1. **Title of the study:**

The title of the study is “Functioning of the Horticultural Producer’s Co-operative Marketing and Processing Society Limited (HOPCOMS), Bangalore”.

2. **Background Information:**

As per “Karnataka at a Glance 2012-13”, the production of fruits in Karnataka is 82.68 M. Tonnes and the production of important vegetable crops is 64.75 tonnes. The total area covered in the State under Horticulture Crops is around 19.67 lakhs hectares. Horticulture plays an important role in the economic development. It contributes to the extent of about 29.5% of agricultural GDP. The Horticultural Producer’s Co-operative Marketing and Processing Society Ltd. or HOPCOMS, was established with the principal objective of having a proper system for the marketing of fruits and vegetables; one that benefits both the farming community and the consumers. Prior to the establishment of HOPCOMS, no proper system existed in Karnataka for the marketing of horticultural produce. Farmers were in the clutches of the middlemen, and the system benefited neither the farmer nor the consumer.

The history of the establishment of HOPCOMS has an interesting background. First, the Bangalore Grape Grower’s Marketing and Processing Co-operative Society was established in 1959 under the guidance of Dr. M.H. Mari Gowda, the then Director of the Department of Horticulture. The main objective of the society was to encourage grapevine cultivation by providing necessary inputs, technical know-how and marketing facilities to grape farmers. It had jurisdiction over the then Bangalore, Kolar, Mysore, Tumkur, Mandya and Mangalore districts. Since grape was a seasonal fruit, the society had to remain idle for most part of the year. The Society started handling all fruits and vegetables from 1965. Due to this change in operations, the name of the society was changed to Horticultural Producers Co-operative Marketing and Processing Society Limited. It is registered under the Karnataka Societies Act 1959 vide Registration No.PRS (14)/15584/R.O.N./87-88 dated 10.04.1987. The head office is situated near Lalbagh main gate of Bangalore. The site on which the office is functioning is taken on rental basis and is under litigation. The share of Government is 85%, and farmers share is around 15% in the Society.

**Area of Operation:**

The operation of the society covers the present five districts - Bangalore Urban, Bangalore Rural, Kolar, Ramanagaram and Chikkaballapura. There are 6 procurement centres.
Composition of Membership of HOPCOMS:

As on 31.03.2014, HOPCOMS has 16221 growers as members, with a share capital of Rs. 267.13 lakhs. The amount fixed for each share is Rs. 250. Around 4000 farmers are yet to pay the revised share amount of Rs. 250 which is fixed in 2014, and hence are defaulters. The category of membership is as follows.

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Category</th>
<th>No of members</th>
<th>Minimum per share Rs.</th>
<th>Share capital (Rs.Lakhs)</th>
<th>Voting Powers given (Yes/No)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>“A” (Farmers)</td>
<td>12014</td>
<td>250</td>
<td>30.56</td>
<td>Yes</td>
</tr>
<tr>
<td>2</td>
<td>“B” (State Govt)</td>
<td>4</td>
<td>0</td>
<td>228.09</td>
<td>For 3 members-Yes for MD HOPCOMS-No</td>
</tr>
<tr>
<td>3</td>
<td>“C” (Associate Members)</td>
<td>844</td>
<td>1000</td>
<td>8.48</td>
<td>No</td>
</tr>
<tr>
<td>4</td>
<td>“D” Category</td>
<td>500</td>
<td></td>
<td></td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>12859</td>
<td></td>
<td>267.13</td>
<td>-</td>
</tr>
</tbody>
</table>

HOPCOMS Staff (as in 2012-13):  

At present HOPCOMS has 966 staff members having different designations as follows-

<table>
<thead>
<tr>
<th>Sl. no</th>
<th>Designation</th>
<th>Post Sanctioned</th>
<th>Post filled up</th>
<th>Vacancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Managing Director</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>General Manager (Adm)</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>3</td>
<td>General Manager (Dev)</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>4</td>
<td>Assistant Engineer</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td>Executives (on deputation)</td>
<td>3</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>6</td>
<td>Executives</td>
<td>5</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>7</td>
<td>Asst. Executives</td>
<td>6</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>8</td>
<td>Superintendent</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>9</td>
<td>FDC/Head Clerk/Clerk/Store Keeper/Supervisor</td>
<td>27</td>
<td>21</td>
<td>6</td>
</tr>
<tr>
<td>10</td>
<td>Stenographer</td>
<td>1</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>11</td>
<td>Receptionist</td>
<td>1</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>12</td>
<td>SDC/Sales</td>
<td>175</td>
<td>163</td>
<td>12</td>
</tr>
</tbody>
</table>
Assts./Supervisor-2
13 Senior Drivers 5 4 1
14 Drivers 23 22 1
15 Senior Typist 3 2 1
16 Sales Executives/Executives 1 0 1
17 Typist 2 1 1
18 Assistances 706 666 40
19 Security Inspectors 4 4 0
Total 966 898 68

