



**nafed**

A Farmers' Cooperative

# ANNUAL REPORT 2021-2022



National Agricultural Cooperative  
Marketing Federation of India Ltd.

### **An Earnest Request**

Finance & Accounts, Co-ordination & Public Relation Divisions have exercised due diligence and care while compiling and printing information/data in this Annual Report. However, if by any chance, mistake of any nature had escaped our notice, we request you to be magnanimous and treat the same as an act of human error.

Thanks  
PR Division  
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“Our cooperative sector has a lot of scope to create a vibrant business entity. You should aim to turn cooperatives into successful business enterprises.”

Hon'ble Prime Minister Shri Narendra Modi

Source: PM addresses webinar on ways to strengthen Agriculture sector, on February 24, 2022



# VISION STATEMENT OF NAFED



To be Global  
Cooperative  
Leader in  
Providing  
Marketing  
Solutions for  
Agricultural  
Commodities  
through Efficient  
Market Linkage  
of Farmers,  
Government and  
Consumers

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Managing Director



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## National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED)

### MESSAGE

*Dear Friends*

*I am happy to present the Annual Report of NAFED for the FY 2021-22. During the year, NAFED recorded a turnover of ₹19,752.23 Crore and continued to sustain the profitability position. The operational profit was to the tune of ₹342.38 Crore. After accounting for establishment and administrative expenses and meeting out the deferred taxes and income tax liability, the net profit of the Federation stands at ₹139.27 Crore.*

*I am happy to inform you that the membership of NAFED has gone up from 944 to 978 and the share capital increased from ₹30.69 Crore to ₹41.01 Crore during the year. In view of the consistent good performance of NAFED during the recent years, the Board of Directors has proposed a dividend of 15% to the member Federations/Societies for FY 2021-22.*

*Procurement and marketing of agricultural commodities is the core competence of NAFED. The major chunk of business during the year was generated through the procurement of Pulses, Oilseeds, Foodgrains and Onion. A quantity of 11.08 Lakh MT of Pulses valuing ₹ 6208.83 Crore and 1.54 Lakh MT Oilseeds valuing ₹ 863.37 Crore were procured under PSS during the year. NAFED also undertook procurement of 1.41 Lakh MT of Pulses valuing ₹ 971.74 Crore under Price*

*Stabilization Fund (PSF) during FY 2021-22 as per the directions of Department of Consumer Affairs (DoCA). In addition, NAFED procured imported stocks of Masoor to the tune of 0.99 lakh MTs for the Pulses buffer. Being the designated agency for buffer stocking of Onion, NAFED also procured a quantity of 2.14 lakh MTs of Onion valuing ₹439.84 Crore in the States of Maharashtra, Gujarat and Madhya Pradesh with the support of empanelled Cooperative Societies, FPCs and FPOs.*

*During the year, NAFED also procured a quantity of 3.74 Lakh MTs of Foodgrains (wheat and paddy) valuing ₹823.67 Crore in the States of Uttar Pradesh, Assam, Uttrakhand and West Bengal under de-centralized procurement on behalf of Food Corporation of India and State Governments.*

*The Armed Forces and States / UTs continued to source their requirement of Pulses from NAFED under various schemes. A quantity of 6.05 lakh MT of processed pulses valuing ₹ 6043.41 Crore was supplied to these institutions out of the National Buffer. In addition, edible oils, sugar, salt, groceries etc. valuing ₹ 5,711.58 Crore were also supplied to States under their various welfare schemes.*

*It is a matter of pride for all of us that the Federation continued to make a mark in international trade*

and further strengthened its foothold in the overseas market by bagging prestigious orders. During the year, international trade business of ₹ 406.95 Crore was undertaken. This includes 1,25,333.60 MTs Indian Non-basmati rice valuing ₹ 374.76 Crore exported to Bangladesh under the G2G arrangement. Further, humanitarian aid of 10,000 MTs of Rice and 200 MTs of Wheat worth ₹ 32.18 Crore was dispatched to Myanmar on behalf of MEA.

As one of the National Implementing Agencies under the Mission for Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs), NAFED successfully registered 421 FPOs as on 31st March 2022, against allocated target of 557, mobilizing around 1,08,000 farmers. The activities of NAFED is set to expand in a big way in the coming years through various innovative initiatives with the overall aim of providing forward and backward linkages to the farmers/producers for achieving Hon'ble PM's vision of doubling farmers' income.

NAFED continues to strive for creation of sustainable agriculture. Organic Farming projects are presently under implementation in an area of around 1850 ha in association with technical partners of NAFED. Retail Business of ₹ 13.71 Crore, Seed Business of ₹ 81.62 Crore and Bio Fertilizer Business of ₹ 3.36 Crore were also undertaken during the year. At the same time, NAFED also continued working for the National Animal Disease Control Programme (NADCP) for eradication of the Foot and Mouth Disease (FMD) and Brucellosis prevalent in livestock as Programme Logistic Agency of the Department of Animal Husbandary and Dairying.

I would like to express my gratitude to Government of India for valuable support and cooperation to NAFED over the years. The vision and pro farmer policies of Hon'ble Prime Minister for improving the rural economy and income of farmers has been a guiding force and source of inspiration to all of us. We are immensely grateful to the Hon'ble Minister of Home and Cooperation, Shri Amit Shah ji and Hon'ble Minister for Agriculture &

Farmers Welfare, Shri Narendra Singh Tomar ji for their guidance and showing us the way forward for expansion of NAFED's business in the interest of the farmers.

I would also like to extend my thanks to the Union Ministry of Agriculture and Farmers Welfare, Ministry of Cooperation and Ministry of Food, Public Distribution and Consumer Affairs for their support to NAFED for effective implementation of various schemes and programmes in the interest of the farmers and consumers of the nation. I sincerely thank the Ministry of Finance for providing timely funds to NAFED which enabled successful implementation of these schemes and programmes. I express my sincere gratitude to the Ministry of External Affairs for continuing to repose their faith and trust in NAFED for supply of humanitarian and other aids to various countries.

NAFED is also thankful to DGFT, NCDC, NCUI, RBI, SBI, PSB, PNB, BOB, Andhra Bank, Canara Bank, APEDA, CWC, NHB, SFAC, IFFCO, KRIBHCO, NCCF, NHRDF, NSC, TRIFED, Civil Supplies Corporations and Central & State Warehousing Corporations, State level Seed Corporations and all other Government Departments and autonomous bodies who have helped NAFED directly or indirectly in achieving its goals.

I would like to place on record my sincere gratitude to the Hon'ble Chairman and the members of the Board for their guidance and support. Last but not the least, I would like to applaud the employees of NAFED, without whose dedicated efforts and hard work particularly during the extremely challenging period of Covid-19 pandemic, the above achievements would not have been possible.

I wish all of you and your families good health and happiness. Let us continue to work together and strive harder for taking the Federation to greater heights while serving the farmers of the Nation.

Thanking you

Rajbir Singh

# Agricultural Scenario in India : An Overview

## Background

Agriculture is crucial to the development of any nation since a vast majority of population residing in the rural areas is dependent on agriculture for their livelihood. The sector thus plays an important role in both economic development and Nation building.

In India, around 60 percent of households are dependent in agriculture for their living. The area under agriculture in India is second highest in the world. As per the Land Use Statistics 2014-15, against the total geographical area of 328.7 million hectares, about 140.1 million hectares is the net sown area and 198.4 million hectares is the gross cropped area with a cropping intensity of 142%. The net irrigated area is 68.4 million hectares.

Over the years, the size of agricultural landholding per family has been declining. More than 86% of farmers in the country are small and marginal. The reduced size of land holding, increasing costs of agricultural inputs and un-predictable market behavior makes economic viability in agriculture a great challenge. There are various other challenges like deteriorating quality of soil as a result of rampant use of chemical fertilizers and pesticides, inclement weather conditions, diminishing ground water level, erratic power supply, etc.

With a vast majority of households sustaining on farming, the agriculture sector has always been one of the top most priorities of the Government of India. There is a need to facilitate our farmers with access to improved technology, credit, better input and more markets to incentivize them to produce better quality commodities.

## The Way forward

The agriculture sector accounted for 18.8% (First Advance Estimates) of country's Gross Value Added (GVA) for the year 2021-22 (at current prices). Given the importance of the agriculture sector, Government of India has taken several steps for its development in a sustainable manner.

The Inter-Ministerial Committee constituted to examine issues relating to doubling of farmers' income recommended a strategy to achieve doubling of farmers' income in real terms. The Committee identified main sources of income growth viz, improvement in crop and livestock productivity; resource use efficiency or savings in the cost of production; increase in the cropping intensity; diversification towards high value crops; improvement in real prices received by farmers; and shift from farm to non-farm occupations. There is also thrust on investments in agriculture, e.g. increasing public investments for agriculture-rural roads, rural electricity, irrigation; and the need for policy support to enable investments by the corporate sector in agriculture.

The Government has been reorienting the agriculture sector by focusing on an income centeredness which goes beyond achieving merely the targeted production. The approach focuses on achieving high productivity, reduced cost of cultivation and remunerative price on the produce, with a view to earn higher profits from farming. Various initiatives by way of schemes and policy reforms have been rolled out in consonance with this approach.

With the aim of improving the income of farmers, a number of schemes and programmes are being implemented by the Government. The Pradhan Mantri

Krishi Sinchayee Yojana, Pradhan Mantri Fasal Bima Yojana, Paramparagat Krishi Vikas Yojana, Soil Health Scheme, Neem Coated Urea, e-National Agriculture Market are a few of the flagship programs aimed at improving the productivity and earnings of farmers. Creation of a unified national agriculture market will pave way for providing market linkages to farmers and boost their earning from farming.

### Central Sector Scheme “Formation and Promotion of 10,000 new Farmer Producer Organizations (FPOs)”

Aggregation of small, marginal and landless farmers into FPOs help enhance economic strength & market linkages of farmers. Under this backdrop, Government of India has launched a new Central Sector Scheme titled “Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)” with a clear strategy and committed resources to form and promote 10,000 new FPOs under budgetary provision. The FPOs will facilitate leveraging economies of scale and improving market access for members. “One District One Product” (ODOP) cluster to promote specialization and better processing, marketing, branding & export is also being promoted.

### Central Sector Scheme of financing facility under ‘Agriculture Infrastructure Fund’

The Govt. of India has introduced a Central Sector Scheme-Agriculture Infrastructure Fund which aims to provide medium - long term debt financing facility for investment in viable projects related to post-harvest management, Infrastructure and community farming

assets through interest subvention and financial support. Under the scheme, Rs. One Lakh Crore will be provided by banks and financial institutions as loans to Primary Agricultural Credit Societies (PACS), Marketing Cooperative Societies, Farmer Producers Organizations (FPOs), Self Help Group (SHG), Farmers, Joint Liability Groups (JLG), Multipurpose Cooperative Societies, Agri-entrepreneurs, Startups, Aggregation Infrastructure Providers and Central/State agency or Local Body sponsored Public Private Partnership Project.

The scheme offers an opportunity to the cooperative sector for setting up of post harvest infrastructure.

### Agricultural Production & Advance Crop Estimates for the year 2021-22

India is already self-sufficient in production of foodgrains. The Government of India is now on a mission to achieve self sufficiency in pulses and oilseeds as well through enhancing domestic production in line with fulfilling Hon’ble PM’s vision of creating “Atmanirbhar Bharat”. Various path breaking initiatives taken by the Government in the recent years for increasing the domestic production of pulses and oilseeds are finally yielding positive results. These measures will go a long way in curtailing the huge outflow of foreign currency and improving the balance of payments position of the country. It will not only strengthen the agri sector but also lead to the much needed revival of the domestic processing industry which has been suffering greatly due to huge imports.

The area under cultivation, production and productivity levels of major crops of India is furnished as follows:

Crops	Area (Lakh hectare)			Production (Million Tonnes)			Yield (kg/hectare)		
	2018-19	2019-20	2020-21*	2018-19	2019-20	2020-21*	2018-19	2019-20	2020-21*
Rice	441.56	436.62	450.67	116.48	118.87	122.27	2638	2722	2713
Wheat	293.19	313.57	316.15	103.60	107.86	109.52	3533	3440	3464
Nutri/Coarse cereals	221.46	239.88	238.28	43.06	47.75	51.15	1944	1991	2146
Pulses	291.56	279.87	288.33	22.08	23.03	25.72	757	823	892
Foodgrains	1247.77	1269.95	1293.43	285.21	297.50	308.65	2286	2343	2386
Oilseeds	247.94	271.39	287.88	31.52	33.22	36.10	1271	1224	1254
Sugarcane	50.61	46.03	48.57	405.42	370.50	399.25	80105	80497	82205
Cotton @	126.14	134.77	130.07	28.04	36.07	35.38	378	455	462
Jute & Mesta #	7.05	6.73	6.63	9.82	9.88	9.56	2508	2641	2595

(Source: Ministry of Agriculture & Farmers Welfare, Govt. of India)

\*4th advance estimates

@ Production in million bales of 170 kg each

# Production in million bales 180 Kg. each

It may be seen that as per the estimates, barring sugarcane, the production of all the major crops during 2020-21 have surpassed previous year's levels. The estimated production level of pulses at 25.72 million MT and oilseeds at 36.10 million MT during 2020-21 are the highest ever. While the production of pulses increased by 11.6 percent, the production of oilseeds has increased by 8.7 percent in comparison to previous year. The production of food grains pegged at 308.65 million MT is also an all time record achievement and increase by 3.75 percent over previous year.

The all time record production of food grains, oilseeds and pulses has been accomplished due to various initiatives of Government of India towards "Atamirbhara Krishi" aimed at making India self reliant in agricultural production and to reduce the dependence on imports.

### Category wise production of major crops of India during the period 2010-11 to 2020-21

**Table 2: India's Production of Cereals**

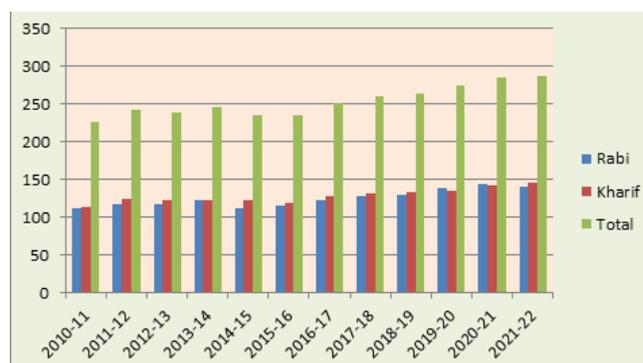
(Qty. in Million MT)

Year	Rabi	Kharif	Total
2010-11	112.52	113.73	226.25
2011-12	116.98	125.22	242.20
2012-13	116.63	122.15	238.78
2013-14	123.09	122.70	245.79
2014-15	112.53	122.34	234.87
2015-16	115.66	119.56	235.22
2016-17	123.24	128.74	251.98
2017-18	128.44	131.16	259.60
2018-19	129.71	133.42	263.14
2019-20	138.59	135.89	274.48
2020-21	143.32	141.96	285.28
2021-22	140.09	146.68	286.77

(Source: Ministry of Agriculture & Farmers Welfare, Govt. of India)

**Graph 2: India's Production of Cereals**

(Qty. in Million MT)



**Table 3: India's Production of Pulses**

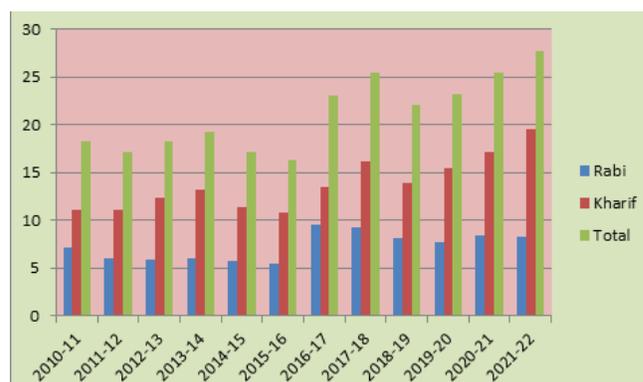
(Qty. in Million MT)

Year	Rabi	Kharif	Total
2010-11	7.12	11.12	18.24
2011-12	6.06	11.03	17.09
2012-13	5.92	12.43	18.35
2013-14	6.00	13.26	19.26
2014-15	5.73	11.42	17.15
2015-16	5.53	10.79	16.32
2016-17	9.58	13.55	23.13
2017-18	9.31	16.11	25.42
2018-19	8.09	13.98	22.07
2019-20	7.72	15.44	23.16
2020-21	8.49	17.09	25.46
2021-22	8.25	19.50	27.75

(Source: Ministry of Agriculture & Farmers Welfare, Govt. of India)

**Graph 3: India's Production of Pulses**

(Qty. in Million MT)



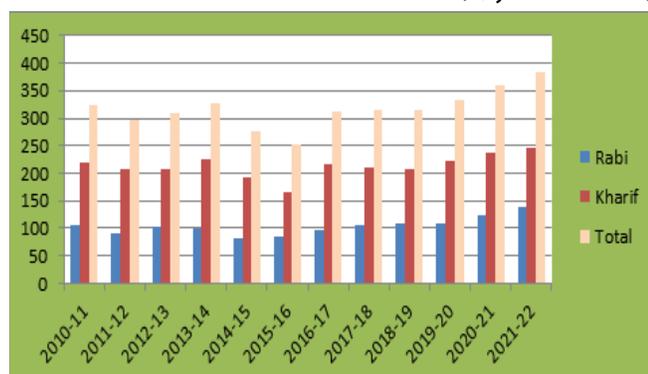
**Table 4: India's Production of Oilseeds**

(Qty. in Lakh MT)

Year	Rabi	Kharif	Total
2010-11	105.57	219.22	324.79
2011-12	91.08	206.91	297.99
2012-13	101.50	207.91	309.41
2013-14	101.26	226.24	327.49
2014-15	82.90	192.21	275.11
2015-16	85.53	166.98	252.51
2016-17	97.50	215.26	312.76
2017-18	104.53	210.06	314.59
2018-19	108.46	206.76	315.22
2019-20	109.72	222.47	332.19
2020-21	122.24	237.23	359.47
2021-22	137.91	247.07	384.98

**Graph 4: India's Production of Oilseeds**

(Qty. in Lakh MT)



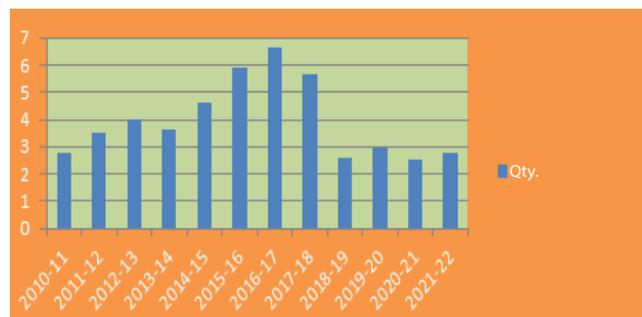
**Table 5 : India's Import of Pulses**

Year	Qty. in Million MT	Value in ₹ Crore
2010-11	2.78	7,512
2011-12	3.50	9,448
2012-13	4.02	13,357
2013-14	3.66	12,841
2014-15	4.63	17,273
2015-16	5.88	25,964
2016-17	6.66	28,751
2017-18	5.68	19,053
2018-19	2.60	8,290
2019-20	2.98	10,527
2020-21	2.51	12,154
2021-22	2.77	17,105

(Source: Agricultural and Processed Food Products Export Development Authority (APEDA))

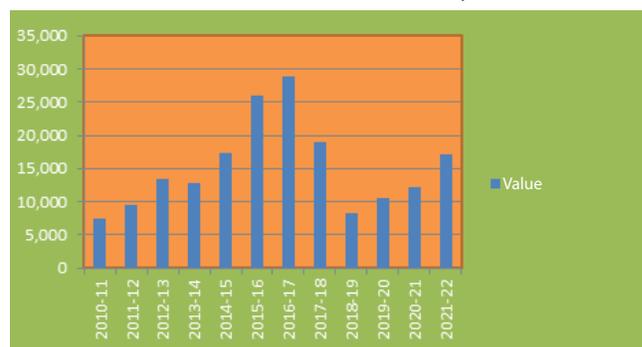
**Graph 5(a): India's import of Pulses in terms of Quantity**

(Qty. in Million MT)



**Graph 5(b): India's import of Pulses in terms of Value**

(Value in ₹ Crore)



**Table 6 : India's Comparative Production Vs. Import of Pulses**

(Qty. in Million MT)

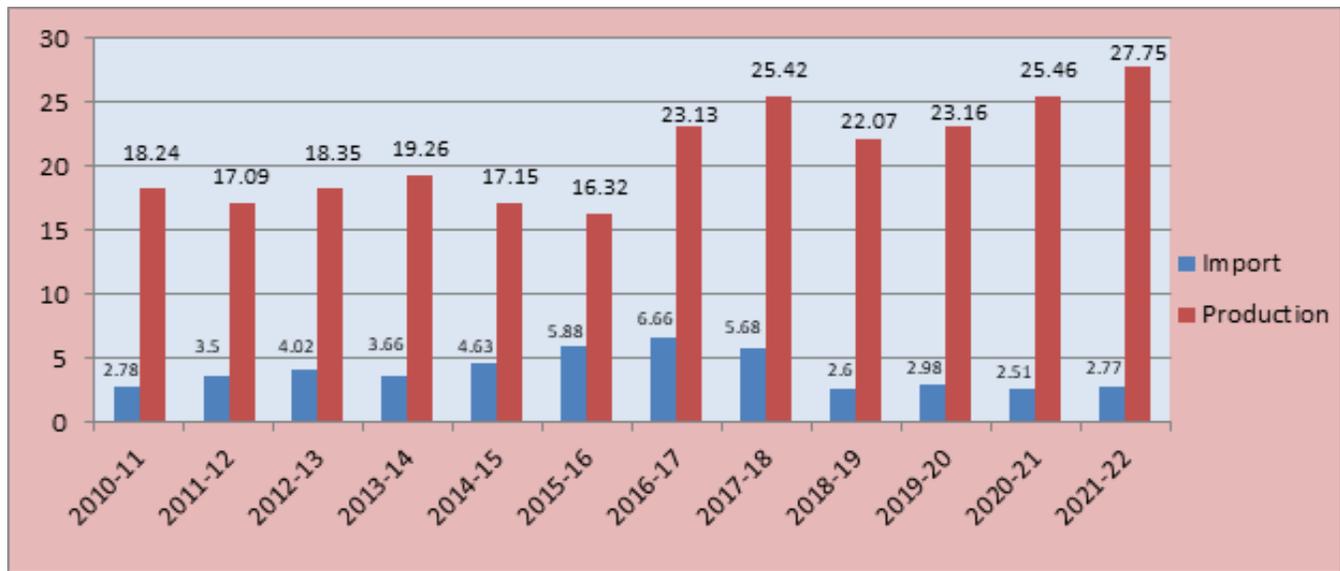
Year	Import	Production
2010-11	2.78	18.24
2011-12	3.5	17.09
2012-13	4.02	18.35
2013-14	3.66	19.26
2014-15	4.63	17.15
2015-16	5.88	16.32
2016-17	6.66	23.13
2017-18	5.68	25.42
2018-19	2.6	22.07
2019-20	2.98	23.16
2020-21	2.51	25.46
2021-22	2.77	27.75

Source: Production Data: Directorate of Economics & Statistics, Department of Agriculture and Farmers Welfare, Ministry of Agriculture & Farmers' Welfare, Govt. of India

Import Data: Agricultural and Processed Food Products Export Development Authority

## Graph 6 : Comparative: India's Production Vs. Import of Pulses

(Qty. in Million MT)



## Import of Vegetable Oil (Edible & Non-edible)

(Qty. in MT)

Month	2020-21			2019-20			% Change
	Edible	Non-edible	Total	Edible	Non-edible	Total	
Nov:'20	10,83,329	19,570	11,02,899	11,00,424	26,796	11,27,220	(-) 2%
Dec:'20	13,28,161	28,424	13,56,585	11,07,380	20,901	11,28,281	(+) 20%
Jan:'21	10,74,635	22,034	10,96,669	11,57,123	38,689	11,95,812	(-) 8%
Feb,'21	7,96,568	42,039	8,38,607	10,89,661	22,817	11,12,478	(-) 25%
Mar:'21	9,57,633	22,610	9,80,243	9,41,777	13,645	9,55,422	(+) 2.6 %
Apr:'21	10,29,912	23,435	10,53,347	7,95,025	3,690	7,98,715	(+) 32%
May:'21	12,13,142	36,506	12,49,648	7,20,976	22,845	7,43,821	(+) 68%
June. '21	9,69,431	26,583	9,96,014	11,68,138	30,201	11,98,339	(-) 17%
July, '21	9,17,336	63,288	9,80,624	15,17,350	47,995	15,65,345	(-) 37 %
Aug:'21	10,16,370	37,440	10,53,810	13,08,405	62,052	13,70,457	(-) 23%
Sept:'21	16,98,730	63,608	17,62,338	10,44,242	17,702	10,61,944	(+) 66%
Oct. '21	10,46,264	14,285	10,60,549	12,24,945	41,839	12,66,784	(-) 16%
<b>Total</b>	<b>1,31,31,511</b>	<b>3,99,822</b>	<b>1,35,31,333</b>	<b>1,31,75,446</b>	<b>3,49,172</b>	<b>1,35,24,618</b>	<b>(+) 0.05%</b>

Source : Solvent Extractors Association of India

India is World's leading producer, importer and consumer of edible oils. Despite being the leading producer globally, there is huge gap between demand and supply (60 to 70 %). As a result of various initiatives of Government of India in the recent years, the production of oilseeds in the country has witnessed a rising tendency. But there is still a long way to go till we become self reliant in oilseeds production. Palm, Soya and sunflower seed oil are the major oils imported into the country. The palm oil is primarily sourced from Indonesia and Malaysia, soya oil from Argentina and Brazil, whereas Ukraine and Argentina are the major suppliers of sunflower oils to India.

With the adoption of technology, best practices of agriculture and Government support, the Indian agriculture sector is poised for a mega transformation and quantum growth.

# Cooperatives: Building a better India

*“The cooperative model of economic development is the only one which will work to achieve an all encompassing and all inclusive development of India which has a population of 130 Crore.”*

Hon'ble Union Minister of Home and Cooperation Shri Amit Shah

## Understanding Cooperatives

Cooperatives are people-centred enterprises jointly owned and democratically controlled by and for their members to realise their common economic, social and cultural needs and aspirations. As enterprises based on values and principles, cooperatives place fairness, equality and social justice at the heart of the enterprise. Cooperatives around the world are allowing people to work together to create sustainable enterprises that generate long-term jobs and prosperity.

Cooperatives bring people together in a democratic and equal way. Whether the members are the customers, employees, users or residents, cooperatives are democratically managed by the 'one member, one vote' rule. Members share equal voting rights regardless of the amount of capital they put into the enterprise.

As businesses driven by values, not just profit, cooperatives share internationally agreed principles and act together to build a better world through cooperation. Cooperatives allow people to take control of their economic future and, because they are not owned by shareholders, the economic and social benefits of their activity stay in the communities where they are established. Profits generated are either reinvested in the enterprise or returned to the members.

## International Cooperative Alliance and the Global Cooperative Movement(ICA)

The International Cooperative Alliance is the voice of cooperatives worldwide. It was established in 1895 to promote the cooperative model. Today cooperative members represent at least 12% of humanity. As businesses driven by values and not by the remuneration of capital, the 3 million cooperatives on earth act together to build a better world.

The cooperative movement is far from being a marginal phenomenon. More than 12% of humanity is part of any of the 3 million cooperatives in the world! The largest 300 cooperatives and mutuals report a total turnover of 2,146 billion USD, according to the World Cooperative Monitor (2020).

