

June
2024



NCDEX

Pragati ka Solid Exchange

Connecting Farmers to Market

Monthly Updates
of NCDEX Engagement with FPOs



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IMPACT

Impact of NCDEX efforts in connecting farmers to Market

Till Date



576

Farmer Producer
Organization Accounts



187

FPOs hedged on the
NCDEX



2,03,268

Hedged Quantity (MT)



22

Commodities
hedged



11,08,320

Farmers represented
by FPOs



16

States Represented
On NCDEX



38,882

Farmers Benefitting from
Price Dissemination

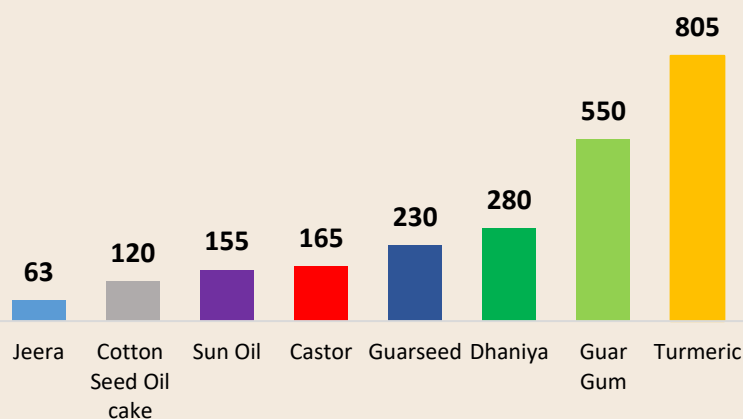
MONTHLY UPDATE

FPO Activities on Exchange Platform in June'24

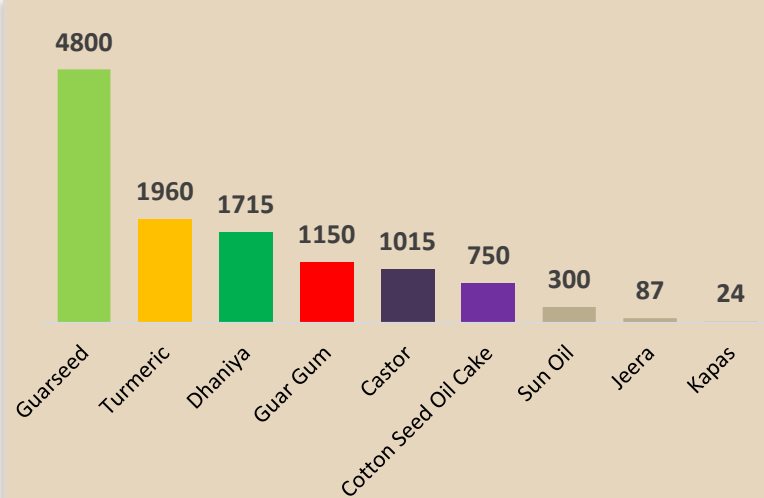
PARTICULARS	FY 24-25	June-24
FPOs On-boarded	16	5
Total Farmer Base	6,824	2,346
FPOs Traded	17	11
Farmer Base of FPOs Traded	13,057	10,390
Commodities Traded	9	8
Quantity Traded (MT)	11,801	2,368
Traded Turnover (₹ Lakh)	1,002	277
Delivery Given (MT)	241	61
Turnover Delivery based(₹ Lakh)	122	9

Commodity Wise Hedge Volumes Year 2024-25

Volume (MT) in June



Volume (MT) in Year FY 24-25



STATE WISE SUMMARY-JUNE 24



Commodities Hedged

Madhya Pradesh



Dhaniya, COCUD,
Sun Oil, Castor,
Turmeric, Jeera &
Guar Gum

Maharashtra



Sun Oil, Dhaniya
& Guar Seed

Gujarat



Castor, Dhaniya,
Guar Seed, Jeera
COCUD & Turmeric

Rajasthan



Guar Seed &
Guar Gum

Telangana



Turmeric



Volume Hedged (MT)

881

120

897

130

340



FPOs Hedged

5

1

5

1

1



Farmer Base

7,072

700

1,818

500

300

VOICES FROM THE FIELD

FPO Experiences with NCDEX-Jun'24

Through our COCUD business with NCDEX, we achieved a decent profit per quintal, including the subsidy. This experience has bolstered our confidence and deepened our understanding of farmers' expectations regarding COCUD quality.



