

**GUIDELINES ON SUPPORT FOR FRUIT CARE  
PRACTICES**

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## Definitions

Term	Definition
CMRC	Community Managed Resources Centers
FPO	Farmer Producer Organization
“Governing Council” (GC)	Governing Council has been set up under the Chairmanship of Principal Secretary, Department of Cooperation and Marketing, Govt. of Maharashtra to monitor the project. Representative of the departments of Planning, Finance, Marketing, Agriculture, MAVIM are the members of the GC. Project Director, MAGNET is the Member Secretary of the GC.
“Grant”	The money paid to the Grant Recipients under the Grant Agreement relating to the Sub-project
“Grant Recipient”	The beneficiary FPO/SAU/KVK, submitting the proposal and signing the agreement for funding
“Objectives”	The objectives relating to the sub-project as set out in the sub-project Proposals
PAM	Project Administration Manual prepared under MAGNET Project
PIU	Project Implementation Unit of the MAGNET Society established in regions to support PMU
PMU	Project Management Unit of the MAGNET Society
“Project Implementation Support Consultant (PISC)”	PISC is a management and technical service provider appointed by MAGNET project to assist PMU. PISC will also strengthen technical and management capacities of the project implementation units and FPOs and ensure the project’s compliance with ADB’s environment and social safeguards policies and Financing Agreement and policies of the Government of Maharashtra.
“Technical Committee” (TC)	A Technical Committee will be chaired by Project Director, MAGNET Society to approve & appraise the project.
TRTA Consultant	Transaction Technical Assistance Consultant

## Background

The agriculture and agribusiness sector are the mainstay of the Indian economy, supporting employment and improved livelihoods for all stakeholders involved. Maharashtra is one of the leading fruits and vegetables producing states in India. It has emerged as one of the country's largest exporters of fruits and vegetable crops. In terms of production, the State accounts for 11% of total fruits and 5% of total vegetables produced in the country. Despite ample opportunities for Maharashtra's horticulture growth that contributes to poverty reduction of farmers, they face challenges related to the agricultural sector's structural issues such as small and marginal land holding, lack of access to direct marketing and interference by middlemen. This leads to below par returns for the farmers in the state.

**About MAGNET:** The Government of Maharashtra in association with the Asian Development Bank (ADB) is co-financing Maharashtra Agribusiness Network Project (MAGNET) to upscale the development of horticulture sector and agribusiness in Maharashtra. The project core objectives are to increase farmers' income, support value addition, reduce post-harvest losses, increase farm productivity, and mainstream opportunities for rural women lower caste to alleviate rural poverty. The project aims to focus on 15 targeted horticulture value chains which includes, Banana, Okra, Pomegranate, Guava, Orange, Sweet Lime, Sapota, Custard Apple, Strawberry, Green and Red Chilies, Flowers, Mangoes, Lemon, Cashew and Snake Gourd.

**Components of the Project:** The focus of the project is on 3 core outputs namely:

**Output 1:** Institutional capacities of agribusiness institutions and farmer producer organizations strengthened.

**Output 2:** Financial and agribusiness capacities of farmer producer organizations and value chain operators strengthened.

**Output 3:** Agriculture value chain infrastructure improved and operational for the target horticulture crops.

## **Relevance of Fruit Care Activities**

One of the key outputs of the project is institutional, technical, and marketing capacity building of FPOs, which envisages facilitating FPOs with best practices in agricultural production for ensuring food safety and quality. Thus, encouraging farmers to adopt fruit care practices and connecting them to regional and international markets has proven to be crucial for a successful food system transformation. Presently Value chain operators/exporters carry out fruit care activities on field. Adoption of fruit care practices by farmers will also help value chain operators to increase export potential of fruits from the selected clusters.

Importance and Potential of Fruit care practices for:

### **A) Producers:**

- to improve quality and productivity by reducing fruit loss during the production
- to get better price for the produce due to quality of fruit gained.
- to gain access to international markets through export quality of fruits.

**B) Other value chain stakeholders:** in enhanced qualitative and quantitative sourcing of fruits that addresses all major consumer demands.