Management:

HOPCOMS is being run under the aegis of the State Department of Horticulture, managed by a Board consisting of 16 members. Among them, eleven members are elected from among the producers, one member is a government nominee and four are government officers. The President and Vice President are elected from amongst the elected producers. The Managing Director is an officer of the Horticulture Department, whose services are lent to the Society.

Meetings of the Management Committee:

The Managing Committee meets every month to review the day to day functioning of the society. There are two sub-committees (A) Purchase Committee and (B) Vehicle Committee. The President and Vice president are present in both the sub – committee meetings. Both of these meet prior to Managing Committee meetings held every month.

Objectives:

- To ensure remunerative prices to producers of horticultural crops.
- To free both consumers and producers from the control of middleman.
- To ensure quality supply of fruits and vegetables at reasonable prices to consumers.
- To expand marketing and cold storage facilities progressively for the benefit of farmers.
- To promote development of horticulture on scientific lines by providing necessary inputs and technical advice.
- Training and technical advice to farmers and providing inputs and organize study tours to members.

Activities:

- Presently. HOPCOMS handles around 100 metric tonnes of fruits and vegetables every day. The member farmers bring their produce to the Society, where the produce is
graded, weighed and the payment is made to the farmers. To help the growers for transporting the produce, the Society has 6 procurement centres.

- The procured fruits and vegetables are supplied to consumers through the Society’s retail outlets in Bangalore and Kolar. Presently, HOPCOMS has 257 retail outlets (Bangalore Urban and Rural-238, Kolar-19) which sell fruits and vegetables to the consumers.
- The Society has also taken the lead in supplying vegetables and fruits to all the Government Hospitals, Hostels, Major Factories, Clubs etc. It also undertakes bulk supplies for marriages and other social functions.

**Turn-Over of HOPCOMS:**

During the year 2013-14, the Society’s total turnover was Rs. 95 Crore 85 Lakh. At present, HOPCOMS is handling about 90-100 metric Tonnes of fruits and vegetables every day. Soon after the produce arrives at HOPCOMS, it is graded, weighed and cash payment up to 5,000/- is made immediately to the farmers. Above 5,000/- to 10,000/-payment is be made by Cheques.

The year wise total quantity of procurement/distribution and other details from 2009-10 to 2013-14 are as follows:

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Particulars</th>
<th>Quantity in M Tonnes &amp; Value in Lakh Rupees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2009-10</td>
</tr>
<tr>
<td>1</td>
<td>Fruits</td>
<td>Qty</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10243.164</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9831.579</td>
</tr>
<tr>
<td></td>
<td>Vegetables</td>
<td>Qty</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12547.08</td>
</tr>
<tr>
<td></td>
<td></td>
<td>11594.53</td>
</tr>
<tr>
<td></td>
<td>Total Procurement</td>
<td>Qty</td>
</tr>
<tr>
<td></td>
<td></td>
<td>22790.24</td>
</tr>
<tr>
<td></td>
<td></td>
<td>21426.11</td>
</tr>
<tr>
<td>2</td>
<td>Total Distribution</td>
<td>Qty</td>
</tr>
<tr>
<td></td>
<td></td>
<td>22587.75</td>
</tr>
<tr>
<td></td>
<td></td>
<td>21180.99</td>
</tr>
<tr>
<td>3</td>
<td>No of farmers arrived at HOPCOMS</td>
<td>Qty</td>
</tr>
<tr>
<td></td>
<td></td>
<td>60068</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6095</td>
</tr>
<tr>
<td></td>
<td>Average per day</td>
<td>Qty</td>
</tr>
<tr>
<td></td>
<td></td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>203</td>
</tr>
<tr>
<td>4</td>
<td>Procurement from farmers</td>
<td>Qty</td>
</tr>
<tr>
<td></td>
<td></td>
<td>18859.10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>17312.44</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>82.59</td>
</tr>
<tr>
<td>5</td>
<td>Procurement from Market</td>
<td>Qty</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3931.13</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4248.64</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>17.41</td>
</tr>
</tbody>
</table>
The turnover, profit and loss account last three years is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Turn Over (Rs. Lakhs)</th>
<th>Net profit/loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-11</td>
<td>7129.71</td>
<td>(+) 61.14</td>
</tr>
<tr>
<td>2011-12 (Tentative)</td>
<td>7595.35</td>
<td>(+) 7.34</td>
</tr>
<tr>
<td>2012-13(Tentative)</td>
<td>8642.85</td>
<td>(+) 10.96</td>
</tr>
</tbody>
</table>

