

Farmer Producer Organisations



Emerging Aggregators



NABKISAN Finance Limited



PREFACE

Producer Organisations are increasingly recognised as effective structure to address various problems encountered by small and marginal farmers. Recent Government of India announcement of formation of 10,000 FPOs will boost further the FPOs movement. FPOs have graduated themselves to emerge as aggregators over a period of time and are undertaking multiple activities towards strengthening backward and forward linkages of agriculture and allied activities, accessing financial resources from banks and financial institutions, focussing on agri marketing and linking with commodity trading platforms, etc.

NABKISAN, a subsidiary of NABARD, has been focussing on lending to FPOs and has emerged as a leading financial institution in credit linking FPOs. It operates in 20 states and have lent to more than 500 + FPOs so far.

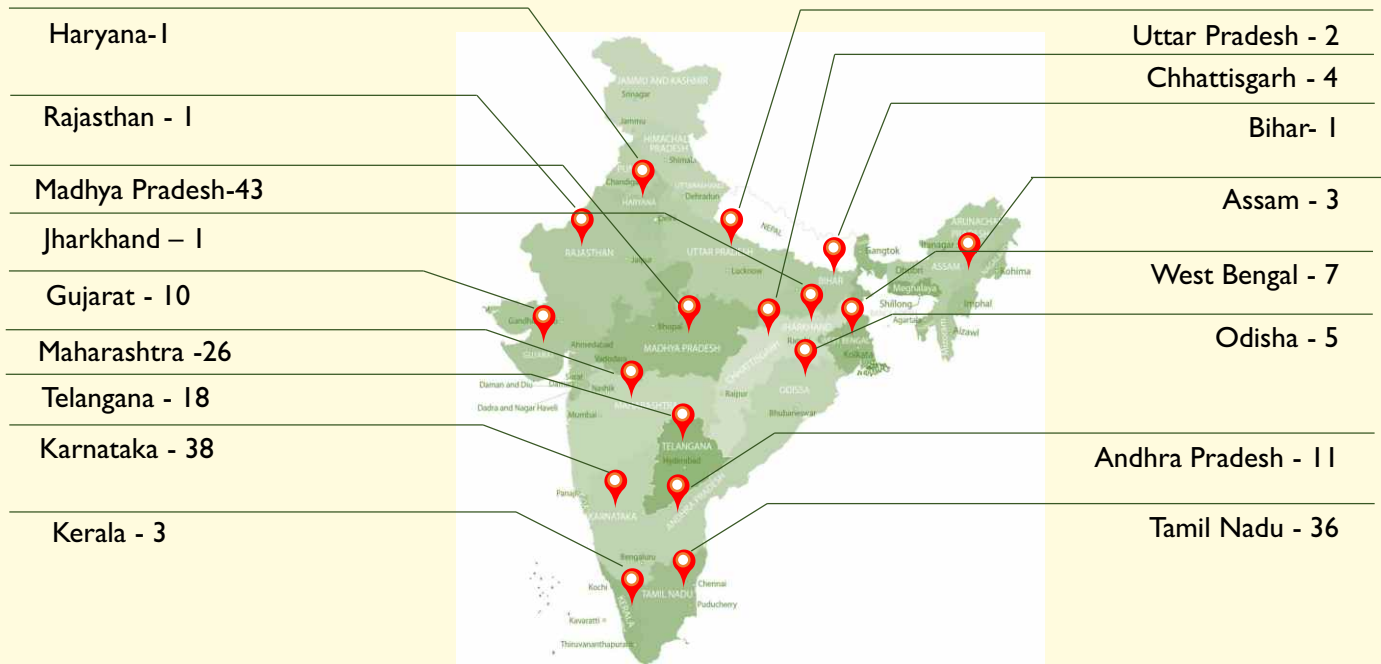
The lending to FPOs is done in simple and favourable terms to FPOs at competitive interest rates. Collateral free loans are sanctioned with the support of credit guarantee institutions.

In our journey with FPOs, we have been compiling success stories of FPOs which would motivate the other potential and emerging FPOs and would go a long way in strengthening the ecosystem. In this series, few success stories have been compiled and presented.

Team NABKISAN



State Wise Distribution of FPOs*



*Status as on 31st December 2019



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Karnataka



Desi Seeds Producer
Company Limited



Sri Kshemalingeshwara Agro Producers
Company Limited, Kalaburagi



Jamkhandi Horticulture Farmers Producer
Company Ltd, Karnataka



Madakari Sauharda Sahakari Niyamita,
Pavagada, Tumkur



Madhya Karnataka Koli Sakanikedarara haagu
Maratagaraa Sahakara Sangha Niyamitha

Desi Seeds Producer Company Limited



Estd : 2013

District : Dharwad-Hubli

State : Karnataka

Promoted by : Sahaja
Sammrudhha Trust

NKFL Loan : Rs. 10.20 lakh

Desi Seeds PCL identified as pioneer seed Producer Company in India, felt the need for saving the indigenous traditional seeds by protecting the purity of the seeds for the future generations. The Company formed 4 units comprising of 220 groups in different districts such as Dharwad-Hubli (Millet seed cluster), Bengaluru Rural (Vegetables) and Mysore- Mandya (Paddy, flowers and Vegetables). The seeds are being procured at premium prices under the label of “organic” and supplied to “Sahaja Organics” after sample test at third party laboratory.