Cooperatives contribute to the sustainable economic growth and stable, quality employment, providing jobs or work opportunities to 280 million people across the globe, in other words, 10% of the world's employed population.

As member-owned, member-run and member-serving businesses, cooperatives empower people to collectively realise their economic aspirations, while strengthening their social and human capital and developing their communities.

The International Cooperative Alliance is one of the largest non-governmental organisations in the world today by the number of people it represents: more than 1 billion cooperative members from any of the 3 million cooperatives worldwide.

## Definition of a Cooperative as per ICA

*"A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise."*

## Cooperative values

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

## Cooperative Principles

The cooperative principles are guidelines by which cooperatives put their values into practice. The seven principles of cooperatives as per ICA are as follows:

### 1. Voluntary and Open Membership

Cooperatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

### 2. Democratic Member Control

Cooperatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are also organised in a democratic manner.

### 3. Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

### 4. Autonomy and Independence

Cooperatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

### 5. Education, Training, and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

### 6. Cooperation among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

### 7. Concern for Community

Cooperatives work for the sustainable development of their communities through policies approved by their members.

## Why Cooperatives

Cooperatives are crucial for local development as they identify and use the local resources, help in local skill development, add to income generation and contribute towards poverty alleviation. They also help in generating market access and creation of better infrastructure facilities by integrating social and environmental values leading for arrest of migration of local population to big cities.

## Cooperative Movement in India

Cooperative societies in India were first formed in late 1890s when farmers in western Maharashtra rebelled against money lenders' tyranny for agricultural loans. In 1904, the British Government in India enforced the Cooperative Society Act, to safeguard interests of poor farmers in Maharashtra.

After Independence, the cooperative movement in India gained momentum. The government realized that the

cooperative sector plays a significant role in boosting the rural economy. It provisioned for plans for this sector in its Five Years Action Plans. Every village was encouraged to have at least one cooperative society. It also helped in setting up cooperative farms. From agricultural markets, these cooperative societies diversified to credit sector, and later to other large-scale sectors like housing and development, fishing, banking etc. This led to formation of different types of co-operative societies. Economic growth and the increase in disposable incomes have played an important role in the growth of cooperatives in India.

### **Cooperatives: The way forward for holistic development of India**

India has suddenly seen a renewed interest in cooperatives as Government of India has created a new Ministry of Cooperation. The Ministry was created by transferring the existing entries related to cooperation and cooperative in the business of the erstwhile Ministry of Agriculture, Cooperation and Farmers Welfare vide Cabinet Secretariat's Gazetted Notification.

The Ministry is headed by Shri Amit Shah, Hon'ble Minister for Cooperation and is assisted by Shri B. L. Verma, Hon'ble Minister of State for Cooperation. Secretary, Cooperation is the administrative head of the Ministry. Secretary, Cooperation is assisted by one Additional Secretary, two Joint Secretaries and one Central Registrar of Cooperative Societies.

The Ministry is responsible to provide a separate administrative, legal and policy framework for strengthening the cooperative movement in country. It's aim is to deepen co-operatives as a true people-based movement reaching up to the grassroots and develop a cooperative based economic model where each member works with a spirit of responsibility. The principal activities of the Ministry include streamlining processes for 'Ease of doing business' for co-operatives and enabling development of Multi-State Co-operative Societies. It lays emphasis on strengthening, bringing transparency, modernization, computerization, creating competitive cooperatives, working constantly to meet the challenge of accessibility to development for every

underprivileged in rural areas and on connecting every village with cooperatives, making every village prosperous with the mantra of "Sahakar se Samridhi" and through this making the country prosperous.

### **Vocal for Local**

Indian cooperative movement is the largest in the World covering almost 100% villages of India. The Cooperatives have been promoting inclusive growth and community development across the country. They exist in almost every area of business and now have diversified into different sectors according to emergence of economic opportunities and need of its members. They have become self sustaining enterprises using local resources, employing local people and generating wealth for the good of its members and community as a whole.

The economy of India cannot be solely dependent upon the urban areas and industrialization. The rural sector will continue to play a prominent role and to facilitate it, the cooperative societies have an important role to play. Therefore, it is important to recognize this sector and encourage it.

### **NAFED's Role as the Apex Cooperative Federation**

National Agricultural Cooperative Marketing Federation of India Limited (NAFED), is one of the largest procurement as well as marketing agencies for agriculture commodities in India. The Federation works for promoting the welfare of farmers and safeguarding the interest of the consumers as well. An outstanding example of a 360-degree turnaround from a loss-making cooperative into a profitable entity, NAFED is proactively taking forward the mission of food security of the nation to feed a staggering 130 crore population, the second largest in the world. NAFED has also been in the forefront of fulfilling humanitarian commitment made by the Central Government not only in India, but also to under developed countries across the globe. Whenever any natural calamity occurs in the country or elsewhere in the world, the Government of India sends emergency relief materials including food grains, which NAFED diligently executes carries out as per the directions of the Government.



**Dr. Bijender Singh**  
Chairman



**Dr. Sunil Kumar Singh**  
Vice - Chairman

### LIST OF DIRECTORS



**Shri Dileep Sanghani**



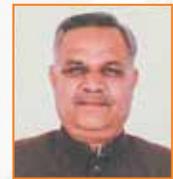
**Dr. Chandra Pal  
Singh Yadav**



**Shri Bhanwar Singh  
Shekhawat**



**Shri R. S. Joon**



**Shri Jagjit Singh  
Sangwan**



**Shri Nana Sahib  
Dattaji Patil**



**Shri Vishal Singh**



**Shri Tarlok Singh**



**Shri Ranjit Pandey**



**Shri Patangay  
Jayavanth Rao**



**Shri Aditya Yadav**



**Dr. K.V.S. Kumar**



**Shri Pradyumna P.S. IAS**



**Shri P. Narhari, IAS**



**Shri Ashok Thakur  
Govt. Nominee**

# Board of Directors



**Shri Dinesh Kumar, IAS**  
w.e.f. 23.09.21



**Shri Sanjeev Kumar Chadha, IFS**  
Managing Director  
till 20.01.22



**Shri Rajbir Singh, IFS**  
Managing Director  
w.e.f. 20.01.2022

## CO-OPTED DIRECTORS



**Shri Ajai Kumar Rai**



**Shri Mohanbhai K. Kundariya**

## Special Invitee



**Shri Mangi Lal Danga**

## FUNCTIONAL DIRECTORS

**Shri Sunil Kumar Singh**  
Additional Managing Director

**Shri Pankaj K. Prasad**  
Additional Managing Director

**Shri S.K. Verma**  
Additional Managing Director (Off.)  
(Special Invitee)

**Shri A.K. Rath**  
Additional Managing Director (Off.)

**Shri Kamendra Srivastava**  
Executive Director



**Shri Rajbir Singh, IFS**  
Managing Director



**Shri Sunil Kumar Singh**  
Additional Managing Director



**Shri Pankaj Kumar Prasad**  
Additional Managing Director



**Shri S. K. Verma**  
Additional Managing Director (off.)



**Shri A. K. Rath**  
Additional Managing Director (off.)



**Shri Kamendra Srivastava**  
Executive Director



**Shri Abhinav Rawat**  
Executive Director

# Meetings & Membership of NAFED during 01.04.2021 to 31.03.2022

Board of Directors	Business Committee	Executive Committee	Finance Accounts & Audit	Project & Development Committee
28.04.2021	28.07.2021	28.07.2021	28.04.2021	15.09.2021
28.07.2021	21.12.2021	21.12.2021	24.08.2021	-
24.08.2021	02.01.2022	16.03.2022	-	-
15.09.2021	16.03.2022	-	-	-
17.09.2021	-	-	-	-
21.12.2021	-	-	-	-
16.03.2022	-	-	-	-

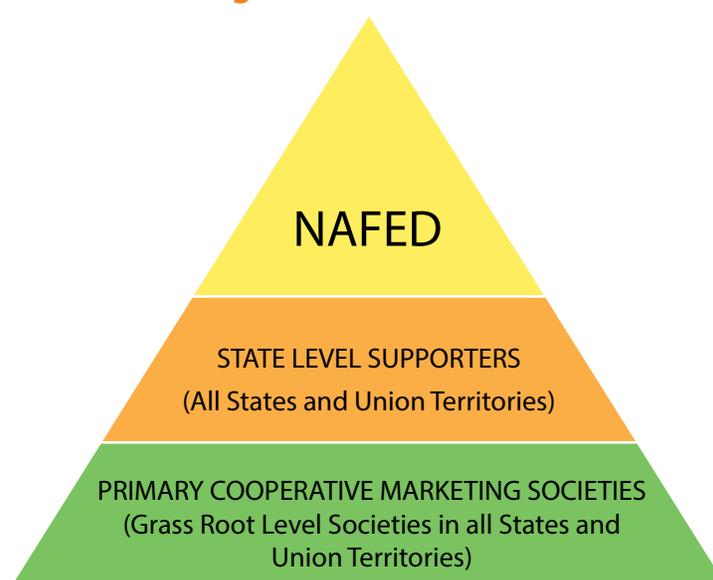
## Membership of NAFED

The membership of NAFED increased from 944 in the preceding year to 978 during 2021-22.

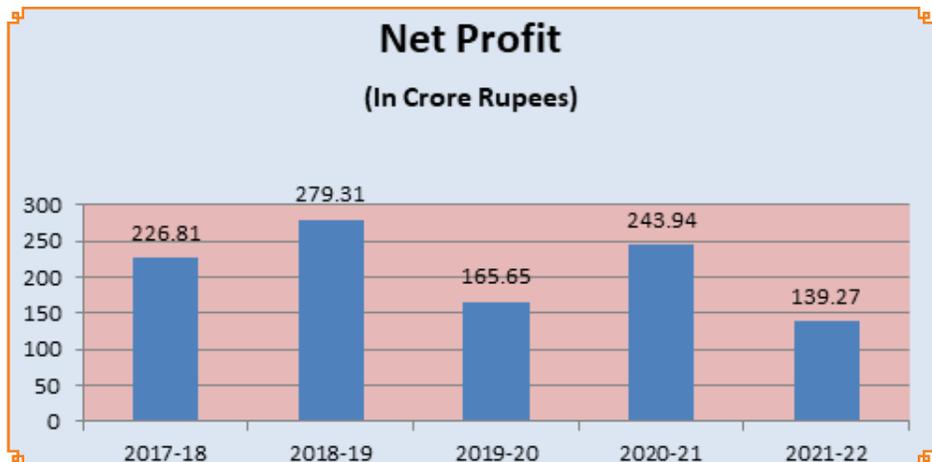
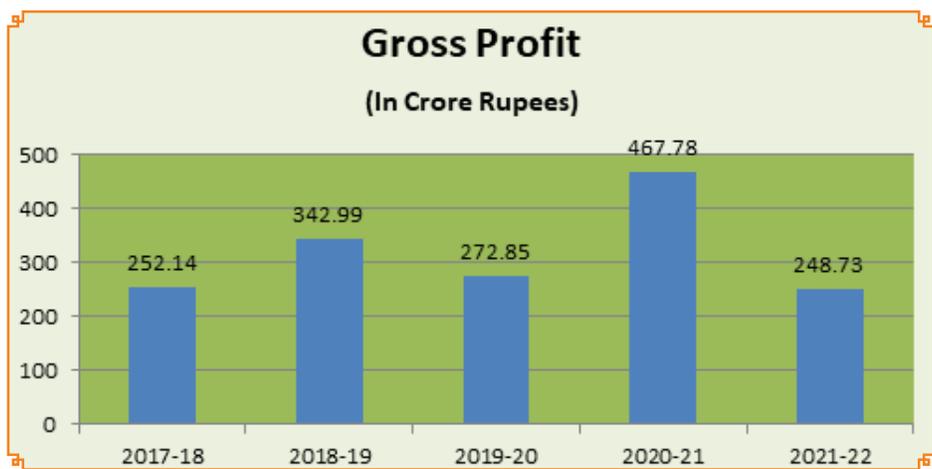
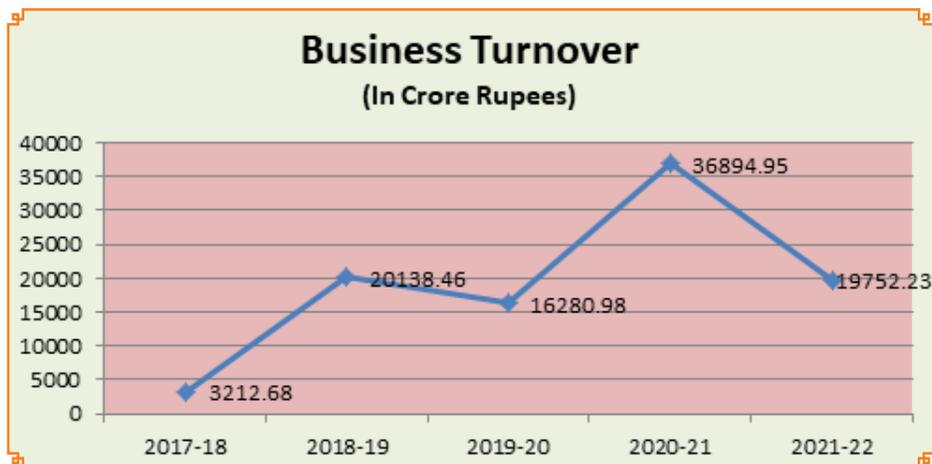
The detailed composition of the membership is as under:-

S. No.	Category of Members	Total Number of Members as on 01.04.21	Total Number of Members as on 31.03.22
1.	State Level Marketing Federations	26	26
2.	Apex Level Marketing Federations	03	03
3.	State Level Tribal & Commodity Federations	25	25
4.	Primary Marketing/Processing Societies	888	922
5.	NCCF & Other National Level Coop. Organizations	02	02
	<b>Total</b>	<b>944</b>	<b>978</b>

## Reaching out to the grass root level farmers through Three Tier Structure



# NAFED's Financial Journey of last 5 years (2017-18 to 2021-22)



# BUSINESS HIGHLIGHTS OF FY 2021-22

Turnover	₹ 19752.23 Crore
Gross Profit	₹ 248.73 Crore
Net Profit	₹ 139.27 Crore



Procurement of 1502909.53 MT of Pulses (PSS/PSF) and Oilseeds (PSS) valuing ₹ 8781.90 Crore



Procurement of 374201.416 MT of Foodgrains valuing ₹ 823.67 Crore



Institutional Supply of ₹ 10410.39 Crore



Onion Procurement of 213904.509 MT valuing ₹ 439.83 Crore under PSF



International Trade of ₹ 406.95 Crore



Retail Business of ₹ 13.71 Crore



Bio Fertilizer Business inclusive of Bio-Agri input of ₹ 3.36 Crore



Seed Business of ₹ 81.62 Crore

# NAFED'S Arms to Success



Price Support Scheme (PSS)



NADCP



Seeds supply to farmers



Price Stabilisation Fund (PSF)



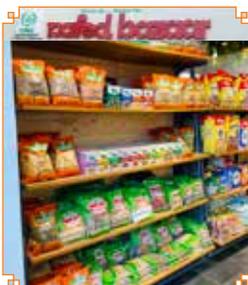
Supply to Army and Para Military Forces



Supply to Government Institutions



Bio-Fertilizers



Retail Business



International Trade



Bio-CBG

# NAFED at a Glance

## Mission, Objectives and Functions

**National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED)** was established on the auspicious day of Gandhi Jayanti on 2<sup>nd</sup> October 1958 and is registered under the Multi State Co-operative Societies Act. The mission of NAFED is to promote Co-operative marketing of agricultural produce for the benefit of farmers.

The objectives of the NAFED are to organize, promote and develop marketing, processing and storage of agricultural, horticultural and forest produce; distribution of agricultural machinery, implements and other inputs; undertake inter-state, import and export trade, wholesale or retail as the case may be and to act and assist for technical advice in agricultural production for the promotion and the working of its members, partners, associates and cooperative marketing, processing and supply societies in India. NAFED also plays a crucial role in price stabilization of essential commodities like onion and pulses through creation of national buffer on the direction of Govt. of India.

Agricultural farmers are the main members of NAFED, who have the authority to say in the form of members of the General Body in the working of NAFED. The management of NAFED vests in the Board of Directors, which includes Chairman and Managing Director. The Board is supported by 2 standing committees - Executive Committee and Business Committee. In addition, the Board can also constitute two more committees/sub-committees as per the provisions of the MSCS Act/ Rules and Bye-laws of NAFED. NAFED has been serving the farmers and consumers of the country for over 6 decades.

## *An Apex Level Cooperative*

In India, cooperatives play a crucial role in marketing of farmers' produce and these cooperatives have carved a unique position in the country's agriculture. Almost all secondary markets in the country have the presence of primary marketing cooperatives, which are members of the state marketing federations which in turn are the members of NAFED at the national level. NAFED is thus the Apex Level Cooperative Marketing Federation in India having its reach all across the country including the remotest parts through its three tier structure consisting of Primary Cooperatives at the bottom, State Level Cooperatives in the middle and NAFED at the top. Activities of NAFED add to the betterment of agriculture by protecting the interests of the farmers. NAFED is also a member of International Cooperative Alliance (ICA).

There are 978 members of NAFED as on 31<sup>st</sup> March, 2022 represented by chief executives of apex level marketing/ consumer cooperative/other national level federations, state level marketing / tribal / commodity federations and primary cooperative marketing / processing societies.

## Business Operations of NAFED

### Domestic Operations

- Implementation of Price Support Operations: NAFED is one of the Central Nodal Agencies of the Government of India for procurement of Oilseeds and Pulses under Price Support Scheme (PSS). Whenever the prices fall below the Minimum Support Price (MSP) declared by Govt. of India, NAFED undertakes procurement of the notified crops of oilseeds, pulses and de-husked coconut, Milling/Ball Copra at the MSP.

- Procurement and marketing of oilseeds, pulses, food grains, spices, horticulture produce and vegetables like onion, potato, tomato etc. in outright account subject to budget allocation.
- One of the Central agencies for procurement of Pulses and Onion under Price Stabilization Fund (PSF) scheme of Government of India.
- A Nodal State Agency on behalf of Food Corporation of India and the State Governments under De-centralized Procurement (DCP) scheme for procurement of Wheat and Paddy at MSP.
- Supply of Milled Pulses to Army, CPMFs and State Governments under PDS, MDM, ICDS welfare schemes.
- Production and marketing of Bio-Fertilizers for sustainable agriculture.
- Production of Compressed Bio Gas (CBG) by treating various types of agri and municipal wastes.
- Procurement of Apples in Kashmir - Designated Central Nodal Agency of Govt. of India for procurement of Apples in Jammu and Kashmir during 2019-2020 and 2020-21 under the Market Intervention Scheme (MIS).
- Organic Farming: 14 years of experience in implementation of adoption and Certification Projects of Organic Farming in the States of Uttar Pradesh, Punjab, Bihar, Odisha and Uttarakhand, covering over 50,000 hectares of area.
- Production of Certified Seeds under the brand name of NAFED: As one of the Central Seed Agencies of Department of Agriculture & Farmers Welfare (DAC&FW), Govt. of India, NAFED undertakes production, distribution and marketing of certified seed of pulses, oilseeds and cereals under the Seed Mini kit Distribution programme and also against general supplies to various States.
- National Animal Disease Control Programme (NADCP) – Worked closely with the Ministry of Fishery, Animal Husbandry and Dairying, Government of India under the programme in their mission of eradicating FMD and Brucellosis diseases.
- Industrial Units: NAFED owns properties in the form of Lands, Plots, Residential complexes, Office Premises, Godowns, Cold Storages and Industrial Units across the country.
- Retail Business: NAFED has developed its own range of consumer products which are marketed under the brand name of NAFED through retail outlets of NAFED BAZAARS and also through the e-commerce platform.
- **International Trade:** NAFED has the decades of rich experience, expertise and infrastructure for undertaking import/export of all kinds of agricultural commodities like pulses, food grains, spices, edible oils, de-oiled extractions, perishables like fresh fruits and vegetables including apple, mango, kinnow mandarin, grapes, strawberries, onion, potato etc.

Shipment of Humanitarian Relief and other aids on account of Govt. of India: NAFED undertakes supply of agri commodities and other commodities to various countries towards humanitarian assistance on behalf of the Ministry of External Affairs, Govt. of India.

### Infrastructure and Reach of NAFED

The infrastructure of NAFED is spread all across the country through network of NAFED branches, sub offices, industrial units, market yards etc. and also the three tier cooperative network.



# NETWORK OF NAFED



# NAFED's Business Verticals



# Pulses & Oilseeds

NAFED has decades of experience in voluminous procurement and marketing of oilseeds and pulses all across the country. The procurement operations of NAFED have greatly benefited the farmers cultivating these commodities over the years.

## Procurement of Pulses and Oilseeds under Price Support Scheme (PSS) of GOI

In order to help the farmers in getting remunerative prices for their produce with a view to encourage higher investment in agriculture and also to increase production and productivity of agricultural commodities, Government of India declares Minimum Support Prices (MSPs) for 25 notified agricultural commodities for each Kharif & Rabi crop season. NAFED is one of the Central Nodal Agencies for procurement of 15 notified agricultural commodities of Oilseeds, Pulses and Copra under Price Support Scheme (PSS) and has been implementing the Scheme on behalf of Government of India for more than three decades. NAFED is also the nodal agency for procurement of de-husked coconut under PSS.

Under the Scheme, the procurement is to be undertaken if the market prices of FAQ stocks rule at or below the declared MSPs and procurement is to be continued till the prices stabilize above the declared MSP or harvesting period of 90 days as declared by respective State Governments, whichever is early. NAFED is procuring FAQ stocks under PSS directly from the farmers through its Cooperative network at State and grass root level.

As per the directions and approval of Department of Agriculture, Cooperation and Farmers Welfare

(DAC&FW), NAFED has undertaken procurement of 12.62 Lakh MT of Pulses and Oilseeds valuing ₹7072.21 Crore under PSS during the year 2021-22. The operation generated a service charge of around ₹ 69.07 Crore for the Federation.

## Procurement of Pulses under Price Stabilization Fund (PSF) Scheme of GOI

Government of India has introduced PSF Scheme for creation of buffer stock of Pulses, which is presently being implemented by Department of Consumer Affairs (DoCA), Ministry of Consumer Affairs, Food and Public Distribution, Govt. of India.

As per the directions and approval of Department of Consumer Affairs (DoCA), NAFED has undertaken procurement of 1.41 Lakh MT of Pulses valuing ₹ 971.74 Crore under PSF during the year 2021-22. This operation has generated a service charge of around ₹ 33.83 Crore for the Federation.

- The details of procurement of Pulses and Oilseeds under the Price Support Scheme (PSS) during last five years and number of farmers benefitted are furnished as follows:

Quantity in Lakh MT

Year	2017-18	2018-19	2019-20	2020-21	2021-22
Pulses	20.27	41.83	15.07	23.56	11.08
Oilseeds	11.81	16.16	18.17	11.00	1.54
<b>Total</b>	<b>32.08</b>	<b>57.99</b>	<b>33.24</b>	<b>34.56</b>	<b>12.62</b>

## Quantity of Pulses and Oilseeds Procured under PSS during Last 5 Years

Quantity in Lakh MT



➤ The details of procurement of Pulses under PSS/PSF and Oilseeds under PSS during last five years and number of farmers benefitted are as under:

Quantity in Lakh MT

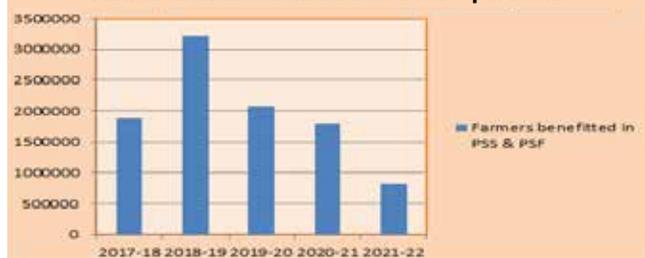
Year	2017-18	2018-19	2019-20	2020-21	2021-22
Pulses	23.71	41.83	16.26	24.23	13.49
Oilseeds	11.81	16.16	18.17	11.00	1.54
<b>Total</b>	<b>35.52</b>	<b>57.99</b>	<b>34.43</b>	<b>35.23</b>	<b>15.03</b>

## Quantity of Pulses procured under PSS/PSF and Oilseeds procured under PSS during last 5 years

Quantity in Lakh MT



## Farmers Benefitted under PSS & PSF Operations



Procurement of Groundnut

## One Lakh MT of Imported stocks of Masoor purchased by NAFED for the National Buffer of Pulses

On the directions of Department of Consumer Affairs, Ministry of Consumer Affairs, Govt. of India, NAFED confirmed bargains for a quantity of around one lakh MT of imported stocks of masoor for the National Pulse Buffer. The bargains were confirmed through e-auction during the financial year 2021-2022. Against the bargains, around 0.99 lakh MT quantity has been received at NAFED's warehouses at different locations.



Imported stocks of Masoor

The national buffer of pulses is being managed by NAFED in accordance with the directions of the Govt. of India with the aim of keeping a check on any abnormal spurt of the prices of pulses for the benefits of consumers.



Procurement of Moong



Procurement of Chana

# Foodgrains

During the Financial Year 2021-22, NAFED procured Paddy and Wheat across various states in the country. NAFED was nominated as a State Agency on behalf of Food Corporation of India and State Governments under De-centralized Procurement (DCP) Scheme for Wheat and Paddy.

## Foodgrains Business undertaken by NAFED during Financial Year 2021-22

During the year a quantity of 374201.416 MT of Foodgrains valuing ₹ 82367.37 Lakh.

State-wise procurement of Foodgrains during FY2021-22 is summarized as below:

Commodity	Branch / State	Quantity (in MTs)	Value (in ₹ Lakh)
Paddy	Lucknow Branch, UP	108164.037	31323.59
	Guwahati, Assam	47289.307	8865.04
	Rudrapur, Uttarakhand	26131.48	5069.51
	Kolkata, West Bengal	84163.092	15668.97
Wheat	Rudrapur, Uttarakhand	10346.40	2064.11
	Jaipur, Rajasthan	98107.100	19376.15
<b>Total</b>		<b>374201.416</b>	<b>82367.37</b>

## Foodgrains Business undertaken by NAFED during last 5 Years

### Procurement of Paddy during last 5 Years

Qty in MT / Value in ₹ Lakh

Year	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Quantity	143744.11	259146.91	415644.51	421532.75	265747.92	1505816.196
Value	22331.96	45365.61	75439.48	78796.43	60927.11	282860.59

### Procurement of Wheat during last 5 Years

Qty in MT / Value in ₹ Lakh

Year	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Quantity	61438.96	90542.59	92761.52	201379.30	108453.50	554575.87
Value	11608.79	15709.14	17253.64	38778.82	21440.26	104790.65

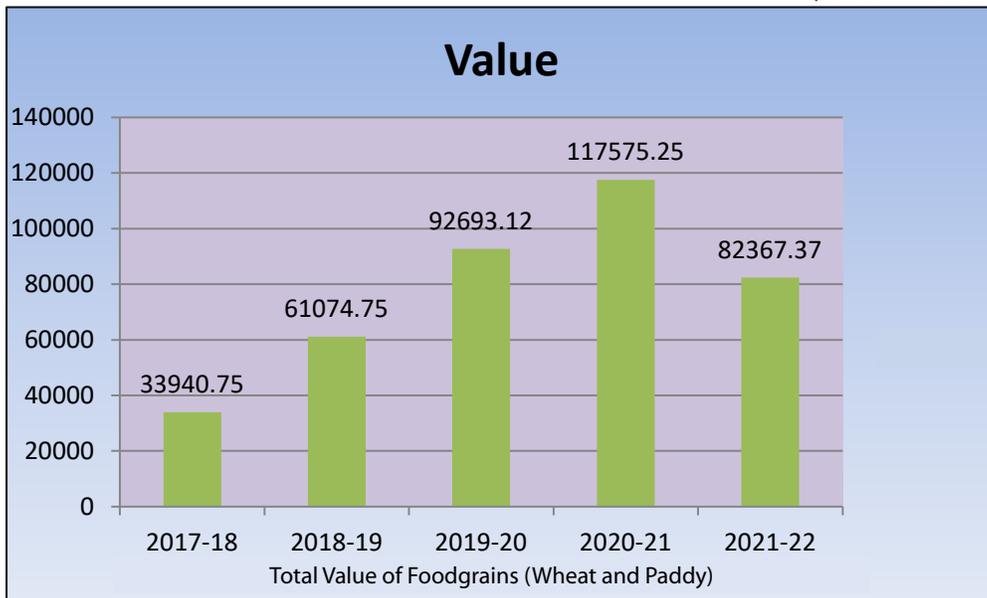
**Quantity of Foodgrains procured during last 5 years**

(Qty. in MT)



**Value of Foodgrains procured during last 5 years**

(Value in ₹ Crore)



Procurement of Wheat



Procurement of Paddy



# Horticulture

## Procurement of Onion under PSF during 2021-22 and its disposal

During Rabi and Kharif season of 2021-22, NAFED procured 213904.509 MT of Onion valuing ₹ 439.83 Crore for creating a buffer stock under the Price Stabilization Fund (PSF) of Ministry of Consumer Affairs, Food & Public Distribution, Government of India. Quantity of 207142.660 MT of onion was procured during Rabi season in the States of Maharashtra, Gujarat & Madhya Pradesh and 6761.849 MT during Kharif season in the States of Maharashtra and Madhya Pradesh. The procurement was carried out with the support of empanelled agencies comprising member Cooperative Societies, FPCs and FPO's. Procurement was also done at farm gate through FPCs and FPOs.

