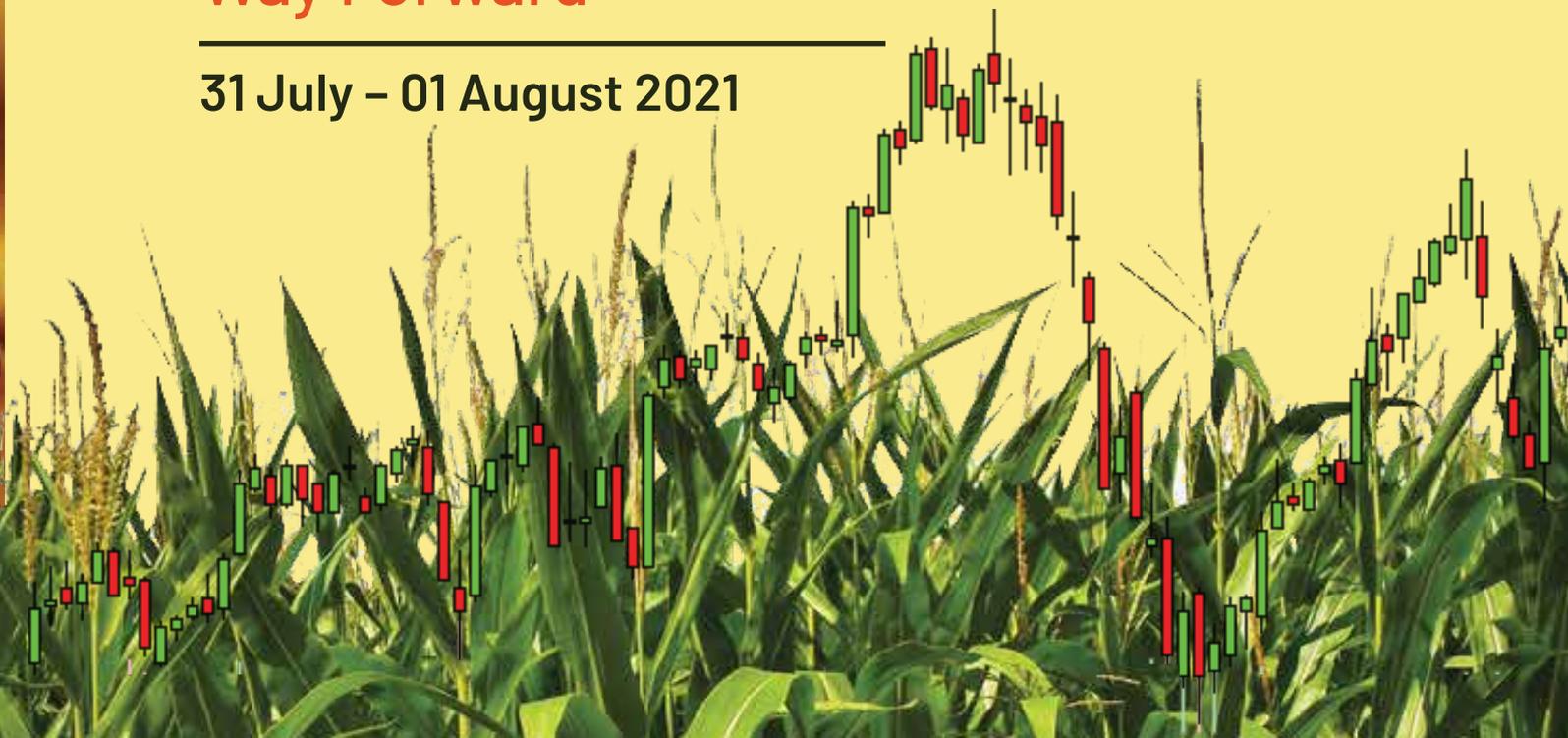


Online Workshop on

COLLATERAL FINANCING OF AGRICULTURAL COMMODITIES:

Opportunities, Risks and
Way Forward

31 July – 01 August 2021



Background

Farmer's decisions to produce are influenced often by their memory of the best prices that prevailed during the previous season and they are accustomed to immediate post-harvest sales to meet their urgent financial needs. Access to finance is critical for improving the realisation of remunerative prices by the Farmers. The shift from subsistence to commercial agricultural production requires connectivity to formal sources of financing through warehouse receipts. However, there are challenges in funding agricultural commodities by the formal institutions such as banks and other financial institutions which include the absence of appropriate protection through the legal documentation, knowledge of agricultural commodity price discovery, current developments in the warehousing industry, regulations, commodity repositories and competition from the informal financial sector.

A warehouse receipt is a secure instrument that enables the borrower to pledge with the lender legally valid documents of title and to grant a possessory pledge of goods stored in the borrower's plant, mill, refinery or warehouse with commodity collateral. Lack of credible collaterals has been a constraining factor for providing access to formal sources of funding to the agricultural sector even though there is a primary sector mandate for the financial institutions. Commodity financing through the eNWRs or an arrangement with a collateral manager will be a saviour for both the banks and the formal financial institutions to serve the funding needs of not only the farmers but also to cater to the working capital needs of the food processing sector more efficiently.

There is an urgent need to enhance private investments in agriculture to improve access to modern technology in cropping and post-harvest processing. Warehouse receipt finance backed by an efficient collateral management arrangement will provide an effective solution to funding challenges to the agricultural and processing sector. The entire process of collateral financing involves a multi-layered arrangement for asset monitoring/surveillance, risk management, and rigorous legal arrangement. Agricultural lending requires specific technical expertise amongst loan officers and credit staff, capable of conducting the financial analysis of the borrower and structuring a loan that is tailored to the cash flow needs of the farmers/intermediaries or the processing businesses.

About the Program

To cater to the requirement of the Collateral Financing Sector in Agriculture, NISM, an educational and capacity building arm of SEBI is organizing a **Two-day Workshop on Collateral Financing of Agricultural Commodities - Opportunities, Risks and Way Forward** for Bankers, Warehousing service providers, senior policymakers and agriculture finance professionals to have a detailed understanding of the challenges in Collateral Financing in Agriculture commodities and the value of collateral management services besides modern development in the field of warehousing and storage.

Date & Time

Date: 31 July – 01 August 2021

Time: 9:00am – 5:45 pm

How to Register for This Program?

Step 1:

Please click this registration link or open this link in any browser

<http://slims.nism.ac.in/eduwiz/forms/newregister.html>

Step 2:

Please click on New registration (Once the registration is complete, you will receive User ID and Password in your registered Email ID).

Step 3:

In programme name, please select 'Workshop on Collateral Financing of Agricultural Commodities' and fill other necessary(*) details.

Step 4:

Please complete the registration and payment of fees. You may have to use the login credentials sent on your registered email id to complete the payment of programme fees.

After the successful registration, you will receive the fees payment receipt in the same portal.

Session Plan

| Time | Day 1: Saturday, July 31, 2021 | |
|----------------------|--|---|
| 09:00 am to 09:30 am | Inaugural Ceremony | NISM Official |
| 09:30 am to 11:00 am | Collateral Financing – Overview, potentials, latest developments, Can collateralized goods be used for hedging, Do's & Don'ts for Financiers/Bankers and way forward | Mr. K. M. Singh Head Commodities – Sr. President, Yes Bank Ltd. |
| 11:00 am to 11:15 am | Tea/Coffee Break | |
| 11:15 am to 12:45 pm | Risks in Commodity Financing and its Management, Practices & Challenges faced in the disposal of collateralized goods. | Mr. Abhay Dandawate CRO, NBHC |
| 12:45 pm to 02:00 pm | Lunch Break | |
| 02:00 pm to 03:30 pm | Strengthening Farmers Producers Organizations (FPOs) through Collateral Management | Mr. Ashish Anand Founder - Whirl |
| 03:30 pm to 03:45 pm | Tea/Coffee Break | |
| 03:45 pm to 05:15 pm | Legal Documentation – Checklist & Challenges, Legal hassles in Collateral Funding and their remedial measures | Mr. Sanjay Khare Angel Investor, Corporate Lawyer |
| 05:15 pm to 05:45 pm | Short Quiz and Day's Overview | |