The true seeds are sold in their brand name “Sahaja Seeds” and supplied to International Institute of Millets Research, Hyderabad, State Seed Departments of Kerala and Karnataka. Small sized packs are also sold through their online portal/ exhibitions/ retail outlets. The Seeds Savers Network established by the company is promoting and sourcing the seeds across the country. By this, company has preserved more than 1500 varieties of seeds. The company is now working on the GI tag for “Mysore Rajamudi Rice”. With the help of grant assistance from NABARD routed through NKFL, Desi seeds have published Seeds Calendar to popularise seed diversity and seed knowledge to farmers.

Sri Kshemalingeshwara Agro Producers Company Limited



Estd : 2016

District : Kalaburagi

State : Karnataka

Promoted by : MYRADA

NKFL Loan : Rs. 27 lakh

Sri Kshemalingeshwara Agro Producers Company Limited (SKAPCL) was formed with the backdrop of three Village watershed committees in Narona taluk of Kalaburagi District in 2016. They started their business with initial share capital of Rs. 5 lakh by providing the basic agriculture input products to 500 members in 4 villages of Narona taluk. In 2017, SKAPCL was identified as the procurement centre by the Tur board. This attracted 917 shareholders from 18 villages with their capital base expanding to Rs.9.17 lakh. The company also introduced custom hiring services and soil testing services to the member farmers.

With the support of NKFL, the company made a turnover of Rs. 58 lakh in 2018-19 with a profit of Rs.3 lakh more than previous year. The company started a Rural Mart in April 2019, a franchise outlet of Karnataka Milk federation “Nandini” – for marketing of milk and milk products. The SKAPCL has planned to achieve the target of Rs. 2 crore in 2019-20 by introducing more products in their product line and also by increasing their share capital by Rs. 10 lakh in 2019-20.

Jamkhandi Horticulture Farmers Producer Company Limited



Estd : 2016

District : Bagalkote

State : Karnataka

Promoted by : Department
of Horticulture, Karnataka

NKFL Loan : Rs. 30 lakh

Jamkhandi Horticulture Farmers Producer Company Ltd, was formed by 1000 members with a view to provide the quality input and market assistance for the Maize and grape growers at the members' doors step.

Initially, the Department of Horticulture assisted the company in purchase of grape cutting machines and tractor for their Custom Hiring center. As maize, grapes and pomegranate are grown abundantly in the operating area, the company started business in carton boxes too.

FPC has transformed into a one stop destination for supply of agricultural inputs and extension services. The company is being identified as Red gram procurement center by the Tur Board. The procured fresh seedless grapes are being supplied to Horticultural Producers' Cooperative Marketing and Processing Society (HOPCOMS), Bengaluru. The company is planning to process grapes to raisins, sort and market it on online platform in future.

Madakari Sauharda Sahakari Niyamita



Estd : 2011

District : Tumkur

State : Karnataka

Promoted by : MOTHER

NKFL Loan : Rs. 30 lakh

Madakari Sauharda Sahakari Niyamita (MSSN) is registered under Karnataka Cooperative Society Act, 1969 with 1193 farmers holding 3519 acres, growing Finger millet, Groundnut, Tamarind, sapota, mango and arecanut. The society's core business is lending to community groups/ members and extending credit facility on pledge of arecanut. With this experience, they have diversified into procurement and marketing of horticulture produce.

The produce like tamarind, Sapota and mango are procured from the farmers, processed by employing women farmers in the village and marketed in the retail chains and exhibitions set up in the Bengaluru City. The members are able to save Rs.10/kg for the produce on transit and commission paid to commission agents. The society provides premium price to the members on procurement of produce.

Madhya Karnataka Koli Sakanikedarara haagu Maratagaraa Sahakara Sangha Niyamitha



Estd : 2015

District : Davangere

State : Karnataka

Promoted by : Self Promoted

NKFL Loan : Rs. 40 lakh

The FPO, registered under Karnataka Cooperative Society Act is operating in 16 districts of the state.

The society has adopted a business model where it supplies broiler day old chicks and formulates the feed ingredients required for the growth of the day old chicks and supplies to members. Members are all small growers who possess small sheds, raise the birds and sell it to the market. The society also facilitates the marketing of the birds to the traders. The feed formulation require Maize, soybean cake and other supplements. The Company purchases raw materials from the local traders, formulates the mix and guides the member farmers. 80% of the poultry farmers in the area are having small feed unit of 10 tons capacity/hr. Even though there are 80 hatcheries in Davangere district, member trust upon the quality of the chicks supplied by the society.

