



## Guidelines on Establishing Casuarina Cultivation Clusters



**Casuarina** is a highly valuable agroforestry crop, especially well-suited for the **coastal and drought-prone regions of Tamil Nadu**. Known for its **hardiness, drought tolerance**, and ability to thrive in **sandy or degraded soils**, it is ideal for cultivation on **marginal and underutilized lands**.

The tree offers multiple end-uses:

- As **fuelwood**
- For **scaffolding and construction timber**
- As **pulpwood for the paper industry**

Casuarina cultivation presents a **scalable and sustainable livelihood model** for **Self-Help Group (SHG) women farmers**. Its **low maintenance requirements** and **minimal input costs** make it particularly appropriate for **women-led initiatives**.

By leveraging the strength of **SHG federations**, group-based plantations can be promoted on **common or leased lands**, fostering **collective income generation** through the **organized marketing of timber and fuelwood**. This model enhances not only the **economic resilience** of rural women but also encourages **community-driven agroforestry practices** that contribute to **ecological sustainability**.

### I. Objective

- a. To provide a **sustainable and additional livelihood opportunity** for **SHG women farmers** through group-based Casuarina cultivation.
- b. To **collectively increase the availability of low-cost biomass fuel** as an energy source for **industrial and domestic use**.

- c. To enhance the **supply of wood pulp** for the **paper industry** through **organized and scalable plantation efforts**.

## **II. Selection of District**

Districts have been selected based on the following criteria to ensure the **viability, scalability, and sustainability** of **Casuarina cultivation enterprises**:

- a. **Areas with significant existing Casuarina plantations** are given priority to build on local experience and ecosystem familiarity.
- b. **Blocks with favorable agro-climatic conditions**—specifically temperatures ranging from **20°C to 35°C** and **well-drained sandy loamy soils**—are identified as suitable for expansion.
- c. **Districts with limited but sufficient water availability** to support Casuarina growth during the **establishment phase (first 3 to 6 months)** are preferred, acknowledging Casuarina's low water requirement post-establishment.

## **III. Selection of Panchayats**

### **3.1 Selection Committee**

For the establishment of **Casuarina Clusters** in each district, a **District-Level Selection Committee** shall be constituted to identify the most suitable **panchayats** for implementation, based on land suitability, water availability, and SHG presence.

#### **Committee Composition:**

- a. Project Director, Mathi
- b. Assistant Project Officer (Livelihood)
- c. District Resource Person (Farm)
- d. Block Mission Manager
- e. Representative from Forest department / Agri. Dept.

### 3.2 Selection Criteria

- a. **Panchayats** where SHGs are **already engaged in casuarina cultivation**, as they will have the necessary skills and knowledge to transition into or expand casuarina farming.
- b. Panchayats with access to basic infrastructure such as Irrigation access (borewells, tanks or wells), good road connectivity for timber transport post-harvest.
- c. Proximity to potential buyers like TNPL, Seshasayee papers, local timber merchants.
- d. **Availability of local saw mills or charcoal buyers** could be an added advantage.

## IV. Selection of beneficiaries

- a. A **meeting shall be conducted at the panchayat level** involving representatives from the **Panchayat Level Federation (PLF), Panchayat officials**, and **Community Resource Persons (CRPs)**.
- b. The purpose of the meeting is to **explain the project objectives**, implementation **guidelines**, and **expected outcomes** of the **Casuarina Cultivation Cluster Initiative**.
- c. The meeting shall **highlight the benefits** of both **collective and individual Casuarina cultivation** as a viable and sustainable **income-generating activity** for SHG women.
- d. Stakeholders shall **encourage participation** and address any **queries or concerns** raised by potential beneficiaries.
- e. Following the meeting, **applications shall be collected** from **interested SHG members** willing to take up Casuarina cultivation as a **livelihood activity**.
- f. For each cluster, **10 SHG women farmers** shall be selected from the **same panchayat** or from **neighboring panchayats** where Casuarina cultivation is **already practiced or viable**.
- g. The **list of selected beneficiaries** must be placed before the **Grama Sabha** and **approved** through a formal resolution.

