well as supply the surplus power to the State Electricity Board. The CDA may use solar power to reduce its expenditure on electricity.

### **Conclusion:**

**Public perception about the project:** An amount of Rs.75.70 lakh, sanctioned as grant for the project by NABARD, was declared in a public meeting. Final release of Rs.41.405 lakh indicates that many items sanctioned under the project could not be completed. It created a perception among the farmers that the CDA did not spend the whole money under the project. Declaration of the grant money among the beneficiaries may lead to transparency in the project, but when the whole amount is not released, it may also create wrong perception among the beneficiaries about the implementing agency. The CDA is of the opinion that public announcement of the grant amount led to the confusion among the farmers. However, the issue could have been resolved and apprehension dispelled by making public all terms of release and the expectations from the farmers in taking the project forward.

**Institutional mechanism to carry forward the work of CFC:** The CDA expanded its activities into other projects, which became its prominent activities and the running of CFC became a minor activity. It diverted the attention of the CDA from the CFC. At the same time, no institution of the beneficiaries came forward to take up its activities. Therefore, its operations stagnated and are still limited. A good institution of the major stakeholders mainly farmers must come forward to take the responsibility of taking the operation of the CFC forward. Institution building efforts must take place right from the beginning of the project to ensure that its operations get stabilized before the CDA completes the project. In the instant project, establishment of FPO much after completion of the project has led to stagnation in the operation of the project. Institutionalising farmer / beneficiary groups should form part of all promotional projects to ensure their sustenance.

**Meeting operational expenses:** Operational expenses being incurred by the CFC must be met through the revenue from the members or whoever gets his produce processed at the CFC. It will help the CFC to meet its maintenance and operational expenses and expand in future.

**Suggestions:**

- It should be insisted upon that the CDA will establish an institution of the stakeholders (producers in the instant case) right from the beginning of the project. By the end of the project, it should be capable enough to independently carry forward the project.
- All licenses to carry out the business and brand name should be taken in the name of the farmers' or beneficiaries' institution and not in the name of individual or the CDA or project implementing agency. It will avoid any future struggle between the CDA and institution of stakeholders.
- Utmost care should be taken while selecting the CDA. Once the CDA is selected to implement the project, then we should fully trust the CDA with regular monitoring. Release of funds should not become a contentious issue between CDA and NABARD.
- Regular training and capacity building for the FPO and its Board must be undertaken to strengthen the governance of the FPO as also develop a business plan for the FPO so that the financial support extended for development of cluster in general and the CFC in particular leads to improvement of business for the CFC and better financial benefits to member farmers.
- Proper accounting and book keeping in transparent manner as also decision making in the activities of the project in participative mode with team leaders representing beneficiaries being fully aware of terms and conditions of sanction and release would help in smooth and complete implementation of such projects.

## **Questionnaire for Cluster Development Agency (CDA)**

1. Name:
2. Address:
3. Phone Number:
4. CDA's statutory status, areas of work and previous experience:
5. Operations of the Common Facility Centre (CFC):
6. Processing capacity of the CFC under different products:
7. Utilization of the CFC services (seasonality of production)
8. Operational costs of the CFC
9. Basis of processing fees being collected from the beneficiaries:
10. Responsibility of the maintenance of the CFC
11. Plan for replacement and upgradation of the machinery in the CFC
12. Any tie up with bigger processing units or manufacturing units
13. Market linkage and branding of aonla products

## **Questionnaire for the beneficiaries/farmers/processors under the Cluster**

1. Name:
2. Address:
3. Phone Number:
4. Land holding and cropping pattern (SF/MF) – area under aonla
5. Annual production of aonla
6. Sale of raw aonla to the CDA for processing by the CFC:
7. How farmers were processing or marketing their aonla produce before the project?
8. Distance of CFC from the production centres (farms) and mode of transport
9. Any primary processing done by the farmers
10. Other processing facility in the Cluster area and their utilization by beneficiaries:
11. Cost of processing charged by the CFC:
12. Cost of processing charged by other processing units:
13. Branding of the products:
14. Legal formalities required and completed for selling the aonla products in the market:
15. Feedback from farmers on advantages of CFC or problems from CFC if any

## **Questionnaire for the financing bankers under the Cluster**

1. Name of the bank branch:
2. Address:
3. Phone Number:
4. Number of units financed
5. Total loan portfolio under aonla producing farmers vis-à-vis overall portfolio:
6. Total loan portfolio under aonla processing and marketing units vis-à-vis overall portfolio:
7. Performance of aonla producing farmers in servicing the debt:
8. Performance of aonla processing and marketing units in servicing the debt (CFC's role):
9. Any tie up for guaranteed repayment by farmers or processing units