In future, the society is planning to set up a feed manufacturing unit and broiler farm to cater the complete needs of poultry growers.



Madhya Pradesh



Bijawar Producer Company Limited



Ma Machna Crop Producer Company Ltd



RamRahim Pragati Producer Company Ltd



Samarth Kisan Producer Company Ltd.



Sontat Producer Company Limited

Bijawar Producer Company Limited



Estd : 2011

District : Chhatarpur

State : Madhya Pradesh

Promoted by : ASA

NKFL Loan : Rs. 50 lakh

Bijawar Producer Company Ltd. (BPCL) operates in Chhatapur district where droughts are very frequent and hence water scarcity is perennial. But the soil and other environmental factors are very supportive of seed production. FPO has been doing seed processing of Wheat and Soybean. By availing funds from NKFL, FPO has been able to procure more than 500 Qtls of Wheat and Soybean from the member farmers.

With the support of State Government, SFAC and various other agencies, FPO has been able to construct 2 warehouses of 500 MT each on the land purchased by them. To support the member, non-member farmers in the service area and to earn some additional profit, FPO decided to lease out one of the warehouse to a company engaged in collateral management services.

FPO has also built strong linkages with the agriculture universities from where they are availing breeder and foundation seeds at a reasonable price.

Ma Machna Crop Producer Company Limited



Estd : 2016

District : Betul

State : Madhya Pradesh

Promoted by : ASA

NKFL Loan : Rs. 35 lakh

Ma Machna Crop Producer Company Limited with 1160 shareholders is spread in more than 30 villages in Shahpur block of Betul District of Madhya Pradesh.

FPO established marketing linkage of Maize with Kesla Poultry Sahakari Society Maryadit for sale of Maize as a raw material for production of poultry feed. FPO also procures Maize from Shahpur Mandi to supply to the Kesla Cooperative on a commission.

In the FY 2018-19, FPO has traded around 4500 Qtl. of maize with the support of the working capital loan provided by NKFL and the additional funds provided by ASADS (Subsidiary of ASA). FPO procured maize from the member farmers for supply to the Provasis Nutrient India Ltd, Aman feeds in Ambala district Haryana and Dayal traders in Uttar Pradesh.

FPO also traded branded seeds of companies like Syngenta, Pioneer etc. , urea and DAP of IFFCO and UPL brands.

RamRahim Pragati Producer Company Ltd



Estd : 2012

District : Dewas

State : Madhya Pradesh

Promoted by : Samaj Pragati Sahayog

NKFL Loan : Rs. 100 lakh

The primary mandate of RAMRAHIM is to link small and marginal farmers with organized agricultural commodity markets. RAMRAHIM strives to empower the woman SHG members by providing facilities to aggregate, store and sell their crops at remunerative prices, giving access to high quality, low cost inputs, engaging them in profitable agricultural activity free from the clutches of traders and moneylenders; and guaranteeing market for Non-Pesticidal Managed and traditional crops.

In 2014, RAMRAHIM became the first producer company to receive an equity grant under the Small Farmer Agricultural Consortium introduced by the Indian Ministry of Agriculture. RamRahim also became India's first farmer owned company to enlist in NCDEX and become a commodity market participant member, paving the way for other small farmers to gain access to the national online commodities exchange.

In the FY 2018-19, FPO has provided a discount of Rs. 50 per packet of seed purchase to the members and gave a commission of Rs. 30 per quintal at the time of the purchase of produce from them.

Samarth Kisan Producer Company Limited



Estd : 2004

District : Agar Malwa

State : Madhya Pradesh

Promoted by : District Poverty Initiative Project funded by World Bank

NKFL Loan : Rs. 100 lakh

Samarth Kisan Producer Company Limited promoted under District Poverty Initiative Project funded by World Bank received Rs. 25 lakh as revolving fund, 3000 MT capacity warehouse and 2 hectares of land. Currently, FPO has 2916 shareholders in Agar, Badnod and Susner blocks of Agar Malwa District of Madhya Pradesh.

Over the years, FPO pursued all major agri-businesses such as commodity trading, Agri-input trading and Seed production etc. The Company has developed a seed brand called as “Samarth Beej” which is well recognizable among the farmers in Malwa and Nimad regions of Madhya Pradesh. They have also developed themselves into a model producer company which is visited by many aspiring producer companies in the region to understand the nuances of the producer company. FPO is selling the Soybean and Wheat seeds in 13 districts of Madhya Pradesh through distributors. They have built up reserves of more than Rs. 100 lakh by generating profits over the past few years. FPO offers Rs. 100 to Rs. 150 more per quintal to farmers than the market price and also provide handholding support to them. FPO has also started “Kisan Bazaar” a one stop shop to meet all agri-input requirement of the farmers.

Sontat Producer Company Limited



Estd : 2015

District : Sidhi

State : Madhya Pradesh

Promoted by : Krishna Samaj
Uthan Samiti

NKFL Loan : Rs. 6 lakh

Sontat Producer Company Limited has been promoted by Krishna Samaj Uthan Samiti with the support of NABARD under PRODUCE Fund.