Amit Ramesh Kuthe – Director, Krushiudaan FPC, Chandrapur, Maharashtra

Our FPO has been trading and delivering in NCDEX for about 2 years and hedging has helped us in proper risk management. This month, we have hedged against our physical produce of Castor. Our delivery based additional cost was also taken care of by NCDEX. We are also planning to target loan against the commodity.



Motilal ji - Director, Hare Krishna FPC, Banaskantha, Gujarat

After delivering Turmeric in NCDEX, we generated a substantial 15% more revenue. Moreover, reimbursements for assaying, grading, packing, and transportation further saved us 2-3% in expenses compared to mandi sales.



Rajareddy - Director, Koratikal Turmeric FPCL, Adilabad, Telangana

The transparency of the price is the USP of NCDEX platform. Since the day we learnt about this market, our FPO has been using it to manage our price risks due to market uncertainty. We have hedged the price of COCUD against the physical market and managed our risk through NCDEX.



Rohit A. Patil - Director, Basveshwar FPC, Latur, Maharashtra

FPO News

Latest Updates from the FPO Sector and Agri-Sector

District Co-op Banks Must Strengthen Primary Agricultural Credit Societies: Amit Shah

Krishi Jagran

Union Home Minister and Minister of Cooperation Amit Shah said that the Government of India has started strengthening PACSs by taking 20 different initiatives and the District Cooperative Banks should also come forward in this work as stronger PACS will further strengthen the cooperative banks. Shah was addressing the 76th AGM of Kheda District Central Cooperative Bank Limited, Nadiad (Gujarat) after inaugurating its new building through video conferencing on Sunday. The new building of Kheda District Central Cooperative Bank Limited, spread over 36,000 square feet, was built at a cost of Rs 18.70 crore. **Read More:** [click here](#)

Kerala Cooperatives Department ships 12 tonnes of value-added agricultural products to US

NewIndianExpress

KOCHI: The Kerala Cooperatives Department shipped 12 tonnes of agricultural value-added products processed by cooperative societies in the state to the US on Tuesday. The consignment was dispatched through an export agency in Kochi. Cooperation Minister V N Vasavan flagged off the consignment at Vallarpadam Container Transshipment Terminal. "We had provided training to representatives of 30 cooperative societies on processing value-added agricultural products at a programme in Kumarakom a few months ago. The government provided an agricultural infrastructure fund of Rs 2 crore each to the cooperative societies in association with Nabard for development of facilities like cold storage and processing. The loan has been extended for a term of seven years at an interest rate of 1%," the minister said. **Read More:** [click here](#)

Grameen Foundation and the ONDC Network join forces to empower women and small enterprises through digital inclusion

CXO Today

rameen Foundation for Social Impact, a not-for-profit organization dedicated to improving the lives of the poor, especially women, and Open Network for Digital Commerce (ONDC), the revolutionary e-commerce initiative from DPIIT, Ministry of Commerce and Industry have come together and signed an MoU to drive socio-economic development and digital inclusion for diverse business entities.

Read More: [click here](#)

Budget Consultations: NCUI bats for public-private partnerships in co-ops

The Indian Cooperative

The National Cooperative Union of India (NCUI) put forward a series of recommendations during pre-budget consultations, aiming to deepen the integration of cooperatives within key economic sectors through public-private partnerships. NCUI's proposals focus on leveraging cooperatives' extensive grassroots networks to enhance service delivery in agriculture, healthcare, education, and community infrastructure development.

Read More: [click here](#)

