Public and Private Finance/Credit providing BDS Providers

Public and Private Finance/Credit providing BDS Providers

World Bank, ADB- Provide loans to State govt. for Agri and allied activities and related technical assistance
RKVY- GoI scheme offered to State on 60:40 basis to under take agri and agri business
Nationalised banks- SBI, BOB, Andhra Bank, others- Provide short and long term loans
SFAC- Equity grant, Credit Guarantee scheme, Support to RIs for formation and promotion of FPOs, implementing agency for 10000 FPCs
Horti/Agri department- Provide grants to FPCs for CHCs, PPCs, cold storage, etc.
NABARDs - Refinancing to banks on agriculture development
NABKISAN - for long term and short term loans
RRBs- Andhra Pragati Grameen Bank,
NBFCs- Samunnati finance, Kissan Dhan, etc. are proving collateral free loans to FPCs

Securing institutional finance from banks and NBFCs for input shop operations

Institutional Finance for FPOs - NBFC

- Close to **90% of the institutional credit for FPO'S come from NBFC**
- Despite the government incentives like 100 percent tax deduction for next five years for Farmer Producer organisations and the 2015 , Priority Sector lending norm policies of RBI only a few banks have shown interest in lending to FPO's .
- In NBFC three organisation's **NABKISAN, SAMUNNATI, ANANYA** are leading in Lending to FPO'S. Other players are CASPIAN Debt, Kisan Dhan etc.
- Leading players in Banking sector Financing FPO'S are **Bank of Baroda, Union Bank of India, State Bank of India**. Other players are Canara Bank , ICICI bank , RRB Banks
- **SFAC** also provide Equity grants and Credit Guarantee to FPC's

Nabkisan Finance Ltd. Samunnati ANANYA Going Beyond Finance बैंक ऑफ़ बड़ौदा Bank of Baroda Union Bank of India

SBI The banker to every Indian

Institutional Finance for FPOs - NBFC

Nabkisan Finance Ltd.

NABKISAN

- FPOs, Agri value chain players, FPO lending intermediaries
- Working Capital Loans, Term Loans, Working Capital Term Loans
- ₹ 3 lacs to 5 crores(Mostly limited to ₹ 1 crore)
- 10.5%- 12.5%
- 4 – 18 months

ANANYA
Going Beyond Finance

Ananya Finance

- FPOs and Agri value chain players
- Working Capital Loans
- ₹ 20 lacs to 1 Crore)
- 13.5%- 16.5%
- 3 – 36 months

Samunnati

Sammunati

- FPOs, Agri value chain players, Individual farmers
- Working Capital Loans (PO financing and invoice discounting), Term Loans
- ₹ 3 lacs to 2 crores(Mostly limited to ₹ 1 crore)
- 14%- 21%
- 4 – 18 months

Institutional Finance for FPOs – Public & Private Sector Banks

Union Bank of India

- FPCs
- Working Capital Loans, Term Loans, Composite Loans
- Maximum Loan Amount is upto Rs.1 Crore
- Term loan – 7 years, Working capital – 12 months

Bank of Baroda

- Purchase of input materials for supplying to farmers, marketing activities, setting up common service centres, setting up processing centres
- ₹ 3 lacs to 1 Crore)
- 3 –9 Years
- **If loan applied under SFAC Credit guarantee scheme, no collateral required. Otherwise, Collateral up to 100 % required.**

State Bank of India

- FPCs
- Agri Term Loan, Cash Credit, Demand Loan
- There is no maximum limit on loan
- Upto 10 years

SFAC – Equity Grant Scheme and Credit Guarantee Fund Scheme

SFAC- Equity Grant Scheme

Equity Grant Scheme extends support to the equity base of Farmer Producer Companies (FPCs) by providing matching equity grants subject to maximum of Rs. 15.00 lakh per FPC in two tranche with in a period of 3 Year.

The main aim is to enhance the viability and sustainability of FPCs, enhance the credit worthiness of FPCs and enhance the shareholding of members to increase their ownership and participation in their FPC.

SFAC
लघु कृषक
कृषि व्यापार संघ

Credit Guarantee Fund Scheme

SFAC-Credit Guarantee Fund scheme & Eligibility Criteria for FPO to qualify for credit guarantee

The primary objective of the scheme is to provide a Credit Guarantee Cover up to rupees 85 lakhs to Eligible Lending Institutions and reduce their lending risk and enable them to provide collateral free credit to FPCs

Most eligibility conditions are same as mentioned above similar to that of getting equity grant except Number of its individual shareholders shall not be lower than 500