| Time | Day 2: Sunday, August 01, 2021 | |
|----------------------|--|---|
| 09:30 am to 11:00 am | Operations of Commodity Repositories and Types of Warehouse Receipts – Ease of Receipt Financing | Mr. Umang Kapoor Senior Manager, NERL |
| 11:00 am to 11:15 am | Tea/Coffee Break | |
| 11:15 pm to 12:45 pm | Price Discovery in Agricultural Commodity Markets – Valuation and its Role in Financial Risk Mitigation | Dr. Hanish Kumar Sinha Professor of Practice, NISM |
| 12:45 pm to 01:30 pm | Lunch Break | |
| 01:30 pm to 03:00 pm | Importance of Quality Testing of Commodities in Collateral Financing | Mr. Anil Maurya MD & CEO, NMCI Inspections and Survey Co Pvt. Ltd |
| 03:00 pm to 03:15 pm | Tea/Coffee Break | |
| 03:15 pm to 04:45 pm | WDRA-its accreditation mechanism and regulatory oversight – Role in mitigation of financial risks-Dispute Resolution mechanism in case of dispute over quantity/quality of goods | Dr. R. K. Tripathi Sr. Consultant (Tech.), WDRA |
| 04:50 pm to 06:20 pm | Role of Technology in Risk Management in Collateral Management of Agricultural Commodities | Mr. Prakash Kumar Founder, Vidaksh |
| 06:20 pm to 06:30 pm | Short Quiz and Overview of the Day | |
| 06:30 pm to 06:40 pm | Valedictory Session | |

Programme Fees

Early Bird Discount

| Sr. No. | Fees Applicable if Registered | Fees for a Participant (₹) |
|---------|-------------------------------|----------------------------|
| 01 | On or Before July 24, 2021 | ₹ 3000 + Applicable Tax |
| 02 | After July 24, 2021 | ₹ 4,000 + Applicable Tax |

Group Discount

| Sr. No. | Fees Applicable if Registered Group Members are | Fees for a Participant (Rs.) |
|---------|---|------------------------------|
| 01 | Three or more than Three (till 30 July 2021) | ₹ 3000 + Applicable Tax |
| 02 | Less than Three (till 30 July 2021) | ₹ 4,000 + Applicable Tax |

Note:

- The above-mentioned fees are exclusive of applicable taxes, GST and bank charges (if any).
- The both offers will not be combined for any registered participants. Only one offer will apply at the time of registration.

Important Dates

| | | |
|----|--|----------------------------|
| 01 | Start Date of Registration and Early Bird Registration | 24 June 2021 |
| 02 | Last Date of Early Bird Registration | 24 July 2021 |
| 03 | Last Date of Registration and Payment | 30 July 2021 till 11:59 pm |

Program Director

Dr. Hanish Kumar Sinha
Professor of Practice, NISM
Email: hanish.sinha@nism.ac.in

Dr. V. Shunmugam
Consultant, NISM
Email: venkatachalam.shunmugam@nism.ac.in

Program Coordinator

Ms. Shubhangi Chaturvedi
Assistant Manager, NISM
Email: shubhangi.chaturvedi@nism.ac.in



National Institute of Securities Markets

NISM Vashi Office
NISM Bhavan, Plot No. 82, Sector - 17,
Vashi, Navi Mumbai, Maharashtra - 400703
Tele: 022-66735100-02 | Fax: 022-66735110

NISM Campus
Plot No. IS 1 & IS 2, Patalganga Industrial Area, Mohopada
Taluka Khalapur, District Raigad, Maharashtra - 410222
Tele: 02192-668300

www.nism.ac.in