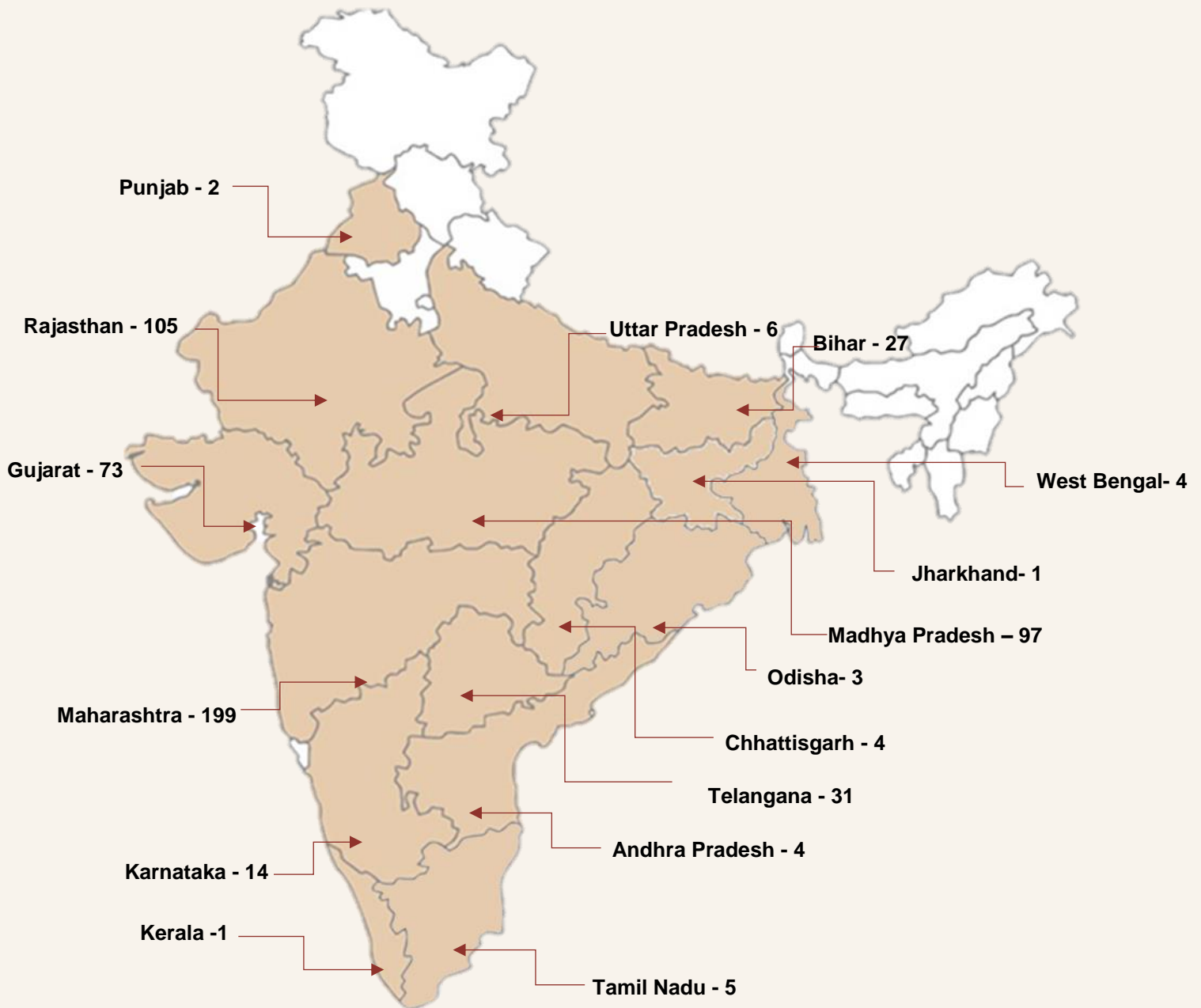
10,000 farmer producer organizations to become Common Services Centres

The Print.in

Under the new initiative, 10,000 farmer producer organizations (FPOs) registered under the 'Formation & Promotion of 10,000 FPOs scheme' will be converted into Common Services Centres (CSCs) through an MoU signed between CSC SPV and the Ministry of Agriculture & Farmer's Welfare. This move aims to increase employment opportunities in rural areas by enabling FPOs to deliver citizen-centric services, a PIB press release stated. **Read More:** [click here](#)

NCDEX FPO FOOTPRINTS

NCDEX is actively engaged in training farmers, handholding FPO and connecting them with Exchange platform in several states and 576 FPOs have opened their client account on exchange platform



The number of FPOs in each State represent those FPOs who have either hedged or opened a trading account with NCDEX.

FPO AWARENESS PROGRAMS- June'24

Awareness programs in the form of Webinars, IEPs and Trainings are done with FPOs and the ecosystem partners



VIRTUAL TRAININGS WITH RESOURCE INSTITUTES & FPO ECOSYSTEM

Date: 10th June 24

Karnataka: Krushi Mitra Gramin Abhivruddhi Samsthe & Farmer Producer Companies; Participants - 12

Date: 13th June 24

Maharashtra: Savitribai Phule Mahila Ekatma Samaj Mandal & Naadbrahma Agro FPCL; Participants - 13

Date: 19th June 24

Madhya Pradesh: Krishi Vikas Sahkari Samiti Limited & Farmer Producer Companies; Participants - 8