The district faced frequent fertilizer shortage in the peak Kharif and Rabi season due to poor infrastructure and connectivity with major cities. The FPO linked themselves up with the MP MARKFED for procurement and sales of fertilizers. Today with the support of the POS machine provided by the Ministry of Chemicals and Fertilizers through MP MARKFED and linkage with the farmers they are managing their fertilizers inventory optimally and creating value for its shareholders.

Additionally, FPO had traded around 600 Qtl. of Wheat seeds, 50 Qtl paddy seeds, 250 MT fertilizers with the support of the working capital loan provided by NKFL during 2017-18. FPO traded branded seeds of companies like Syngenta, Pioneer etc., and Urea and DAP of IFFCO and UPL brands.



Tamil Nadu & Kerala



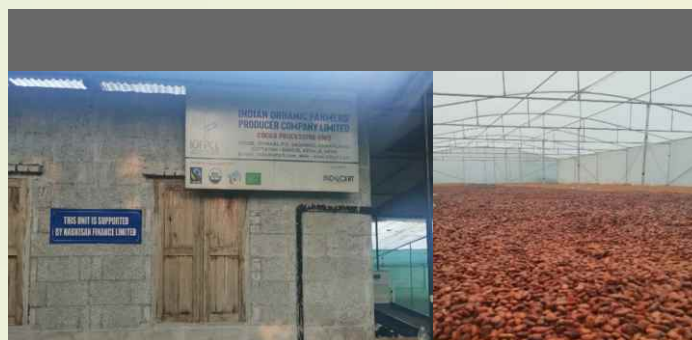
Aadhimalai Pazhangudiyinar Producer Company Ltd.



Pudukkottai Organic Farmers Producer Company Limited (POFPCL)



Sittilingi Valley Organic Farmers Producer Company Limited



Indian Organic Farmers Producer Company Limited (Kerala)



Estd : 2013

District : Nilgiris

State : Tamil Nadu

Promoted by : Keystone
Foundation

NKFL Loan : Rs. 15 lakh

Aadhimalai Pazhangudiyinar Producer Company Ltd. is a collective of tribal producers of the Nilgiri Biosphere Reserve. Aadhimalai procures both forest produce like honey, beeswax, wild amla, shikakai and soap nuts and farm produce of tribal farmers like coffee, pepper, silk cotton and millets. These are then processed and packed by women from the tribal communities in their villages. Last Forest Enterprises is a marketing partner for Aadhimalai. Aadhimalai products are also sold through retail outlets which are called Honey Huts and through small retailers in different parts of India. All 1609 shareholders of Aadhimalai belong to the tribal community.

It has crossed Rs. 1.18 Crore in revenues in FY 2017-18 & 1.33 crore in 2018-19. It has procured produce from close to 950 tribal community members at a procurement price premium of over 30% and has given more than 7,000 days of employment around the year to tribal women from different parts of the Nilgiri Biosphere Reserve.

NKFL has supported the FPO at a concessional rate of interest @10% p.a. under collaboration with National Schedule Tribes Finance and Development Corporation

Pudukkottai Organic Farmers Producer Company Limited



Estd : 2014

District : Nilgiris

State : Tamil Nadu

Promoted by : Rural Organization
for Social Education (ROSE)

NKFL Loan : Rs. 43.30 lakh

Pudukkottai Organic Farmers Producer Company Limited in Pudukkottai district of Tamil Nadu has taken up processing and marketing of organic agricultural produce as the key business activities. The FPO has 1028 members covering Annavasal, Arimalam, Kunnandarkovil, Pudukkottai and Thiruvankulam Blocks of Pudukkottai District. Around 350 tons of agro products such as paddy, millet, pulses and oil seeds are procured and marketed by the FPO. 3500 plus acres of land have been brought under Organic farming in Pudukkottai District by 1028 farmers. The FPO has been pooling traditional paddy/ millet and processing them for value addition (raw rice, parboiled rice, flour making, flattened rice / millet, Snacks production etc) and marketing the brand name “PUTHUGAI ORGANICS” and also supply to many organic shops throughout the State as well as Bangalore, New Delhi and Bhubaneswar. The FPO also organizes Seed Festivals & Millet Food Mela and Traditional Paddy Harvest Festival. They have also established Model Farms / Demonstration plots.

The members of FPO are given fair price for their products and they receive 10 to 15% margin over the existing market price. Approximately, the margin of increased price would amount to Rs.20 lakh.

