



North East Farm Sales

North East Farm Sales is a social objective start-up, promoted by North East Foundation, dedicated to upscaling the livelihoods of women & farmers of North East India. They aim to promote North East Agri, Horti, and Allied products across the world with interventions in processing, packaging, investment, accounting, logistics & development of innovative value-added products.

Mr. Bhanu Pratap, the founder, is a native of Lucknow, Uttar Pradesh. He holds a post graduate diploma in Industrial Marketing from Indian Institute of Foreign Trade (IIFT). He also holds a certificate course in Entrepreneurship Marketing from IIM Kozhikode. He began his career in the development sector with Akshaya Patra Foundation.

His admission to IIFT paved the way for his involvement in the processing & packaging sector in Northeast. Interestingly he was not selected for the program during his first attempt as he couldn't come up with an answer to the question, "How he and his work would contribute to the Nation?" In the next attempt he told that he wants to contribute towards the growth of Northeastern region and increase the export promotion and this got him selected.

Post course completion he started working as the head of National Skill Foundation (NSF) for the north eastern region. It was during his tenure with the National Skill Foundation that Mr. Bhanu Pratap came to realize how lack of packaging & processing facilities is hurting farmer's interest & is acting as a big constraint in the national and global level export of north eastern products and for their sale in the markets.

"Due to lack of common processing & packaging facility raw materials like tea, chillies, cinnamon, cardamom, mustard seeds, sesame seeds, etc., suffer from a lack of standardized packaging, marketing & investment. Also, a lack of product innovation for produce with shorter shelf life prevents farmers from getting due price realization," adds in Mr Bhanu Pratap Singh.

After having seen the loopholes in this system, he felt compelled to do something & provide some kind of organizational support to the farmers. The finality to his thoughts was given during one of the World Bank Project where they were training farmers on various new techniques of processing & production. But post production again the issue of packaging came up as mere production won't fetch farmer's great profits. Mr. Bhanu proposed the same to the project heads. The project Heads asked Mr. Bhanu to take up the initiative himself.



After their project with World Bank came to an end Mr. Bhanu Pratap opened up North East Farm Sales by himself with the intent of making it a community driven & participatory Initiative.

“I saw lack of processing & packaging facility as a huge business opportunity as well as a way to help farmers earn just money and also make good profits. Presently if you see, due to lack of proper transportation facility, north eastern ginger travels a thousand kilometers to reach metros like Delhi or Bangalore and the irony is that truck drivers involved in transportation of the crop earns more than farmers who grow the crop. Because half of the produce gets perished by the time it reaches these cities. This was a finding of working for 5-7 years that farmers are not getting benefitted due to incomplete value chain.

If we only had proper processing & packaging facility in place then the loss of the crop would have been avoided & farmers would have made money for their crops. We need a revolutionary change in the Agriculture sector of North East and that is what we are working towards,” says Mr. Bhanu Pratap.

Startup Product Details



North East Farm Sales is a social objective start-up operating out of Guwahati, Assam. The Startup essentially provides end-to-end processing & packaging facilities for farmers Agri produce & help them have better price realization.

Their vision is to maximize the profits of farmers by converting raw material into value added products at a nominal charge. They have identified products like ginger, black rice, amla, large cardamom etc. that can be converted into value added products. They intend to bring in new technologies to convert all such produce into value added products.

Their services includes packaging, pouching, designing, labelling, Eco-friendly packaging, vacuuming, dehydration/bar making/oil extraction/powder making etc. They also provide end-to-end support in logistics, investment, marketing & accounting. Some of the innovative products are cinnamon toothpicks, chilly safety spray, pineapple leaf fibre, candies, ginger paste, ginger tea, ginger beverage etc.

They have two models of Farmer’s engagement. In the first model, they provide packaging facility for farmers whose produce is of very small quantity and who themselves cannot afford packaging. The startup procures produce from these farmers at a rate that is 1.5 times more than the market rate. Farm produce from different parts of the northeast are transported via buses & trains to the packaging facility. The farmers are charged nominally for the packaging services. Sorting & Grading facilities are also provided to the farmers.

Expanding on the model Mr. Bhanu Pratap says, “How is our model making any difference to the farmers? Well, earlier farmers used to sell a Kilogram of turmeric for 100-150 rupees & that too in poor quality polybags. What we do is that we take that 1 Kilogram of Turmeric & make five turmeric powder containers out of that 1 KG. Each turmeric container is priced at 220 Rupees. And now, the farmers even after paying 30 rupees of packaging fees per can & 150 rupees as the retailer fee are left with 700 rupees, an amount 7 times greater than what they were making earlier.