Procured stock of PSF onion after its pre-conditioning like sorting & grading was stored locally in ventilated storage structures. As per the directions of Department of Consumer Affairs, the Onion from the Buffer was released in calibrated manner through retail interventions in the States of Delhi, Jharkhand, Bihar, Odisha, West

Bengal, Uttar Pradesh, Karnataka, Kerala, Assam and Haryana. Besides, stored onion was also provided to Mother Dairy (Safal).

## Disposal of Fruits & Vegetables

During the year, Azadpur Branch organized sale of fruits & vegetables with gross value of ₹ 528.99 Lakh and earned service charges of ₹ 29.13 Lakh.

## Operation Greens Scheme

Ministry of Food Processing Industry (MoFPI), Government of India is implementing a Scheme "Operation Greens" with a view to promote Farmer Producers Organizations, agri-logistics, processing facilities and professional management towards better value realization by farmers cultivating Tomato, Onion and Potato (TOP). Under the scheme, NAFED is appointed as a Nodal Agency to implement Short Term Price Stabilization Measures for Crops like Apple in J&K and Potato in Punjab. Under this scheme NAFED is entitled for 2.5% service charge.



# Institutional Supply

The institutional supply of Pulses and other items is undertaken by NAFED through a customized electronic portal [nafed.agribazaar.com](http://nafed.agribazaar.com). More than 500 Millers have been empanelled across the country through the portal for milling, packing and delivery to the Institutions.

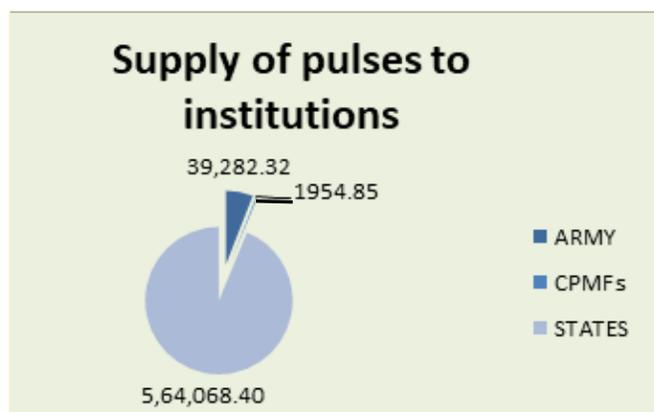
The details of supplies made by NAFED to various institutions during the year are enumerated as follows:

## Supply of Processed Pulses by NAFED

NAFED continued to receive repeat orders from the esteemed Armed Forces owing to good quality and professionalism in executing time bound supplies.

During the year a quantity of around 6.05 lakh MT of processed pulses valuing ₹ 6043.41 lakh was supplied, details as follows:

INSTITUTIONS	QUANTITY SUPPLIED (in MT)
ARMY	39282.32
CPMFs	1954.85
STATES (under welfare scheme)	564068.40
<b>Total</b>	<b>605305.57</b>



Supply of Processed Pulses by NAFED to the Armed Forces

## Supply of pulses, edible oil, sugar, salt to State/UT Governments for its different welfare schemes

NAFED continued supplies of different variants of milled/cleaned pulses to State/UT Governments under its different welfare schemes such as ICDS, MDM, PDS etc. out of national buffer. A quantity of around 5.640 Lakh MT of milled/cleaned pulses valuing ₹ 5650.37 Crore was supplied to the States of Andhra Pradesh, Chhattisgarh, Gujarat, Karnataka, Kerala, Rajasthan Tamil Nadu, Uttar Pradesh etc. for distribution under their aforesaid schemes. NAFED also supplied edible oil, salt and sugar as per the requirement of different State departments during the year.

## Supply of Sugar to States

During the year, NAFED supplied 3064.749 MTs of sugar to the UTs of Jammu, 70.440 MTs to Leh, Ladakh and 25.84 MTs to Daman for distribution amongst the beneficiaries under PDS.

## Supply of grocery to Govt. of Uttar Pradesh under ICDS

Department of Women and Child Development, Govt. of UP awarded work orders to NAFED for supply of Chana Dal, Fortified Wheat Dalia and Fortified Edible Oil for distribution under various welfare schemes for FY 2021-22. Monthly supplies to be arranged were to the tune of approx. 14329 MT of Chana Dal, 5970 MT of fortified edible oil and 15723 MT of Wheat Daliya & Kit Bags. The orders were successfully executed and deliveries were arranged across the State up to Rural and Urban Anganwadi Kendras.



PDS Supply in progress



## Supply of grocery items to Govt. of Uttar Pradesh under PDS

Orders were also received from Department of Food & Civil Supply, Govt. of UP for supply of Chana Whole, Refined Soyabean Oil and Refined Iodized Salt in 1 Kg. packing for distribution under the PDS scheme of the state. Monthly supply of 35000 MT of Chana Whole, 35000 KL of Refined Soyabean Oil & 35000 MT of Refined Iodized Salt was to be organized against the prestigious orders. The supplies were successfully completed as per the orders and deliveries made upto the block level for onward distribution to NFSM beneficiaries through PDS outlets of the State.

# International Trade

To make its presence in global markets and with a view to augment business activities for generating additional revenue for the Federation, NAFED undertakes export/import of various Agri-commodities and articles to/from overseas countries. During the financial year 2021-22, NAFED has undertaken following business activities related to international trade:-

## 1. Export of 150000 MT (+/-10%) Non-Basmati Rice to Govt. of Bangladesh under Government to Government (G2G) initiatives

NAFED is a State Trading Enterprise (STE) as per Foreign Trade Policy of Govt of India. Consistent efforts are made by the International Trade Division for obtaining business from overseas countries under G2G initiatives.

NAFED bagged a prestigious order for export of Rice to Bangladesh. A contract was executed between NAFED and DG (Food), Ministry of Food, Govt. of Bangladesh for shipment of 150000 MT (+/-10%) Indian Non-basmati Rice to Chattogram & Mongla ports of Bangladesh under G2G arrangements. Against the contract, a quantity of 123229.73 MT valuing total USD 50.23 Million was shipped during FY 2021-22 through bulk vessels and barges. Shipment of balance quantity is in progress. The contract is valued USD 65.29 Million.



Shipment of Rice to Bangladesh: Cargo loading at Kolkata seaport

## 2. Supply of 10000 MT Rice and 200 MT Wheat to Department of Disaster Management, Ministry of Social Welfare, Relief and Settlement, Govt. of Myanmar as humanitarian aid on behalf of Ministry of External Affairs, Govt. of India

As a goodwill gesture, Government of India regularly extends humanitarian aid/ emergency relief in the form of food aid and other items to developing and under developed countries. Reposing trust in NAFED's abilities for supply of such items as per required quality and delivery parameters, Ministry of External Affairs, entrusted NAFED with the job to supply 10000 MT Rice and 200 MT Wheat to Yangon seaport, Myanmar. The supplies were to be completed within 30 days time. NAFED organized the shipment of entire quantity as per the timeline in 3 vessels from Kolkata and Haldia sea ports. The order was valued at INR 32.18 Crore.



Shipment of Rice and Wheat to Myanmar: Joint Inspection of Cargo by officials of MEA (GOI) and NAFED at Kolkata seaport

# Outright Business

NAFED undertakes outright business by utilizing its own funds subject to budget allocation / approval of Competent Authority of NAFED. Over the past few years, there has been decline in the outright business of NAFED, since the emphasis is more on implementing zero risk business with assured profit/income.

During the year, NAFED procured 2093.666 MT of

Pulses and Misc/Spices valuing ₹ 14.86 Crore in outright account, details as follows:

	Qty. in MT / Value in ₹ Crore	
Pulses	2004.566	13.32
Misc/Spices	89.100	1.54
<b>Total</b>	<b>2093.666</b>	<b>14.86</b>



# National Animal Disease Control Programme (NADCP)

In one of the major initiatives towards doubling the Farmers Income, the Hon'ble Prime Minister Shri Narendra Modi has launched the National Animal Disease Control Programme (NADCP) for eradicating the Foot and Mouth Disease (FMD) and Brucellosis prevalent in livestock. The programme was launched on 11<sup>th</sup> September, 2019 from Mathura in Uttar Pradesh.

With 100 percent funding of ₹12652 Crore from the Central Government for a period of five years till 2024, the programme aims at vaccinating over 500 Million Livestock in the country including cattle, buffalo, sheep, goats and pigs against the FMD. The Programme also aims at vaccinating 36 Million Female Bovine Calves annually in its fight against the Brucellosis disease.

NAFED was appointed as Programme Logistic Agency (PLA) for this prestigious National Mission on a nomination basis on 30<sup>th</sup> October, 2019. NAFED is working with the Ministry of Fishery, Animal Husbandry and Dairying, Government of India and helping in the realization of the mission of eradicating these diseases. NAFED receives 0.5 percent of the total purchase value as service charges for implementation of this project.

Till 31<sup>st</sup> March, 2022, NAFED as PLA has procured and supplied 23.02 Crore doses of FMD vaccines, 2.12 Crore of Brucellosis vaccine and 21.90 Crore large ear tags and 22.35 Crore small ear tags to the State Animal Husbandry Departments on PAN India basis for large and small animals.



FMD manufacturing site visit



Packaging of vials in FMD Manufacturing site



Ear tagging in the field



Vaccination in the field

## Farmers Outreach and Facilitation (FOF)

NAFED is the 4<sup>th</sup> National Implementing Agency for Formation and Promotion of 10,000 FPOs scheme under Ministry of Agriculture and Farmers Welfare (MoA&FW), GoI and was allotted 557 FPOs in 28 States in the years 2020-21 and 2021-22 by the Ministry. More FPOs are expected to be allotted in coming years. NAFED has acquired FIFA with the aim of providing incubation support to the FPOs and Societies.

Important activities of the FOF Division during the year are as follows:

### FPO Formation and Promotion progress under Central Sector Scheme of 10,000 FPOs

Against the allocation of 557 FPOs, NAFED has registered total of 421 FPOs as on 31<sup>st</sup> March, 2022. Around 1,08,000 farmers have been mobilized in these registered FPOs. Further, 71 Cluster Based Business Organizations (CBBOs) have been empanelled by releasing EOIs and following the prescribed procedure as per the Guidelines of MoA&FW. Out of the 71 empanelled CBBOs, work has been allotted to 56 CBBOs across the country based on their experience.

Commodity wise performance is summarized in the following table :

Category	FY 2020-21		FY 2021-22		Total	
	Allocation	Registered	Allocation	Registered	Allocation	Registered
BAMBOO	29	29	-	-	29	29
AGRO-FORESTRY	7	7	-	-	7	7
OILSEEDS	37	33	-	-	37	33
SPECIAL	125	120	100	69	225	189
HONEY	5	5	60	51	65	56
ORGANIC	43	43	1	1	44	44
NON SPECIAL	-	-	150	63	150	63
TOTAL	246	237	311	184	557	421





### Release of Matching Equity Grant under Central Sector Scheme of Formation and Promotion of 10,000 FPOs:

Hon'ble Prime Minister Shri Narendra Modi ji released the matching equity grant of ₹ 203 Lakh on 1st January, 2022 to 42 FPOs promoted by NAFED under Central Sector Scheme for formation of 10000 FPOs. Hon'ble Prime Minister also interacted with members of Bharatpur Honey FPO formed by NAFED and emphasized the need for setting up honey clusters across the country, assuring all possible help to such FPOs.

### Setting up of Honey Processing Plants under the National Bee Keeping and Honey Mission (NBHM)

NAFED has been given the job of setting up of 5 Honey Processing Plants and 30 collection centers in the States of Rajasthan, MP, UP, Bihar and West Bengal by NBB under NBHM. The laying down of foundation stone and Bhumi Pujan of NAFED's first Honey Processing Plant was performed by Hon'ble Minister of Agriculture Sh. Narendra Singh Tomar at Morena, MP on 1<sup>st</sup> of July 2021. The Hon'ble Minister applauded NAFED's role and commitment to attainment of Hon'ble PM's vision of "Madhukranti" which aims at increasing the income of honey producing farmers. NAFED has also been allotted 20 Honey Bee Keepers' Training programs which are to be conducted for member beekeepers formed and promoted by NAFED.



Bhumi Pujan of Honey Processing Plant by Hon'ble Minister of Agriculture and Farmers Welfare



### Creation of Forward Market Linkages for Organic Kiwi from Ziro Valley of Arunachal Pradesh

The Kiwis from Ziro Valley of Arunachal Pradesh are known for their sweetness and taste. The fruit is also known for its high nutritional value. In one of its latest initiatives, NAFED has stepped forward to provide market linkages to the Kiwi Producers of the region with the aim of improving their price recovery by successfully partnering with FPOs. The first consignment of organic kiwi from the Ziro Valley was dispatched to Delhi on

November, 2021 for promotion and marketing. The State Minister of Agriculture, Shri Tage Taki, flagged off the consignment to mark the beginning of this new initiative. On arrival at Delhi on 27th November, 2021, Shri Kiren Rijju, Union Minister, Law & Justice along with Shri Kailash Choudhary, MoS Agriculture, launched this nutrient-rich delicious fruit at Delhi Haat. Also present on the occasion were Shri P.K.Swain, Additional Secretary, Agriculture, Shri Naresh Kumar, Chief Secretary, Government of Arunachal Pradesh, senior officials of NAFED and other dignitaries. Large retail/business houses of the country like Big Basket, Spencer

Retail, Metro and others also participated in the event. The launch event was followed by a live cooking session for the guests, wherein several recipes of kiwi-based dishes were demonstrated followed by sample-tasting.



Launch of Organic Kiwi from Ziro Valley of Arunachal Pradesh

Digitized quality assessment helped to streamline the inspection process of the fruit and provide end consumers a complete traceability report. The process also leads to empowerment of farmers as well as consumers, resulting in better price realization and build up of greater trust and transparency among stakeholders across the value chain. It is essential to increase adoption of technology to truly capitalize on the potential of Indian Agriculture, boost farmer income and enable quality-based trade.

### Market linkages to Cherry, Saffron and Honey Producers

NAFED provided market linkages to Cherry and Saffron growers of J&K and made available their products to various markets in India including Delhi. Market linkages are also being provided to the Honey producers of Honey FPOs. The products are being sold through the retail outlets of NAFED Bazaar and also other channels of disposal.



Market linkages to Cherry, Saffron and Honey Producers

### MOU between NAFED, Assam Bio Refinery Private Limited (ABRPL) and State Bamboo Development Agency (SBDA) of Assam under National Bamboo Mission for set-up of Bio Refinery



MoU executed between NAFED and Assam Bio Refinery

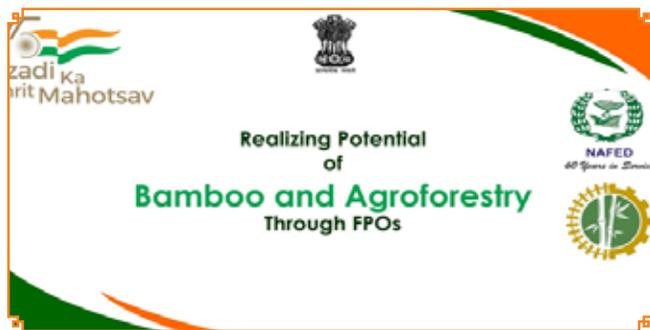
NAFED signed an MOU with Assam Bio Refinery Private Limited (ABRPL) and State Bamboo Development Agency (SBDA) of Assam on 5th October, 2021 under the National Bamboo Mission for establishment of the first of its kind of Bio Refinery in India for production of renewable green fuel-bio ethanol, other valuable chemicals and

green power from bamboo biomass. ABRPL shall require 5 lakh MT of green bamboo per annum for the ethanol production under this arrangement. ABRPL is a joint venture company of Numaligarh Refinery Limited, M/s Chempolis Oy of Finland and M/s Fortum 3 B.V. of Netherland. SBDA is facilitating bamboo plantation in the region through various interventions like extension of financial support in an organised manner through FPCs/FPO, providing the necessary technical guidance and also monitoring of the project.

To support ABRPL refinery with continuous supply of bamboo with consistent quality and price, NAFED and SBDA will work together for mobilizing bamboo farmers. Financial support will be extended to the existing FPO/ FPCs for organized scientific plantation of required quality of bamboo by involving thousands of small and marginal farmers in area of 4000 to 5000 hectares land through convergence of Government and Corporate Social Responsibility (CSR) Projects.

The ethanol-blending programme is one of the seven key drivers identified by Hon'ble Prime Minister Shri Narendra Modi ji for India's energy map target of 450 GW by 2030 and Govt. of India is implementing several Ethanol Blended Petrol Programmes (EBP) across the country in this regard. NAFED's foray into production of Bio Fuels from Bamboo, agri and other wastes with contribute to attainment of India's Energy target, creation of greener tomorrow and also enhancement of income of farmers.

### Organisation of National Webinar on Bamboo and Agro Forestry



Towards celebration of Azadi Ka Amrit Mahotsav, NAFED organized a webinar on 31st January 2022 on Formation of FPOs on Bamboo and Agro Forestry. The webinar was attended by State Mission Directors, CBBOs, members of FPOs and other stake holders. Smt. Chavvi Jha, Joint

Secretary, (NRM & RKVY) apprised about the immense potential of Bamboo and Agro forestry plantation and opportunities it provided to the stake holders.

Branches of NAFED also celebrated Azadi Ka Amrit Mahotsav on Formation of FPOs on Bamboo and Agro Forestry.

### MoU executed between NAFED and M/s Global Tiger Forum (GTF)



NAFED signed an MOU with Global Tiger Forum which aims at providing an enhanced livelihood portfolio for farming communities in tiger/wildlife landscapes, while securing tiger/wildlife conservation through community stewardship.

### MOU signed between NAFED and Sannunati Finance for extending credit to FPOs



An MOU was signed between NAFED and Sannunati Finance on 7th December, 2021 which aims to facilitate credit linkages to the FPOs. Sannunati is an NBFC, having a holistic approach towards agricultural value chains and has been working for enhancing the values of all stakeholders by providing financial and non-financial solutions

## MoU executed with Agriculture Skill Council of India (ASCI)



ASCI works towards capacity building by bridging gaps and upgrading skills of farmers, wage workers, self-employed & extension workers engaged in Agriculture & Allied Sectors through the development of 182 Qualification Packs, Training Modules and Assessment system covering various domains in Agriculture, Horticulture, Dairy, Livestock, Agri-entrepreneurship etc.

## Implementation of NAFED RURAL MARTS (NRM) for supply of Agri-inputs & NAFED Products in partnership with Service Providers (SP)

NAFED executed an agreement with M/s Star Agri, one of the selected Service Providers, for development of a Virtual Input Market Platform (VIMP) for NAFED and providing assistance in on boarding & registration of FIFA's member FPOs, NAFED's member Societies, farmers and Input suppliers on the platform. The FPOs/ Societies will set up the NRMs through convergence of Agri-infrastructure fund of the MoA&FW.

The SP will run the platform and aggregate demand from FPOs and Societies for Agri-inputs and NAFED Products. SP with support from FIFA-NAFED will arrange supplies from reputed manufacturers and suppliers. FIFA will enter into MoU with these manufacturers for sustainable supply at competitive prices. The Service Provider will manage the supply chain of Agri-inputs and other essential products through NRM.

## Empanelment of agencies for various CSR and Skill Development activities



NAFED has empanelled 16 agencies for various CSR and skill development activities. An EOI was floated for this purpose. The selected Implementing Agency (IA) will work with NAFED to undertake various skill developments, capacity building and other CSR Projects for Farmers, FPOs and others.

NAFED along with FIFA will scout for various projects for Farmers and FPOs in the domains of Skill & Entrepreneurship Development, Agro advisory, Incubation of FPOs, Market Linkages, Agri-Infrastructure Development, Livelihoods, Digital Literacy, Sustainable Agriculture, Production and Income Enhancement etc.



# Consumer Marketing

## 1. Brief description

NAFED ventured into Consumer Marketing to diversify its activities to make available essential items of daily needs like groceries, tea, oil, spices, etc. to the consumers at affordable prices. The products are being sold under the “NAFED” brand name through various retail outlets called NAFED Bazaar. Consumer Marketing Division is operating these stores under its own management as well as franchisee arrangement. In recent years, the retail presence has been expanded with the opening of new stores across India.

Additionally, Consumer Marketing Division constantly works to support various State and Central Government schemes and initiatives, such as National Beekeeping & Honey Mission (NBHM), PM-KISSAN Scheme to promote J&K’s Saffron farmers, and PM FME to formalise the FMCG sector’s micro food processors and contributes to the Hon’ble Prime Minister Shri Narendra Modi ji’s vision of *Aatmnirbhar Bharat*.

## 2. Existing product range and details of new products added

NAFED’s existing product range consists of pulses, spices, tea, egg powder, besan, rice, honey, saffron, cherry, rice bran oil, mustard oil, makhana and other products. These products are also available in multiple varieties on NAFED’s e-commerce website and NAFED Bazaar stores. During FY 2021–2022, NAFED added a few new products to its existing line up in an effort to diversify its product category.



## 3. Existing outlets of NAFED Bazaar and new outlets added during the FY 2021-22

Division is running NAFED Bazaar stores in both self-owned and Franchise outlets model across the country.

S. No.	Existing NAFED Bazaar Stores
1	Ashram Chowk, New Delhi
2	Krishi Bhawan, New Delhi
3	New Moti Bagh Club, New Delhi
4	Lawrence Road, New Delhi
5	Mohan Cooperative Industrial Estate, Mathura Road, New Delhi
6	LBSNAA, Mussoorie, Uttarakhand
7	East of Kailash, New Delhi
8	Sector-5 Panchkula, Haryana
9	Panchayat Bhawan Building, Shimla, Himachal
10	SAD Complex Kasumpti, Shimla, Himachal
11	GTB Hospital, New Delhi
12	Faridabad, IOCL
13	Gurugram, HIPA

S. No.	Newly added NAFED Bazaar Stores during FY 2020-21
1	Delhi Police HQ, Police Colony, New Delhi
2	Nathupur DLF Phase - 3, Sector 70, Gurugram, Haryana
3	Ahmedabad, Gujarat
4	Lajpat Nagar Metro station
5	Shop No. 3 & 4, East Kidwai Nagar, New Delhi
6	Chhatarpur Metro Station, New Delhi
7	Rajouri Garden Metro Station, New Delhi
8	Ludhiana, Punjab
9	Kapurthala, Punjab

#### 4. New Initiatives

##### Dedicated space at NAFED Bazaar to support products under various Government schemes

To support the Honey and saffron sector, NAFED has set up dedicated corners at NAFED Bazaar stores across the country.

Honey corner has been set up under Central Sector Scheme "National Beekeeping & Honey Mission (NBHM)", *Aatmanirbhar Bharat* to promote the sale of honey & bee-hive products. Saffron corner has been setup under PM-KISSAN Scheme to promote the sale of J&K's Saffron.



##### Launch of ODO range of products by NAFED

NAFED is the implementing partner to the Ministry of Food Processing Industries for Marketing and Branding of products developed under One District One Product (ODOP) concept under the Prime Minister Formalisation of Micro Food Processing Enterprises (PM FME) Scheme across India. Under Phase I of the scheme, NAFED worked in 10 districts from 9 states and has successfully

launched 10 brands comprising of 20 products. These brands were developed in a record time under the PM FME scheme. The brands were launched by Shri Pashupati Kumar Paras, Hon'ble Union Minister, MoFPI along with Shri Prahlad Singh Patel, Hon'ble Minister of State, MoFPI. The products are manufactured by Micro Food Processing Enterprises (MFPEs). Based on an in-depth consumer preference survey, NAFED has conceptualized and developed these products following the FSSAI guidelines.



Launch of 5 ODOP products in Delhi on January 05, 2022 : Left to Right : Shri Prahlad Singh Patel, Hon'ble MoS (MoFPI), Shri Pashupati Kumar Paras, Hon'ble Union Minister (MoFPI), Smt. Anita Praveen, (IAS) Secretary (MoFPI), Shri Minhaj Alam (IAS) Joint Secretary (MoFPI) and Shri Pankaj Kumar Prasad, Additional Managing Director (NAFED).

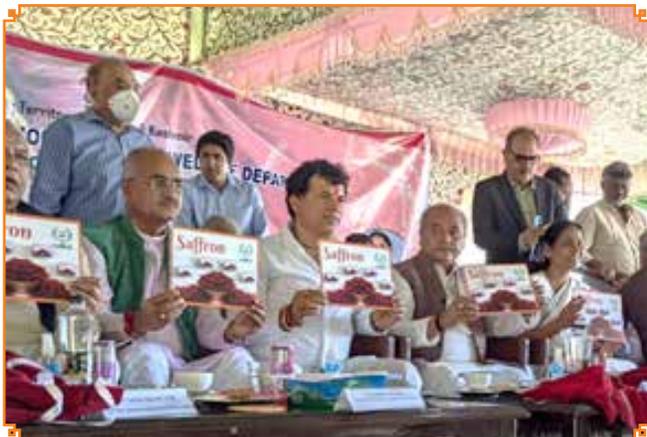
##### Launch of Cherry from Srinagar, J&K

Shri Narendra Singh Tomar, Hon'ble Unions Minister



for Agriculture and Farmers' Welfare launched Kashmir Cherry procured from FPOs under the NAFED brand. Senior officials of GOI and UT of J&K along with other dignitaries attended the inaugural ceremony.

### Launch of Saffron from farmers of Pampore, J&K



Hon'ble Agriculture Minister Shri Narendra Singh Tomar launched Saffron under NAFED's Brand on September 10, 2021 procured from farmers of Kashmir. Shri Kailash Choudhary, Hon'ble Union Minister of State, MoA&FW, Smt. Shobha Karandlaje, Hon'ble Minister of State, MoA&FW and Shri Sanjeev Kumar Chadha, the then MD, NAFED along with other senior dignitaries of Government of India and UT of Jammu & Kashmir attended the inaugural ceremony.