## **Beneficiaries**

- Member farmers nominated by Farmer Producer Organizations (FPOs)<sup>1</sup> and Value Chain Operators (VCOs)<sup>2</sup> who are eligible for Matching Grant proposals scrutinized by PIU
- Member farmers nominated by Anchor FPOs identified under MAGNET project.
- Farmers nominated by Institutional Buyers who have signed MoU with MAGNET under Market Linkages.
- SAUs / KVKs / COEs identified under MAGNET project

## **Selection Procedure**

### **A. Application Form**

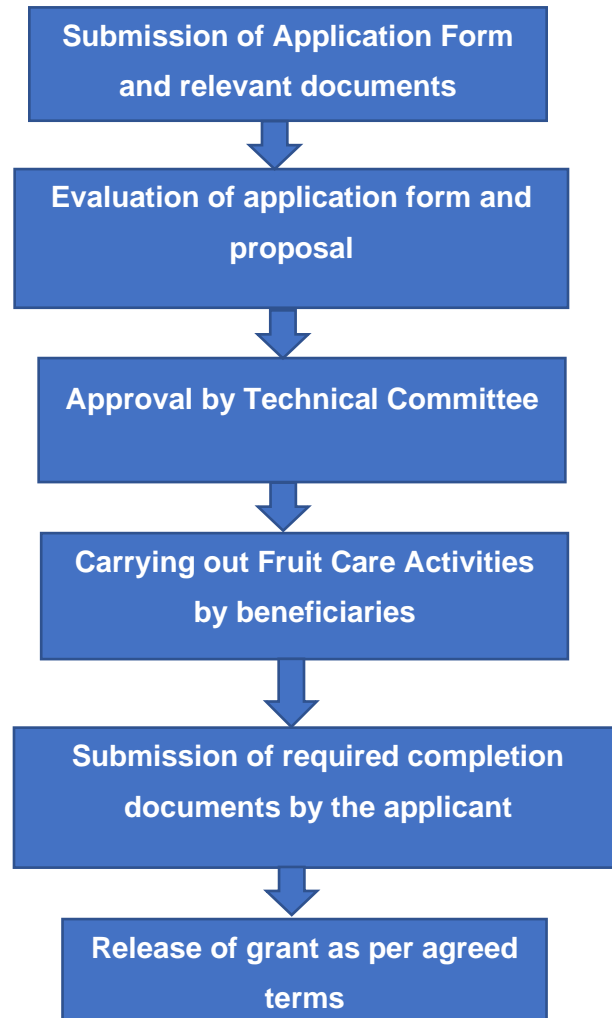
- The guidelines will be published on MAGNET website and proposals from eligible FPOs and VCOs will be received.
- The applicant will need to furnish the application form as per prescribed template along with necessary documents (Annexures, undertakings etc.)
- The list of beneficiary farmers is to be submitted with application form (Annexure 3)
- The proposals will be selected for financial assistance on a first come basis and proposals will be accepted until the project targets are met.

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<sup>1</sup> FPOs: farmers organizations registered under The Companies Act or State Co-operative Society Act, or such Farmer Groups/ Cluster Level Federations (CLFs)/ Community Managed Resources Centers (CMRCs) registered with ATMA/MSRLM/MAVIM. This category may also include Cluster Level FPO Federations/Associations.

<sup>2</sup> VCOs may include aggregators/processors/ exporters/mid- and large-sized retail organizations/Ag-tech or Fintech organizations working actively with producers and their collectives of any horticultural commodities.

## Process Flow



## B. Evaluation

A single stage evaluation of the proposal will take place in the technical committee.

The **Technical Committee** will comprise of following members:

SN	Designation of Officer	Designation in Committee
1	Project Director, MAGNET	Chairman
2	General Manager, MAVIM	Member
3	Additional Project Director, MAGNET	Member Secretary
4	Deputy Project Director, Accounts & Finance, MAGNET	Member
5	Deputy Project Director, Financial Support, MAGNET	Member
6	All Regional Deputy Project Director, PIU, MAGNET	Member
7	Deputy Project Director, Capacity Building, MAGNET	Member

Post approval from the Technical Committee, the Project Director, MAGNET will issue administrative approval order to the proposal sanctioned by the Technical Committee.