Sittilingi Valley Organic Farmers Producer Company Limited



Estd : 2015

District : Dharmapuri

State : Tamil Nadu

Promoted by : Vrutti NGO

NKFL Loan : Rs. 25.60 lakh

Sittilingi Valley Organic Farmers Producer Company Limited has been formed from SOFA (Sittilingi Organic Farmers Association), an association of farmers currently practicing organic methods. Svad is the brand name for organic agricultural produce sold by the Sittilingi Organic Farmer's Association (SOFA) under which 25 organic products (Bajra, Bajra powder, Sprouted Bajra Powder, Millet mix – Nutritious powder, Bengal gram, Black gram – split, Groundnut, Coconut oil, Coriander powder, Thenai Grain [Foxtail millet], Thenai Rice, Thenai Powder, Groundnut, Horsegram, Samai grain [little millet], Samai Rice, Samai Powder, Ragi, Ragi powder, Sprouted Ragi Powder & Turmeric powder) are sold in various cities in south India. 500 farmers practice certified organic farming methods and grow a variety of crops. Each farmer restricts cash crops to under half the land, while the rest is utilized for food crops primarily for the purpose of self-consumption. Organic fertilizers and pesticides are prepared locally using substances such as cow dung and cow urine.

The team members maintain records on the behalf of farmers regarding sales, purchase, inputs output and production and ensure that these are being carried out according to the National Programme for Organic Production (NPOP) standards.

Indian Organic Farmers Producer Company Limited



Estd : 2004

District : Aluva

State : Kerala

Promoted by : Self
promoted

NKFL Loan : Rs. 70 lakh

Indian Organic Farmers Producer Company Limited (IOFPCL) has taken up the challenge to assist the member farmers in the production and marketing of Organic and Fairtrade Certified products in the domestic and international markets.

IOFPCL has been marketing coffee from the Wayanad, coconut from Kannur and Palakkad, cocoa from Idukki and Palakkad, cashew from Kannur and various spices such as black pepper, cardamom, nutmeg, vanilla, ginger, turmeric, cinnamon and clove from Wayanad and Idukki. Recently IOFPCL has also ventured into branding and value addition to some of the products procured from its member farmers under the name brand name Jaiva®, with the products being packaged and sold at its dedicated supermarket facility in Aluva. IOFPCL's cocoa processing facility at Thodupuzha enables fermentation, drying, sorting and packing cocoa beans collected from the member organic cocoa farmers. The finished product is then shipped to IOFPCL's clients both in the domestic and international markets.

IOFPCL have procured cocoa for a 3 container load shipment to European client. IOFPCL is taking all steps for online sales via Amazon and other third-party stores.



Gujarat



Krushidhan Producer Co. Ltd



Lilotri Pulse Crop Producer Company Limited



Girimala Farmers Producer Company Ltd.

Krushidhan Producer Company Limited



Estd : 2005

District : Ahmedabad

State : Gujarat

Promoted by : Development
Resource Centre

NKFL Loan : Rs. 15 lakh

Krushidhan Producer Co. Ltd has 4409 shareholders who are spread in more than 190 villages in 9 blocks of 4 districts of Gujarat. The company has mobilized more than Rs.45 lakhs as share capital and is a member of GUJPRO, federation of FPOs in Gujarat. Over the years, FPO pursued all major agri-businesses such as commodity trading, Agri-input trading, cattle feed, Bio-pesticide, Vermicompost and Seed production etc.

The Company has developed a seed brand called as “Krushti Dhan” which is well recognizable among the farmers in Ahmedabad, Sabarkantha, Aravali and Mehsana regions of Gujarat. FPO is also selling wheat, groundnut and Rajma seeds in 3-5 districts of Gujarat through distributors and own outlets. FPC has transformed into a one stop destination for supply of agriculture Input, extension services.

Now the company is proposing to undertake multiple activities and approaching NABKISAN for higher quantum of loan.

Lilotri Pulse Crop Producer Company Limited



Estd : 2016

District : Narmada

State : Gujarat

Promoted by : Agakhan Rural Support Programme (AKRSP)

NKFL Loan : Rs. 62 lakh

Lilotri Pulse Crop Producer Company Limited (LPCPCL), was formed by 1051 members in predominant tribal area of Narmada district of Gujarat. The FPC is working in 22 villages. Farmers of this area cultivate both in Kharif and Rabi seasons. Presently FPC is dealing in procurement & marketing of pulses (green gram, red gram, gram etc), cotton, maize, paddy and agri input supply of seeds (cotton, paddy, maize, soybean, green gram, red gram, watermelon).

The FPC is linked with Safe Harvest Pvt Ltd, a company working with FPOs for marketing of pulses. Safe harvest operates towards the end of the value chain and any increase in price is directly passed on to end consumers. The company has necessary licenses (Seed license and APMC license) and approvals for the business activities.

During FY 2018-19 company made turnover of Rs. 1.48 crore. The company is expected to make a turnover of more than Rs.2.0 crore during FY 2019-20.

Girimala Farmers Producer Company Ltd.



Estd : 2016

District : Aravalli

State : Gujarat

Promoted by : Reliance foundation

NKFL Loan : Rs. 20 lakh

Girimala Farmers Producer Company has been promoted by Reliance Foundation under Integrated Rural transformation CSR project. Currently, FPO has 954 shareholders in 32 village of Meghraj block, Aravalli district of Gujarat. The Company was formed with the objective of providing quality input and market assistance for the soyabean and castor.