How prices are fixed at HOPCOMS:

The APMC markets play a major role in setting market trends and prices. The price at which HOPCOMS buys the produce from the farmers is based on the rates and prices released by APMC. The HOPCOMS employees collect the maximum, minimum and model prices for the various commodities sold the previous day in the APMC markets and as published in the newspapers. Based on the rates released by APMC, HOPCOMS fixes the procurement and sale price for different fruits and vegetables brought for sale by its members.

Infrastructure Facilities available at HOPCOMS:

HOPCOMS is having the following infrastructural facilities for marketing of Fruits and Vegetables.

1. No. of Retail outlets: 257 (Bangalore - 238 and Kolar - 19)
2. No. of Chemical & fertilizer retail outlets: 10 District wise details as follows:

<table>
<thead>
<tr>
<th>Sl.no</th>
<th>District</th>
<th>Name of Outlets</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bangalore (4)</td>
<td>Bangalore Head Office, Sarjapura, Channapatna and Thippasandra</td>
</tr>
</tbody>
</table>
3. No. of Procurement Center :06

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Procurement Centre</th>
<th>District</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Doddaballapura</td>
<td>Bangalore Rural</td>
</tr>
<tr>
<td>2</td>
<td>Sarjapura</td>
<td>Bangalore Urban</td>
</tr>
<tr>
<td>3</td>
<td>Channapatna</td>
<td>Ramanagara</td>
</tr>
<tr>
<td>4</td>
<td>Hosakote</td>
<td>Bangalore Rural</td>
</tr>
<tr>
<td>5</td>
<td>Malur</td>
<td>Kolar</td>
</tr>
<tr>
<td>6</td>
<td>Kanakapura</td>
<td>Bangalore Rural</td>
</tr>
</tbody>
</table>

4. No. of Processing units : 1 (Bangalore)
5. No. of Cold storages: 1
6. No. of Vehicles :29
7. No. of Walk in Cooler:1,
8. No. of Godowns:16 (Bangalore – 15 and Kolar -1)
9. Banana ripening chambers: 2

**Distribution outlets of HOPCOMS:**

HOPCOMS sells/sends various Fruits and Vegetables products through/to 257 Retail Outlets, 17 Hospitals, 26 Factories and 26 Hostels, Clubs and Institutions. In addition to this, there are 11 mobile vans for distributing fruits and vegetables on the request of residents associations in Bangalore. HOPCOMS undertakes supply of Fruits and Vegetables directly for marriages and other functions on demand.

**Procurement & Payment Process at HOPCOMS:**

HOPCOMS enrolls farmers as its members. It issues purchase indent to these members specifying the quantity of Vegetables to be brought to the procurement centres at Bangalore or other districts centres. Produce brought is verified, weighed and issued a receipt for and the same presented to the payment officer who in turn issues a cash voucher which can be encashed immediately at the bank located at the centres the same day.

**Other Activities of HOPCOMS:**

The society has set up a unit for preparing fresh fruit drinks out of fruits like Bangalore Blue grapes, mango, oranges etc. It is selling the same to the general public at a price of Rs.15/- per 200 ml bottle through its retail outlets, and through dispensers located at important places.

**Damages and wastage of Fruits and Vegetables at HOPCOMS:**

Fruits and Vegetables being highly perishable produce, losses due to driage and wastage is obvious. Driage and wastage at HOPCOMS is around 4-5% of the total procurement of the
produce. However, Driage and wastage has been reduced from 4.32% of the total procurement to 3-5% at present.

