

SPECIALS

Agri companies assisting farmers gain formal credit

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A vital aspect of agricultural development is access to formal credit, which enables farmers to purchase the latest machinery, premium seeds, and other inputs required to increase their output. However, because they have little money and no collateral, many small-scale farmers frequently struggle to get official loans. Numerous cutting-edge agriculture businesses have formed in recent years, addressing this financing gap by providing specific solutions and assistance to farmers. In this article, we'll showcase five outstanding agricultural businesses that are actively helping farmers establish formal credit.

In this report, we will explore some of these startups and the remarkable work they are doing to provide farmers gain formal credit.

1. SLCM(Sohan Lal Commodity Management)-

SLCM is a prominent agri-logistics and agri-financing company based in India. Established in 2009, the company specializes in providing comprehensive solutions for post-harvest management and collateral management. The company's quality control measures and certification services enable farmers to establish fair prices for their produce and access premium markets.

SLCM's collateral management services enable farmers to store their agricultural produce in SLCM's modern warehouses, using them as collateral to secure formal credit from financial institutions. By maintaining high-quality storage facilities and implementing robust inventory management systems, SLCM ensures the integrity and valuation of stored commodities, thus enhancing the creditworthiness of farmers.

These agricultural companies recognize the crucial need for financial support in the agricultural sector. They provide tailored solutions to address the credit challenges faced by farmers. By bridging the gap between financial institutions and farmers, they play a significant role in promoting sustainable agriculture and rural development

2. Aquaconnect

Aquaconnect is a full-stack aquaculture inputs and outputs platform with embedded fintech and a phygital distribution network. AquaCRED by Aquaconnect is an AI-powered dashboard that leverages farm data by combining the 'eyes in the sky' and 'boots on the ground' approach of the company through machine learning. It brings transparency and predictability to the entire process, lowering problems for the BFSI segment and thus creating credible data profiles for farmers. This can provide fish and shrimp farmers an excellent opportunity to access low-interest formal finance and reduce dependency on informal lenders.

3. Whrri-

Whrri provides warehousing facilities to farmers and loans against the stored commodities. However, the warehouse receipts are tokenised using blockchain technology to minimise fraud, duplication and lending beyond capacity—problems that commonly plague the system. Whrri has established a in Maharashtra, along with four other states.

4. Arya.ag

Indian agritech startup Arya aims to assist farmers in storing and selling their produce while also enabling them to secure formal credit. Leveraging their app, farmers can conveniently locate nearby warehouses, apply for low-interest loans, and receive approvals within minutes. Arya.ag serves as a comprehensive platform that brings together various players offering "Buy Now Pay Later" (BNPL) services.

Source: PR Agency