### Launch of Organic Kiwi from Arunachal Pradesh



Shri Tage Tiki, Hon'ble State Agriculture Minister, Government of Arunachal Pradesh flagged off the 1<sup>st</sup> consignment of farm fresh Organic Kiwis for Delhi at Ziro Valley on November 21, 2021. Shri Kiren Rijiju, Union Minister for Law and Justice and Shri Kailash Choudhary,

Minister of State, MoA&FW launched India's first Certified Organic Fresh Kiwi of Arunachal Pradesh's Ziro Valley at Dilli Haat, INA, New Delhi on November 27, 2021. NAFED supported the Arunachal Pradesh Agriculture Marketing Board (APAMB), Government of Arunachal Pradesh in this initiative.

### Future Road Map

#### Promotion of Makhana & Other Agricultural Produce in Bihar



NAFED Patna Branch signed an agreement with M/s Atulyam Coop. Society Ltd. on December 10, 2021 for promotion of Makhana & other Agricultural produce in Bihar.

#### Supporting the Initiative of International Year of Millets



Millets Vending Machine at Krishi Bhawan, New Delhi

To support the Hon'ble Prime Minister's vision of Aatmanirbhar Bharat and take the millets initiative forward, NAFED introduced millet-based products at NAFED Bazaar stores as well as launched a pilot project by installing a vending machine at Krishi Bhawan, New Delhi.

The vending machine has an added advantage of providing customers with cashless payments through UPI or e-wallets.

The installation of this vending machine has been well received by the officials of Krishi Bhawan as well as by the huge influx of daily visitors making the initiative a huge success as it is thriving in providing millet-based products to consumers at Krishi Bhawan, New Delhi.

## ***Kisan Se.... Kitchen Tak***



# Organic Farming



Organic Agriculture is a unique production management system which promotes and enhances agro-ecosystem health, including biodiversity, biological cycles and soil biological activity, and this is accomplished by using on-farm agronomic, biological and mechanical methods in exclusion of all synthetic off-farm inputs.

## Need of organic farming

With the increase in population our compulsion would be not only to stabilize agricultural production but to increase it further in sustainable manner. The scientists have realized that the 'Green Revolution' with high input use has reached a plateau and is now sustained with diminishing return of falling dividends. Thus, a natural balance needs to be maintained at all cost for existence of life and property. The obvious choice for that would be more relevant in the present era, when these

agrochemicals which are produced from fossil fuel and are not renewable and are diminishing in availability.

NAFED has diversified into Organic Farming with a view to make its contribution towards promotion of sustainable agriculture and protecting the environment. NAFED has around 15 years of experience in implementation of adoption and certification projects in the States of Uttar Pradesh, Punjab, Bihar, Uttarakhand, Odisha and Manipur covering an area of more than 50,500 ha under PKVY, RKVY, MIDH (NHM) and MOVCDNER schemes of Govt. of India.

Brief details of projects implemented in the past are as follows:

- i) Adoption and Certification of Organic Farming under RKVY covering 26,000 ha area benefitting 12,783 farmers in 34 districts of Uttar Pradesh.

- ii) Adoption and Certification of Organic Farming and Training under NHM covering 20,400 ha area benefitting 12,469 farmers in 25 districts of Uttar Pradesh.
- iii) Adoption and Certification of Organic Farming of Litchi and Training under NHM covering 1000 ha area benefitting 2111 farmers in Mujaffarpur district of Bihar
- iv) Adoption and certification of Organic Farming and Training under MIDH (NHM) covering 1850 ha area in 5 districts of Odisha
- v) Implementation of Organic Certification of Grower Group / Farmer Producer Company in

Imphal East, Manipur covering an area of 1500 ha under Mission Organic Value Chain Development in North-East Region (MOVCDNER)

### Organic Farming Projects under implementation in 2021-2022

NAFED is presently implementing organic farming project in the State of Odisha covering an area of 1850 ha. The project was allotted by Department of Horticulture, Odisha for implantation in 5 districts of Odisha, namely, Koraput, Rayagada, Kalahandi, Bolangir and Nayagarh. The project s being implemented by NAFED in association with its technical partners.

#### GLIMPSES OF PROJECT IMPLEMENTATION IN ODISHA



# Seed Business

NAFED is one of the Central Seed Agencies of Department of Agriculture & Farmers Welfare (DA&FW), Govt of India for production and distribution of certified seed of pulses, oilseeds and cereals. Certified seed of Oilseeds and Pulses are produced under National Food Security Mission (NFSM)-Pulses/Oilseeds scheme of Govt. of India and distributed to the farmers directly across the country under the Seed Minikits Distribution Scheme (Pulses & Oilseeds) of Govt. of India. Besides, NAFED also supplies residual quantities of certified seeds (after meeting requirement of DA&FW) to State Governments under general supplies through tenders and direct orders.

## Key Seed Crops of NAFED

**Oilseeds:** Groundnut, Soybean, Mustard, Linseed, Sesame etc.

**Pulses:** Gram, Moong, Urad, Lentil, Peas, Arhar etc.

**Cereals:** Wheat, Paddy, Maize, Barley etc.

**Vegetables:** Onion, Tomato, Cucurbits, Bottle Gourd, Ridge gourd, Bitter Gourd, Okra, Brinjal, Chili, Coriander, Spinach, Methi, Potato, Lady finger etc.

**Fodder crops:** Barseem, Oat, Bajra

**Horticulture Planting material :** Guava, Mango, Coconut seedling, Orange and Culture of Banana.

The seed production system generally involves three generations namely breeder, foundation and certified seeds. NAFED takes adequate safeguards for quality assurance in the seed multiplication chain to maintain the purity of the variety as it flows from the breeder to the farmer. NAFED, through its Seed Nodal Officers and technical team, conducts Field Inspection of Seed production programmes to ensure that best agricultural

practices are being followed during the seed production process. The end product is again tested to conform to the prescribed seed standards.

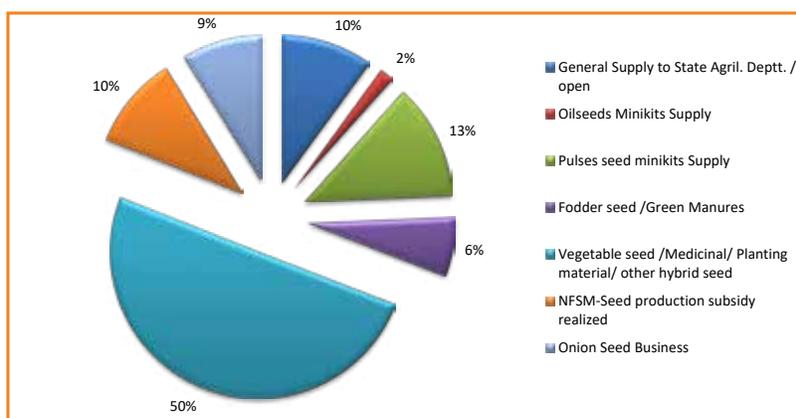
During 2021-22, NAFED purchased 160.11 Qtl. of breeder seed from ICAR institutions through DA & FW, Govt. of India, which is around 50 % higher than that of previous FY. The lifted Breeder seed have been further multiplied into Foundation seed by empanelled seed producers of NAFED and would be utilized during 2022-23 for certified seed production programme.

During 2021-22, NAFED received administrative approval of ₹ 731.25 Lakh as financial assistance from MoA, Govt. of India for production of 29250 Qtl. certified seed of Oilseeds and Pulses crops. Administrative approval of ₹ 4008.05 Lakh as financial assistance was also received from MoA, for production of 80161 Qtl. certified seed. After successful execution of the seed production programme, 75 % of the total applicable financial assistance received from MoA will be credited directly by NAFED into the bank account of registered beneficiary farmers through Direct Benefit Transfer (DBT).

During FY 2021-22, the total seed business value of NAFED was to the tune of ₹ 8162.19 lakh. Around 1599.56 Qtl. certified seed of Oilseeds valuing ₹ 149.21 Lakh, under Oilseeds Minikits Distribution programme and 11420.20 Qtl. certified seed of Pulses valuing ₹ 1177.09 Lakh, under Pulses Seed Minikits Distribution scheme was supplied to various States which include Bihar, Maharashtra, Odisha, Tamil Nadu, MP, UP, Rajasthan, Jharkhand, Chhattisgarh. Besides, NAFED also supplied certified seed of 14153.80 Qtl. Pulses, Oilseeds & Cereals valuing ₹ 923.83 lakh, to different states like Rajasthan, Himachal Pradesh, Chattisgarh, Mizoram, Madhya Pradesh and Uttar Pradesh under the

state distribution schemes. Around 50 % of the total seed business generated by NAFED during FY 2021-22 was through sale of vegetable seeds, seeds of planting material of medicinal crops & other hybrid seeds.

Sr. No.	Particulars	Qty. in Qtls.	Value in Rs. Lakh	Gross Profit in ₹ Lakh
i.	General Supply to State Agril. Deptt. / open	14,153.81	923.83	46.19
ii.	Oilseeds Minikits Supply	1,599.56	149.21	7.46
iii.	Pulses seed minikits Supply	11,420.20	1,177.09	58.85
iv.	Fodder seed /Green Manures	10,598.10	747.52	30.02
v.	Vegetable seed /Medicinal/ Planting material/ other hybrid seed	29,706.240	4,624.80	197.71
vi.	NFSM-Seed production subsidy realized*	-	-	-
vii.	Onion Seed Business	291.434	539.74	87.92
	<b>GRAND TOTAL</b>	<b>67,769.344</b>	<b>8,162.19</b>	<b>428.15</b>



Share of components of seed business



Vegetable seeds supplied to Govt. of UP

## Property and Industrial Unit

NAFED has a total of 53 properties across the country in the form of office premises, godowns, industrial units, plots, onion storage structures, cold storages and residential premises. Out of these, Thirty Two (32) properties are in the form of Office / Residential premises, which are managed by the Property Division of NAFED.

Most of the vacant properties have been rented out, resulting in an annual revenue generation of ₹ 955.14 Lakh during the FY 2021-22 from entire rented property, which is a growth of 28.48 % over the FY 2020-21.

NAFED has recently purchased properties in Mumbai, Chandigarh, Bhopal, Bhubaneswar, Raipur and Lucknow and is in process of procuring premises at Bangalore, Patna, Ranchi and Guwahati



Raipur (Chhattisgarh) Branch Office



Mumbai Branch Office



Chandigarh Branch Office



Bhopal Branch Office

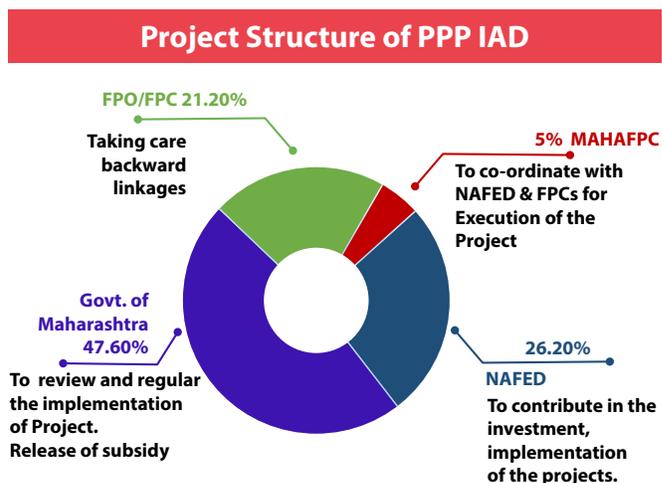
Industrial Units properties of NAFED are in the form of Lands, Open Plots, Godowns, Cold Storage and Industrial Units which come under the purview of the IU Division. Some of the properties are for own use of NAFED while some have been leased out to generate rental income for the Federation. During financial year FY 2021-22, rental income of ₹ 6.05 Crore was generated by effective utilisation of the properties.

**Branch-wise Rental Income (In ₹ Lakh)**

Name of Branch	Income
Mumbai	204.16
Cochin	33.45
Chennai	84.97
Lucknow	35.73
Jaipur	24.18
Bhopal	98.76
Nasik	123.69
<b>Total Income for Industrial Unit</b>	<b>604.94</b>

- **Cold Storage Projects at Vashi, Navi Mumbai:** The plots at Vashi (Navi Mumbai) have been leased out on Build-Operate-Transfer (BOT) basis for construction of 2400 MT & 3000 MT capacity Cold Storage at Sector-19F & Sector-18 respectively. The said cold storage projects are aided with RKVY grant. The construction of 2400 MT capacity is on the verge of completion.
- **Onion Storage Projects:** Onion storage structures in the State of Madhya Pradesh with the capacity of storing 9000 MT & 1500 MT onion are under advanced stage of construction. Besides, NAFED has its own Onion storage structure of 4500 MT in the State of Maharashtra.
- **Ganjbasoda Project:** Repair and Renovation of existing warehouse of 4000 MT and proposed additional construction of General Warehouse of 10,000 MT with basic amenities, is under process. PMC has been appointed for preparation of DPR and selection of construction agency by Bhopal branch.

- **Bhiwadi RIICO Project:** Construction of General/Industrial Warehouse of tentative capacity of 8,000 MT is under process. PMC has been appointed for preparation of DPR and selection of construction agency by Jaipur branch.
- **Establishment of Groundnut Oil Mill:** NAFED in Joint Venture with GUJCOMASOL is establishing a modern 80 TPD capacity Groundnut Oil Mill at Amreli, Gujarat. Process of finalization of PMC is under process.
- **Raichur, Karnataka:** BOD of NAFED has accorded approval to the proposal of construction of a State of Art Godown with a capacity of 10,000 MT on NAFED's 4 Acres land at Raichur against 30 years lease period in association with CWC.
- **PPP IAD (Public Private Partnership Project for Integrated Agriculture Development) Project in Maharashtra:** A PPP IAD infrastructure project for storage and handling of onion is under construction at 25 locations in the state of Maharashtra. Under the project 25 godowns of 1000 MT capacity each were planned for construction at various locations in the State. The project will facilitate Procurement, Storage & Disposal activities of onion for various GOI's/State Governments interventions through NAFED. Construction of around 19000 MT capacity has already been completed as on March 2022.



## List of NAFED Industrial Units

S.No.	Location	Branch	Nature of properties
1	Bakshi Ka Talab (Shed-1) & (Shed-2)	Lucknow	Leasehold
2	Mattancherry (Office cum godown)	Cochin	Freehold
3 (a)	Godown Gandhinagar, Cochin	Cochin	Freehold
(b)	Godown Gandhinagar, Cochin	Cochin	Freehold
(c)	Office space, Gandhinagar, Cochin	Cochin	Freehold
4	Pune Godown	Nasik	Leasehold
5 (a)	Modern Onion Godown, Pimpalgaon	Nasik	Leasehold
(b)	NAFED Onion Packing Shed, Pimpalgaon	Nasik	Leasehold
(c)	Pre Cooling Cold Storage Cum Pack House, Pimpalgaon	Nasik	Freehold
6 (a)	Two Tier Onion Godown, Lasalgaon	Nasik	Leasehold
(b)	NAFED Onion Packing Shed, Lasalgaon	Nasik	Leasehold
7	NAFED Raichur Godown	Bangalore	Freehold
8	Bhiwadi (Factory Outlet)	Jaipur	Leasehold
9	RICCO, Sriganaganagar	Jaipur	Leasehold
10	Bharatpur Godown	Jaipur	Leasehold
11	Madhavaram (5 Godowns)	Chennai	Freehold
12	Naggapattinam (3 Godowns and 50% open area)	Chennai	Freehold
13	Dronagiri / Container Yard	Mumbai	Leasehold
14 (a)	Vashi Navi Mumbai / Cold Storage	Mumbai	Leasehold
(b)	Vashi Navi Mumbai / Bond Godown	Mumbai	Leasehold
15	Plot No.4-A, Sector 19 F, Vashi Navi Mumbai	Mumbai	Leasehold
16 (a)	Vashi Navi Mumbai / General Godown	Mumbai	Leasehold
(b)	Vashi Navi Mumbai / Mill Godown	Mumbai	Leasehold
17	NAFED Godown Siya, Industrial Area, Dewas	Bhopal	Leasehold
18	NAFED Godown, Baitoli, Ganjbasoda, District, Vidisha	Bhopal	Leasehold
19	Two Pack house projects 500 MT each, of Umranalla & Mehrakhapa Sausor, Chhindwara.	Bhopal	Freehold
20	Onion Godown at Madawada, Ujjain	Bhopal	Leasehold
21	Onion Godown at Ashta, Sehore	Bhopal	Leasehold



Storage units constructed under PPP IAD Project

# Bio Fertilizers

Bio-fertilizers are live or latent micro-organisms having characteristic capability of fixing micro-organisms nitrogen, solubilising unavailable phosphate or composting the agricultural waste.

- NAFED ventured into Bio-fertilizers in the year 1984-85, when its first Bio-fertilizer manufacturing unit was set up in Indore, Madhya Pradesh with annual production capacity of 450 MT.
- The performance of NAFED Bio-fertilizers in terms of capacity utilization, quality control, extension and promotion of this noble biotechnology have been duly recognised by the National Productivity Council (Govt. of India) by way of giving away prestigious Best performance Awards for 11 times until now.
- The consistent efforts of the R & D team of NAFED Bio fertilizers have led to production of the following product range being sold under the brand name of NAFED.

**Rhizobium** – for leguminous crops

**Azotobactor** – for cereals, millets, vegetables and other horticultural crops

**Azospirillum** – for Maize, Bajra, Potato etc.

**PSB** – for all the crops

**Composting Culture** – for decomposition of Organic waste

**Trichoderma Viride Bio-fungicides** – for all crops

- NAFED brand Bio-fertilizers enjoy popularity amongst the farmers despite the prevalent cut throat competition in the trade. The Bio- fertilizers are marketed through NAFED branches across the country to facilitate proper and timely distribution to the buyers. NAFED Bio-fertilizer has also started the production and marketing of liquid Bio-fertilizers. The products are helping the farmers to improve the productivity and quality of their crops to great extent.

The total turnover of NAFED Bio-Fertilizers unit, Indore, in Bio-Fertilizer category during the year 2021-22 was ₹ 48.21 Lakh with gross profit of around ₹17.85 Lakh. The turnover of Back to Back Bio-Agri Input business in the same period was ₹2.12 Crore with Gross profit of around ₹11.34 Lakh.

Renovation work of NSBD Indore is to be started along with process for upgradation of Bio-fertilizer production facilities with addition of new products to increase the business of NAFED own manufactured products. Permanent registration license from CIB for production of Trichoderma viride (Bio-fungicide) is expected to be received shortly.



## Climate Resilient Innovations (CRI)

NAFED has ventured into the green business of producing Compressed Bio Gas /Organice Manure from agri and municipal waste with aim of contributing to the creation of greener tomorrow and “Swachh Bharat”. To achieve this mission, NAFED aims to set up Bio-Fuel plants PAN India. The first Bio Fuel Plant project initiated by NAFED in association with M/s. Turquoise Natural Bio Energy was commissioned at Bharuch in Gujarat on 20th March, 2021. The plant has processing capacity of 150 TPD of feedstock. NAFED has also started the marketing and selling of the organic manure produced from the plants of NAFED’s technical and financial partners.

NAFED is now set to launch Bio Fuel Plants in other parts of the country as well. An MOU was signed between NAFED & Ahmadabad Municipal Corporation on 19<sup>th</sup> January, 2019 followed by a concession agreement between NAFED, Ahmadabad Municipal Corporation and Technical & Financial partner of NAFED on 27<sup>th</sup> January, 2022 for setting up a 500 TPD Bio Fuel Plant at Ahmadabad from Municipal solid waste. NAFED has also signed an MOU on 15th February 2022 with Indian

Oil Corporation Limited for production of Compressed Bio-Gas, Ethanol, Biodiesel, sourcing of feedstock for the plants and marketing of finished products like CBG, Fermented Organic Manure (FOM), Liquid Fermented Organic Manure (LFOM), Dried Distillers Grain with Soluble (DDGS) etc. The MOU also includes setting up of plants for post processing/ value addition of various products like cattle feed , enriched manure production etc. and setting up of NAFED Stores at the retail network of Indian Oil and at premises of Network/Installations of Bio-CBG Plants. NAFED also signed An agreement with M/s Spark Bio Gas for setting up 3 (three) compressed Bio Gas Plants at chennai which was awarded by the Chennai Municipal Corporation Plants will be commission by the end to December 2022. NAFED signed a Concession Agreement with J&K Lake Conservation and Management Authority for setting up the plant for pressing the weed and Lily produce from Dal and Nagin lake at Srinagar. A specific agreement signed between NAFED and technical and financial partner of NAFED for setting up the plant at Srinagar from waste produce from Dal and Nagin Lake.



Green Field Plant



## Legal and Tie Up

1. All Divisions and Branches of NAFED are proactively being assisted by the Legal Division. The Division is closely monitoring all pending tie-up and legal cases on all India basis in close coordination with empanelled Advocates, Law Firm, Divisions at HO and Branches.
2. The work performances and related positive outcome of Tie-up & Legal Division during the year are summarized below:
  - a. The insurance claim filed by NAFED against New India Assurance Company before National Consumer Disputes Redressal Commission (NCDRC), New Delhi seeking insurance claim for damages caused to NAFED'S exported goods has attained finality vide judgement dated 04.03.2022 passed by Hon'ble Supreme Court in SLP (C) No. 6048/2019 while upholding the findings of NCDRC given in favour of NAFED vide judgement dated 18.12.2018. The awarded amount to the tune of ₹ 59321385 /- (after TDS) has been paid to NAFED by New India Assurance Company.
  - b. A Review Petition filed by Alimenta S.A. in Hon'ble Supreme Court seeking review of the judgement dated 22.04.2020 in CA No. 667/2012 has been dismissed vide order dated 04.08.2021.
  - c. The final arguments in the matter of Mumbai Alimenta had been concluded and reserved for judgment on 03.02.2020. However, matter has been kept by court for further hearing on the judgement dated 22.04.2020 passed by Hon'ble Supreme Court in CA No. 667/2012.
  - d. The insolvency proceeding with respect to tie-up defaulter Handum Industries Ltd. is going on under over-all supervision of National Company Law Tribunal at Hyderabad.
  - e. The compilation work and issuance of Registry Number are being carried out by the Legal Division in compliance of Business Circular no.142 and further Office Memorandum dated 21.12.2020. The process of digitization of all original agreements/Contracts deposited with Central registry was initiated in the current year and same is going on.
  - f. Auction process with regard to Mega Mall at Mumbai which was on hold due to order 31.07.2019 passed by execution court has been re-started again with direction of Division Bench of Bombay High Court vide order dated 30.03.2021.
  - g. Efforts with GOI are going on to seek their approval regarding OTS proposals of tie-up defaulter seeking remission on principal amount in addition to remissions on interest and service charges as directed by BoD.
  - h. Legal and tie-up divisions are putting in remarkable efforts in pursuing the cases of the Federation.

# Public Relations

The PR Division of NAFED performs the crucial functions of creating effective communication about NAFED's products, services, operations and other activities with the aim of creating a favourable corporate image of the Federation amongst the farmers, consumers, public and other stakeholders. The Division undertakes a gamut of activities for this purpose throughout the year comprising organization of/participation in various events/fairs/exhibitions; publication of various reports/special publication, books, release of advertorials, advertisements and press releases; printing of brochures, leaflets, pamphlets and banners; preparation of documentary films related to NAFED's business, tapping of digital media and other operations/activities. During FY 2021-22, the Division carried out following activities to expand the footprints of NAFED :

## Print Media

- Quarterly News Letter - Published and distributed Quarterly Newsletters of NAFED
- Annual Report- Published Annual Report of NAFED in English and Hindi, as per statutory requirement
- Published and distributed New Year Diaries and Calendars highlighting various business activities & achievements of NAFED
- Published Success stories & new ventures of NAFED in leading newspapers, magazines and also hosted the same in Agri related web portals
- Published Advertisements/Tender Notices in Newspapers as per requirements of the concerned divisions of NAFED

## On-Line Promotion / Social Media campaign

- Hosted NAFED's banner advertisements, Newsletters, Success stories on Web Portals of India Cooperative, Agriculture Today, etc.
- Posted regular tweets of New Milestones/ Product Launches/events and other important activities of NAFED for the benefit of public and stakeholders and to expand NAFED's footprints on social media

## Event participation

- The Division organized NAFED's participation in

various prestigious events across the nation, as listed below:

- India International Trade Fair, 2021 at Pragati Maidan, New Delhi
- Sahkari Mela organized by NCUI at New Delhi
- VoW-International Literature Festival at New Delhi
- Pre-Vibrant Gujarat at Anand, Gujarat
- Sahkar Bharati 2021 at Lucknow
- Agro -Vision 2021 at Lucknow
- Fresh India Show 2021 at New Delhi
- Child's Festival organized by Uthan Foundation
- Make in Uttrakhand at Dehradun

## Audio-Visual Media

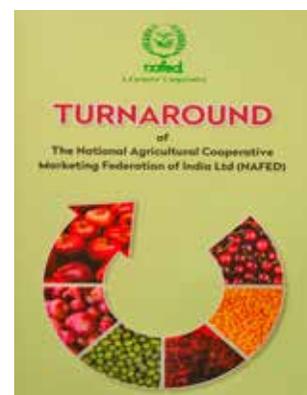
- A short documentary film highlighting success stories of Farmers Producing Organizations (FPOs) was created.
- Arranged Media Coverage of NAFED's success stories in DD News, DD Kisan, All India Radio, etc.

## AGM related

- Organised publicity and media coverage of the Annual General Meeting of NAFED (convened on 23rd September, 2021) in local media and news channels.

## Publication of the Report on Turnaround of NAFED

PR Division compiled and published a report detailing the dramatic financial turnaround of NAFED. The report presents an account of various decisions taken by the Management of NAFED in coordination with the Government and Board of Directors from 2016 to 2018 which enabled NAFED to achieve a sustainable turnaround and re-engineered its business model to become future - ready. The report also dwells upon the reasons for the huge financial losses incurred by NAFED for about a decade threatening the survival of the Federation.



## Glimpses of NAFED participation at major events



IITF (India International Trade Fair 2021) at New Delhi



Pre-Vibrant Gujarat at Anand, Gujarat



Sahkar Bharati 2021 at Lucknow, UP



VoW-International Literature Festival 2021 at New Delhi



Agro Vision 2021 at Lucknow, UP

# Personnel & Vigilance

## PERSONNEL

### Recruitment

Employees are real asset for a successful organization. Providing and aligning the right number of employees at the right time and at right place is the utmost priority of Personnel Division.

After manpower assessment and planning, Assistant Managers (A/cs) through VAMNICOM were recruited for smooth conduct of business affairs of the organization. Apart from this, Management Trainees were selected from XIMB, Bhubneswar, Vamnicom, Pune & NIAM, Jaipur in the Federation.

### Modification in Maternity Leave Rules

Necessary amendments have been made in the existing Maternity Leave Rules of the Federation as per Maternity Act.

### Automation of online HRMS

Going digital is the need of the hour and therefore, much focus has been laid during the year to get the system automated related to Human Resource. The applications like Annual Property Return, APAR, Training and competency building, Annual Increment etc. have been introduced on HRMS.

### Compensation in case of Death Due to Corona Virus

Amid the COVID-19 pandemic, NAFED continued supplies of different variants of milled/cleaned pulses to State/UT Governments under its different welfare schemes such as ICDS, MDM, PDS etc out of national buffer. To fulfil the commitment towards the implementation of these Govt. schemes, the employees of the Federation worked hard even during the

pandemic. Therefore, a policy was framed that a sum of ₹ 40 lakh as compensation would be paid in case of death of any employee due to Corona virus to his/her nominee.