**Source of Financial assistance to HOPCOMS:**

For the development of HOPCOMS, the institutions are involved are -1) Zilla Panchayath, Bangalore urban / Rural Districts provided financial assistance of Rs.11.97 Lakhs. 2) N H B Provided Rs.28.18 Lakhs as grants and Rs.1.08 Lakhs as loan for construction of each retail stall, procurement centres and vehicles. The amount has been utilized for the purpose and the loan was also fully repaid. Considering the facilities rendered by HOPCOMS during 1990-91, the Karnataka Sate Govt. NCDC, sanctioned Rs.448 Lakhs for construction of 6 central godowns, 21 procurement centers, 165 retail stalls, purchased 24 vehicles and installed 1 processing unit. The entire loan amount Rs.215 Lakhs with interest amounting to Rs.225.54 Lakhs has been fully repaid by the HOPCOMS. In addition, funds from RKVY have also been provided for purchase of equipments and organising trade fairs and marketing promotion activities.

**Facilities Extended by HOPCOMS to farmers:**

HOPCOMS is offering multifarious facilities to farmers. HOPCOMS purchases the horticulture produces directly from farmers at remunerative prices, provides transport facilities from collection centres to HOPCOMS procurement centres at Rs 50 /kg as transportation cost, correct weighments and immediate cash payment. It arranges for essential input supply like fertilizers, plant protection chemicals, garden implements, seed etc, at reasonable prices, arranges subsidized supply of plastic crates to its farmer members for handling fruits and vegetables, supply of seeds at subsidized rates, conducts farmer’s tours and provides technical guidance. It conducts trainings on production and processing of horticultural crops, provides accommodation for night stay at guest houses to its farmer members provides Canteen and banking facilities, guarantees a Minimum Support Price and during distress extends financial assistance for preliminary processing activities.

**Facilities to Consumers:**

HOPCOMS supplies fresh and quality fruits and vegetables at reasonable price to its consumers through established retail outlets and mobile sales vans. It supplies fruits and vegetables for marriages and social functions at the spot with free transportation, offers bulk supply of fruits and vegetables to Institutions, Organizations, Hostels, Hospitals, & factories etc at competitive prices and sells fresh Grape, Orange, Mango fruits drinks at reasonable prices. It conducts seasonal fruits Melas, Fairs and festivals of Grapes, Mango, and other fruits.

**Future Programmes:**

- Opening of 100 new modern retail outlets.
- Complete Computerization and Installation of Digital Scales in the outlets and godowns under R.K.V.Y Scheme.
- Upgradation of existing retail outlets.
• Construction of High Tech Walk-In Super Market.
• Opening of Procurement Centres around Bangalore Satellite Centres.
• Opening of Modern Processing Unit.

3. **Evaluation Scope, purpose and objectives:**

The Scope of the study is confined to 5 districts viz. Bangalore Urban, Bangalore Rural, Kolar, Ramanagaram and Chikkaballapura where the retail outlets, procurement and processing centres are functioning. The purpose of evaluation is to know the structural and operational problems faced by the Society, how to make it function in a way as to fulfil the objectives set for it in a transparent way. Also intended to be known are what the loopholes are in the present working system, the transparency or otherwise in issuing indent to farmers, procurement and proper gradation of fruits and vegetables and fixing of prices for the produce. The evaluation should offer suggestions for overall improvement of the Society, its modernisation, office automation, and transparent system of procurement, hassle free disbursement of produce value to farmers, storage and logistics. For this, personal interviews and FGDs with farmer members, officers and officials and retail outlets to elicit their views on the present problems faced and to suggest for improvement in efficient functioning of the Society may be do.