#### **4.1. General criteria for selection of Beneficiaries:**

- a. The applicant must be a **Self-Help Group (SHG) member** for a **minimum of two years**.
- b. The beneficiary must **not have any Non-Performing Assets (NPA) or overdue loans** under any **NRLM-supported fund**.
- c. The beneficiary must **not hold key positions** such as **President, Secretary, Joint Secretary, or Treasurer** in the **Panchayat Level Federation (PLF) or Block Level Federation (BLF)**.
- d. The beneficiary should **preferably not be serving** as a **Book Keeper, Community Service Trainer (CST), Community-Based Collector (CBC), District/Block/Cluster Resource Person (DRP/BRP/CRP), Block Coordinator (BC), or Block Mission Manager (BMM)**.
- e. The beneficiary should **not have received similar support** under any **farm-based livelihood scheme** in the **past five years**.
- f. **Priority may be given** to SHG members who belong to **vulnerable categories**, such as:
  - **Destitute women**
  - **Widows**
  - Members of **Scheduled Castes (SC) or Scheduled Tribes (ST)**
  - Those listed as **Poor or Very Poor** in the **Participatory Identification of Poor (PIP) list**

#### **4.2. Specific Criteria**

- a. **10 SHG women members** with minimum **1 acre to 2 acre** land shall be identified from each selected panchayat. Even member with **leased land** can be considered.
- b. The selection process shall be conducted with the support of PLF to ensure fairness and transparency.
- c. Selected members should be willing to undergo structured training on land preparation, irrigation, Nutrient management, Pruning & maintenance, intercropping for short term income & marketing

and submit a declaration of willingness and commitment to participate in the cluster and contribute to its success.

- d. Selected members should be willing to contribute **Rs.1000/- as membership fees** and the usage of this amount for administrative reasons may be decided by the cluster.

## **V. Cluster Formation**

a. A group of **10 SHG women farmers**, each owning **1 to 2 acres of land** and having **interest or experience in Casuarina cultivation**, from the **same or neighbouring villages**, shall be integrated to form a **Casuarina Cluster**.

b. Each cluster must ensure the **cultivation of Casuarina over a minimum of 10 acres**, collectively contributed by the cluster members.

c. The members shall **elect a Secretary and a Treasurer** to oversee the **administrative, technical, and financial operations** of the cluster.

d. A **bank account** shall be opened in the **nearest Indian Bank**, using the naming format:

**"[Panchayat Name] TNSRLM Casuarina Cluster 2025"**  
(Example: Kattur TNSRLM Casuarina Cluster 2025)

## **VI. Implementation strategy**

a. **Quality saplings** shall be sourced through **agroforestry schemes**, such as the **Green Tamil Nadu Mission**, implemented by the **Forest Department** to ensure robust and disease-resistant plant material.

b. The **District Resource Person (Farm)** shall be responsible for **monitoring plant growth** and providing **ongoing technical support** to the cluster members.

c. **Pruning of side branches** should be carried out **6 to 8 months after planting**, once the trees are well-established and have attained adequate height. The **harvested branches/logs** can be sold to generate **interim income**.

d. **Intercropping** with crops such as **groundnut, pulses, or vegetables** is encouraged in the early stages of Casuarina growth to provide

**additional income** and optimize land use during the initial non-harvest period.

## **VII. Registers to be Maintained**

- a. Beneficiaries basic Data Register
- b. Resolution Register
- c. Cash Book
- d. Loan disbursement and collection register
- e. Casuarina Cultivation Production and Sales Register
- f. Visitor register

## **VIII. Fund Allocation**

Each Casuarina cluster will receive **Rs.5 lakhs**

### **Expenditure Breakup**

<b>S. No.</b>	<b>Expenditure Details</b>	<b>Amount in Rs.</b>
1	Casuarina cultivation cost @ Rs.48,000/- per acre per member* (to be repaid)	<b>4,80,000</b>
2	Training (need not be repaid)	<b>19,500</b>
3	Registers (need not be repaid)	<b>500</b>
<b>Total</b>		<b>5,00,000</b>

\*The fund for casuarina cultivation cost will be based on the land area cultivated not exceeding Rs.48000/- for one acre.