Date: 20th June 24

Tamil Nadu: Perundurai FPCL & Niraimathi FPCL; Participants - 7

Date: 20th June 24

Maharashtra: Savitribai Phule Mahila Ekatma Samaj Mandal & FPOs; Participants - 9

Date: 26th June 24

Odisha: WASSAN NGO, Swastika Investmart Limited & Farmer Producer Companies; Participants - 30

Date: 27th June 24

Maharashtra: Indian Farm Forestry Development Cooperative Limited (IFFDC) & FPOs; Participants - 11

Date: 23rd May 24

Andhra Pradesh: Ramky Foundation & Farmer Producer Companies; Participants - 9

Date: 28th June 24

Maharashtra: Savitribai Phule Mahila Ekatma Samaj Mandal & FPOs; Participants - 13

AWARENESS

Investor Education Programs (IEPs)

In June, Trainings and Meetings with FPOs & farmers were conducted across 6 States and 18 districts which saw a participation of 1,795 farmers and FPO representatives.



AWARENESS

Trainings and Meetings with FPOs & Farmers



11th June - Patanjali Foods & Shree Kotiya Balaji FPCL at Jahazpur, Bhilwara, Rajasthan



12th June - Patanjali Foods & Shree Yade FPCL at Mandalgarh, Bhilwara, Rajasthan



13th June - Madhya Bharat Consortium of FPCL & Sitamau FPCL at Mandsaur, Madhya Pradesh



13th June - Panchalingeshwar FPCL at Munugodu, Karnataka



13th June - Krushi Mitra Grami Abhivruddhi Samsthe & FPOs at Gokak, Belagavi, Karnataka



14th June - Lokopkar Farmer Producer Company Limited at Ratlam, MP



14th June - Sagas Farmer Producer Company Limited at Ujjain, Madhya Pradesh



15th June - MPSRLM & Farmer Producer Companies at Bhopal, Madhya Pradesh



20th June - NABCONS, SSRR & Farmer Producer Companies at Nizamabad, Telangana



24th June - Balmukund Organic FPCL & Ratnagarbha Natural FPCL at Kota, Rajasthan



26th June - Rashtronnati FPCL at Washim, Maharashtra



26th June - Painganga Marketing FPCL at Washim, Maharashtra



26th June - Sant Tejasvi Farmer Producer Company Limited at Washim, Maharashtra



26th June - Mehkar Jaivik Sheti Mission FPCL at Washim, Maharashtra



28th June - Samarth Agro & Shri Sachchiyay FPCL at Jodhpur, Rajasthan



28th June - Samarth Agro & Tinwari Agro FPCL at Jodhpur, Rajasthan

KHETI Ke SIKANDER

FPO stories and their experiences in managing Risks



Krushiudaan Farmers Producer Company Limited

Chandrapur, Maharashtra

**Growing Futures: From
Fields to Commodity Markets**

Chandrapur, located in Eastern Maharashtra, is a crucial commercial hub known as the "rice bowl" of the state. Chandrapur boasts a diverse agricultural landscape, including crops like paddy, cotton, soybean, jowar, and pulses during the Kharif season and wheat, gram, pulses, linseed, and chili in the Rabi season.

Farmers in Chandrapur district, particularly those in the major paddy cluster, faced a common dilemma. Despite robust production, inadequate storage facilities forced them to sell their harvest at predetermined rates to local traders, resulting in financial setbacks.

Under a NABARD project, the Indian Farm Forestry Development Cooperative Limited (IFFDC) conducted a survey and chose the paddy cluster in Brahmapuri taluka to establish a Farmer Producer Company (FPC). With 10 members from 10 different villages serving as the Board of Directors, **Krushiudaan Farmer Producer Company Limited** was established in November 2021.

IFFDC's support. To increase awareness among the shareholders, Krushiudaan FPC and IFFDC officials conducted numerous awareness sessions in neighboring villages. The FPO initially focused on the input business, tying up with companies such as The Vidarbha Co-Operative Marketing Federation Ltd. (VCMF) in Nagpur and Indian Farmers Fertilizer Cooperative Limited (IFFCO) for seeds and fertilizers. This strategy allowed them to provide high-quality inputs at competitive prices. Krushiudaan FPC steadily expanded its member base to 600 farmers across 15 neighboring villages, boosting its equity to ₹15 lakhs.

To assist in paddy marketing, the FPC established relationships with rice millers in Chandrapur and neighboring Gadchiroli districts, ensuring competitive prices for their members.