### Pattern of Assistance

- The project will provide 50% subsidy on total equipment cost for fruit care management to 5% of farmers from each selected FPO, subject to a ceiling of Rs. 25,000 per farmer.
- In case of VCOs, the farmers nominated by the VCOs will be provided 50% subsidy on total equipment cost for fruit care management subject to a ceiling of Rs. 25,000 per farmer. Each VCO can nominate not more than 10 farmers as potential beneficiaries.
- The disbursement of the subsidy proceeds to the sanctioned beneficiary organization will take place in single instalment after producing the invoices of expenditure made as proposed towards fruit care activities



## **Fruit Care Practices for Banana**

### **Nature of Problem Banana fruit**

Bunches are generally exposed to biotic and abiotic stresses resulting in poor quality of bunches and less weight. Inconsistent size and presence of black spots on the fruit skin are very common and that fetches lower price.

### **Common fruit care practices**

#### **A. Skirting Bags**

Skirting bags are used to cover and protect the fruit from insect attacks, while also allowing water & air to pass through, all at an affordable cost. In case of banana particularly, the use of Fruit Cover bag/ Skirting bag gives the following advantages:

- Bagging protects banana bunches from pest attack, fungi, bacteria attacks, and monkey menace.
- Hands are free from black spots.
- Increase in yield by 2 to 2.5 kg per bunch.
- Harvest maturity achieved earlier by an average of 10 days.
- Uniform size of fruits

#### **Skirting bag specifications:**

Transparent and perforated polythene bag with 2% (during cool season) – 4% (during summer season) ventilation may be used to cover bunches.

As per recommendation polythene bag with 2 to 6% porosity can be used.

These bags are fabricated to the size of 0.8m X 1.2m. It is also available as a tube in roll form.

#### **How to use:**

1. Skirting should be done three months before the harvest.
2. Both the ends should be tied.
3. If handled carefully, bags can be used for 2-3 harvests.

## Eligibility for proposals

### Eligible Components

- Labour cost for implementation of identified specific Banana Fruit Care Activities for quality Banana fruits production: Bud Injection, Bunch Sprays, Fruit Obstacle Removal, De-flowering, Removal of False hands, Bell removal, Placement of bunch bag (Skirting Bags).
- Cost of Skirting Bags (Bunch sleeves)
- Chemicals for bud injection & initial bunch sprays
- Activities listed in Annexure 4 are prohibited

### List of eligible components & Tentative cost of Banana fruit care/acre

Component Head	Component Details	Unit	Unit Cost (Rs.)
Fruit Care	Labour cost for implementation of identified specific Banana Fruit Care Activities for quality Banana fruits production: Bud Injection, Bunch Sprays, Fruit Obstacle Removal, De-flowering, Removal of False hands, Bell removal, Placement of bunch bag (Skirting Bags).	Acres	24,000
	Cost of Skirting Bags (Bunch sleeves)	Acres	12,000
	Chemicals for BI & initial bunch sprays	Acres	400
	Total Rs.		36,400

## Annexure 1

**MAHARASHTRA AGRIBUSINESS NETWORK (MAGNET) PROJECT  
FRUIT CARE PRACTICES PROPOSAL  
(FARMER PRODUCER ORGANISATION AND FPO FEDERATION)**

**To,**  
**Hon. Project Director,**  
Maharashtra Agri Business Network (MAGNET) Project  
Pune.

**Subject: Submission of proposal for support for fruit care activities under  
Maharashtra Agri Business Network (MAGNET) Project**

Dear Sir,

We, .....(Name of beneficiary) intend to seek financial assistance for fruit care activities under Maharashtra Agri Business Network (MAGNET) Project. Our proposal is submitted herewith along with essential documents, attached with this form to support the information given below.