In the second model, they provide packaging facilities to large scale producer farmers who sell the packaged product under their own brand name. The farmers are charged nominally for packaging facilities. In this way they help farmers earn good profits at nominal fee.”

Talking about the need for such facilities Mr. Bhanu Pratap explains “The biggest issue for farmers in northeast is the lack of cold storage & proper transportation facilities, often pushing the famers towards distress selling. Most of the farm produce is perishable in nature & lack of value addition facilities only add to farmer’s woes.

We feel the low scale of value addition is responsible for low income levels of Northeastern farmers. We have machinery & technology that can solve this problem. We will provide that to farmers. In our opinion every farmer should become an entrepreneur and learn every aspect of business right from arranging the order to supplying the order.”

Areas of Operation

They are presently operating out of the Guwahati region of Assam and are working closely with the farmers of Nagaland. They intend to set up a common processing and packaging Centre for entire Northeast by placing such units in each district.

Apart from this, they are the official project implementation partner for Pradhan Mantri Van Dhan Yojana (PMVDY) for the state of Assam where they provide tribal farmers with training on processing & packaging & offer necessary support. The products made by tribal farmers are then sold to different regions over Northeast. The idea behind the project is to promote self-sustenance among tribal farmers through entrepreneurship. They are also involved in developing Van Dhan Vikas Kendra's (VDVKs).

They also provide packaging facility to North East Agri Trade owned by International Fund for Agricultural Development (IFAD).

Marketing strategy

In terms of marketing strategy they are now moving online through the platform: northeastsales.in.

In the offline arena, they are targeting spaces where their innovative products can be marketed & a good customer base can be created. For example, one of their products, Naga Chilli Spray, a safety tool for girls & women, is promoted in Schools & Offices.

They are reaching out to Institutes like Central Ministry Offices, Public Service Undertakings (PSUs), Embassies etc. to whom they can market their innovative products (Citronella room freshener, Bamboo Room Freshener) as Gift Hampers. Attempting to carve a space in the International market they are trying to enter the export business as well.



Awards & Achievements



Winner of North Eastern Regional Entrepreneurship & Startup Summit



Assam Government Grantee.



Official Partner for implementation of Pradhan Mantri Van Dhan Yojana for the state of Assam and Nagaland.



Only organization in the entire North East providing such Packaging facilities.

Challenges

The whole supply chain got affected during the pandemic. Due to suspension of inter district movement in Assam, all operations were stalled.

Seeing the transportation restrictions in place, North East Farm Sales tweaked their functioning model a bit to make packaging facilities available to farmers in other region without them needing to send their products to the packaging facility. They started sending small packing machinery along with packaging material to the farmers in Nagaland region. This way the farmers continue to market packaged products on a small scale & make just money.

They are also utilizing this time for business expansion and approaching Agricultural, Social Welfare Organizations, and Women Development Department that can connect them with farmers requiring such operations. They are soon going to come up with an online product selling website.

Vision as an Entrepreneur

Talking about his vision Mr. Bhanu Pratap says, “We would like to develop ourselves along the lines of Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Ltd. In the coming time North East Farm Sales should be seen as a one stop organization for processing and packaging for the Northeastern Farmers.

I want to make it a 100 Crore organization in the next five years and I should be able to support at least 50,000 to 1 Lakh farmers.

And finally we should be able to export our products and to do so we need good farmer connect. In the coming time we would want to collaborate with State Government, Ministry of North East and other bilateral agencies for expansion and support.”

Association & Key take aways from MANAGE



Firstly it was a great learning experience. The training program enhanced my understanding of business specially the technical aspect & product marketing. All the sessions proved useful but I personally benefitted by learning about value addition & preservation technology. We also benefitted by gaining knowledge from our cohortians who are into similar business.

- Mr. Bhanu Pratap



Company Name

North East Farm Sales



Date of Incorporation

15 January 2019



Age of Company

3 years, 8 months, 5 days



Website

northeastsales.in



Mobile

+91 97119 84426



e-Mail

ednortheastsales@gmail.com

Citation

Saravanan Raj and Zeenat Shana (2022). North East Farm Sales, MANAGE-Centre for Innovation and Agripreneurship (CIA), National Institute of Agricultural Extension Management (MANAGE), Hyderabad, India.



Centre for Innovation and Agripreneurship (CIA)

(A Centre of Excellence in Agribusiness Incubation and Knowledge Partner of RKVY-RAFTAAR)

National Institute of Agricultural Extension Management (MANAGE)

(An autonomous organisation of the Ministry of Agriculture and Farmers Welfare, Government of India)

Hyderabad, Telangana, India

www.manage.gov.in

<https://www.manage.gov.in/managecia/>