IFFDC took charge of training the FPO members, conducting capacity-building programs that included training sessions on modern farming techniques,

aggregation methods, quality control, sustainable agriculture practices and diversification. To enhance farmers' awareness of risks and their management, IFFDC introduced the FPC to the NCDEX platform. They collaborated with the NCDEX team to organize sessions on commodity hedging trading for the FPC. After their training, Krushiudaan FPC Ltd. successfully completed the required documentation and officially registered with the National Commodity and Derivatives Exchange Ltd. (NCDEX) in February 2023.

Although the FPC couldn't immediately engage in hedging activities on the NCDEX trading platform due to suspensions on paddy and soybean futures, IFFDC ensured that the FPO still benefited from the market linkage support provided by NCDEX. The FPC implemented quality standardization practices and gained valuable insights into general commodity market strategies. This proactive approach demonstrates their commitment to staying informed and making well-considered trading decisions.

To mitigate the risk of price fluctuations, the FPC made a strategic move by hedging COCUD buying prices on the NCDEX platform in February 2024. This marked their initial foray into this new business line, demonstrating their ability to adapt and expand their operations.

Currently, the FPC is focusing on building consumer confidence and expanding the market for NCDEX-quality COCUD in their region. The directors are taking a hands-on approach, actively engaging with local farmers to maximize direct sales and ensure the success of this new venture.

When discussing the company's future business objectives, CEO Ms. Priti Ramteke outlined several strategic initiatives. The FPC has already addressed farmers' storage challenges by establishing a 250 MT capacity warehouse. They've also submitted a proposal to the Agricultural Department to set up their own rice mill, aiming to add value to their paddy production.

"Through our COCUD business with NCDEX, we achieved a profit of approximately Rs. 150 per quintal, including the subsidy. This experience has bolstered our confidence and deepened our understanding of farmers' expectations regarding COCUD quality." said Mr. Amit Ramesh Kuthe, Director of Krushiudaan FPC Limited

Driven by their goal of business diversification and determination to utilize the NCDEX trading platform, Krushiudaan FPC identified a significant local demand for Cotton Seed Oil Cake (COCUD) in their area. After conducting thorough feasibility surveys, the FPC decided to venture into the COCUD selling business.

Looking ahead, the FPC is exploring opportunities to trade coriander on NCDEX, capitalizing on local production. Krushiudaan FPC's journey highlights the transformative potential of Farmer Producer Organizations, when given the right support and market access.



IMPORTANT LINKS

NCDEX FPO KNOWLEDGE CENTER

NCDEX MANDI.COM is a knowledge repository that NCDEX has created, featuring insightful stories and panel discussions covering the experiences of Farmer Producer Organizations (FPOs) in risk management. These stories and discussions are broadcast on the DD Kisan channel. The website also includes information about the derivatives market, explained in a simple and easy-to-understand manner, making it accessible to the general public. The explanations aim to help the masses comprehend the intricate concepts related to derivatives trading.



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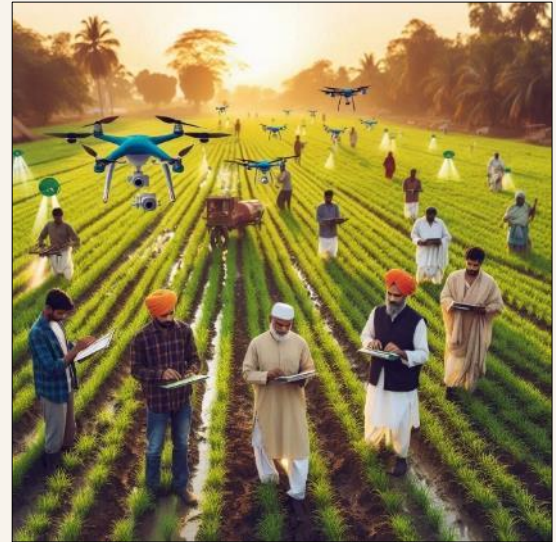
Useful links for FPOs and Ecosystem Partners

1. Plan for utilization of regulatory fees foregone by SEBI for encouraging FPOs. [Click](#)
2. State-wise List of the Warehouses Registered with WDRA. [Click](#)
3. Frequently Asked Questions for FPOs. [Click](#)
4. Circular on Early Pay-in Facility for Farmer Producer Organization (FPO). [Click](#)
5. Get Live Quotes of Future Prices of Commodities. [Click](#)

FPO KNOWLEDGE SERIES

Leveraging Agritech for Prosperity

Agritech startups and FPOs are driving a significant transformation in Indian agriculture. By leveraging technology, these startups help FPOs mobilize farmers, achieve economies of scale, and address profitability and market linkage issues. The collaboration between agritech and FPOs ensures higher economic returns and sustainable incomes for farmers.