### **8.1 Fund Release**

- a) The amount shall be released from SMMU to DMMU.
- b) The CRP-Farm shall verify and confirm the selection of office bearers and the opening of cluster's bank account.
- c) The Formation of cluster and **eligibility of selected members** shall be verified by **APO (LH) BMM and BC(LH)** as per annexure-2&3 and a recommendation will be submitted to DMMU.

- d) On receipt of recommendation, DMMU should release 100% of fund allocated for Casuarina cultivation cluster to BLF within 7 days.
- e) BLF should release the fund to Casuarina cultivation cluster within the next 7 days, following the **execution of a tripartite agreement** between BLF (agreement model given in annexure – 4), Cluster and the Beneficiary which consists clause stating
  - i. Shall utilize the funds for cultivation of casuarina in the designated village.
  - ii. To follow cluster approach for procurement of casuarina seedlings, fertilizers, farm yard manure, etc., and aggregation, marketing in the casuarina cultivation cluster.
  - iii. To repay the loan with 6% interest, starting from the 4<sup>th</sup> month.
- f) Only the actual cost incurred for casuarina cultivation will be provided as a loan. If the incurred cost is less than the sanctioned amount, only the actual cost will be disbursed. Any additional cost beyond the sanctioned loan amount shall be borne by the beneficiary.
- g) Under this scheme Rs. 0.48 lakh per acre will be provided to each members as revolving fund for casuarina cultivation.

## **IX. Training to beneficiaries**

- a. A **two day** training shall be provided to the beneficiaries.
- b. One day training as indoor session shall be imparted on land preparation, irrigation, Nutrient management, Pruning & maintenance, intercropping for short term income, etc. by DRP Farm in coordination with Agri. Dept. and the beneficiaries will be taken on a one-day exposure visit to nearby private or government casuarina farms.
- c. Of the fund of Rs.5 lakhs allocated to each casuarina cluster, **Rs.19500/-** is allocated to the two days training.

<b>S. No.</b>	<b>Expenditure</b>	<b>Unit cost</b>	<b>No of units</b>	<b>Amount</b>
1	Resource person fee to DRP Farm 2 Days	1500	2	3000
2	Food & Refreshments 2 Days for 22 persons	250	22	11,000
3	Van charges	5000	1	5000
4	Registers			500
	<b>Total</b>			<b>19,500</b>

## **X. Marketing Strategy**

- a. **DRP Farm is** to identify local timber merchants or wood depots for the first time and then it has to be followed by the **DSMS Manager**
- b. Harvest at same time to create a bulk lot – fetching better prices.

## **XI. Loan Repayment**

- a. All members should repay the loan with 6% interest rate.
- b. A moratorium period of **3 months** is fixed and during this period only interest is to be repaid.
- c. Following the moratorium, repayments should be made in monthly instalments. The repayment amount, along with the applicable interest, should be paid on **or before the 5<sup>th</sup> of every month to the cluster account.**
- d. Repayments should be recorded in a cash Book and proper receipts to be given to the beneficiary. Repaid amount should be deposited promptly into the Cluster's bank account.
- e. From the cluster account, 50% of **the due amount (Principal and interest) for that month should be transferred to the BLF Farm Cluster Account through ECS.**
- f. **Repayment period shall not exceed 18 months** after the moratorium period.
- g. The Repaid amount along with the collected interest may be re-lent for Casuarina cultivation during the next season or for cultivation on additional land by the Cluster's existing members **up to two more repayment cycles.**



- h. If existing members are **not willing to continue casuarina cultivation** in the next season or on additional land, **eligible new members** who are interested in joining the cluster may be included **after verification by the team consisting of BC (LH), BMM and APO (LH).**
- i. If no SHG member in the panchayat is willing to cultivate casuarina in later year or after 2 more repayment cycles, with approval from DMMU should release the fund to a **new cluster** willing to take up casuarina cultivation as a cluster activity.