The FPC is situated in an operating area of the produce such as maize, castor, Soyabean and cotton which are grown abundantly. The initial operations of the company was supported by Reliance Foundation. Gradually, they have emerged to do business through spot market and future market with financial support of NABKISAN. They have initiated spot market for soyabean as also trading through ENAM and future trading for castor. This has enabled them to get a good margin which has translated in to better price realization for the members. This has attracted other growers to become members of the Company.

FPO has also started value addition business i.e silage making/cattle feed making with taking technical support of Reliance foundation and Gujpro. While they have already sold 300mt of cattle feed, they are preparing themselves for 3000 Mt within 3 months



Telangana



Kamareddy Progressive Farmers Producer Company Limited



Sahaja Aharam Producer Company Limited (SAPCL)

Kamareddy Progressive Farmers Producer Company Limited



Estd : 2009

District : Kamareddy

State : Telangana

Promoted by : Reliance
Foundation

NKFL Loan : Rs. 100 lakh

Kamareddy Progressive Farmers Producer Company Limited serves as a single window for produce aggregation, marketing, input supply, financial services, value addition and linkages with other stakeholders for bringing economic freedom to the member households. It engages in collective aggregation & marketing of Soybean, Maize & Paddy, Custom Hiring of Agriculture Implements (Combined Harvesters), Input supply – Fertilizers, Seeds, Weedicides, Poultry Manure and Cattle Feed, Seed Production of Soybean, Subsidy Seed Distribution of Soybean & Bengal gram, facilitation of micro irrigation (drip & sprinklers) units. The company has more than 2000 shareholders. Most of the shareholders are small and marginal farmers.

Government has allotted Paddy Procurement Centre to the FPO which benefit the farmers by providing free drying yards facilities, savings in transportation charges upto almost Rs. 14 lakh, reducing long waiting hours at procurement centres, security for the produce etc.

During FY 2018-19 company made turnover of Rs. 122 lakh. The company is expected to make a turnover of more Rs. 300 lakh during 2019-20.

Sahaja Aharam Producer Company Limited



Estd : 2014

District : Hyderabad

State : Telangana

Promoted by : Centre for Sustainable Agriculture

NKFL Loan : Rs. 80 lakh

Sahaja Aharam Producer Company Ltd., (SAPCL) is a federation of several producer cooperatives spanning across the states of Andhra Pradesh, Telangana and Maharashtra. SAPCL is an initiative to connect Farmers with Consumers (F2C) and building their entrepreneurial skills and linking their institutions to markets (B2B). SAPCL is a federation of 20 producer cooperatives, 1 consumer cooperative, 2 producer companies, working with 500 third party certified organic farmers , 5000 PGS organic farmers and 2500 organic in-conversion farmers.

The main objective of the company is to ensure that farmers get 50 to 60 percent of the selling prices against the conventional norm of 20 percent. Produce is supplied by the member cooperatives via the four hubs in Dorli (Wardha district, Maharashtra), Kallam (Jangoan district, formerly Warangal, Telangana), Naguladinne (Kurnool district, Andhra Pradesh) and Bhoddam (Vijayanagaram district, Andhra Pradesh). The hubs aggregate, store, process and package the produce for the shops, including seeds. SAPCL runs three retail stores (two in Hyderabad and one in Visakhapatnam) that sell the farmers' produce directly to consumers. A wide range of organic cereals, flours, oil seeds, oils, pulses, fruit, honey, spices, cosmetics and health products are sold. The support of NKFL has helped the make a turnover of Rs. 94.17 lakh in 2018-19.



Andhra Pradesh



Gogukiranaluru Producer Company Limited



Vinoo Producer Company Limited

Gogukiranaluru Producer Company Limited



Estd : 2016

District : Srikakulam

State : Andhra Pradesh

Promoted by : Youth Club, Bejjipuram

NKFL Loan : Rs. 20 lakh

Gogukiranaluru Producer Company Limited is engaged in production of various multipurpose jute articles. The company has more than 600 shareholders. Most of the shareholders are women. Identified shareholders have undergone various training programs and become jute craft artisans. Company sells its products in Rural Mart (supported by NABARD) and also participates in various exhibitions (Saras melas). Company gets bulk orders from various government and Non-Government institutions for jute bags/ Jute files. The products of the company comprises of jute bags, baskets, mats, lamp shades etc. Company is also making jute hanging chairs. The company is able to realize a margin of 20-30% in most of the items. The Company has acquired input license and supplies seeds, fertilizers and pesticides to the male members involved in agricultural activities. The turnover of the company reached Rs. 25 lakh in 2018-2019. With the support of NKFL, the company is expected to make a turnover of more than Rs. 50.00 lakh. Company is making all efforts to market its product on various online platforms.