Compensation amount handed over to family of Lt. Shri Kamal Bhushan, who succumbed to COVID-19

### Reward and Recognition

The hard work and dedication of the employees, who have shown commendable performance especially during the tough and unprecedented time of COVID-19 when there was countrywide lockdown declared by the Govt., were appreciated and recognized. Eighteen employees had been awarded with Cash Incentives during AGM-2021. Employee of the Month Awards were given to the deserving employees.

## VIGILANCE

Vigilance Division of NAFED has been working with the objectives of taking up the vigilance work without creating any undue fear or demoralizing effect amongst the employees; creating consciousness of the job responsibilities among the employees keeping in view the interest of the Federation; detection and investigation

of the cases of corruption and other malpractices and advising the Management on preventive actions so as to reduce chances of corruption and malpractices.

### Integrity Pact

On the recommendation of Central Vigilance Commission, Integrity Pact was adopted in the Federation in respect of all major procurements, which essentially envisage an agreement between the prospective vendors, bidders and the buyers committing the persons / officials of both the parties not to exercise any corrupt influence on any aspect of the contract. SOP formulated by the Commission outlining the essential ingredients of Integrity Pact was also adopted. Integrity Pact envisages a panel of Independent External Monitors (IEMs) who would review independently and objectively, whether and to what extent parties have complied with their obligations under IP. Appointment of IEM, as per nomination received from CVC, Shri Hem Pande, IAS (Retd) was appointed in NAFED as Independent External Monitor (IEM) for implementing the Integrity Pact adopted by NAFED and its branches/ offices/sub offices/ societies.

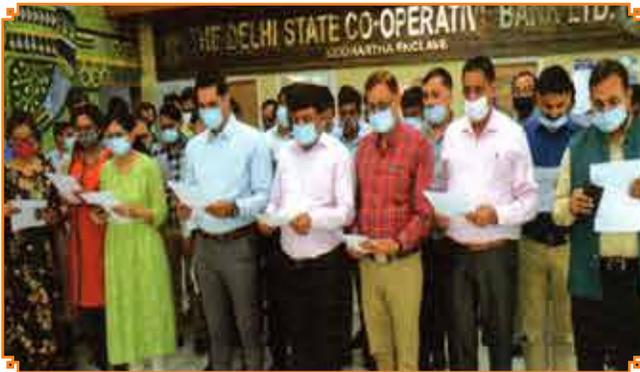
### Holiday Listing

For taking appropriate action against erring and defaulting bidders, contractors, suppliers, vendors and

service providers, Holiday Listing Policy was introduced in the Federation.

### Observance of Vigilance Awareness Week 2021

While observing Vigilance Awareness Week from 26th October to 1st November, 2021 as declared by Central Vigilance Commission, NAFED reaffirmed its resolve to fight corruption and ensure integrity in the organization. Central Vigilance Commission decided to observe the aforesaid week with the theme, "Independent India @75: Self Reliance with Integrity". MD, NAFED administered the Pledge on 26th October, 2021 to the employees at Head Office, New Delhi by adhering to extant Covid-19 prevention guidelines. The Pledge was also taken by other employees across India from their respective locations at the same time. A quiz competition relating to vigilance was held on 28th October 2021 wherein employees of the Federation actively participated. Besides this, a Debate competition concerning the topic, "Relevance of vigilance as a management tool" was also held on 1st November, 2021 wherein employees of the Federation participated enthusiastically. Employees attaining the first, second and third positions in Quiz and Debate Competitions were rewarded with prize of ₹5000/-, ₹3000/- and ₹2000/- respectively.



Pledge taken by officers and staff of NAFED



AMD (Vig.) addressed officers and staff of NAFED

during Vigilance Awareness Week

# Information Technology (IT)

With the level of technological integration into nearly every facet of life, the role of IT department is extremely significant and integral to the success of any organization. The IT Division of NAFED is extremely efficient and proactive. Apart from the routine work of looking after the installation and maintenance of computer hardware, software and network systems installed at HO and the vast network of NAFED branches, the Division keeps itself fully updated with the technological advancements for upgrading the systems of NAFED as and when required.

The Division, being fully aware that the ability to automate routine tasks is a great way to increase overall efficiency of the organization, is proactive and keeps itself abreast with the technological requirements of the business divisions to provide the necessary technological support/solutions. The aim is not only to facilitate smooth execution of tasks but also to enable better monitoring, checks and controls. The Division continued to make advances, providing high tech IT enabled services to NAFED's mainstream activities by delivering /implementing IT solutions to deliver better quality services with an emphasis on increased efficiency and improved productivity. Various initiatives and activities were performed during the year as enumerated below:

- **Maintenance and Support for QR code based Track and Trace system to support the NADCP project**

IT Division has facilitated the maintenance and support of QR code based Track and Trace System. The system is capable of tracking supply chain and delivery of animal vaccines etc. across the country. It acts as one stop access to all stakeholders to monitor and access relevant information and

reports. Hundreds of Millions of animal vaccines PAN India have been delivered and tracked utilizing the system.

- **Support to Federation during COVID-19**

Facilitation of Work from Home for officials and staff of NAFED during lockdown by providing the necessary technological support like the implementation of SaaS based E-mail solution with multiple features which allowed the employees to collaborate on documents, cloud storage for documents, scheduling audio and video conference etc. The system could also be accessed via a browser and mobile devices. Other work from home solutions implemented during the period were video conference solutions and their integration with VC set up at various branches and HO. The VC solutions allowed employees to join the VC meetings from their homes via laptop and mobile devices and hence also facilitated social distancing during the Covid-19 outbreak. The initiatives of the IT Division have ensured un-interrupted work flow in NAFED during these challenging times.

- **Maintenance and Support for Multi Portal Management System (MPMS) for e-auctions**

IT Division has facilitated the maintenance and support of Multi Portal Management System. MPMS is a cloud based system for running e-auctions of same stock of Agri-Commodities simultaneously across multiple empanelled e-auction portals. The system has been implemented for disposal of stock in multiple branches. More than 75,000 auctions have been held utilizing the MPMS Portal.

- **Conduct of Online AGM and various events**

Due to the outbreak of COVID-19 Pandemic, the conduct of only physical AGM was not possible due to Government restrictions to limit participants in gatherings. IT division organized AGM of NAFED through Hybrid mode, both via physical as well as through Video Conferencing by coordinating with 25 locations spread across the nation. It has been the endeavor of IT Division to assist users to take part in various events virtually as the pandemic has forced to limit the travel of officials. IT Division facilitated various events like the inauguration of new NAFED Bazaar / office premises, Oath taking ceremony of Vigilance Awareness Week, launch of various products, schemes and many more such events.

- **Utilization of E-tendering Platforms (GeM & CPP Platform)**

NAFED has onboarded on GeM platform and also started procurement from GeM platform. NAFED also uses CPP Portal for e-tendering of tenders.

- **Development of E-portal for NAFED**

NAFED has initiated the development of cloud-based e-auction portal for disposal of agri-

commodities and for running various types of forward and reverse auctions for procurement and disposals. The development work is in full swing and the portal may be launched soon.

- **Setup of Hybrid E-mail Solution**

NAFED has completed the setup of a hybrid e-mail solution wherein a SAAS-based E-mail service is deployed along with a cloud hosted e-mail server. With such deployment the availability, security, flexibility of the e-mail services has increased while minimizing the overall cost of the solution.

- **Up gradation of Antivirus Solution & Security**

NAFED has deployed and upgraded the antivirus software with a central server to monitor attached client machines and to facilitate implementation of effective IT policy. The system has been deployed at Head Office and testing for integration with various NAFED locations across nation is currently under process. IT Div also performs various POC from time to time for possible enhancement of data security, disaster recovery, cost optimization etc. for various IT tools and services. Setup of hybrid e-mail solution is an outcome of one such POC.



# Hindi

Hindi, the official language strongly connects all states of India. Acknowledging this fact, though NAFED is a commercial organization, but the work is also done in Hindi. Apart from this, correspondence with Non-Hindi branches is also done in Hindi.

Presently, translation of important official documents viz, meetings of BOD, and General Body, Office Orders, Advertisement of Tender Notices, Forms etc. were outsourced.

## वर्ष 2021-2022 के दौरान हिंदी में किए गए कार्य

हिंदी एक अधिकारिक भाषा है जो वृद्धता से भारत के सभी राज्यों को जोड़ती है। इस तथ्य को मद्देनजर रखते हुए, नेफेड एक वाणिज्यिक संगठन होने के बावजूद भी यहां हिंदी में भी कार्य किया जाता है। गैर-हिंदी शाखाओं के साथ पत्राचार भी हिंदी में किया जाता है। महत्वपूर्ण अधिकारिक दस्तावेजों का अनुवाद जैसे बोर्ड एवं सामान्य निकाय की बैठकों, कार्यालय ज्ञापन, एडवर्टाइजमेंट टेंडर नोटिस, फॉर्म, इत्यादि हिंदी में भी किए जाते हैं।



# National Horticultural Research and Development Foundation (NHRDF)

## Introduction

National Horticultural Research and Development Foundation is a research wing of National Agricultural Co-operative Marketing Federation of India Ltd. (NAFED) and was established on 3rd November, 1977 under Societies Registration Act 1860.

NHRDF is a National Level Agency under NHM - Mission for Integrated Development of Horticulture (MIDH), SMSP & MPRNL Scheme of Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmer Welfare, Government of India.

NHRDF is also voluntary centre of ICAR-All India Coordinated Research Project on Vegetable Crops and All India Network Research Project on Onion and Garlic of ICAR, Department of Agricultural Research and Education (DARE), Ministry of Agriculture and Farmer Welfare, Government of India, New Delhi.

## Vision

The vision of NHRDF is enriching Indian Horticulture by developing and disseminating advance technologies for making India as a global leader in horticulture sector. This will be focused especially on promotion of exportable vegetable crops like onion, garlic etc. This will be achieved by enhancing the production, productivity and minimizing post-harvest losses of onion, garlic and other horticultural crops, which will facilitate to meet the domestic needs and make India the global leader in the export.

## Mission

The mission of NHRDF is to provide technological empowerment to farmers through well-trained

manpower and well-trained manpower and well-organized R&D activities, and efficient extension networking for enhancing the production and productivity and minimizing post-harvest losses through scientifically developed technologies. The NHRDF would make the programmes to meet 25% of demand of onion and garlic by tapping the potential of unused land and 75% by technological interventions.

## Infrastructural Facilities

### Regional Research Stations & Extension Centers

As far infrastructural facilities are concerned, NHRDF has established 5 Regional Research Stations at Chitegaon & Sinnar (Maharashtra), Karnal (Haryana), Boudh (Odisha), Kumbhari (Tamil Nadu) and 13 Extension Centers – New Delhi, Head Office (Delhi, Uttar Pradesh (West) and Uttarakhand), Lasalgaon (Maharashtra), Kurnool (Andhra Pradesh & Telangana), Patna (Bihar, Jharkhand and North-Eastern states), Rajkot & Mahua (Gujarat), Hubli (Karnataka), Indore (Madhya Pradesh & Chattisgarh), Bhatinda (Punjab), Kota (Rajasthan), Coimbatore & Kumbhari (Tamil Nadu & Kerala), Deoria (Uttar Pradesh) ICAR-KVK Delhi.

### Modern Scientific Laboratories

In addition, it has also established state-of-the-art laboratories at RRS Nasik and Karnal for undertaking tests in plant pathology, entomology, plant physiology, soil testing, bio-chemistry, pesticides residue analysis and wine. Pesticide Residual Analysis laboratory at Nasik is accredited by the National Accreditation Board for Testing and Calibration of Laboratories (NABL) and approved by APEDA & AGMARK. For grapes, it is monitored by NRL and ICAR-NRC Pune. Wine Testing Laboratory is also recognized by European Union.

## Storage godowns & Sheds

NHRDF has also set-up a Model Post-Harvest Research Complex at Lasalgaon, Nashik, having 10 handling sheds of 100 tonnes capacity each and 20 modern storage godowns of 50 tonnes capacity for providing infrastructural support to onion growers. In addition, it has also set up godowns at Karnal, Boudh and Indore for storage of garlic bulbs and at RRS Sinnar, Chitegaon, Maharashtra, Ujwa, Delhi and Karnal in Haryana for storage of onion bulbs.

## Seed Processing Units

NHRDF has established seed processing units with temperature and relative humidity-controlled seed storage facilities at Lasalgaon and Chitegaon, Nashik (Maharashtra), Karnal (Haryana), Indore (Madhya Pradesh), Rajkot (Gujarat), Boudh (Odisha), Kurnool (Andhra Pradesh), Deoria, Uttar Pradesh and Delhi.

## Solar Farm Demonstration Unit at KVK Delhi

KVK, Ujwa, a project fully funded by ICAR, is run and managed by NHRDF. This Kendra is providing useful technical and extension support and guidance to the farmers located in and around Delhi. Recently, KVK, Ujwa has set-up a Solar Farm Demonstration unit of 110 kw capacity in its own premises at Ujwa.



NHRDF Developed New Modern Onion Storage

## NHRDF developed new Modern Onion Storage

NHRDF Nasik has developed an improved onion storage structure is designed to maintain the constant temperature and relative humidity throughout the storage period. After six months of storage highest good bulb recovery (21.40ton), with lowest rotting (0.69%), physiological loss of weight (13.83%) and total loss (14.52%) were recorded in NHRDF improved onion storage structure and also due to highest good bulb recovery highest net returns obtained. NHRDF improved onion storage structure also have several advantages over cold storage structure, conventional ventilated storage structure and farmer's storage structure. Such innovation in also published in research journal "Vegetable Science".



Shri Eknath Dawale, IAS, Additional Chief Secretary of Agriculture, Govt. of Maharashtra Visited, Regional Research Station, Sinnar (Nashik) and appreciated such innovation for new modern onion storage.

## Notable Research Work

During the period of more than four decades of its existence, NHRDF has carried out significant research work in the field of horticultural crops particularly onion and garlic. Over the years, NHRDF has developed 18 and 14 new varieties of garlic and onion seeds, out of which, 11 varieties of garlic and 6 varieties of onion have already been notified by the Government of India. In addition, NHRDF has also developed 290 technologies relating to onion and garlic production and post-harvest management.

Two varieties one each of onion and garlic, which have been notified by the Government of India in the recent past are mentioned hereunder alongwith their characteristics, yield and their suitability in agro-climatic conditions:

### NHRDF Fursungi Variety

- Bulbs are red in colour, round in shape, 5.80 to 6.25 cm in diameter, tight skin with good keeping quality.
- Bulbs contain 12-14<sup>o</sup> Brix Total Soluble Solids and 13-15% dry matter.



- Crop matures in 110-120 days after transplanting.
- The variety gives an average yield of 380-400 q/ha.
- It is tolerant to Stemphylium blight disease.
- Released for cultivation in Zone - II (Delhi, Rajasthan, Haryana, Jammu & Kashmir and Punjab), Zone - V (Gujarat and Maharashtra).

### Yamuna Purple-10 (G-404)

- Bulbs are compact, attractive light purple in colour with creamy flesh. Diameter of bulb varies from 4.8 to 5.5 cm, 25-30 number bigger elongated cloves per bulb.
  - ❖ Bulbs contain 40<sup>o</sup> Brix Total Soluble Solids, 42.9% dry matter and 26.8 micro mole/g pyruvic acid.
  - ❖ Crop matures in 165-175 days after sowing.
  - ❖ The average yield of variety ranges between 200-225 q/ha.
  - ❖ Released for growing in Zone - II (Delhi, Rajasthan, Haryana, Jammu & Kashmir and Punjab) and Zone - IV (Punjab, Tarai region of Uttar Pradesh, Uttrakhand, Bihar and Jharkhand).



# ANNUAL ACCOUNTS

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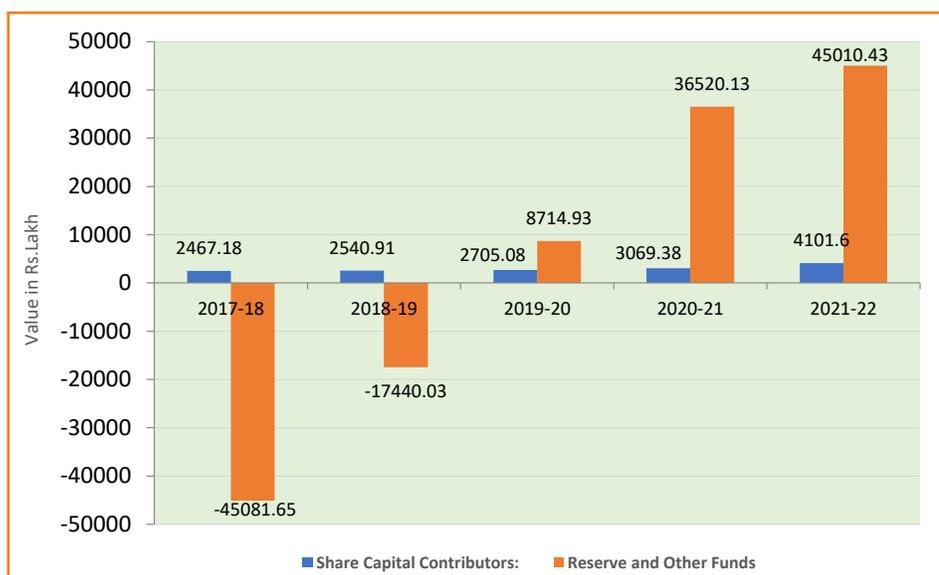
# Financial Statements

## Annexure-I

### Share Capital and Own Funds position during the last 5 years

(Value in ₹ Lakh)

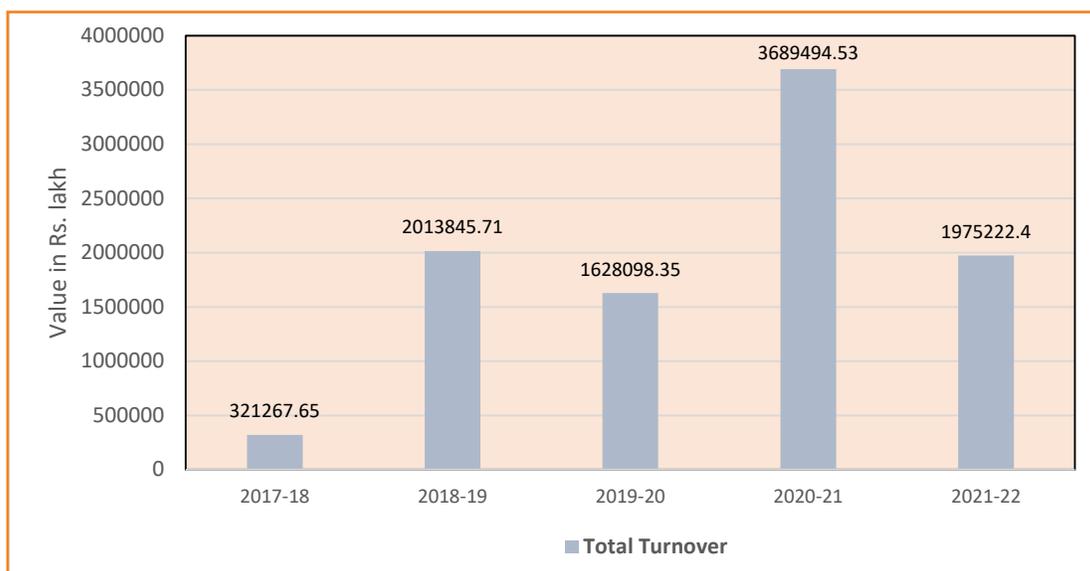
Particulars	2017-18	2018-19	2019-20	2020-21	2021-2022
Share Capital Contributors:					
Cooperatives	2467.18	2540.91	2705.08	3069.38	4101.60
<b>Total</b>	<b>2467.18</b>	<b>2540.91</b>	<b>2705.08</b>	<b>3069.38</b>	<b>4101.60</b>
Reserve and Other Funds (Net) after adjustment of accumulated losses of previous years	(-)70230.24 22681.40	(-)47912.32 27931.38	(-)10555.18 16565.03	9056.05 24394.70	26981.67 13927.16
Net Profit(+)/Loss (-)					
<b>Total own Funds</b>	<b>(-)45081.65</b>	<b>(-)17440.03</b>	<b>8714.93</b>	<b>36520.13</b>	<b>45010.43</b>



## Turnover during the last 5 years

(Value in ₹ Lakh)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-2022
<b>(A) Internal Trade</b>					
1. Outright	153433.31	316244.47	185850.24	1668867.47	1288918.47
2. Industrial Units & Seed, Bio fertilizers	4248.70	6580.99	3352.92	3605.01	6855.63
3. PSS/ PSF /Sales in GOI account	163585.64	1688200.96	1437598.20	2003381.11	638753.50
<b>Total</b>	<b>321267.65</b>	<b>2011026.42</b>	<b>1626801.36</b>	<b>3675853.59</b>	<b>1934527.60</b>
<b>(B) Foreign Trade</b>					
1. Outright Export	---	2819.29	1296.99	13640.94	40694.80
<b>Total</b>	<b>---</b>	<b>2819.29</b>	<b>1296.99</b>	<b>13640.94</b>	<b>40694.80</b>
<b>Total Turnover (A+B)</b>	<b>321267.65</b>	<b>2013845.71</b>	<b>1628098.35</b>	<b>3689494.53</b>	<b>1975222.40</b>

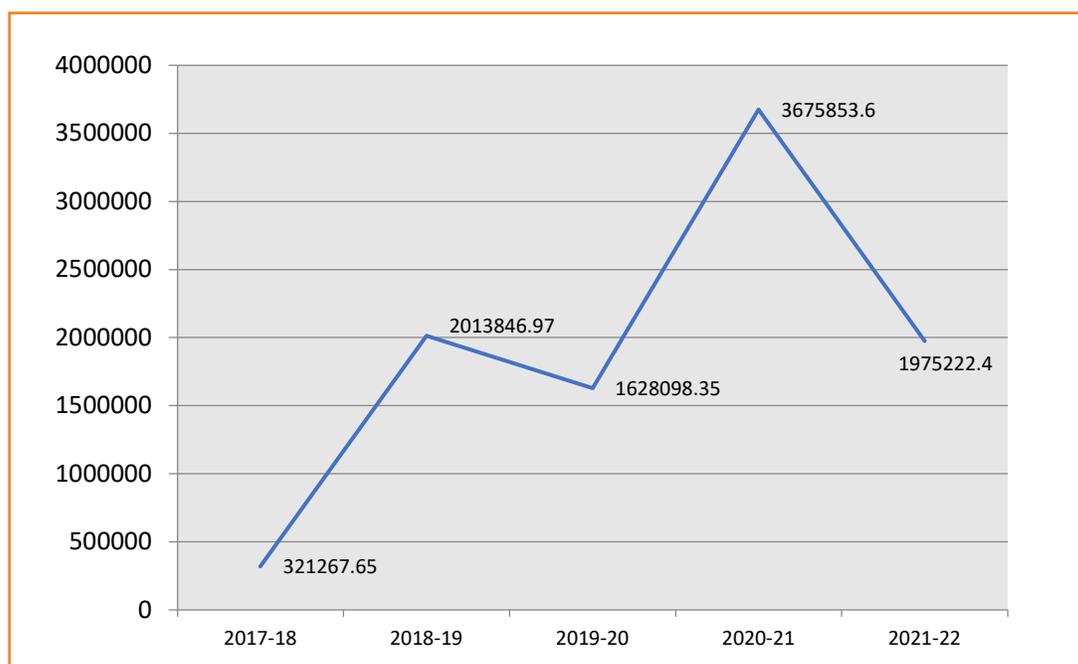


## Internal Trade during the last 5 years

(Value in ₹ Lakh)

Commodity	2017-18	2018-19	2019-20	2020-21	2021-22
<b>Outright*</b>					
Foodgrains	31089.46	55123.08	79094.10	110905.95	123841.73
Pulses	240511.58	1268732.33	751953.20	2550522.53	443073.65
Oilseeds & Oils	34673.99	660222.94	704513.96	964943.77	173319.64
Spices	266.66	432.10	136.00	73.59	163.35
Horticulture	2359.53	1836.64	13478.83	14470.21	23103.56
Jute Goods	712.82	--	--	--	514.28
Poultry	231.23	250.03	205.89	94.62	155.51
Fertilizers	--	1104.54	608.85	16.23	336.15
Seed	774.97	5476.45	2744.07	6086.58	8162.19
Misc. Items (Rubber, Sugar, Tea, Salt, Misc. etc.)	6398.71	20668.86	75363.45	28740.12	1202552.34
Agricultural Inputs	--	--	--	--	--
Industrial Units	4248.70	--	--	--	--
<b>Total Internal Trade</b>	<b>321267.65</b>	<b>2013846.97</b>	<b>1628098.35</b>	<b>3675853.60</b>	<b>1975222.40</b>

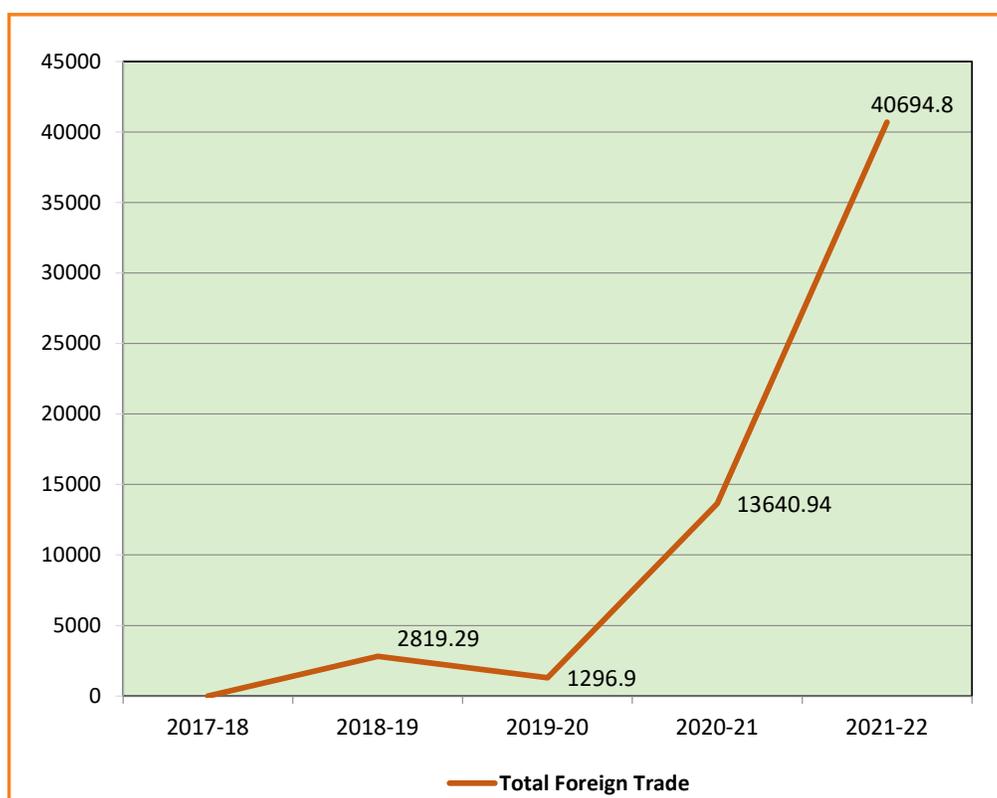
\*Including PSS/PSF Sale.