## **XII. Monitoring & Evaluation**

The following multi-tiered monitoring mechanism shall be implemented to ensure effective functioning, timely repayments, and sustainable performance of the Casuarina Clusters:

- a. The **Community Resource Person (CRP - Farm)** shall ensure **prompt loan repayments** by the cluster and provide continuous field-level support.
- b. The **Panchayat Level Federation (PLF)** shall maintain a **Livelihood Register** capturing:
  - Name of the cluster
  - Year of formation
  - Beneficiary details
  - Internal loans given
  - Other relevant operational records
- c. The **Block Mission Manager (BMM), Zonal Block Coordinator (BC), and Block Coordinator (Livelihood)** shall:
  - Conduct periodic inspections of the cluster
  - Ensure regular cluster meetings
  - Monitor the quantity of cut flowers produced, income generated, and expenditure incurred

- Verify maintenance of all relevant registers
- d. The **Block Level Federation (BLF)** shall also maintain a **separate register** noting the cluster name and year for financial and administrative tracking.
- e. The **District Resource Person (DRP - Farm)** shall **visit the cluster monthly** to verify operational status and provide **technical guidance**.
- f. The **Assistant Project Officer (Livelihood)** shall conduct **monthly inspections** to monitor:
- **Utilization of funds**
  - **Proper record maintenance**
- g. The **Project Director, TNSRLM**, shall visit the cluster **once in two months** to **supervise scheme implementation** and **review Casuarina marketing arrangements**.
- h. A **biannual progress review** shall be held in the **District Convergence Meeting**, chaired by the **District Collector**, with participation from relevant **line departments**.

### **XIII. Expected Benefits**

- a. Casuarina yields around 60–75 tons per acre over 3.5 to 4 years.
- b. The casuarina logs can be used as timber, poles, fire wood, pulpwood, fencing material, etc.
- c. First 1 to 2 years: You can intercrop with groundnut, pulses, or vegetables to earn interim income before casuarina canopy closes.

### **XIV. Way Forward**

- a. To encourage more SHG members to take up casuarina cultivation as a viable income-generating activity, thereby promoting local employment and economic resilience in rural areas
- b. To promote inclusion of new members in the casuarina cultivation cluster in the village with assured income.

### **Annexure-1: District wise target**

<b>S. No</b>	<b>District</b>	<b>No of clusters</b>
1	Cuddalore	4
2	Villuppuram	4
3	Nagapattinam	4
4	Tiruvallur	4
5	Ramanathapuram	4
	<b>Total</b>	<b>20</b>

**Approved by  
Managing Director**

**Annexure -2**  
**Recommendation for fund release from DMMU to BLF.**

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Name of the Block	
2	Name of the Cluster	
3	Name of the Panchayat	
4	Grama Sabha approval date of selected Beneficiaries	
5	Date of Account opening	
6	Bank Name	
7	Branch Name and IFSC code	
8	Account Name as per bank passbook	
9	Account Number	
10	Secretary Name and Mobile Number	
11	Treasurer Name and Mobile Number	
12	Beneficiary eligibility (Sub format enclosed) for number of Beneficiaries whether verified	
13	Per member contribution in (Rs.)	
14	Conduct of Regular meeting	
15	Name of the Register Maintained	
16	Near by market (mentioned name and distance)	

Cluster formation and selection of beneficiaries are verified as per guidelines and Recommended for release of funds to the \_\_\_\_\_ cluster of \_\_\_\_\_ PLF in \_\_\_\_\_ Block through BLF.

