

Online workshop on

Collateral Financing of Agricultural Commodities:

Opportunities, Risks,
and Way Forward

September 20-21, 2024

Background

Farmer's decisions to produce are influenced often by their memory of the best prices that prevailed during the previous season. They are accustomed to immediate post-harvest sales to meet their urgent financial needs. Access to finance is critical for improving the realization 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 formal institutions such as banks and other financial institutions, which include the absence of appropriate protection through legal documentation, knowledge of agricultural commodity price discovery, current developments in the warehousing industry, operations of a warehouse repository, storage regulations, commodity repositories and competition from the informal financial sector.

A warehouse receipt is a secure instrument that enables the borrower to pledge legally valid documents of title with the lender and grant a possessory pledge of goods stored in the borrower's plant, mill, refinery or warehouse with commodity collateral. The lack of credible collaterals has been a constraining factor for providing access to formal funding sources 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 technologies in cropping and post-harvest processing. Warehouse receipt finance backed by an efficient collateral management arrangement will provide an effective solution to funding challenges in 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 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.

Program Schedule

Day-1 September 20, 2024, Friday		
Session (Hrs)	Topic	Resource Person
9:00 AM – 9:15 AM	Inaugural Ceremony	NISM Officials
9:15 AM – 10:45 AM	Collateral Financing – Overview, potentials, latest developments. Do's & Don'ts for Financiers/Bankers	Mr. Deepak Singh Consultant National Bulk Handling Corporation Pvt. Ltd.
10:45 AM – 11:00 AM	Break	
11:00 AM – 12:30 PM	Legal Documentation – The documentation checklist for financing commodities.	Mr. Siddhartha Das Senior Vice President, Head (Legal & Insurance), National Bulk Handling Corporation Pvt. Ltd.
12:30 PM – 1:30 PM	Break	
1:30 PM – 03:00 PM	Commodity Repositories – Operations and Ease of Commodity Financing.	Mr. Sachin Wagle Head – Operations, NERL
03:00 PM – 03:15 PM	Break	
03:15 PM – 04:45 PM	Role of FPO's in empowering farmers through commodity financing.	Mr. Shrikant Kuwalekar Independent Consultant, Commodity Markets and FPOs
04:45 PM – 06:15 PM	Agricultural Commodity Markets – Pricing and valuation	Dr. V. Shunmugam Visiting Faculty, NISM
06:15 PM – 06:45 PM	Short Quiz and Day's Overview	

Day-2 | September 21, 2024, Saturday

Session (Hrs)	Topic	Resource Person
09:30 AM – 11:00 AM	Risks in Commodity Financing and its Management.	Mr. Abhay Dandawate, Chief Risk Officer, National Bulk Handling Corporation Pvt. Ltd.
11:00 AM – 11:15 AM	Break	
11:15 AM – 12:45 PM	Importance of Quality Testing of Commodities in Collateral Financing	Mr. Anil Maurya, MD & CEO, NMCI Inspections and Survey Co Pvt. Ltd.
12:45 PM – 01:45 PM	Break	
01:45 PM – 3:15 PM	WDRA - Accreditation Mechanism Mitigation of Financial Risk Dispute Resolution Mechanism	Dr. R K Tripathi, Director (Technical), National Seed Association of India
03:15 PM – 03:30 PM	Break	
03:30 PM – 05:00 PM	Role of Technology in Risk Management in Collateral Management of Agricultural Commodities	Dr. Utpal Chakraborty AI & Quantum Scientist, Gartner Ambassador-AI, Top Generative AI Expert, Co-founder & CTO, IntellAI
5:00 PM – 5:30 PM	Short Quiz and Overview of the Day	
5:30 PM – 5:45 PM	Valedictory Session	

Program Fees

Program fees per individual registration for the program.	₹5000 + Applicable tax
Program fees per individual registration under the Early Bird category, with a 10% discount .	₹4500 + Applicable tax
Program fees per person with a 20% group discount . (Applicable for group registrations of 3 or more from the same organization)	₹4000 + Applicable tax
The program fees per person from the Academic Institute (Faculty/Students) with a 30% discount .	₹3500 + Applicable tax

Note - The aforementioned fees do not include applicable taxes, GST, and bank charges, if any. Fee once paid is non-refundable under any circumstances.

How to Register for This Program?

For Individual and Group registration - Three or More

Step 1	Please click on below registration link or open this link in any browser https://slims.nism.ac.in/eduwiz/forms/newregister.html
Step 2	Program registration Portal, please click on register
Step 3	In programme title, please select 'Two-day Online Workshop on "Collateral Financing of Agricultural Commodities: Opportunities, Risks, and Way Forward" and Register. (Once the registration is complete, you will receive User ID and Password in your registered Email ID).
Step 4	Please complete the registration and pay the fees. You may have to use the login credentials sent on your registered email ID to complete the payment of program fees. After successful registration, you will receive the fee payment receipt in the same portal upon completion of the workshop.

For Academic Institutions (Faculty/Students)

Person from Academic Institutions, i.e., Faculty and Students, are required to submit their details using the Google link provided below.

[Click Here](#)



After verification of the submitted Identity Card and Email address of Academic Institute, they will receive a link to make the payment under this category, and the discount will be granted upon successful verification.

NISM reserves the right to decide on Early Bird offers, Group discounts, and Discounts for participants from academic institutions.

Important dates

Particulars	Important dates
Start Date of Registration	August 09, 2024
Start Date of Early Bird Registration	August 09, 2024
Last Date of Payment under Early Bird Category	August 27, 2024
Last Date of Registration and Payment	September 17, 2024

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