4. **Evaluation Questions (inclusive not exhaustive):**

1. How is the registration of farmer’s members done? Are there any checks and balances in place to verify the occupation of farmer members (lest middlemen register as farmers or some farmer registers himself/herself on behalf of other farmers)? If not, why not?
2. What is the profile of these farmers members i.e. small/marginal/large farmers?
3. How many farmer members are registered and how many of them are active in HOPCOMS? Has the membership of farmers in HOPCOMS increased with time? If no, why so? If yes, does the increase in numbers evidence the claim that farmers are indeed given a better deal than usual markets to the farmers?
4. Do all the farmer members have voting rights? If not, is the denial of voting rights justified?
5. Have the objectives set by the society been fulfilled? If so, to what extent? If not, why not?
6. Whether the infrastructure provided for procurement, storage, transport and distribution is adequate? If not, elaborate its requirement in detail.
7. What is the present system of grading of commodities followed in the society? Have the Fruits and Vegetables Grading and Marking Rules 2004, and its amendments followed for grading and fixing the rate of the commodities? If not, why not?
8. What is the basis on which prices of fruits and vegetables purchased and sold are fixed? Is the basis transparent, in accordance with best business practices and good? How does it compare with that of the private sector retailers? What are the regulatory constraints felt by HOPCOMS in fixing the prices of purchase and sale of fruits and vegetables?
9. What is the procurement and selling price fixing system followed by Malls like Reliance, Safal, Total, More, Auchan, Bigbazar etc.? Which of these the HOPCOMS can adopt?
10. What are the future plans to address the structural and operational problems faced by the society? Has any expansion plan thought of for computerized system for procurement and distribution of produce and scientific fixing of rates along with office automation? If so, what is the plan?

**Transport System**

12. Is the Society having adequate number of vehicles for transport of fruits & vegetables-
   a) For procurement.
   b) For district to retails outlets/customer of HOPCOMS.
13. Is there any effective system to manage the vehicles to minimize the loss of time and resources of the society?
14. What are the criteria of stationing of mobile vans? Has any demand survey been conducted?
15. Does the society actually charge the customers of HOPCOMS for transporting against bulk orders?

**Procurement**

16. What are the criteria for establishing a procurement center? Is it technically feasible?
17. What is the average commodity wise of fruits and vegetables required per day and against which for what quantity and when are indents sent to farmers?
18. Do the farmers supply the fruits and vegetables as per quantity prescribed in the indent on time or not? If not, detailed reasons to be furnished.
19. Is the quantity of indent fully procured or not? If not, what is the average quantity of fruits and vegetables rejected and why?
20. What do the farmers do with the rejected quantity of fruits & vegetables? Is it again procured by HOPCOMS at lower price or sold by farmers to other purchasers in the premises?
21. How is the quality of the fruits and vegetables decided by the officers of HOPCOMS? Is it scientific, subjective, legal or correct?
22. Are the grading rules and systems of HOPCOMS will published and known to farmers? Are these rules and systems transparent and objective?
23. Does the Society procure the fruits and vegetables from market yards? If yes, why and what is the quantity procured from market yards and at what rate?

**Marketing**

24. Have the mobile vans been classified based on their marketing performance? If so, what is the classification done? What action has been taken on the low performing outlets/vans? Please elaborate.
25. Amongst the Grade ‘A’ to ‘H’ classification of retail outlets made on the basis of sales per day in 2014-15, how many outlets are making losses? What should be the strategy to deal with such outlets by the Corporation?
26. What is the driage and wastage permissible at present? Does it vary season wise? If not, is it correct to assume the same driage and wastage all the year round?
27. What is the system of salary/incentives/other facilities provided to the sales staff working in HOPCOMS? Are there any demands put forth by the staff on payment/seniority/promotions etc? Have they been fulfilled?

General Matters

28. Should HOPCOMS continue to exist? If not, why not? If yes, elaborate in the light of its Mandate?

5. Sampling and Evaluation Methodology:

a) The Consultant Evaluation Organization is expected to visit all the 6 procurement centres and study the process of procurement, fixing prices, sale and making of payments to farmers and compare this with the process followed by retailers like Reliance, Safal, Total, More, Auchan and Bigbazar etc.
b) At least 10% of the retail outlets categorised as A to H to be selected from the list prepared for 2014-15 by HOPCOMS in such a way that the least and the highest performing outlet is selected, and others are selected at random. FGDs with all stakeholders and/or individual interviews to be held with the salesmen of the retail outlets to get their opinion of the Society and continuing with low performing outlets.
c) Individual interview to be held with the consumers also to get their opinion on availability of fruits and vegetables in HOPCOMS and prices vis-à-vis in other sources etc.
d) At least one chemical and fertilizer outlet from Bangalore, Chikkaballapura and Kolar to be visited to get the opinion of farmers on timely availability, supply and prices and chemicals and fertilizers.
e) Fruit drink processing unit in Bangalore to be visited and its cost benefit analysis to be done.

6. Deliverables and time schedule:

The Director Horticulture will issue instructions to MD, HOPCOMS, Bangalore to provide the details of bylaws of HOPCOMS, Government Orders, yearly sales and turnover of the past 5 years, procurement and processing centres, storage facilities etc. for providing to the Consultant Evaluation Organization and to aid and assist them in completing the study in time. The Consultant Evaluation Organization is expected to adhere to the following timelines and deliverables.