**Block Coordinator  
(LH)**

**Block Mission  
Manager**

**Asst. Project Officer  
(LH)**

### **Annexure -3**

#### **Sub Format for Eligibility of Beneficiary Identified\*\*\***

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Name of the Beneficiary	
2	Name of the Husband/ Guardian	
3	Address	
4	Date of Birth/Age	
5	Mobile Number	
6	Name of the SHG	
7	Number of years as an SHG member	
8	NRLM member ID No.	
9	Community(SC/ST/MBC/BC/Others)	
10	Whether comes under special category (Diff. abled / Widows/Destitute widows)	
11	Aadhar card Number	
12	Smart card Number	
13	Do you have MGNREGA card?,If yes provide card number	
14	PIP Number and Category	
15	Bank Account Number	
16	Bank Name	
17	Branch Name and IFSC code	
18	Total area of Land owned / leased(Acres)	
19	Whether the member presently cultivates aromatic plants?	
20	Experience in aromatic plants cultivation	

21	Area of land were aromatic plants cultivation done (in cents)	
22	Any loan availed under livelihood activities a. Name of the scheme: b. Loan amount availed in Rs.	
23	Any overdue / NPA in Rs.	

I declare that the above details are correct and in line with my consensus.

Date :

Beneficiary

Signature

Place:

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The above details were verified by me and found correct

Name of the CRP(Farm):

CRP(Farm) Mobile Number:

Signature of CRP(Farm):

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**Attachment:**

1. Aadhar Card Xerox Copy
2. Smart Card Xerox Copy
3. MGNREGA Xerox card
4. SHG Resolution copy for the number of years as an SHG member
5. SHG Resolution copy not to be an office bearer in BLF/PLF
6. SHG Resolution copy for No overdue or NPA in any Bank/institution
7. Patta copy/Lease agreement copy
8. Copy of Personnel Bank account book first page
9. Selected Member grama saba approval copy

\*\*\* This format to be collected for each beneficiary separately and attached to the Annexure-1 for fund release to BLF.

**Annexure-4:**  
**TRIPARTITE AGREEMENT**

This Tripartite Agreement is made on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_

Among:

1. Block Level Federation (BLF), a community-based organization constituted under the guidelines of the [Tamil Nadu Rural Livelihoods Mission], having its office at \_\_\_\_\_, represented herein by its Secretary, Selvi/Smt. \_\_\_\_\_, and treasurer, Selvi/Smt. \_\_\_\_\_, hereinafter referred to as the "First Party" (which expression shall, unless excluded by or repugnant to the subject or context, include its successors and permitted assigns);

AND

2. \_\_\_\_\_ Cluster, a collective of \_\_\_\_\_ cultivating SHG women farmers functioning under the aegis of the First Party, with its registered/recognized office at \_\_\_\_\_, represented by its Cluster Secretary, Shri/Smt. \_\_\_\_\_, and cluster treasurer, Selvi/Smt. \_\_\_\_\_, hereinafter referred to as the "Second Party";

AND

3. Selvi/Smt. \_\_\_\_\_, daughter/wife of \_\_\_\_\_, residing at \_\_\_\_\_, a member of the Self Help Group \_\_\_\_\_ under the jurisdiction of the above-mentioned BLF, hereinafter referred to as the "Third Party" or the "Beneficiary".

**WHEREAS:**

- The First Party is responsible for facilitating and overseeing \_\_\_\_\_ initiatives at the Block level.
- The Second Party manages implementation and support at the cluster level.
- The Third Party is a beneficiary of the scheme, participating through her Self Help Group (SHG).

## **NOW, THEREFORE, THIS AGREEMENT WITNESSETH AS UNDER:**

### **1. Roles and Responsibilities**

#### **1.1 First Party (Block Level Federation) Shall:**

- Facilitate capacity building, training, and support services for \_\_\_\_\_ (Agriculture/Horticulture/Sericulture/Animal Husbandry/Agriculture Engineering/Forest Department)
- Mobilize and release funds/grants/subsidies received under any government or non-governmental scheme to the Second and/or Third Party, as per approved norms.
- Release the \_\_\_\_\_ cluster funds of Rs. \_\_\_\_\_ received from the District Mission Management Unit to the Second Party's bank account within 7 days from the date of receipt of funds.
- Participate (through any one of its representatives) in the monthly meeting of the cluster and monitor the cluster activities and progress.
- Monitor the proper maintenance of registers by the cluster.
- Provide conflict resolution support and maintain oversight over operations.
- Monitor and evaluate the implementation of the project and ensure adherence to prescribed guidelines.

