

Cluster Development Programme

Implementation of Cluster Development Programme on Pilot basis :

- The programme will be rolled out to cover all the 53 horticulture clusters identified by MoA&FW based on the learning, output, and outcome of the pilot implementation of CDP in 12 clusters initially
- The GOI identified 7 crop wise clusters in 12 districts in 11 states wherein Telangana is one of the state and the district for Mango Cluster notified is erstwhile Mahabubnagar.

Sl. No.	Crop	State	Cluster (District)
1	Apple	J&K, Himachal Pradesh	1. Shopian 2. Kinnaur
2	Mango	Uttar Pradesh Gujarat Telangana	1. Lucknow 2. Kutch 3. Mahabubnagar
3	Banana	Andhra Pradesh Tamil Nadu	1. Ananthapur 2. Theni
4	Grapes	Maharashtra	1. Nasik
5	Pineapple	Tripura	1. Sepahijala
6	Pomegranate	Maharashtra Karnataka	1. Solapur 2. Chitradurga
7	Turmeric	Meghalaya	1. West Jaintia Hills

Estimated overall Impact (India) :

- Tentative Outlay of the scheme
INR 3300 Cr (53 Clusters, Avg. INR 62.5 Cr per Cluster)
- Expected Private Sector Investment
INR 6,500 Cr
- Quantum of produce to be handled
8 Million MT*
- to be benefitted
10 lakh farmers*
- Expected increase in exports
20-25%

Expected outcome from Mahabubnagar cluster :

- ✓ Outlay of Rs.200 Cr. project cost with assistance of Rs.100 Cr.
- ✓ Benefits farmers around 2000 Nos. per year leading to approximately 6,000 Nos. of farmers for 3 years.
- ✓ Expected private sector investment is approximately Rs.200 to Rs.250 Cr.
- ✓ Quantum of produce that shall be handled Rs.1 to 1.50 lakh MTs through all multi modal logistics capturing distant domestic markets like Delhi through Kissan Rail.
- ✓ Project period 4 years.

Pattern of Assistance and coverage under the programme :

- Financial assistance will be provided based on the three different categories of clusters as defined above, in terms of – Mega, Midi, and Mini Clusters.

Sl. No.	Cluster Category	Parameter	Amount of financial assistance admissible per cluster (Rs. In Cr.)	Clusters
		Area of cluster in Hectares		
1.	Mega	More than 15,000 Ha	Up to 100 Cr.	Mahabubnagar, Nashik, Solapur, Lucknow, Chennai
2.	Midi	More than 5,000 Ha to 15,000 Ha	Up to 50 Cr.	Kinnaur, Kutch, Anantpur, Theni, Chitradurga
3.	Mini	Up to 5,000 Ha of area	Up to 25 Cr.	West Jaintia Hills, Sepahjala

- The actual financial assistance for each cluster shall be finalized by the CDA based on the cluster gap assessment and DPRs submitted by IAs.

- National Horticulture Board (NHB) shall provide financial assistance to the CDA in an Escrow Account to implement the programme and CDA will further disburse the eligible amount of financial assistance to the IAs in a dedicated Trust and Retention Account (TRA) based on the achievement of specific milestone
- CDA will establish a Cluster Development Cell (CDC) with a dedicated team of officers within the CDA for the smooth implementation of the programme.
- The CDAs shall select Implementing Agency/Agencies (IAs) through Call for Proposal in an open and transparent manner for different verticals of the Cluster, namely:

S. No.	Activity	Total Cost (In Cr)
1	Pre-Production and Production	79.89
2	Post-harvest Management and Value Addition	80.70
3	Logistics, Marketing and Branding	39.80
	Total	200.39

- The Project Management Unit (PMU) of NHB shall provide technical assistance to NHB and CDC for effective implementation of the Cluster Development Programme.

Cluster Development Agency (CDA):

- The State Govt. has nominated the TSHDCL as Cluster Development Agency in Telangana State for implementation of Cluster Development programme in Mahabubnagar, vide G.O.Rt.No.251, Agri. & Coopn. (Horti & Seri) Dept., dt.13.05.2021.
- The GoI vide Lr.No.NHB/CDA/Mango/2021/187, dt:27.07.2021 has appointed TSHDCL as Cluster Development Agency (CDA) for Mango Cluster at Mahabubnagar for Implementation of Horticulture Cluster Development Programme with financial assistance through NHB.

- CDA established a Cluster Development Cell (CDC) with a dedicated team of officers

Implementing Agencies (IAs):

- Implementing Agencies for different project verticals will be selected through in an open and transparent selection process in accordance with relevant GFR norms.
- The CDA will float a composite Call for Proposal for all verticals of the cluster, based on the Cluster Gap Assessment Report.
- Applicants shall have the flexibility to apply for a single vertical, multiple verticals or for all the verticals of CDP (integrated project).

Constitution of Committees at Central and State Level :

There is total 5 committees i.e., 3 at GoI level and 2 at State Level.

They are

GoI Level :

1. Steering Committee under Chairmanship of Secretary, DAC&FW, GoI for overall supervision and guidance, which shall meet once in 6 months.
2. Approval Committee headed by MD, NHB for selection of Implementing Agencies.
3. Central Monitoring Committee, headed by MD, NHB for regular supervision (quarterly review) and monitoring of the programme across the country.

State Level :

1. State Level Monitoring Committee, Chaired by APC & Secy. to Govt., to monitor the implementation of Mango Mahabubnagar cluster at State level.
2. Technical Evaluation Committee, Chaired by VC&MD, TSHDCL to evaluate the proposals of potential Implementing Agencies in State.

Programme Monitoring & Assistance to CDAs :

- For overall supervision and guidance at the National Level, a Steering Committee will be constituted under the Chairmanship of the Secretary, Agriculture and Farmers Welfare, GoI, having participation from all relevant stakeholders with the Managing Director, NHB as its Member Secretary.
- The PMU (M/s. Grant Thortan Bharat LLP) shall conduct site visits from time-to-time to monitor the progress of implementation as per the approved timelines and recommend the release of financial assistance to CDA inter-alia to IAs.
- CDA can utilise up to 5% of maximum financial assistance approved for the cluster as administrative expense (excluding purchase of vehicle and construction of a building). A proportionate payment to CDA during the 1st year shall be paid in advance, on a half-yearly basis, subject to the submission of a utilization certificate. Pay out towards administrative expenses from the second year onwards will be linked to actual progress of the cluster, monitored through completion of milestones as defined in the programme guidelines.