## Commodity-wise Foreign Trade of NAFED during the last 5 years

(Qty. in MTs/Value in ₹ Lakh)

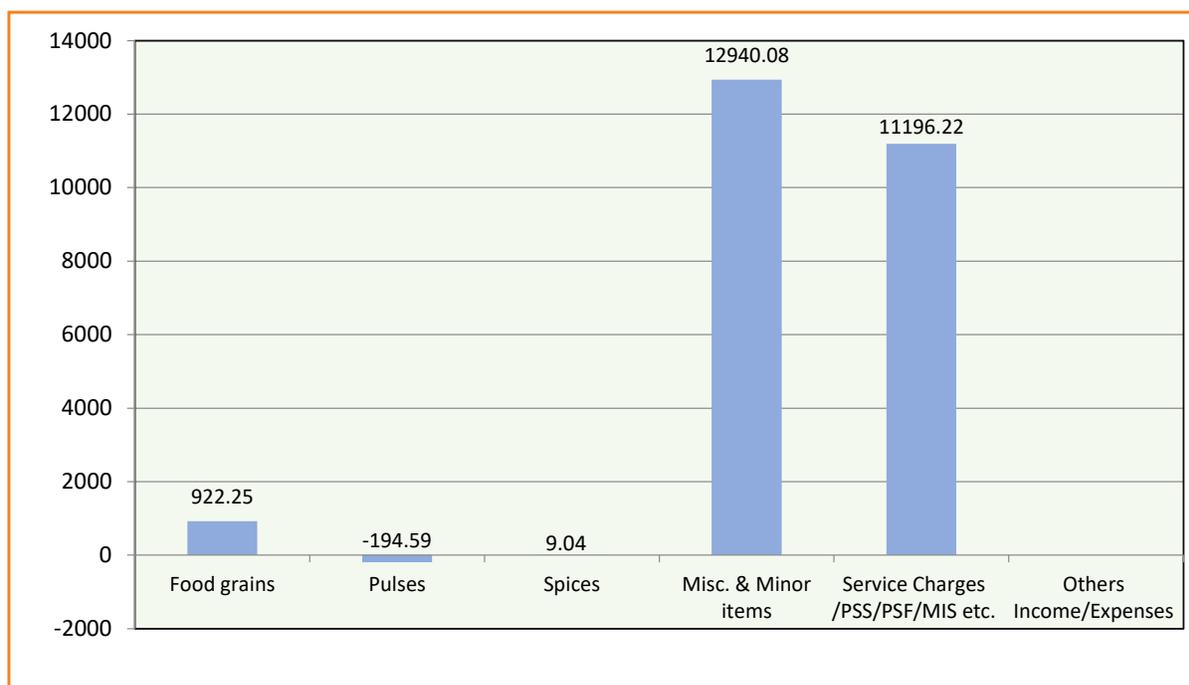
Commodity	2017-18		2018-19		2019-20		2020-2021		2021-2022	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
<b>Outright Exports</b>										
<b>1. Horticulture</b>										
Onion	Nil	Nil	NIL	NIL	NIL	NIL	NIL	NIL	Nil	Nil
<b>TOTAL</b>	Nil	Nil	Nil	NIL	Nil	NIL	Nil	NIL	Nil	Nil
<b>2. Foodgrains &amp; Pulses</b>										
Rice	Nil	Nil	2250	859.29	10000	393.00	36897.40	13640.94	135333.60	40633.41
Rajma	Nil	Nil	300	323.10	Nil	NIL	Nil	NIL	Nil	Nil
Wheat	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	200.00	61.39
<b>TOTAL</b>	Nil	Nil	<b>2550</b>	<b>1182.39</b>	<b>10000</b>	<b>393.00</b>	<b>36897.40</b>	<b>13640.94</b>	<b>135533.60</b>	<b>40694.80</b>
<b>3. Others</b>										
Blankets/Sweaters	Nil	Nil	4.25 pcs	1636.90	Nil	903.99	Nil	NIL	Nil	Nil
<b>TOTAL</b>	Nil	Nil	<b>4.25 pcs</b>	<b>1636.90</b>	Nil	<b>903.99</b>	Nil	NIL	Nil	Nil
<b>Total Outright Exports</b>	Nil	Nil	2550.00 & 4.25 pcs	2819.29	10000	1296.99	36897.40	13640.94	Nil	Nil
<b>Total Foreign Trade</b>	Nil	Nil	<b>2550.00 &amp; 4.25 pcs</b>	<b>2819.29</b>	<b>10000</b>	<b>1296.90</b>	<b>36897.40</b>	<b>13640.94</b>	<b>135533.60</b>	<b>40694.80</b>



## Commodity-wise Profit/Loss statement for the year 2021-22

(Value in ₹ Lakh)

Sr. No.	Commodity/Group	Gross Profit/Loss
1.	Foodgrains	922.25
2.	Pulses	-194.59
3.	Spices	9.04
4.	Misc. & Minor items including Poultry, Rubber, Tea, Salt, Sugar, Seeds, Fertilizer etc.	12940.08
5.	Service Charges /PSS/PSF/MIS etc.	11196.22
6.	Others Income/Expenses etc.	-
	<b>Gross Profit/Loss</b>	<b>24873.00</b>



## Procurement of Oilseeds &amp; Pulses under PSS by NAFE

Commodity	Year	Support Price MSP+Bonus	Qty. procured in MTs	Value ₹ In Lakh MSP+Bonus	Major States of procurement
1. Soyabean	2016-17	2775	164.09	43.89	Maharashtra
	2017 K	2850+200	72280.731	22045.62	Maharashtra, Rajasthan, Telangana
	2018 K	19483.02	66.22	1.43	Maharashtra, Rajasthan, Telangana
	2020 K	3880.00	3.687		Maharashtra
2. Groundnut	2013-14	4000	338567	145732.02	Maharashtra, Gujarat, Rajasthan, AP, Karnataka, UP and Odisha
	2014-15	4000	8817.68	5105.97	Andhra Pradesh, Odisha
	2016-17	4120+100	210732.02	86821.59	Gujarat
	2017 K	4250+200	1044255.391	464693.65	Gujarat, Rajasthan, AP, Karnataka
	2018 R	4250+200	16.828	7.49	Telangana
	2018 K		717384.17	3508.01	Gujarat, Rajasthan, MP
	2019 R		130.76	0.64	Odisha
	2019 K		721074.28	3670.27	Gujarat, Rajasthan, AP
	2020 R	5090	2007.997	1022.07	Odisha
	2020 K	5275	283044.735	149306.10	Gujarat, Rajasthan, UP, KAR, AP, Haryana
	2021 R	5275	2203.110	1162.14	Odisha
2021 K	5550	149464.387	82952.73	Guj, Raj, UP	
3. Mustard seed	2014-15	3050	1714.821	558.56	Rajasthan
	2017-18	3900+100	13682.669	5473.07	Haryana, Rajasthan
	2019R	4425	1089036.00	4573.95	Haryana, Rajasthan, MP
	2020 R	4425	785947.679	347781.85	Haryana, Rajasthan, MP, Gujarat, UP
	2021 R	4650	0.650	0.30	MP
4. Sunflower seed	2012-13	3700	1499	554.67	Karnataka
	2013-14	3700	4383	1634.22	Karnataka
	2014-15	3750	4153.213	1655.28	Odisha and Haryana
	2015-16	3750	4237.684	1589.13	Odisha and Haryana
	2016-17	3850+100	4949.268	1880.72	Odisha and Haryana
	2017-18	3850+100	6539.042	2582.92	Odisha, Haryana and Telangana
	2019 R	-	3336.33	17.98	Telangana, Odisha and Haryana
	2020 R	5650	5257.881	2970.70	Telangana, Odisha and Haryana
	2021 R	5885	3885.727	2286.75	Odisha, Haryana
5. Copra	2012-13	5100 (Milling)	64962	35322.94	Tamilnadu, Kerala, AP, L.Dweep
	2013-14	5350 (Milling)	9275	5199.35	Karnataka, Kerala.
		5250 (Milling)	4117	2463.41	TN, Kerala, AP, L.Dweep, A&N
		5500 (Ball)	29490	17284.74	Karnataka
	2016-17	6240 (Ball)	1837	1146.20	Tamilnadu and Karnataka
		5950 (Milling)	4487	2669.81	Tamilnadu and Andhra Pradesh
	2019-20	9960 (Milling)	29.779	29.66	Tamilnadu
		10300 (Ball)	5051.750	5203.30	Tamilnadu, Karnataka
2020-21	10335-Milling	32.950	34.05	Tamilnadu	
6. Gram	2013-14	3000	34306	10736.57	Mah. AP. Karnataka
	2014-15	3100	279611.125	94123.66	Mah, Guj, MP, UP, Raj, Karnataka
	2017-18	4250+150	115453.362	50799.48	Mah, Guj, Raj, Karnataka, AP, Telangana
	2019R		776360.24	3586.78	Telangana, MP, Rajasthan, Gujarat
	2020R	4875	2138416.17	1042477.88	AP, TG, MP, GUJ, Maharashtra, Raj, Kar
	2021R	5100	628826.046	320701.25	AP, TG, Raj, Kar, Maharashtra, MP, Guj

Commodity	Year	Support Price MSP+Bonus	Qty. procured in MTs	Value ₹ In Lakh MSP+Bonus	Major States of procurement
7. Urad	2012-13	3300	1.57	0.63	Rajasthan
	2013-14	4300	77050.806	34543.75	Maharashtra, AP,UP,MP,Guj.,W.B.Raj., Karnataka, Jhrkhand
	2014-15	4300	7453.262	3611.45	Jharkhand, WB, AP, Maharashtra, UP,
		4300	6.70	6.56	Maharashtra
	2017 K	5200+200	268178.981	144816.65	Maharashtra, Gujarat, Rajasthan, UP, Karnataka,
	2017 S	4575+425	15747.647	7873.82	AP and Telangana
	2018 R	5200+200	95.010	51.31	M.P.
	2018 K		423527.51	2371.75	Telangana, MP,UP,Guj,Raj.
	2019 R		18240.92	102.15	Maharashtra Odisha, Tamilnadu
	2019 K		132.31	0.75	Rajasthan, Gujarat
	2020 K	6000	137.15	82.29	Maharashtra
2021 K	6300	1621.303	1021.45	Maharashtra, Guj, Raj	
2021 S	6000	959.75	575.85	MP	
8. Arhar	2012-13	3850	16004.835	6328.15	Maharashtra, AP,MP
	2013-14	4300	42693	18755.12	Maharashtra, AP
	2014-15	4300	1079.648	1069.87	Maharashtra, AP
	2016 K	4625+425	196207.900	99084.99	Maharashtra, Gujarat and Karnataka
	2017 K	5250+200	603158.686	328721.48	Mah, Gujarat, AP, Telangana, Karnataka
	2018 K		275673.52	1564.45	MP, Karnataka, Telengana.
	2019 K		536413.25	3111.20	Maharashtra, Kar, Telengana, AP, Guj.
	2020 K	6000	10353.757	6212.25	Gujarat, Karnataka, T.N., AP, Maharashtra
	2021 K	6300	20259.230	12763.31	Gujrat, Karnataka, T.N., Maharashtra, TG
	9. Moong	2016-17	4800+425	8267.58	3968.43
2017 K		5375+200	293672.932	163722.66	Maharashtra, Rajasthan, Karnataka, AP, Telangana
2017 S		4800+425	112407.165	58732.74	M.P. and Odisha
2018K			296073.980	2065.12	Kar, Mah, MP, Guj
2019R			26033.03	181.58	Odisha, T.N.
2019K			140018.46	987.13	Rajasthan, Telengana, Mah. Karnataka.
2020R		7050	7111.93	5013.91	Odisha, T.N.
2020K		7196	12596.628	9064.53	Rajasthan, T.N. Haryana, Maharashtra.
2021 R		7196	6407.600	4610.91	Tamilnadu, Odisha
2021 K		7275	75258.700	54750.70	AP, Haryana, Raj, Guj, Maharashtra, Kar
2021 S		7196	147250.001	105961.10	MP
10. Masoor	2020R	4800	1425.181	684.09	U.P, M.P.
	2021R	5100	18.298	9.33	M.P.
11. Sesamum seed	2017 K	4800+200	3739.767	1869.88	West Bengal

**Note :** **K** denotes to Kharif Season  
**R** denotes to Rabi Season  
**S** denotes to Summer Season

**Procurement of Agricultural Commodities by NAFED under Market Intervention Scheme(MIS)**

Commodity	Year	Support Price per quintal	Quantity procured in MTs	Value in ₹ Lakh	Major States of procurement
1. Potato	1997-98 2003-04	125-130/350 190	4697 733	159.27 21.48	UP, Karnataka UP
2. Onion	1996-97	300	60	1.98	Karnataka.
3. Eggs (Qty in Lakh No.)	1992-93 1993-94 1994-95 1995-96 1996-97 1999-2000 2000-01 2001-02	65/100 75/100 75/100 82/100 110/100 100/100 90/100 100/100	26.99 91.02 28.21 34.82 141.43 85.89 34.93 31.75	17.19 61.63 37.61 32.96 137.51 87.00 31.20 32.70	AP AP AP AP, Punjab AP, Punjab AP AP AP
4. Kinoo/Malta	1992-93 1993-94	325A 350A	1703 3133	46.88 49.49	Punjab, Haryana. HP, UP, Haryana
5. Black Pepper	1993-94	3300	1491	495.25	Kerala
6. Chillies	1993-94 1996-97 1997-98	1500 2200 2250	5000 126 8123	806.64 29.48 190.01	AP AP AP
7. Corrianderseed	1998-99 2004-05	1250 1450	378 80	45.88 12.48	Rajasthan Rajasthan
8. Apple	2020-21	3600	1.605	0.58	Jammu & Kashmir

**MIS Operation during the Financial Year 2021-2022 is Nil**



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HDSG & ASSOCIATES  
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JANGPURA EXTENSION,  
NEW DELHI- 110014

## INDEPENDENT AUDITORS' REPORT

To,

The Members,

**National Agricultural Cooperative Marketing  
Federation of India Ltd (NAFED), New Delhi**

### Opinion

- We have audited the financial statements of National Agricultural Cooperative Marketing Federation of India Ltd. (herein referred to as "Federation"), which comprises of the Balance sheet as at 31st March 2022, the Statement of Profit and Loss, and the cash flow statement for the year then ended, and notes to the financial Statements, including a summary of significant accounting policies and other explanatory information. Incorporated in these financial statements are trading operations of commodities on behalf of Government of India under Price Support Scheme Operations, Price Stabilization Fund and Market Intervention Scheme audited by independent firms of Chartered Accountants and primarily relied upon by us.
- Except for the effects of the matters described in the basis for qualified opinion in Para 3 below, including the matters whose effect on the profit for the year and on assets and liabilities as at March 31<sup>st</sup>, 2022 is unascertainable, In our Opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements together with the notes thereon give the information required by the Multi State Co-operative Societies Act, 2002 and the Multi State Co-operative Societies Rules, 2002 and are in

conformity with accounting principles generally accepted in India and give true and fair view of the state of affairs of the federation as at 31st March, 2022, its profits and its cash flow for the year ended on that date.

### 3. Basis for Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

- On the following points, we are unable to ascertain and report the impact on the Balance Sheet and Statement of Profit and Loss:
  - The total tie-up receivables amounting ₹1,015.10 Crore is outstanding for a long period of more than 10 years (P.Y. ₹ 1,015.12 Crore) out of which ₹279.03 Crore (Previous year ₹279.03 Crore) are stated as secured by realizable and enforceable securities for which no sufficient and appropriate evidences have been provided to us viz latest pyphysical verification and valuation reports in respect of



such securities. A meagre provision of ₹ 4.11 Crore has been created against outstanding of ₹1,015.12 Crore which in our opinion is materially understated as there is no evidence to demonstrate its recovery.

- b) Sundry Debtors includes an amount of ₹ 26.66 Crore (Previous year ₹19.48 Crore) (Other than Tie-up and Back to Back Business) which are outstanding for more than 3 years and no recovery has been made from the parties. Considering the uncertainty of recovery, the Federation should make appropriate provision in respect of the said outstanding in view of AS-9 on Revenue Recognition issued by ICAI.
- c) No provision has been created against diminution in the value of stock lying in the warehouse at Hyderabad since 2005-06 for ₹89.22 Crore (Previous year ₹ 89.22 Crore) which has been shown at cost. As per latest physical verification report dated 31.03.2022, the condition of this stock is not good and fully rusted and weightment provision is not available due to which it could not be weighed at the site and physical verification could not be done. Hence income of federation is overstated to that extent.
- d) Sundry creditors/Trade payables includes an amount of ₹53.97 crores which are outstanding for more than 3 years and no payment has been made to these parties. The Federation should take appropriate action for writing back such amount which is not payable.
- e) Claims of ₹302.19 Crore (Previous year ₹301.68 Crore) have been rejected by Govt. Of India and the Federation has re-lodged the claim but has not been realised till date. No substantive evidence of its' recovery is available with the Federation and the same needs to be treated as doubtful of recovery and should be provided for.

- f) The Goods and Service Tax (GST) liability/asset as appearing in the books of accounts as on 31<sup>st</sup> March 2022 in some of the branches is not reconciled with the GSTN portal. In the absence of reconciliation, the financial impact of the same on profit/loss for the year could not be ascertained.
- g) An amount of ₹5.40 Crore (Previous year ₹37.56 Crore) has been charged to Profit & loss account during the year as GST expense on account of unadjusted GST Input tax credit (ITC) on PSS Operations and the same has been claimed as reimbursement of expenses from The Government of India and Simultaneously shown as ITC receivable as well as current liability in the books. In some branches, it was observed that some amount of GST ITC out of above that has already been adjusted against GST output liability has been shown in GST expense as unadjusted GST ITC.
- h) Service Charges related to PSF operations- Onions are being booked @2.5 % which is not yet been confirmed by the Government of India.

As the effect of disclosure in the paras (a to h) above is not accurately ascertainable and furnishing the aggregate effect of only the ascertained amount will not be appropriate, hence we are not furnishing the aggregate effect of the ascertained amount on the Profit, Assets and Liabilities.

#### **Responsibility of Management and Those Charged with Governance for the Financial Statements**

- 4. The Federation's management is responsible with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the federation in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI as applicable to the federation, and the Multi State



Co-operative Societies Act, 2002, the Multi State Co-operative Societies Rules, 2002.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the federation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

5. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
6. Other Matters
  - (a) Balances in respect of Debtors, Creditors and Loans & Advances are subject to confirmation and reconciliation. Further it has been observed that confirmation from Creditors and Loans & Advances has not been sought by the Federation. Consequential effect of the same on Financial Statements could not be ascertained. (Refer to Note No. 8 of Schedule 15B - Notes & Explanatory Statements)
  - (b) The Federation is showing amount payable as well as receivables for supplies received and made

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Federation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Federation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



under OTR by different branches. The same is not set off with each other, hence both amount payable and receivables are overstated.

- (c) The physical verification of stocks was not carried out by the Federation as we were not provided any physical verification reports/ records and we have relied upon the certification by the concerned parties/CWC/ SWC/ Federation. (Refer to Note No. 12 of Schedule 15B - Notes & Explanatory Statements).
- (d) We have observed certain deficiencies in maintenance of stock records as at some branches WHR/Stock records were not updated/ properly maintained. In view of our observation, control over maintenance of inventory records needs to be strengthened further. (Refer to Note No. 12 of Schedule 15B - Notes & Explanatory Statements).
- (e) Title deed of properties amounting to ₹0.18 Crores are yet to be executed in favor of the federation.
- (f) The Federation has entered into "One Time Settlement Agreement" with the lender banks for loans having current outstanding of ₹2407.11 Crores, which has been settled for ₹478.00 Crores along with transfer of auction rights of the properties of the defaulting party in Mega Mall, Andheri, Mumbai on "as is where is basis" vide agreement dated 27.03.2018. Since part of the settlement agreement is still pending, the federation has not given its effect in the books of account. The same will be given effect in the year,

the Federation obtains no dues certificates from the lender banks. This may have significant impact on the profitability of the Federation in the year of final settlement. (Refer to Note No. 14 of Schedule 15B - Notes & Explanatory Statements).

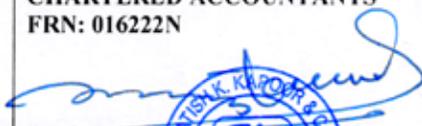
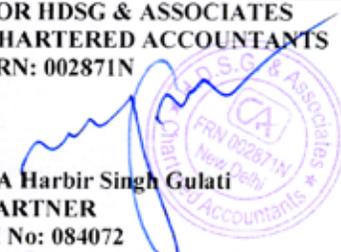
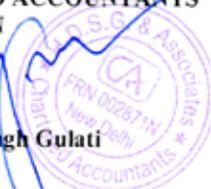
- (g) The Federation has not classified payables as per the disclosure requirements under MSMED Act 2006 for want of relevant declaration from the suppliers as per Section 8 of the MSMED Act, 2006. (Refer to Note No. 17 of Schedule 15B - Notes & Explanatory Statements).
- (h) The Internal Audit & Control Systems need to be strengthened considering the size, operation and nature of business of the Federation.

### Report on Other Legal & Regulatory Requirements

- 7. The Balance Sheet, the Statement of Profit and Loss and the cash flow statement have been drawn up as per the Multi State Co-operative Societies Act, 2002, the Multi State Co-operative Societies Rules, 2002.
- 8. Subject to the limitations of the audit indicated in paragraph 4 & 5 above and as required by Section 73(4) of the Multi State Co-operative Societies Act, 2002, and subject also to the limitations of disclosure required therein, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory;



- b) In our opinion, proper books of account as required by law have been kept by the Federation so far as it appears from our examination of those books.
- c) The Balance Sheet, the statement of Profit and Loss and cash flow statement dealt with by this report are in agreement with the books of account;
- d) Except for the matter described in the Basis for Qualified Opinion Paragraph, the Balance Sheet, the Profit and Loss Account and the Statement of Cash Flows comply with applicable accounting standards unless otherwise stated.

<p><b>FOR DINESH JAIN &amp; ASSOCIATES</b>  <b>CHARTERED ACCOUNTANTS</b>  FRN: 004885N</p>  <p><b>CA Dinesh Kumar Jain</b>  <b>PARTNER</b>  M No: 082033  UDIN: 22082033 AOA/x1 4S34</p> 	<p><b>FOR SATISH K. KAPOOR &amp; CO.</b>  <b>CHARTERED ACCOUNTANTS</b>  FRN: 016222N</p>  <p><b>CA Satish K. Kapoor</b>  <b>PARTNER</b>  M No: 094823  UDIN: 22094823 AOA JGI111</p> 	<p><b>FOR HD SG &amp; ASSOCIATES</b>  <b>CHARTERED ACCOUNTANTS</b>  FRN: 002871N</p>  <p><b>CA Harbir Singh Gulati</b>  <b>PARTNER</b>  M No: 084072  UDIN: 22084072 AOA HDG 8657</p> 
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Place : New Delhi  
Date : 01.08.2022

## PARA-WISE COMPLIANCE ON AUDITORS' OBSERVATIONS FOR THE YEAR 2021-2022

AUDIT OBSERVATION	COMPLIANCE
<p><b>Opinion</b></p> <p>1. We have audited the financial statements of National Agricultural Cooperative Marketing Federation of India Ltd. (herein referred to as "Federation"), which comprises of the Balance sheet as at 31st March 2022, the Statement of Profit and Loss, and the cash flow statement for the year then ended, and notes to the financial Statements, including a summary of significant accounting policies and other explanatory information. Incorporated in these financial statements are trading operations of commodities on behalf of Government of India under Price Support Scheme Operations, Price Stabilization Fund and Market Intervention Scheme audited by independent firms of Chartered Accountants and primarily relied upon by us.</p> <p>2. Except for the effects of the matters described in the basis for qualified opinion in Para 3 below, Including the matters whose effect on the profit for the year and on assets and liabilities as at March 31<sup>st</sup>, 2022 is unascertainable, In our Opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements together with the notes thereon give the information required by the Multi State Co-operative Societies Act, 2002 and the Multi State Co-operative Societies Rules, 2002 and are in conformity with accounting principles generally accepted in India and give true and fair view of the state of affairs of the federation as at 31st March, 2022 , its profits and its cash flow for the year ended on that date.</p> <p><b>3. Basis for Qualified Opinion</b></p> <p>We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.</p>	<p>No Comments</p> <p>No Comments</p>

AUDIT OBSERVATION	COMPLIANCE
<p>l) On the following points, we are unable to ascertain and report the impact on the Balance Sheet and Statement of Profit and Loss:</p> <p>a) The total tie-up receivables amounting ₹1,015.10 Crore is outstanding for a long period of more than 10 years (P.Y. ₹1,015.12 Crore) out of which ₹279.03 Crore (Previous year ₹279.03 Crore) are stated as secured by realizable and enforceable securities for which no sufficient and appropriate evidences have been provided to us viz latest physical verification and valuation reports in respect of such securities. A meager provision of ₹4.11 Crore has been created against outstanding of ₹1,015.10 Crore which in our opinion is materially understated as there is no evidence to demonstrate its recovery.</p> <p>b) No provision has been created against diminution in the value of stock lying in the warehouse at Hyderabad since 2005-06 for ₹89.22 Crore (Previous year ₹89.22 Crore) which has been shown at cost. As per latest physical verification report dated 31.03.2022, the condition of this stock is not good and fully rusted and weightment</p>	<p>During the year 2003-04 to 2005-06, Nafed undertook tie-up/back to back business with private parties both in agricultural and non-agricultural/non-traditional items. Under this business model funds were mostly made available to the parties for procurement and subsequent hypothecation of stocks in favor of Nafed. In some cases, a few tie-up parties diverted the funds for the purposes other than those specified in the MOU/agreement. In other cases, some Tie-up parties reportedly made losses on account of market conditions and stopped making payment of Nafed's dues. In order to recover the huge outstanding dues from the tie-up defaulters, Nafed initiated civil and criminal proceedings against them by filing claim petitions before the Arbitrators, Civil Courts and criminal cases under section 138 of NIA for dishonoring of Cheques issued by the parties in favor of Nafed. Nafed has filed several cases under section 138 of Negotiable Instruments Act. Nafed also filed criminal complaints against some of the parties with CBI/EOW. The concerted efforts put in by Nafed to recover the outstanding amount have started yielding results. In cases where orders for decree / auction of property belonging to the parties have been passed, necessary action to auction the property as per direction of court is being taken. CBI/EOW has also filed charge sheets before the appropriate courts in all the complaints filed by NAFED. Since litigation is a long drawn and time consuming process, in order to expedite recoveries from interested tie-up defaulters, the Board of Directors in its meeting held on 9.7.2010 has approved the comprehensive one time settlement policy based on RBI guidelines. In view of the above stated actions, it is expected that some recoveries shall be effected in due course of time</p> <p>As per Significant Accounting Policies of the federation, stocks held under back to back / Tie up arrangement is valued at cost.</p>

**AUDIT OBSERVATION**

**COMPLIANCE**

provision is not available due to which it could not be weighed at the site and physical verification could not be done. Hence income of federation is overstated to that extent.

c) Sundry creditors/Trade payables include an amount of ₹53.97 crores which are outstanding for more than 3 years and no payment has been made to these parties. The Federation should take appropriate action for writing back such amount which is not payable.

d) Claims of ₹302.19 Crore (Previous year ₹301.68 Crore) have been rejected by Govt. Of India and the Federation has re-lodged the claim but has not been realised till date. No substantive evidence of its' recovery is available with the Federation and the same needs to be treated as doubtful of recovery and should be provided for.

e) The Goods and Service Tax (GST) liability/asset as appearing in the books of accounts as on 31<sup>st</sup> March 2022 in some of the branches is not reconciled with the GSTN portal. In the absence of reconciliation, the financial impact of the same on profit/loss for the year could not be ascertained.

f) An amount of ₹5.40 Crore (Previous year ₹37.56 Crore) has been charged to Profit & loss account during the year as GST expense on account of unadjusted GST Input tax credit (ITC) on PSS Operations and the same has been claimed as reimbursement of expenses from The Government of India and Simultaneously shown as ITC receivable as well as current liability in the books. In some branches, it was observed that some amount of GST ITC out of above that has already been adjusted against GST output liability has been shown in GST expense as unadjusted GST ITC.

g) Service Charges related to PSF operations-Onions are being booked @2.5 % which is not yet been confirmed by the Government of India.