Vinoo Producer Company Limited



Estd : 2016

District : Vizianagaram

State : Andhra Pradesh

Promoted by : Association for Active Services in Rural Areas (AASRA)

NKFL Loan : Rs. 6 lakh

The company is engaged in trading of millets, preparation of bio-fertilizers, pesticides and processing of Non-Timber Forest Produce (NTFP) like tamarind. The company has more than 500 shareholders.

All the shareholders of the company belong to tribal communities in which most of them are illiterates. During the season (January to March) all the tribal farmers collect tamarind from hills and sell them to local vendors at Rs. 40/kg. Local vendors give the raw tamarind to others for manual processing (removing shell and deseeding). After processing the deseeded tamarind is sold at Rs. 90/kg. The tamarind seed is also used for medicinal purpose which is sold at Rs.5/kg.

With the support of NKFL, the company has set up a processing plant for tamarind. Farmers are now able to realize a better price. Company is also making tamarind cakes in different sizes based on needs varying from 5kg to 10kg packs.

NKFL has supported with a concessional rate of interest @10% p.a. under the arrangement with National Scheduled Tribe Finance and Development Corporation.



Maharashtra



Swaroop Shetkari Producer Company Limited



Savitribai Phule Goat Farming Producer Company Limited

Swaroop Shetkari Producer Company Limited



Estd : 2015

District : Aurangabad

State : Maharashtra

Promoted by : MACP project
funded by World Bank

NKFL Loan : Rs. 100 lakh

Swaroop Shetkari Producer Company Limited (SSPCL) has 1170 shareholders in Khultabad block of Aurangabad District of Maharashtra.

The company has its own plant and machinery for cleaning & grading capacity under MACP grant. Over the years, FPO pursued all major agri-businesses such as production & marketing of Green maize silage, commodity trading, Agri-input trading and Custom Hiring etc. Market linkages are established with CP seeds, Rajwardhan, Saguna feeds, Riddhi Siddhi, NCDEX, Kiran Poultry, Maize Products Ahmedabad, NAFED, MAHAFPC, SFAC, etc. SSPCL is also realizing remunerative and competitive prices with value addition, processing and branding of their produce.

FPO has developed a green maize silage brand called as “Shree bhadra” which is well recognizable among the farmers in Marathwada & Vidharbha regions of Maharashtra.

FPO has also established NCDEX linkage and MAHAFPC linkages.

Savitribai Phule Goat Farming Producer Company Limited



Estd : 2016

District : Nashik

State : Maharashtra

Promoted by : Yuva Mitra

NKFL Loan : Rs. 77.15 lakh

Savitribai Phule Goat Farming Producer Company Ltd. was established to enable marginalized and disadvantage women having no productive assets, to undertake goat farming business with commercial approach through adequate knowledge dissemination, awareness generation and through intervention of affordable technology in goat farming along with adopting sophisticated marketing activities to provide fair market linkages to members and branding of products like milk and milk products, meat, manure, skin products etc.

Since the company was formed to cater the needs of small and marginalized women goat rearers, the share fees was kept low at Rs.500/share to incentivize the women to become member of the company. Services offered by the FPO to its members are Goat Insurance, Marketing of Goat Milk under brand Sahaj, Goat Trading, Knowledge Support etc. The members are now getting Rs.35/kg more in goat marketing compared to traditional marketing practices. The company has established sophisticated goat milk processing plant with support from NKFL. The FPO has signed MOU with Mahatma Phule Krushi Vidyapith Rahuri Indian Veterinary Research Institute and National Research Centre of Meat. Company is also engaged in preparation and selling of vermicompost and vermiwash out of goat manure, along with fodder seeds, mineral bricks and other inputs.



West Bengal & Odisha



Srijoni Green Producer Company Limited



Prabeer Organic Agriculture Producer Company Limited

Srijoni Green Producer Company Limited



Estd : 2014

District : Birbhum

State : West Bengal

Promoted by : Angargaria
Srijoni Siksha Niketan

NKFL Loan : Rs. 100 lakh

Srijoni Green Producer Company Limited, has 1017 farmers as members mainly from the tribal communities who are associated with farm and non-farm activities. The paid up capital amount of the company is Rs. 25.36 Lakh.

In the year 2015, Company started with an entrepreneurial venture for spice grinding and packaging. Company now has taken up business activities of the various trades such as Spice Grinding, packing and marketing; Cashew nut processing; Dal processing; Vermi Compost business; Fruit Processing; Decorative Candle making and marketing; Kantha Stitching; Wool knitting and Tailoring.

With the support of NKFL, the Company has expanded its cashew processing unit. This has given an opportunity to take up more business opportunities in the field of Cashew Nut processing, packaging and marketing. With the introduction of Automatic Cashew Shell Cutting Machine, the capacity of which is 20 - 25 Kg/hr, the Company could reduce labour cost and save time that has contributed in entering into digital marketing and to place more supply orders any time anywhere. The Company has also introduced a vacuum packing system which would enhance a quick and attractive packaging of finished products which is vital to enter in the competitive market.