PAIN POINTS OF FPOS - AREAS OF COLLABORATION

1. Quality Management & Standardization- Tech Solutions for Traceability in Value Chains

Traceability is crucial for maintaining the quality and safety of agricultural produce. Agritech startups are deploying advanced technologies such as Artificial Intelligence (AI), Internet of Things (IoT), and Blockchain to enhance traceability in value chains. These innovations ensure that produce can be tracked from farm to fork, reducing wastage and enhancing consumer trust.

- **AI and IoT for Monitoring:** AI and IoT devices are used to monitor crop health, soil conditions, and weather patterns. This real-time data helps farmers make informed decisions, ensuring high-quality produce.
- **Blockchain for Transparency:** Blockchain technology provides a secure and transparent way to track the journey of agricultural products from the farm to the consumer. This transparency builds trust and opens up premium markets for FPOs.

Key Players: Intellolabs, Agricx, Stellaapps

2. Market Linkages - End-to-End Supply Chain Solutions

Efficient supply chain management is essential for FPOs to thrive. Startups are developing end-to-end supply chain solutions that help FPOs streamline operations from farm to market

- **Digital Platforms for Market Linkages:** Digital platforms connect FPOs directly with buyers, eliminating intermediaries and ensuring better price realization. These platforms also provide market intelligence and demand forecasting, helping FPOs plan their production and sales strategies effectively.
- **Logistics Optimization:** Technology-driven logistics solutions optimize transportation routes, reduce transit times, and ensure timely delivery of produce. This minimizes spoilage and enhances the profitability of FPOs.

Key Players: DeHaat, BigHaat, EM3, Gramophone, NeML, Waycool

3. Availability of Funds – AGRI Fintech

Here we can add the contribution of Fintech companies which are integrating Agritech to provide lending solutions to FPOs. Financial services such as crop loans and crop insurance leverage technology to accurately assess the farmer's risk profile

- **Fintech Solutions:** Startups offer financial services like credit scoring, loans, and insurance tailored for FPOs, improving their access to capital and risk management.
- **EnWR** – Warehouses generating Negotiable warehouse receipt and thus guaranteeing the produce as collateral.

Key Players: Arya Ag, NeRL, Cropin, Samunnati

4. Governance and Business Management – ERP solutions, Accounting Solution

FPO with very less manpower lack in management of their FPOs and also not able to manage huge number of member base and the business activities together. Startups are providing Mobile phone app enabled solutions to FPOs. A single App can manage Members, staffs, accounting needs, generate demand, create reports, manage inventory. FPOs can use the information gathered through the applications for taking important business decisions.

Key Players: Arth Agri

SOME MORE SEGMENTS WHERE AGRITECH COMPANIES ARE SUPPORTING FPOS

Segment	Description	Challenges addressed	Players
Farming as a service	Renting out or providing farm equipment on a payper-use model	High capital expenditure for farm equipment Utilization and idle time for equipment	Agroapps, Ekylibre, Gold Farm, Krishify
Farm mechanization and automation	Industrial automation using machinery, tools and robots in seeding, material handling, harvesting, livestock/aqua rearing	Labor shortage in peak season Labor cost and productivity issues	GRoboMac, Tartan Sense, TerraCroft
Information platforms	Online platform for agronomic, pricing, market info Insights informing better farm outcomes through data (e.g., weather, performance data, social media)	Limited access to market information for farmers Lack of transparency in transactions	KisanHub, eNAM, NCDEX

(source: EY report “agritech-towards-transforming-indian-agriculture”)

The collaboration between agritech startups and FPOs holds transformative potential for Indian agriculture. By leveraging advanced technologies and innovative business models, these partnerships address critical challenges in the agricultural value chain, ensuring better economic returns and sustainability for farmers. Policies that foster these collaborations and scale up technological and institutional innovations are essential for broader impact.



PARTNERS - Ecosystem

Promoting Agencies					
		Supporting Agencies			
					
					
					
			Financing Agencies		
		Training/ Consulting			
					
	Members				
					

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