Sr. No.	Particulars	Information
1	<b>Basic Information of the Organisation</b>	
1.1	Name of the Applicant Organisation	
1.2	Category of Organisation	<input type="checkbox"/> FPO <input type="checkbox"/> FPO Federation <input type="checkbox"/> Farmer Cooperative Society <input type="checkbox"/> CMRC <input type="checkbox"/> Anchor FPO
1.3	Address as per Organisation registration certificate	Address

		Village	
		Taluka	
		District	
		Pin code	
1.4	Contact Person (Full Name and Contact Details)		
1.5	Correspondence address	Address	
		Village	
		Taluka	
		District	
		Pin code	
1.6	Email-id		
<b>2</b>	<b>Proposed Project Location &amp; Land Details</b>		
2.1	Crop proposed for Fruit care	Banana	
2.2	Number of farmers covered		
2.3	Name of Importer/ Exporter /VCO with whom MOU made for exports.		
2.4	Area covered under Fruit care (acre)		

<b>3</b>	<b>Components selected for the planned project</b>				
	<b>Sr. No</b>	<b>Details</b>	<b>Number</b>	<b>Unit cost Rs</b>	<b>Estimated Cost (Rs.)</b>
	A.	<b>Items for fruit care practices</b>			
		<b>Total Proposal Cost</b>			
<b>4</b>	Is the power of attorney/board resolution to sign the various documents of the organization attached (Yes/No)				
<b>5</b>	Filled and Signed Annexure 4				
<b>6</b>	Checklist of documents to be submitted (Refer Annexure 5)				

It is requested to shortlist our application to seek financial assistance under support for fruit care component of the Maharashtra Agri Business Network (MAGNET) Project.

It is also undertaken that all the information furnished in the application as above is true and correct to the best of our knowledge and belief and nothing material has been concealed therefrom.

Place: .....

Date: ...../...../202.....

Yours faithfully,

(.....)

Name, Signature and Seal of the Applicant

## Annexure 2

**MAHARASHTRA AGRIBUSINESS NETWORK (MAGNET) PROJECT  
FRUIT CARE PRACTICES PROPOSAL FORM FOR VCOs / INSTITUTIONAL BUYER  
HAVING MoU with MAGNET**

**To,**  
**Hon. Project Director,**  
Maharashtra Agri Business Network (MAGNET) Project  
Pune.

**Subject: Submission of proposal for support for fruit care activities under  
Maharashtra Agri Business Network (MAGNET) Project**

Dear Sir,

We, .....(Name of beneficiary) intend to seek financial assistance for fruit care activities under Maharashtra Agri Business Network (MAGNET) Project. Our proposal is submitted herewith along with essential documents, attached with this form to support the information given below.

<b>Sr. No.</b>	<b>Particulars</b>	<b>Information</b>	
<b>1</b>	<b>Basic Information of the Organization</b>		
1.1	Name of the Applicant Organization		
1.2	Type of Value Chain Organization		
1.3	Address as per organization registration certificate	Address	
		Village	
		Taluka	
		District	
		Pin code	

1.4	Contact Person (Full Name and Contact Details)					
1.5	Correspondence address	Address				
		Village				
		Taluka				
		District				
		Pin code				
1.6	Email-id					
1.7	PAN Number of the organization					
1.8	GST Number of the organization					
1.9	Details of the Promoter/Partner/Director of the organization- Total Number -					
	Sr. No.	Name	Designation	Contact Number	Category	Gender
	1					
	2					
	3					
	4					
	5					
(Category- SC, ST, OBC, PWD/ Divyang etc.)						
<b>2</b>	<b>Details of Backward Linkage with nominated farmers</b>					
2.1	Details of the transactions with the nominated farmers in last 3 years					
	Sr.no.	Name of the farmer	Agreement (Yes/ No)	Name of the crop	Purchase (MT.)	
	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					

	10				
	11				
	12				
	13				
	14				
	15				
		Total			
3	Is the power of attorney to sign the various documents of the organization attached (Yes/No)				
4	Attach filled and signed ANNEXURE 4				
5	Checklist of documents to be submitted (Refer Annexure 5)				

It is requested to shortlist our application to seek financial assistance under support for fruit care component of the Maharashtra Agri Business Network (MAGNET) Project.

It is also undertaken that all the information furnished in the application as above is true and correct to the best of our knowledge and belief and nothing material has been concealed therefrom.

Place: .....

Date: ...../...../202.....

Yours faithfully,

(.....)