Prabeer Organic Agriculture Producer Company Limited



Estd : 2016

District : Titlagarh

State : Odisha

Promoted by : Pratima
Organic Grower Group

NKFL Loan : Rs. 30 lakh

Prabeer Organic Agriculture Producer Company Limited (POAPCL) was formed in 2016 but was not able to perform as planned due to shortage of funds as it majorly dealt in cotton and for cotton, huge funds were required. Therefore, in the initial years POAPCL took up role of commission agent and linked up farmers with institutional buyers who assured best prices for the farmers produce.

NKFL's support for the purpose of business of organic cotton helped the producers to take ownership of their own produce after value addition. It provided an opportunity to reap the benefit what traders used to take during the time when normal procurement slows down and there is shortage of raw materials. As a result of this, in the FY 2019-20 the turnover of the company increased 5 times to more than a crore.

FPC repaid the previous loan amount and in the process of availing higher loan of Rs.1 Crore for the purpose of organic cotton business. FPC also received the "Fair Trade Certificate" of its product and planning to initiate the processing unit in the next Financial Year.



LOAN PRODUCTS FOR FPOs- FEATURES

ELIGIBLE INSTITUTIONS

- a) Producer Organisations, farm and off-farm sector, registered under any statute of law
- b) Federations/societies of beneficiaries producing or marketing agriculture and allied products
- c) Commodity Specific Federations/societies
- d) For on lending to POs by Producer Organisation Promoting Institutions (POPIs) who are engaged in the promotion and nurturing of POs
- e) Any other registered organisation or legal entity of similar kind not listed above

ELIGIBLE CRITERIA

- I. The PO should have been incorporated at least for six months prior to submission of loan application. They should have at least one balance sheet as on the date of application.
- ii. They should have a minimum subscribed share capital of Rs.2 lakh (audited or as per ROC) with positive Net Worth.
- iii. They should not have been in default to any organization
- iv. They should comply with legal requirements such as necessary licences, TIN/GST number etc.
- v. They should have a regular CEO in place
- vi. They should have a well laid out business plan at least for the next one year
- vii. The PO should fall into the A or B Category of POs based on NABKISAN rating tool

ELIGIBLE ACTIVITIES

- a) Working capital requirement for procurement and sale of agricultural inputs and procurement of produce for collective marketing, value addition and processing.
- b) Term loan for creation of common infrastructure like soil testing labs, nurseries, irrigation infrastructure, farm machinery, custom hiring centres, post-harvest handling facilities, processing units, storage infrastructure, transport, other infrastructure requirement of PO etc
- c) Pledge loans against Warehouse Receipt (WHR).
- d) Bulk loans to POPIs/ POs for lending for asset creation at member level like purchase of dairy animals, sheep/goat rearing, poultry, irrigation infrastructure etc.
- e) Any other business activity which is helping the PO and its members to generate income

LOAN QUANTUM

- A. Direct loan eligibility for start-up POs (POs with age of up to 2 years from the date of incorporation) : 5 times of the net worth
- B. Matured POs (viz. POs with age of more than 2 years from the date of incorporation) up to 10 times the net worth.
- C. Quantum of loan will be 85% of the total project cost.
- D. Minimum margin of 15% for all categories of POs to be obtained.



INTEREST RATE

- a) Attractive and Competitive rate of interest.
- b) Rate of interest is as per the interest rate policy of NABKISAN applicable from time to time. At present, it is in the range 10% to 11.15% for POs.
- c) The PO/ POPI will be advised the applicable rate of interest at the time of sanction.

SECURITY

- 1) Primary Security: Hypothecation of assets created out of NKFL loan.
- 2) Collateral securities (Cash collateral, immovable property, etc)
- 3) Guarantee Coverage: Coverage under Credit guarantee schemes viz., NABARD, SFAC, TATA NABKISAN, Rabo Foundation or any other guarantee mechanisms.
- 4) The partial/full corporate guarantee of reputed companies having business relations with POs is acceptable
- 5) Letter of comfort from promoting institutions of the POs and undertaking letter from BODs of POs may be explored as additional comfort.

FEE AND CHARGES

- i. Processing Fee: Minimum 1% of the loan plus applicable taxes.
- ii. Credit Guarantee Fee: If the proposed facility is covered under any guarantee cover (at present NABARD Credit Guarantee SFAC Credit Guarantee, Rabo Bank Guarantee) the guarantee fee plus applicable taxes are to be borne by the borrowing entity.
- iii. Insurance: All immovable assets, capital items, stocks financed by NABKISAN shall be insured and the cost shall be borne by the borrowing entity.

REPAYMENT PERIOD

- a) Maximum Repayment period is 7 years for term loans including moratorium period, if any.
- b) Upto 18 months for working capital loans including moratorium period, if any.



NABKISAN FINANCE LIMITED

(A Subsidiary of NABARD)

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