As the effect of disclosure in the paras (a to g) above is not accurately ascertainable and furnishing the aggregate effect of only the ascertained amount will not be appropriate, hence we are not furnishing the aggregate effect of the ascertained amount on the Profit, Assets and Liabilities.

**Responsibility of Management and Those Charged with Governance for the Financial Statements**

The federation is writing back the credit balances of Sundry Creditors / Trade payables which are outstanding for more than 3 years old on case to case basis. However, balances outstanding for more than 3 years old pertaining to State Federation / Societies are being reconciled and will be settled accordingly.

DA&FW has recently created a dedicated vetting cell at DA&FW office for timely vetting and post vetting of claims which has started work on settlement of claims / post vetting claims submitted by the Federation.

Reconciliation of GST is being carried on and its consequential effect will be accounted for in the books of account during FY 2022-23.

On reimbursement of unadjusted GST Input tax credit (ITC) of Rs 5.40 Crore (Previous year Rs 37.56 crore) from the Government of India, the GST input tax credit will be reversed by setting off current liability in the books of accounts.

The service charges @ 2.50% have been charged as per PSF guidelines.

**AUDIT OBSERVATION**

**COMPLIANCE**

4. The Federation’s management is responsible with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the federation in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI as applicable to the federation, and the Multi State Co-operative Societies Act, 2002, the Multi State Co-operative Societies Rules, 2002.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the federation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the entity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity’s financial reporting process.

**Auditor’s Responsibilities for the Audit of the Financial Statements**

5. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

No Comments

No Comments

**AUDIT OBSERVATION****COMPLIANCE**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Federation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Federation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**6. Other Matters**

- (a) Balances in respect of Debtors, Creditors and Loans & Advances are subject to confirmation and reconciliation. Further it has been observed that confirmation from Creditors and Loans & Advances has not been sought by the Federation. Consequential effect of the same on Financial Statements could not be ascertained. (Refer to Note No. 8 of Schedule 15B - Notes & Explanatory Statements)
- (b) The Federation is showing amount payable as well as receivables for supplies received and made under OTR by different branches. The same is not set off with each other, hence both amount payable and receivables are overstated.

For confirmation of balances we have already issued letters to the concerned parties/societies. A few of them have responded. As regards reconciliation, in many cases the accounts have been reconciled with the federation/ primary societies and parties. Steps are being taken to reconcile the remaining accounts.

Since operations are ongoing, therefore accounts of parties will be adjusted at the time of completion of transaction.

AUDIT OBSERVATION	COMPLIANCE
(c) The physical verification of stocks was not carried out by the Federation as we were not provided any physical verification reports/ records and we have relied upon the certification by the concerned parties/CWC/ SWC/ Federation. (Refer to Note No. 12 of Schedule 15B - Notes & Explanatory Statements).	No comments.
(d) We have observed certain deficiencies in maintenance of stock records as at some branches WHR/Stock records were not updated/ properly maintained. In view of our observation, control over maintenance of inventory records needs to be strengthened further. (Refer to Note No. 12 of Schedule 15B - Notes & Explanatory Statements).	Noted for compliance.
(e) Title deed of properties amounting to ₹0.18 Crores are yet to be executed in favor of the federation.	No comments.
(f) The Federation has entered into "One Time Settlement Agreement" with the lender banks for loans having current outstanding of ₹2407.11 Crores, which has been settled for ₹478.00 Crores along with transfer of auction rights of the properties of the defaulting party in Mega Mall, Andheri, Mumbai on "as is where is basis" vide agreement dated 27.03.2018. Since part of the settlement agreement is still pending, the federation has not given its effect in the books of account. The same will be given effect in the year, the Federation obtains no dues certificates from the lender banks. This may have significant impact on the profitability of the Federation in the year of final settlement. (Refer to Note No. 14 of Schedule 15B - Notes & Explanatory Statements).	No comments.
(g) The Federation has not classified payables as per the disclosure requirements under MSMED Act 2006 for want of relevant declaration from the suppliers as per Section 8 of the MSMED Act, 2006. (Refer to Note No. 17 of Schedule 15B - Notes & Explanatory Statements).	No comments.

**AUDIT OBSERVATION****COMPLIANCE**

(h) The Internal Audit & Control Systems need to be strengthened considering the size, operation and nature of business of the Federation.

**Report on Other Legal & Regulatory Requirements**

7. The Balance Sheet, the Statement of Profit and Loss and the cash flow statement have been drawn up as per the Multi State Co-operative Societies Act, 2002, the Multi State Co-operative Societies Rules, 2002.
8. Subject to the limitations of the audit indicated in paragraph 4 & 5 above and as required by Section 73(4) of the Multi State Co-operative Societies Act, 2002, and subject also to the limitations of disclosure required therein, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory;
  - b) In our opinion, proper books of account as required by law have been kept by the Federation so far as it appears from our examination of those books.
  - c) The Balance Sheet, the statement of Profit and Loss and cash flow statement dealt with by this report are in agreement with the books of account;
  - d) Except for the matter described in the Basis for Qualified Opinion Paragraph, the Balance Sheet, the Profit and Loss Account and the Statement of Cash Flows comply with applicable accounting standards unless otherwise stated.

Noted for compliance.

  
(S.K. VERMA )  
ADDL. MANAGING DIRECTOR (F & A)

NATIONAL AGRICULTURAL COOPERATIVE MARKETING  
FEDERATION OF INDIA LTD, NEW DELHI

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2022**

	SCHEDULE NO	AS AT 31-03-2022		AS AT 31-03-2021	
		₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh
<b>SOURCES OF FUNDS</b>					
<u>SHAREHOLDER'S FUNDS</u>					
Share Capital	1	4,101.60		3,069.39	
Share Application Money		17.27		747.32	
Reserves & Surplus Fund	2	69,540.60		61,324.49	
Profit / (Loss) Account	3	(37,842.12)	35,817.35	(42,558.93)	22,582.27
<u>LOAN FUNDS</u>					
Secured Loans	4		20,05,930.49		25,70,932.66
			20,41,747.84		25,93,514.93
<u>APPLICATION OF FUNDS</u>					
Fixed Assets	5	32,131.96		31,476.63	
Construction Work in Progress	6	1,399.39		2,254.92	
Investment (Net of provisions )	7	6,866.37	40,397.72	9,871.64	43,603.19
<u>NET CURRENT ASSETS</u>					
Current Asset, Loans & Advances	8	33,49,785.56		32,71,348.73	
Less:					
Current Liabilities & Provisions	9	(13,71,151.46)	19,78,634.10	(7,52,360.73)	25,18,988.00
Deferred Tax Asset (Net)			22,716.02		30,923.74
			<b>20,41,747.84</b>		<b>25,93,514.93</b>
Significant Accounting Policies & Notes on Financial Statements	15				

(S.K. VERMA )  
ADDL. MANAGING DIRECTOR (F & A)

(RAJBIR SINGH)  
MANAGING DIRECTOR

FOR DINESH JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-004885N

(CA DINESH KUMAR JAIN)  
PARTNER  
M NO. 082033

FOR SATISH K. KAPOOR & CO.  
CHARTERED ACCOUNTANTS  
FRN-016222N

(CA SATISH KUMAR KAPOOR)  
PARTNER  
M NO. 094823

FOR HDSG & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-008871N

(CA HARBIR SINGH GULATI)  
PARTNER  
M NO. 084072

PLACE : NEW DELHI  
DATE : 01.08.2022

NATIONAL AGRICULTURAL COOPERATIVE MARKETING  
FEDERATION OF INDIA LTD, NEW DELHI

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

	SCHEDULE NO	AS AT 31-03-2022		AS AT 31-03-2021	
		₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh
<b>INCOME / SALES</b>					
a) Export		40,694.80		13,640.94	
b) Domestic		19,34,527.60		36,75,853.60	
c) Agricultural Machinery & Implements		-	19,75,222.40	-	36,89,494.54
d) Reimbursement of Deficit (excluding interest & Bank Charges etc.) recoverable from Govt. of India on handling of PSS			48,913.16		1,65,776.63
e) Reimbursement of Deficit (excluding Bank Charges etc.) recoverable from SFAC on handling of PSF			1,39,804.87		10,00,828.58
Depreciation on Revalued Amount Written Back			323.01		337.82
Other Income	10		28,825.82		60,728.00
<b>ACCRETION / (DECRETION) IN STOCK IN TRADE</b>					
Closing Stock		12,69,832.97		13,32,228.48	
Less : Opening Stock		13,32,228.48	(62,395.51)	26,99,026.39	(13,66,797.91)
<b>Total</b>			<b>21,30,693.75</b>		<b>35,50,367.66</b>



NATIONAL AGRICULTURAL COOPERATIVE MARKETING  
FEDERATION OF INDIA LTD, NEW DELHI

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

PARTICULARS	SCHEDULE NO	YEAR ENDED 31-03-2022			YEAR ENDED 31-03-2021		
		₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh
<b>EXPENDITURE</b>							
Purchases			19,20,491.75			32,49,385.46	
Sales Tax Expense			630.12			0.26	
Manufacturing and Trading Expense	11		1,29,644.47			1,80,033.36	
Selling and Distribution	12		46,333.69			69,494.58	
Employees Remuneration & Benefits	13		5,792.72			5,613.52	
Administrative Expenses	14		2,682.30			2,521.16	
Interest Paid to Bank and Others		1,65,663.85			2,55,045.42		
Less : Interest Reimbursable on PSS/MIS Operations transferred to Govt. of India account.		1,65,588.27	75.58		2,54,351.63	693.79	
Bank Charges		9.66			15.77		
Less : Bank charges on Govt Operation		4.94	4.72	21,05,655.35	9.77	6.01	35,07,748.13
Depreciation (Including Amortisation of land)				923.28			861.89
<b>TOTAL</b>				<b>21,06,578.63</b>			<b>35,08,610.02</b>
<b>OPERATING PROFIT / (LOSS)</b>				<b>24,115.13</b>			<b>41,757.64</b>
Excess Provision Written back			43.50			5.74	
Less : On account of Govt Operation			-	43.50		-	5.74
Prior Period adjustment(NET)							
i) Income relating to previous year			4.65			-	
ii) Expenses relating to previous year			(37.78)	(33.13)		(74.49)	(74.49)
<b>PROFIT / (LOSS) BEFORE TAX</b>				<b>24,125.50</b>			<b>41,688.89</b>
<b>PROVISION FOR TAX</b>							
Provision for Income Tax			6,071.11			14,457.36	
Income Tax Expenses-Earlier Year			(4,080.49)				
Deferred Tax Expense			8,207.72	10,198.34		2,836.83	17,294.19
<b>PROFIT / (LOSS) FOR THE YEAR</b>				<b>13,927.16</b>			<b>24,394.70</b>

(S.K. VERMA )  
ADDL. MANAGING DIRECTOR (F & A)

FOR DINESH JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-004885N

(CA DINESH KUMAR JAIN)  
PARTNER  
M NO.082033

FOR SATISH K. KAPOOR & CO.  
CHARTERED ACCOUNTANTS  
FRN-016222N

(CA SATISH KUMAR KAPOOR)  
PARTNER  
M NO.094823

(RAJBIR SINGH)  
MANAGING DIRECTOR

FOR HDS& ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-008871N

(CA HARBIR SINGH GULATI)  
PARTNER  
M NO. 084072

PLACE : NEW DELHI  
DATE : 01.08.2022

NATIONAL AGRICULTURAL COOPERATIVE MARKETING  
FEDERATION OF INDIA LTD, NEW DELHI

**SCHEDULE - 1 : SHARE CAPITAL**

PARTICULARS	AS AT 31-03-2022 ₹ in lakh	AS AT 31-03-2021 ₹ in lakh
<b>AUTHORISED CAPITAL :</b>		
30,000 Shares (Previous Year 30,000) of ₹25,000/- each	7,500.00	7,500.00
34 Shares (Previous Year 34) of ₹5,000 each	1.70	1.70
1,00,000 Shares of (Previous year 1,00,000) of ₹2,500/- each	2,500.00	2,500.00
1,721 Shares (Previous year 1,721) of ₹1,000/- each	17.21	17.21
	<b>10,018.91</b>	<b>10,018.91</b>
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL :</b>		
9,308 Shares (Previous year 7,396) of Rs.25,000/- each	2,327.00	1,849.00
34 Shares of (Previous year 34) of ₹5,000/- each	1.70	1.70
70,230 Shares (Previous year 48,059) of ₹2,500 each	1,755.75	1,201.48
1,715 Shares (Previous year 1,721) of ₹1,000/- each	17.15	17.21
	<b>4,101.60</b>	<b>3,069.39</b>



NATIONAL AGRICULTURAL COOPERATIVE MARKETING  
FEDERATION OF INDIA LTD, NEW DELHI

**SCHEDULE - 2 : RESERVES AND SURPLUS FUNDS**

PARTICULARS	AS AT 31-03-2021 ₹ in lakh	ALLOCATION / ADDITION DURING THE YEAR ₹ in lakh	TRANSFER / ADJUSTMENT DURING THE YEAR ₹ in lakh	AS AT 31-03-2022 ₹ in lakh
General Reserves	20,744.32	6,098.68	-	26,843.00
Education Fund	-	243.95	243.95	-
Contingent Fund	10,621.58	-	-	10,621.58
Price Fluctuation Fund (Ordinary)	1,653.92	-	-	1,653.92
Revaluation Reserve	24,326.30	-	323.01	24,003.29
Dividend Equalisation Fund	0.62	428.25	427.28	1.59
Reserve Fund	3,977.75	2,439.47	-	6,417.22
	<b>61,324.49</b>	<b>9,210.35</b>	<b>994.24</b>	<b>69,540.60</b>



NATIONAL AGRICULTURAL COOPERATIVE MARKETING  
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**SCHEDULE - 3 : PROFIT / (LOSS) ACCOUNT**

PARTICULARS	YEAR ENDED 31-03-2022		YEAR ENDED 31-03-2021	
	₹ in lakh		₹ in lakh	
Profit / (Loss) brought forward		(42,558.93)		(52,268.43)
Profit / (Loss) for the Year		13,927.16		24,394.70
		(28,631.77)		(27,873.73)
Less : Appropriated as per decision of the General Body Meeting Dated 17.09.2021				
General Reserve Fund	6,098.68		9,811.61	
Education Fund	243.95		392.46	
Reserve Fund	2,439.47		3,924.65	
Dividend Equalisation Fund	428.25	9,210.34	556.48	14,685.20
		<b>(37,842.12)</b>		<b>(42,558.93)</b>



NATIONAL AGRICULTURAL COOPERATIVE MARKETING  
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**SCHEDULE - 4 : SECURED LOANS**

PARTICULARS	AS AT 31-03-2022		AS AT 31-03-2021	
	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh
<b>A. CASH CREDIT</b> <b>(Secured against hypothecation of PSS Stocks and Govt. Guarantee)</b>				
i) State Bank of India	9,59,461.52		10,97,875.97	
ii) Punjab National Bank	1,78,337.58		2,73,803.53	
iii) Punjab & Sind Bank	1,53,438.85		1,66,118.44	
iv) Canara Bank	3,14,207.59		5,35,583.65	
v) Andhra Bank	14,418.67		96,065.99	
vi) Allahabad Bank	34,957.96		8,238.38	
vii) Bank of Baroda	1,10,397.49	<b>17,65,219.66</b>	1,52,535.87	<b>23,30,221.83</b>
<b>B. LOAN FROM BANKS UNDER OTS</b> <b>(Secured by way of Security given as per OTS agreement Dated 27.03.2018)</b>				
i) Federal Bank	16,901.40		16,901.40	
ii) Punjab National Bank	20,928.64		20,928.64	
iii) Central Bank of India	32,704.57		32,704.57	
iv) Oriental Bank of Commerce	16,088.56		16,088.56	
v) South Indian Bank	13,890.48		13,890.48	
vi) Bank of Maharashtra	24,611.69		24,611.69	
vii) State Bank of Bikaner & Jaipur	13,801.46		13,801.46	
vii) Syndicate Bank	8,722.05		8,722.05	
viii) Interest Accrued	93,061.98	<b>2,40,710.83</b>	93,061.98	<b>2,40,710.83</b>
<b>Total (A + B)</b>		<b>20,05,930.49</b>		<b>25,70,932.66</b>



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**SCHEDULE - 5 : FIXED ASSETS AS ON 31.03.2022**

Amount In ₹ Lakh

S. No.	DESCRIPTION OF ASSETS	GROSS BLOCK					DEPRECIATION				NET BLOCK	
		ORIGINAL COST AS ON 01.04.2021	ADDITIONS / ADJUST. DURING THE YEAR	DELETION / ADJUST. DURING THE YEAR	GROSS BLOCK AS ON 31.03.2022	ACCUM. DEPN. UPTO 31.03.2021	ADJUST. OF ACCUMULATED DEPRECIATION	DEPRECIATION FOR THE YEAR 2021-2022	DEPRECIATION UPTO 31.03.2022	AS ON 31.03.2022	AS ON 31.03.2021	
1	LAND	28,343.58	240.00	-	28,583.58	2,758.51	-	182.71	2,941.22	25,642.35	25,585.07	
2	BUILDING											
	a) FACTORY	336.14	-	-	336.14	261.24	-	7.49	268.73	67.41	257.05	
	b) OFFICE	7,859.77	738.11	-	8,597.88	3,795.36	-	430.29	4,225.65	4,372.23	1,274.28	
	c) WAREHOUSE	1,331.59	2.95	-	1,334.54	856.67	-	47.64	904.31	430.24	1,775.66	
	d) OTHERS	400.76	-	-	400.76	166.55	-	11.82	178.37	222.40	1,541.44	
	e) TEMPORARY STRUCTURE	325.31	-	-	325.31	216.78	-	43.41	260.19	65.12	108.53	
	<b>TOTAL (a to e)</b>	<b>10,253.57</b>	<b>741.07</b>	-	<b>10,994.64</b>	<b>5,296.60</b>	-	<b>540.65</b>	<b>5,837.24</b>	<b>5,157.39</b>	<b>4,956.97</b>	
3	FURNITURE & FIXTURES	604.70	415.62	2.62	1,017.71	225.33	(2.05)	67.06	290.34	727.37	379.37	
4	PLANT & MACHINERY	573.24	29.82	15.32	587.73	510.66	(12.89)	13.31	511.08	76.65	62.57	
5	ELECTRICAL EQUIPMENTS	572.08	107.20	13.98	665.30	346.14	(11.97)	49.64	383.81	281.50	227.11	
6	OTHER EQUIPMENTS	619.88	37.83	24.05	633.67	480.73	(25.32)	49.80	505.21	128.46	137.98	
7	OFFICE EQUIPMENTS	4.31	-	0.01	4.30	3.79	(0.01)	0.02	3.80	0.49	0.52	
8	VEHICLES	175.72	11.00	4.04	182.69	48.68	(3.82)	20.08	64.94	117.74	127.04	
	<b>TOTAL (4 to 8)</b>	<b>1,945.23</b>	<b>185.86</b>	<b>57.40</b>	<b>2,073.69</b>	<b>1,390.01</b>	<b>(54.01)</b>	<b>132.86</b>	<b>1,468.85</b>	<b>604.84</b>	<b>555.22</b>	
	<b>TOTAL THIS YEAR</b>	<b>41,147.08</b>	<b>1,582.55</b>	<b>60.02</b>	<b>42,669.61</b>	<b>9,670.45</b>	<b>(56.07)</b>	<b>923.28</b>	<b>10,537.65</b>	<b>32,131.96</b>	<b>31,476.63</b>	
	<b>TOTAL LAST YEAR</b>	<b>40,441.24</b>	<b>742.49</b>	<b>36.66</b>	<b>41,147.08</b>	<b>8,873.35</b>	<b>(34.79)</b>	<b>861.89</b>	<b>9,670.45</b>	<b>31,476.63</b>	<b>29,493.02</b>	



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**SCHEDULE - 6 : CONSTRUCTION WORK IN PROGRESS**

PARTICULARS	AS AT 31-03-2022 ₹ in lakh	AS AT 31-03-2021 ₹ in lakh
Opening Balance	2,254.92	2,029.36
Addition During the year	-	225.56
	2,254.92	2,254.92
Adjustment during the year	855.53	-
	<b>1,399.39</b>	<b>2,254.92</b>



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**SCHEDULE - 7 : INVESTMENTS (PAGE 1 OF 3)**

PARTICULARS	AS AT 31-03-2022		AS AT 31-03-2021	
	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh
<b>INVESTMENT(UNQUOTED) AT COST</b>				
<b>A. IN COOPERATIVE SOCIETIES</b>				
100 fully paid up shares of ₹50/- each of Delhi State Cooperative Bank Limited, New Delhi		0.05		0.05
199 fully paid up shares of ₹1,00,000/- each of Indian Farmers Fertilizers coop. Ltd, New Delhi		199.00		199.00
30 fully paid up shares of ₹1,000/- each of Indian Farmers Fertilizers coop. Ltd, New Delhi		0.30		0.30
07 Fully paid up shares of ₹10,000/- each of Indian Farmers Fertilizer Cooperative Limited, New Delhi.		0.70		0.70
1000 fully paid up shares of ₹2,000/- each of National Cooperative Consumers Federation of India Limited, New Delhi.		20.00		20.00
25 fully paid up shares of ₹20,000/- each of Sriganganagar Cotton Seed Processing Sahakari Samiti Ltd., Sriganganagar		5.00		5.00
1 fully paid up share of ₹1000/- of Maharashtra State Cooperative Bank Ltd., Mumbai		0.01		0.01
1 fully paid up share of ₹1000/- of Rajasthan Rajya Sahakari Bhawan Prabhand sahakari sangh Ltd, Jaipur		0.01		0.01
276 fully paid up shares of ₹5000/- each of Indian Tourism Cooperative Ltd., (COOPTOUR), New Delhi	13.80		13.80	
Less : Impairment	13.80	-	13.80	-
50 fully paid up shares of ₹10,000/- each of National Cooperative Bank of India Ltd.		5.00		5.00



NATIONAL AGRICULTURAL COOPERATIVE MARKETING  
FEDERATION OF INDIA LTD, NEW DELHI

**SCHEDULE - 7 : INVESTMENTS (PAGE 2 OF 3)**

PARTICULARS	AS AT 31-03-2022		AS AT 31-03-2021	
	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh
1 fully paid up share of ₹25,000/- of Tribal Cooperative Marketing Development Federation of India Ltd., New Delhi.		0.25		0.25
05 fully paid up shares of ₹1,00,000/- each of TRIFED, New Delhi		5.00		5.00
305 fully paid up shares of ₹1,00,000/- each of KRIBHCO, Noida		305.00		305.00
04 fully paid up shares of ₹10,000/- each of KRIBHCO, Noida		0.40		0.40
02 fully paid up shares of ₹25,000/- each of KRIBHCO, Noida		0.50		0.50
9,000 fully paid up shares of ₹2,000/- each of National Coop Consumers Fed of India Ltd., New Delhi		180.00		180.00
100 fully paid up shares of ₹ 50/- each of Nagaland State Cooperative Society		0.05		0.05
5,000 fully paid up shares of ₹2,000/- each of National Consumer Cooperative Federation Ltd, New Delhi		100.00		100.00
<b>TOTAL : (A)</b>		<b>821.27</b>		<b>821.27</b>
<b>B. IN COMPANIES</b>				
10,00,000 shares of ₹10/- each of Konark Jute Ltd., Bhubneshwer	100.00		100.00	
Less: Impairment	100.00	-	100.00	-
100 Shares of ₹10/- each of National Spot Exchange Ltd	0.01		0.01	
Less: Impairment	0.01	-	0.01	-
1,00,000 fully paid up shares of ₹10/- each of Ladak Food Ltd., New Delhi.	10.00		10.00	
Less: Impairment	10.00	-	10.00	-



NATIONAL AGRICULTURAL COOPERATIVE MARKETING  
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**SCHEDULE - 7 : INVESTMENTS (PAGE 3 OF 3)**

PARTICULARS	AS AT 31-03-2022		AS AT 31-03-2021	
	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh
5,00,000 fully paid up shares of ₹10/- each of National Multi Commodity exchange of India Ltd., Ahmedabad.	50.00		50.00	
Less: Impairment	50.00	-	50.00	-
250000 fully paid up shares of ₹10/- each at a Premium of ₹ 5/- against Right Issue of National Multi Commodity exchange of India Ltd, Ahmedabad	37.50		37.50	
Less: Impairment	37.50	-	37.50	-
2,00,000 fully paid up shares of ₹10/- each of NSS Satpura Agro Development Company Ltd., New Delhi	20.00		20.00	
Less: Impairment	20.00	-	20.00	-
10,000 fully paid up shares of ₹10/- each of FIFA, New Delhi		1.00		1.00
<b>TOTAL : (B)</b>		<b>1.00</b>		<b>1.00</b>
<b>C. OTHERS</b>				
Small Farmers Agri Business Consortium, New Delhi		20.00		20.00
8.50% Lucknow Muncpal Bond		4,500.00		4,500.00
Investment in Debt Mutual Fund		-		2,000.00
Perpetual Bond for 7.37% State Bank of India		509.93		509.93
Perpetual Bond for 8.15% Bank of Baroda		-		1,005.27
Perpetual Bond for 8.60% Punjab National Bank		501.65		501.65
Perpetual Bond for 7.59% RFC		512.52		512.52
<b>TOTAL ( C )</b>		<b>6,044.10</b>		<b>9,049.37</b>
<b>TOTAL (A+B+C)</b>		<b>6,866.37</b>		<b>9,871.64</b>



**SCHEDULE - 8 : CURRENT ASSETS, LOANS & ADVANCES (PAGE 1 OF 2)**

PARTICULARS	AS AT 31-03-2022			AS AT 31-03-2021		
	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh
<b>A) CURRENT ASSETS</b>						
<b>INVENTORY</b>						
(as taken, valued & certified by the management)						
i) Commodities held on behalf of Govt. of India Under Price support Scheme / Price Stabilisation Fund		12,51,359.94		13,16,953.17		
ii) Other commodities		18,473.02	12,69,832.96	15,275.31		13,32,228.48
Packing Materials			32.14			32.42
Consumables Stores and Spares in hand			0.09			0.09
<b>SUNDRY DEBTORS (UNSECURED)</b>						
i) Debts exceeding six months:						
Considered Good	41,243.57			1,20,788.61		
Considered doubtful	2,542.35			1,595.57		
	43,785.92			1,22,384.18		
Less: Provision	2,542.35	41,243.57		1,595.57	1,20,788.61	
ii) Other debts		2,14,043.05	2,55,286.62		19,302.27	1,40,090.88
iii) Subsidy Receivable			18,006.98			48,512.44
iv) Amount Receivable from GOI on a/c of MIS/PSS Operations(net)						
Amount receivable from GOI towards deficit on handling commodities under PSS/MIS		25,33,368.40		23,19,920.23		
<b>Less:</b> Amount received from GOI against handling of PSS/ MIS Operations		11,98,286.79	13,35,081.61	9,73,335.09		13,46,585.14