The Consultant Evaluation Organization should complete the study in 4 months time, excluding the time taken for approval. They are expected to adhere to the following timelines and deliverables or be quicker than the follows.

a. Work plan submission : One month after signing the agreement.
b. Field Data Collection : One months from date of Work Plan Approval.
c. Draft report Submission : One month after field data collection.
d. Final Report Submission : One month from draft report approval.
e. Total duration : 4 months.
7. **Qualifications of the Consultant Evaluation Organization and method of selection:**

Consultant Evaluation Organizations should have and provide details of evaluation team members having technical qualifications/capability as below -

i. MSc Horticulture with at least 5 years experience in the field (if Graduate in horticulture, experience needed is 10 years or more),

ii. MBA (Finance) or (Marketing) or equivalent,

iii. Data collection research assistants, and,

iv. Graduate in Commerce with 5 years experience in accounts,

**Consultant Evaluation Organizations not having these number and kind of personnel will not be considered as competent for evaluation.**

8. **Qualities Expected from the Evaluation Report:**

The following are the points, only inclusive and not exhaustive, which need to be mandatorily followed in the preparation of evaluation report:-

1. By the very look of the evaluation report it should be evident that the study is that of the Horticultural Department and Karnataka Evaluation Authority (KEA) which has been done by the Consultant. It should not intend to convey that the study was the initiative and work of the Consultant, merely financed by the Karnataka Evaluation Authority (KEA).

2. Evaluation is a serious professional task and its presentation should exhibit it accordingly.

3. The Terms of Reference (ToR) of the study should form the first Appendix or Addenda of the report.

4. The results should first correspond to the ToR. In the results chapter, each question of the ToR should be answered individually. It is only after all questions framed in the ToR are answered, that results over and above these can detailed.

5. In the matter of recommendations, the number of recommendations is no measure of the quality of evaluation It is desirable to make recommendations in the report as follows:-

   (A) **Short Term practicable recommendations**
   These may not be more than five in number. These should be such that they can be acted upon without major policy changes and expenditure, and within (say) a year or so.

   (B) **Long Term practicable recommendations**
   These may not be more than ten in number. These should be such that they can be implemented in the next four to five financial years, or with sizeable expenditure, or both but does not involve policy changes.

   (C) **Recommendations requiring change in policy**
   These are those which will need a lot of time, resources and procedure to implement.
9. **Cost and schedule of budget releases:**

Output based budget release will be as follows:

a. The **first installment** of Consultation fee amounting to 30% of the total fee shall be payable as advance to the Consultant after the approval of the inception report, but only on execution of a bank guarantee of a scheduled nationalized bank, valid for a period of at least 12 months from the date of issuance of advance.

b. The **second installment** of Consultation fee amounting to 50% of the total fee shall be payable to the Consultant after the approval of the Draft report.

c. The **third and final installment** of Consultation fee amounting to 20% of the total fee shall be payable to the Consultant after the receipt of the hard and soft copies of the final report in such format and number as prescribed in the agreement, along with all original documents containing primary and secondary data, processed data outputs, study report and soft copies of all literature used in the final report.

Taxes will be deducted from each payment, as per rates in force. In addition, the evaluating agency/consultant is expected to pay service tax at their end.

10. **Selection of Consultant Agency for Evaluation:**

The selection of evaluation agency should be finalized as per provisions of KTPP Act and rules without compromising on the quality.

11. **Contact person for further details:**

Sri. S.P.Kshadakshari Swamy, IAS, Director of Horticulture Govt. of Karnataka, Lalbagh, Bangalore-4 Mobile: 9448999200, Land Line Ph.: 26571925, Sri.Kadiregowda, Managing Director, HOPCOMS, Lalbagh, Bangalore-4 Ph.: 26572832 Mob.: 9483549001 will be the contact persons for giving information and details for this study.

The entire process of evaluation shall be subject to and conform to the letter and spirit of the contents of the Government of Karnataka Order no. PD/8/EVN(2)/2011 dated 11th July 2011 and orders made there under.

This ToR is sanctioned in the 16th meeting of the Technical Committee of KEA held on 24th January 2015.

Chief Evaluation Officer
Karnataka Evaluation Authority