Name, Signature and Seal of the Applicant



### Annexure 3

#### MAHARASHTRA AGRIBUSINESS NETWORK (MAGNET) PROJECT APPLICATION FORM FOR SAUs/KVKs/ COEs

To,  
**Hon. Project Director,**  
Maharashtra Agri Business Network (MAGNET) Project  
Pune.

**Subject: Submission of proposal for support for fruit care activities under  
Maharashtra Agri Business Network (MAGNET) Project**

Dear Sir,

We, .....(Name of beneficiary) intend to seek financial assistance for fruit care activities under Maharashtra Agri Business Network (MAGNET) Project. Our proposal is submitted herewith along with essential documents, attached with this form to support the information given below.

Sr. No.	Particulars	Information		
1	<b>Basic Information of the Organization</b>			
1.1	Name of the Applicant Organization			
1.2	Type of Organization			
1.3	Address as per organization registration certificate	Address		
		Village		
		Taluka		
		District		
		Pin code		
1.4	Contact Person (Full Name and Contact Details)			
1.5	Correspondence address	Address		

		Village	
		Taluka	
		District	
		Pin code	
1.6	Email-id		
1.7	PAN Number of the organization		
1.8	GST Number of the organization		
2	Checklist of documents to be submitted (Refer Annexure 5)		

It is requested to shortlist our application to seek financial assistance under support for fruit care component of the Maharashtra Agri Business Network (MAGNET) Project.

It is also undertaken that all the information furnished in the application as above is true and correct to the best of our knowledge and belief and nothing material has been concealed therefrom.

Place: .....

Date: ...../...../202.....

Yours faithfully,

(.....)

Name, Signature and Seal of the Applicant

## Annexure 4

### Details of members opting for fruit care activities

(ON LETTER HEAD OF THE APPLICANT)

I am \_\_\_\_\_ (Name of the Authorized Signatory) of \_\_\_\_\_ (Applicant Name) having its Registration no. \_\_\_\_\_ and Registered Office at \_\_\_\_\_ do hereby solemnly declare that the following farmers are nominated as potential beneficiaries to avail the support on fruit care activities:

Sr. No	Name of the farmer	Contact Number	Name of the Crop	Land holding under that crop (Hectares)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				

Place: .....

Date: ...../...../202.....

Yours faithfully,

(.....)

Name, Signature and Seal of the Applicant

## Annexure 5

### Checklist of Documents to be submitted

<b>S.N.</b>	<b>Documents</b>	<b>Attached (Yes/No)</b>
1	Incorporation Certificate of Applicant	
2	Self-attested copy of PAN card of the applicant company	
3	Self-attested KYC (PAN & Aadhar) of Applicant's Directors/ Partners	
4	Self-attested list of shareholders on applicant's letter head	
5	Annual Reports and Audited Financial Statements of last 3 financial years (For FPOs at least of one year)	
6	Board Resolution for Authorized Signatory (if applicable)	

## **Annexure 6**

### **Project's Prohibited Investment Activities List (PIAL) as per ADB's PIAL**

The Exclusion List supports the proper execution of the E&S Risk Assessment procedure. The Bank will not invest in, lend to, or engage in harmful activities to the environment, harmful or dangerous to people or communities. In particular, the following activities will not be supported:

1. Any activity classified category "A" and/or "B" for (a) involuntary resettlement, and "A" for (b) Indigenous Peoples in accordance with ADB's safeguard policy statement
2. Any activity classified environment category A for environment
3. Production or activities involving harmful or exploitative forms of forced labor or child labor
4. Production or trade in any product or activity deemed illegal under the Indian laws or regulations or international conventions and agreements, or subject to international phase outs or bans, such as (a) pharmaceuticals, pesticides, and herbicides, (b) ozone-depleting substances, (c) polychlorinated biphenyls and other hazardous chemicals, (d) wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora, and (e) transboundary trade in waste or waste products
5. Production of or trade in weapons and munitions, including paramilitary materials
6. Production of or trade in alcoholic beverages, excluding beer and wine
7. Production of or trade in tobacco
8. Loans associated with individual gambling, casinos and equivalent enterprises
9. Production of or trade in radioactive materials, including nuclear reactors and components thereof
10. Production of, trade in, or use of unbonded asbestos fibre.