#### **1.2 Second Party (\_\_\_\_\_ Cluster) Shall:**

- Coordinate procurement, input supply, training, and market linkages.
- Maintain records of disbursements, training, production, and sales.
- Release of Rs. \_\_\_\_\_ against cultivation assistance, purchase of fertilizers and pesticides and other equipments to the Third Party's bank account within 7 days of receiving funds from the First Party.
- Monitor the utilization of the fund released to the Third Party for the above-mentioned purposes.
- Collect 6% interest from the Beneficiary starting from the \_\_\_\_\_ month onwards, and transfer to the First Party's Farm Cluster bank account.

#### **1.3 Third Party (Beneficiary) Shall:**

- Utilize the funds strictly for the purposes they are meant for and shall not divert the funds for consumption or personal purposes.
- Repay the loan with 6% interest starting from the \_\_\_\_\_ month from the date of receiving funds from the Second Party and pay only interest during the first \_\_\_\_\_ months.
- Properly maintain all assets acquired under the scheme and shall not sell or transfer them to outsiders without prior approval from the Second and First Parties.
- Participate in training, share production data, and allow inspections as required.
- Ensure cleanliness in \_\_\_\_\_ units, and follow standard protocols.

### **2. Duration**

This Agreement shall remain in force till the repayment of loan unless extended by mutual consent or terminated earlier as per Clause 5.



### 3. Financial Terms

Disbursement and utilization of funds shall follow the instalment structure detailed in Section 1.2.

All repayments with interest shall be made as per the repayment schedule.

Refer to Annexure A for detailed repayment schedule.

### 4. Dispute Resolution

Disputes, if any, shall be resolved amicably at the Panchayat level first. If unresolved, they shall be escalated to the Block Level Committee under the [Tamil Nadu Rural Livelihoods Mission].

### 5. Termination

This Agreement may be terminated:

- By mutual consent of all parties;
- By the First Party upon breach or non-performance by the Second or Third Party;
- By the Third Party upon return of all assets and repayment of funds as applicable, with 30 days written notice.

### 6. Miscellaneous

The Agreement does not constitute an employment or agency relationship.

All annexures, rules, guidelines, and communications relating to the scheme are binding components of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Signature of First Party (BLF Secretary)  
Name: \_\_\_\_\_  
Seal: \_\_\_\_\_

Signature of First Party (BLF treasurer)  
Name: \_\_\_\_\_  
Seal: \_\_\_\_\_

Signature of Second Party (Cluster Secretary)      Signature of First Party ((Cluster treasurer)  
Name: \_\_\_\_\_      Name: \_\_\_\_\_  
Seal: \_\_\_\_\_      Seal: \_\_\_\_\_

Signature of Third Party (Beneficiary)  
Name: \_\_\_\_\_  
SHG Name: \_\_\_\_\_

Witnesses:

1. \_\_\_\_\_ (Name & Address)
2. \_\_\_\_\_ (Name & Address)

### **Annexure A: Repayment Schedule**

**Name of the cluster or Activity:**

**Name of the Beneficiary with Father or Husband Name:**

**Name of the SHG:**

**Total Loan Amount:**

**Interest rate:**

**Repayment period:**

<b>S. No.</b>	<b>Month</b>	<b>Repayment Amount (Rs.)</b>		<b>Total amount to be repaid</b>
		<b>Principal</b>	<b>Interest</b>	
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
	<b>Total</b>			

**Signature of the BLF Secretary**

**Signature of Cluster Secretary**

**Signature of the Beneficiary**