**SCHEDULE - 8 : CURRENT ASSETS, LOANS & ADVANCES (PAGE 2 OF 2)**

PARTICULARS	AS AT 31-03-2022			AS AT 31-03-2021		
	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh
<b>CASH &amp; BANK BALANCES</b>						
i) Cash in hand		4.05		4.81		
ii) Cheque in hand/ remittance in transit		14,626.43		3,863.78		
iii) Fixed Deposit		4,201.53		81.00		
iv) With scheduled & Nationalised banks in Current & Saving Accounts		1,58,617.22	1,77,449.23	1,42,814.29		1,46,763.88
<b>B) LOANS &amp; ADVANCES</b>						
Advance recoverable in cash or in kind or for value to be received (considered good unless otherwise stated)						
Advance to staff:						
i) Secured against Hypothecation of residential houses & vehicles	0.48			0.73		
ii) Other Advances (Employees)	45.03	45.51		46.17	46.90	
Advances for Goods & Services	52,850.37			30,027.46		
Less: Provision for Doubtful recovery	-	52,850.37		-	30,027.46	
Claims & Other Recoverable	1,33,540.77			1,21,270.28		
Security & other deposits	4,038.13			2,648.06		
	1,37,578.90			1,23,918.34		
Less: Considered Doubtful	182.27	1,37,396.62		182.27	1,23,736.07	
Advances against Tie-up business		1,01,510.09			1,01,511.79	
Other Advances (Including Advance Tax)		1,784.12			1,779.42	
Capital Advance Against Fixed Assets		485.10			-	
Prepaid Expenses		24.12	2,94,095.93		33.76	2,57,135.40
			<b>33,49,785.56</b>			<b>32,71,348.73</b>



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**SCHEDULE - 9 : CURRENT LIABILITIES AND PROVISIONS**

PARTICULARS	AS AT 31-03-2022		AS AT 31-03-2021	
	₹ in lakh		₹ in lakh	
Sundry Creditors		4,08,412.88		2,40,709.14
Security Deposit		23,121.87		16,623.48
Advance for Supplies		70,497.58		1,05,680.44
Advance received against Govt Scheme		-		-
Interest accrued		1.13		1.13
Other Liabilities (including rebate payable to members)		2,02,330.31		1,89,001.99
Capital grant received in advance		105.68		105.68
Subsidy received in advance		1,860.22		1,997.96
Amount received from Ministry of Consumer Affairs, Food & Public Distribution for procurement of Pulses & Onion under Price Stablisation Fund through SFAC		6,58,070.20		1,82,720.17
<b>PROVISIONS</b>				
Income Tax	6,071.11		14,727.24	
Misc. provisions	680.48	6,751.59	793.50	15,520.74
		<b>13,71,151.46</b>		<b>7,52,360.73</b>



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**SCHEUDLE - 10 : OTHER INCOME**

PARTICULARS	YEAR ENDED 31-03-2022		YEAR ENDED 31-03-2021	
	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh
Service Charges		14,828.66		45,766.28
Claims Lodged		1,451.19		4,610.08
Interest Received				
i) Fixed deposits	2,216.37		299.68	
ii) Other activities	6,721.86		5,175.69	
	8,938.23		5,475.37	
Less: Received on behalf of GOI for PSS Operation	225.10		237.50	
Less: Received on behalf of GOI for PSF Operation-SFAC	989.20	7,723.93	833.45	4,404.42
Dividend on investment		101.33		86.19
Profit / (Loss) on sale of Fixed Asset		0.08		(0.06)
Profit / (Loss) on sale of Investment		90.35		-
Admission Fees		0.34		0.08
Other Receipts (Including unclaimed credit written back)		4,629.95		5,861.01
		<b>28,825.83</b>		<b>60,728.00</b>



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**SCHEDULE - 11 : MANUFACTURING & TRADING EXPENSES**

PARTICULARS	YEAR ENDED 31-03-2022 ₹ in lakh	YEAR ENDED 31-03-2021 ₹ in lakh
Work Shop & Factory Supplies	0.02	-
Plant Maintenance	0.00	0.86
Power & Fuel Charges	5.97	6.91
Processing Charges	3,140.88	502.48
Other Procurement Expenses	30,205.79	65,175.08
Freight & Cartage	26,036.61	14,260.69
Transit Insurance	7.98	(101.36)
Octroi	0.51	0.04
Licence Fee	7.97	1.12
Grading & Standardisation Expenses	11,149.56	13,135.20
Godown Rent, Storage & Fumigation Expenses	50,002.78	76,997.66
Labour Charges	7,685.35	8,757.77
Claim Rejected	1,401.05	1,296.91
	<b>1,29,644.47</b>	<b>1,80,033.36</b>



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**SCHEDULE - 12 : SELLING AND DISTRIBUTION EXPENSES**

PARTICULARS	YEAR ENDED 31-03-2022		YEAR ENDED 31-03-2021	
	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh
Packing & Forwarding				
Opening stock	32.42		28.32	
Add: Purchases	24,589.39		43,944.30	
	24,621.81		43,972.62	
Less: Closing stock	32.14	24,589.67	32.42	43,940.20
Freight and Cartage		8,638.87		3,518.86
Survey & Supervision		243.32		387.17
Godown Insurance		5,825.22		9,601.47
Brokerage & Commision		429.77		473.31
Sample Expenses		6.08		25.57
Advertisement & Publicity		81.16		86.56
Other selling Expenses		5,623.99		11,461.41
Provison for Bad / Doubtful Debts		962.71		-
Difference in Exchange		(67.10)		0.03
		<b>46,333.69</b>		<b>69,494.58</b>



NATIONAL AGRICULTURAL COOPERATIVE MARKETING  
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**SCHEDULE - 13 : EMPLOYEES REMUNERATION AND BENEFITS**

PARTICULARS	YEAR ENDED 31-03-2022 ₹ in lakh	YEAR ENDED 31-03-2021 ₹ in lakh
Salaries	4,875.06	4,775.27
Bonus	4.14	5.24
Ex Gratia	223.73	204.72
ESI / Medical Charges	57.60	49.53
Contribution to Provident Fund	378.09	338.59
Staff welfare Expenses	54.09	86.62
Death Compensation Expenses	40.00	-
Deposit Linked Insurance	16.57	10.15
Group Insurance Scheme	0.65	0.64
Contribution to Benevolent Fund	3.04	2.74
Staff Training Expenses	1.85	0.35
Gratuity	137.90	139.67
	<b>5,792.72</b>	<b>5,613.52</b>



NATIONAL AGRICULTURAL COOPERATIVE MARKETING  
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**SCHEDULE - 14 : ADMINISTRATIVE EXPENSES**

PARTICULARS	YEAR ENDED 31-03-2022 ₹ in lakh	YEAR ENDED 31-03-2021 ₹ in lakh
Rent, Rate & Taxes	223.72	202.28
Electricity and Water	144.19	111.22
General Insurance	86.23	25.92
Telephone & Telex Expenses	20.46	22.23
Postage & Telegram	10.49	9.59
Printing & Stationery	38.20	34.40
New papers & Journals	1.85	2.50
Dues & Membership fee	9.64	6.43
General Body/Directors meeting Expenses	132.88	108.40
Travel Expenses Directors	62.27	57.55
Travel Expenses Others	277.16	303.64
Watch & Ward Expenses	503.26	300.49
General Charges	202.60	188.92
Vehicle Maintenance	40.48	26.79
Repairs & Renewals	83.65	98.07
Data Processing charges	17.69	26.57
Professional Fee-Consultant	439.70	177.45
Professional Fee-Legal	102.82	53.47
Audit Fee ( Including Tax Audit Fees )	36.00	23.05
Internal Audit Fees	10.99	9.68
Guest House Maintenance	3.06	1.28
Donation	110.00	500.00
Staff Recruitment Expenses	3.73	(0.20)
Entertainment	34.54	21.87
Impairment Loss	-	-
Conference & Seminars	1.94	-
Interest / Penalty on TDS /GST	5.87	-
Business Promotion Expenses	78.88	209.56
	<b>2,682.30</b>	<b>2,521.16</b>



NATIONAL AGRICULTURAL COOPERATIVE  
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**SCHEDULE-15**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS**

**A. SIGNIFICANT ACCOUNTING POLICIES:**

**1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- a) The financial statements are prepared under the historical cost convention, except land and building which are re-valued from time to time, as a going concern and on consistent basis.
- b) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and provisions of the Multi State Cooperative Societies Act,2002.

**2. USE OF ESTIMATES:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**3. REVENUE / EXPENDITURE RECOGNITION:**

- a) The Federation follows the Mercantile system of accounting and recognizes income and expenditure on accrual basis except the followings:-
  - i) Ex-gratia / Arrears to employees is accounted for on the basis of payment,
  - ii) Interest on advances to employees is accounted for on cash basis after the Principal amount is fully recovered. Interest on delayed payment from customers is accounted on realization.
  - iii) Prior period income / expenditure below ₹5,000/- in each case is accounted for in the year in which received / incurred.
  - iv) Benefits accruing on exports in any form are accounted for when realized.
  - v) Liability for taxes / duties arising on completion of assessments / adjudication are booked when final demand is raised.
  - vi) Prepaid expenditure below ₹5000/- in each case is accounted for in the year in which incurred.
  - vii) Expenditure under Government Schemes i.e PSS/PSF/any other schemes not claimed by the Federation in the year of incurrence, are accounted for in the year, in which these are claimed, settled/ paid.
- b) Liabilities provided but claims not forthcoming for over three years are written back on merit basis.

**4. INVESTMENT:**

Long term investments in shares/bonds are valued at cost. Any permanent diminution in the value of Investments is being provided.



## 5. **FIXED ASSETS AND DEPRECIATION**

- a) Fixed assets are stated at cost of acquisition (after adjusting subsidy, if any) inclusive of non refundable duties & taxes (including GST etc.), freight, incidental expenses and erection / commissioning expenses thereto. Any revaluation done during the life of the asset is added to the carrying value of assets and credited to revaluation reserve account.
- b) Depreciation is provided on written down value method at the rates prescribed under the Income Tax Act, 1961 except the leasehold lands which are amortized over the period of lease life. Proportionate Depreciation on revalued value of the asset is credited to profit and loss account and debited to Revaluation Reserve Account.

## 6. **JOINT VENTURES WITH MEMBER COOPERATIVES**

Profit/Loss on joint venture with member cooperatives & others are accounted for on accrual basis based on yearly statement of accounts, duly audited and received from co-venturers.

## 7. **FOREIGN CURRENCY TRANSACTIONS**

- i) Foreign currency transactions are initially recognized at the spot rate on the date of transaction.
- ii) Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year are translated at the year end rates.
- iii) Exchange differences arising in translation of the assets and liabilities denominated in foreign currency are recognized in the statement of Profit and Loss.

## 8. **VALUATION OF INVENTORY**

Closing inventory is taken on the basis of the stocks as per the records except stocks in transit, with consignee and Central Warehousing Corporations / State Warehousing Corporations. In such cases, certificates obtained from respective parties/agencies are relied upon.

- a) The valuation of closing Inventory is done in the following manner:

i.	Agricultural commodities & Finished goods (including bags)	At cost or market/realizable value whichever is lower (at the respective places/branches where the stocks are held)
ii.	Raw-materials, packing material and consumable stores	At Cost
iii.	Stocks held under back to back/ Tie up arrangement	At Cost
iv.	Goods in transit	At Cost
v.	Stocks in respect of commodities held on behalf of Govt of India under PSS/PSF and any other Scheme	At Cost
vi.	Unserviceable /old packing material	At estimated realizable value
vii.	Bye-products/Damaged stock	At estimated realizable value
viii.	Consumer (Retail) Products	At cost or estimated realizable value whichever is lower.

- b) Cost includes all the expenses incurred up to godown.
- c) Cost means annual weighted average cost.
- d) Value of stores, spares, packing materials, finished goods etc. found short / excess during physical verification is adjusted against consumption / closing stock.



## 9. **TAXATION**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred income tax reflect the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years / period. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Federation has unabsorbed depreciation or carry forward of tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

At each balance sheet date, the Federation re assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably or virtually certain as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Federation writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Liability for taxes / duties arising on completion of assessments / adjudication are booked when final demand is raised.

## 10. **PROVISIONS, CONTINGENT LIABILITIES**

Provision is recognised when Nafed has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.



## 11. EMPLOYEE BENEFITS

### Retirement Gratuity

The Federation is contributing to the NAFED Employees Group Gratuity cum Life Assurance Scheme Trust on an actuarial basis, in compliance with AS-15, the annual premium payable to the Life Insurance Corporation of India to cover the liability for Group Gratuity-cum-Life Assurance benefits. Additional liability, if any, on actual settlement in respect of employees covered under the scheme is accounted for when paid.

### Defined Contribution Plan

Provident Fund and Pension contribution are accounted for on accrual basis.

### Leave Encashment

Necessary provision has been made for liability in respect of Leave Encashment benefit on actuarial basis. Additional liability, if any, on actual settlement in respect of employees covered under the scheme is accounted for when paid.

## 12. COMMODITIES HANDLED ON BEHALF OF GOVT. OF INDIA UNDER PRICE SUPPORT SCHEME / PRICE STABILIZATION FUND/ANY OTHER SCHEME

- a) Purchases, sales and expenses incurred are accounted for under the respective head of accounts in the books of the Federation and the resultant surplus/deficit after charging interest on capital investment is treated as payable to / recoverable from Govt. of India by debiting / crediting to Profit and Loss account.
- b) Service charges claim for commodities handled on behalf of Government of India are accounted for as per respective Government Scheme guidelines.
- c) Railway, insurance and other claims lodged with third parties are accounted for and passed over to the Govt. in the year, in which claims are actually received.

  
(S.K. VERMA )  
ADDL. MANAGING DIRECTOR (F & A)



  
(RAJBIR SINGH)  
MANAGING DIRECTOR



**Place: New Delhi**

**Date: 01.08.2022**

**B. NOTES & EXPLANATORY STATEMENTS**

**1. Contingent Liabilities:**

- a) Claims against the Federation not acknowledged as debt are ₹423.65 Crore (Previous Year ₹865.91 Crore) which includes:
- i). ₹328.14 Crore (Previous Year ₹310.02 Crore) on account of suit filed towards compensation for non-fulfillment of export obligations by M/s Alimenta during previous years.
  - ii). In a commercial dispute with M/s Alimenta S A Geneva regarding non-fulfillment of supply contract to the party, the party has filed a suit at Mumbai High court asking NAFED to pay US\$ 58,20,000 plus interest. The interest liability calculated by NAFED on the amount comes to US\$ 3,74,65,602. The total liability works out to US\$ 4,32,85,602 equivalent to ₹328.14 Crore after converting the same at applicable exchange rate as on 31<sup>st</sup> March, 2022. The award is under challenge in Mumbai High Court. Based on expert legal advice, the Federation considers the disputed case, likely to be decided in favour of NAFED, as such it has not provided for the liability in its books but has considered it a contingent liability.
- b) Estimated liability of ₹117.38 Crore (Previous Year ₹117.02 Crore) on account of Income Tax demands as below:

(₹ in Crore)

S. No	Assessment Year	Demand Raised	Demand adj from payable refund/ Amount Paid till 31.03.22	Appeal Status	Remarks
1.	1986-87	0.14	0.14	Supreme Court/ High Court	Tribunal has rectified its earlier order on the Application moved by AO in view of retrospective amendment U/S 80P 2a (iii). Appeal filed for claiming relief on substantial grounds.
	1987-88	1.79	1.79		
	1988-89	1.18	1.18		
	1989-90	4.86	4.86		
	1990-91	0.79	0.79		
	1991-92	3.31	3.31		
	1992-93	4.56	4.56		
	1993-94	3.86	3.86		
	1994-95	<u>9.27</u>	<u>9.27</u>		
		29.76	29.76		
2.	2001-02 & 2002-03	2.40	2.40	Supreme Court	Claiming relief in other grounds.
3.	2003-04	0.00	0.00	Delhi High Court	Departmental Appeal
4.	2004-05	0.00	0.00	- do -	- do -
5.	2006-07	0.00	0.00	- do -	- do -
6.	2008-09	0.00	0.00	-do-	-do-
7.	2009-10	0.00	1.19	ITAT	Refund adj agt AY 2011-12 demands



S. No	Assessment Year	Demand Raised	Demand adj from payable refund/ Amount Paid till 31.03.22	Appeal Status	Remarks
8.	2010-11	13.93	24.06	ITAT & CIT(A)	Appeal in favour of Nafed partly and demand reduced. Refund of AY 2013-14 adjusted against demands.
9.	2011-12	9.23	0.00	CIT(A)	Rectification filed u/s 154 against Demand raised.
10.	2012-13	0.00	0.69	-Do-	Refund adj against AY 2011-12 demands
11.	2013-14	0.00	2.30	-Do-	Refund adj against AY 2011-12 demands
12.	2014-15	0.01	0.69	-Do-	Refund adj against AY 2011-12 demands
13.	2017-18	0.76	0.39	AO	Demand created in r/o old PAN of Nafed along with created demand u/s 143(1)
14.	2018-19 and 2019-20	60.93	0.00	-Do-	Demand created in account of disallowance of brought forward losses
15	2020-21	0.36	0.00	-Do-	Demand created u/s 143(1)
	<b>Total</b>	<b>117.38</b>	<b>61.48</b>		

The Federation has not provided the aforesaid tax liability in the books of accounts as cases are pending before concerned adjudicating authorities. The Management is of the view that the Federation will succeed in all the pending cases in appeals and therefore no provision has been considered necessary. Also no provision for interest on the above demand has been considered under contingent liabilities. The amount of ₹ 61.48 Crore (Previous Year ₹ 61.48 Crore) paid to Income Tax Department has been shown as other advances.

- Estimated liability towards capital commitments on contracts not yet completed and not provided for are ₹ 15.79 Crore (Previous Year ₹ 15.79 Crore).
- Federation has long term investments amounting to ₹ 68.66 Crore (net) valued at cost (Previous Year ₹ 98.72 Crore). Investments have been stated at cost except where management feels that there has been diminution in the value of investments. Impairment loss of ₹ 0.24 Crore during 2012-13 and ₹ 2.07 Crore during 2018-19 totaling to ₹ 2.31 has been booked in the accounts against the above.
- Title Deeds of properties costing ₹ 0.18 Crore (Previous Year ₹ 0.18 Crore) are yet to be executed in favor of the Federation. Besides, two properties situated at Mohan Cooperative Industrial Area, New Delhi having fair market value of ₹ 27.60 Crore have been acquired as per Court direction whose Title Deeds are yet to be executed in favour of the federation.



5. Subscription towards share capital received ₹ 0.17 Crore (Previous Year ₹ 7.47 Crore) is pending for allotment. Out of above allotment of shares/refund to societies has been made amounting to ₹ 0.04 Crore till date. Balance amount is outstanding, as the societies have authorized NAFED to deduct a certain amount from their income towards the share application money and issue the share equivalent to the amount deducted. Since the price of share is in the multiple of ₹ 2,500/- and the minimum shares that can be issued is of ₹ 25,000. The amount deducted towards share application is less than the requisite amount and is being accumulated to reach that level to issue the shares, the shares have not been issued to the societies.
6. Current Assets, Loans and advances include overdue Tie up receivables amounting to ₹ 1015.10 Crore (Previous Year ₹ 1015.12 Crore) out of which receivable amounting to ₹ 279.03 Crore (Previous Year ₹ 279.03 Crore) are secured by realizable and enforceable tangible assets in form of collateral Securities. Out of Tie-up receivables of ₹ 1015.10 Crore (Previous Year ₹ 1015.12 Crore) ₹ 4.11 Crore (Previous Year ₹ 4.11 Crore) have been provided in the books of account. The management contends that no provision for bad debts against these receivables is considered necessary at this stage as the federation has taken necessary action (including administrative, legal action & referring few cases to Government investigating agencies) for recovery of outstanding dues.
7. PSS/MIS operation wise claim have been lodged with Ministry of Agriculture & Farmers Welfare, Government of India on account of PSS/MIS operation. Details of amount receivable as on 31<sup>st</sup> March, 2022 are given below:

S. No.	Particulars	Amount (₹ in Crore)
a.	Receivable on account of deficit under PSS/MIS (Previous Year ₹ 23,199.20 Crore)	25,333.68
b.	Amount received from Govt. of India for Price support operations, plus resultant Surplus on different operations minus amount refunded / paid to Govt. / State agencies (Previous Year ₹ 9,733.35 Crore)	11,982.87
c.	Net Balance (a-b) (Previous Year ₹ 13,465.85 Crore)	13,350.81

The management is hopeful that soon all the claims will be settled by Govt. of India and full claim will be received. Deduction made at the time of settlement of claims is accounted for in the year of final settlement.

8. Balances of the debtors, creditors & loans and advances are subject to confirmation with the respective parties. The reconciliation of accounts with the societies / Federations / Tie-up Parties / Business Associates is also in progress. The differences arising on reconciliation shall be adjusted in the year of settlement.
9. Provision for doubtful debts has been adequately created in the books as per the assessment of the management. The write-off required if any, shall be made after following the due process.
10. In cases where rent are not received due to legal/other disputes, no income has been recognized following AS-9, Issued by the ICAI. NAFED has initiated legal proceedings against these tenants.
11. The federation has accounted for all the Purchases made during the financial year 2021-22 which include a sum of ₹ 788.73 Crore (Previous Year ₹ 756.36 Crore) for which bills are pending to be received. Bills amounting to ₹ 487.15 Crore (Previous Year ₹ 676.60 Crore) have been received from the parties till the date of finalization of balance sheet.
12. The quality and valuation of stock in hand is being done based on Warehousing Receipts issued by Central/ State Warehousing Corporation. The quantity, quality and condition of stock kept in warehouses is the joint responsibility of SLA, surveyors and Central/ State Warehousing Corporation. NAFED Management is relying upon invoices/documents



of the Member Marketing Federations / societies making purchases of agricultural commodities on behalf of the Federation in respect of moisture content, quality, farmer produce, rate and weight and deviation, if any, is dealt with accordingly.

13. Depreciation amounting to ₹ 3.23 Crore (Previous Year ₹ 3.38 Crore) charged in respect of assets revalued during the year 2009-10 and 2011-12 has been credited to Profit & Loss Account by debiting to revaluation reserve.
14. Loan facility availed from Banks during the period from 2003-2006 having outstanding of ₹ 1705.86 Crore as on 31.03.2012, has been settled in for ₹ 478.00 Crore which includes transfer of auction rights of the properties of the defaulting party in Mega Mall, Andheri, Mumbai on "as is where is basis" under "One Time settlement Agreement" signed with the lenders Bank on 27.03.2018. As per the agreement entered with lender banks, the federation has already paid ₹ 224.00 crore up to 31<sup>st</sup> March, 2022. As sale/auction of properties are still pending and as and when the same are disposed off through auction/sale, the sale proceeds will be given to the lender banks and accordingly no dues certificate will be obtained from the lender bank. Since part of the settlement agreement is still pending, the federation has not given its effect in the books of accounts. The same will be given effect in the year of getting no objection certificates from the lender banks.

15. **Employee Benefits**

**Gratuity**

The Federation has taken Group Gratuity policy from Life Insurance Corporation of India for its employees in compliance with AS-15 "Employee Benefits". The present value of obligation is determined based on Actuarial Valuation using the Projected Unit Credit Method.

**Provident Fund**

The Federation has recognized, in the Profit and Loss Account for the Year Ended 31st March 2022, an amount of ₹ 3.78 Crore (Previous Year ₹ 3.38 Crore) as expense under Employees Provident Fund.

The Federation operates post retirement benefit plans as follows:

**Funded**

Post Retirement Gratuity

Post Retirement Leave Encashment

A. **Detail of Post Retirement Gratuity Plan is as under:**

Assumption	As on 31.03.2021	As on 31.03.2022
Discount Rate	6.85%	7.00%
Salary Escalation	5.00%	6.00%

During the year, the Federation has paid ₹ 1.37 Crore (Previous Year ₹ 1.40 Crore) as contribution to fund based on advice received from LIC and charged to Profit and Loss Account during the year.

B. **Detail of Post Retirement Leave Encashment Plan is as under:**

Assumption	As on 31.03.2021	As on 31.03.2022
Discount Rate	6.85%	7.23%
Salary Escalation	5.00%	5.00%



During the year, the Federation has paid ₹ Nil (Previous Year ₹ 2.70 Crore) as contribution to fund based on advice received from HDFC/LIC and charged ₹ 4.24 Crore (Previous Year ₹ 9.17) Crore to Profit and Loss Account during the year.

16. Related Parties Transactions as per Accounting Standard 18:

- (a) The federation has an investment in equity shares of NSS Satpura Agro Development Company Limited amounting to ₹ 20 Lacs representing 50% of the paid-up capital of the company. Further, an amount of ₹ 65,19,285 (P.Y. ₹ 65,19,285) is recoverable from company on account of expenses incurred by the federation on behalf of NSS Satpura Agro Development Company Limited. NAFED had made provision of ₹ 65,19,285 against the same in view of recovery being doubtful.

During FY 2020-21, the federation had acquired 10000 shares having face value of ₹10 each of "Federation of Indian FPOs and Aggregators (FIFA)" by paying ₹1 Lac representing 100% shares of FIFA which has been transferred on 24.07.2020 in favour of the federation. Further, the federation has released ₹ 50 Lacs as interest free working capital to be repaid after 5 Years and financial grant of ₹ 50 Lacs for capacity building to build more FPOs and enlarge the membership. Further, an amount of ₹ 4,16,913 (P.Y. ₹ Nil) is recoverable from company on account of amount incurred by the federation on their behalf.

(b) Key Managerial Personnel and Relationship:

Sr. No	Name	Designation	(2021-22) (in ₹)	(2020-21) (in ₹)
1.	Shri Sanjeev Kumar Chadha, IFS	Managing Director	39,82,801	38,12,597
2.	Shri Sunil Kumar Singh	Addl. Managing Director	32,46,745	30,31,404
3.	Shri Pankaj Kumar Prasad	Addl. Managing Director	28,53,467	25,72,954
4.	Shri S.K. Verma	Addl. Managing Director	30,23,717	32,13,729
5.	Shri A.K. Rath	Addl. Managing Director	30,23,717	32,13,129
6.	Shri Kamalendra Srivastava	Executive Director	27,44,267	25,96,610
7.	Shri Abhinav Rawat	Executive Director	25,49,181	24,37,478

17. Necessary disclosures under MSMED Act 2006 can be considered once relevant information is received from the suppliers. As per Section 8 of the MSMED Act, 2006 necessary memorandum has been requested from the suppliers and same is awaited.
18. In the opinion of the Management, the Recoverable amount of the assets is higher than their carrying amount stated in the Balance Sheet. Necessary provision for impairment loss as defined under AS-28 (Impairment of Assets) has been made, as considered necessary.
19. In the opinion of the Management, realizable value of current assets, loans and advances is not less than the amount at which these are stated in the Balance Sheet except stated otherwise.
20. The Financial Statements are prepared under the Historical Cost Convention except land and building, which are re-valued from time to time.
21. The accounts of the Federation have been prepared on going concern basis despite the accumulated losses of ₹ 378.42 Crore (Previous Year ₹ 425.59 Crore), based on its improved business turnover and one-time settlement with banks.

The management is of the view that the operation of the federation will generate sufficient profit in near future and there is virtual certainty that deferred tax assets can be realized in near future. In view of the above, during the year, the federation has recognized an amount of ₹ (-) 82.07 Crore (Previous Year ₹ (-) 28.36 Crore) as Deferred Tax Assets (Net). The components of DTA/DTL as on 31.03.2022 are as under:



Particulars	Current Year (₹)	Previous Year (₹)
A. Deferred Tax Assets		
Profit / (-) Unabsorbed Losses	--	--
Difference in WDV of Fixed Assets	(28,01,21,330)	6,69,26,159
Employee Benefits	--	--
Provision for Bad & Doubtful debts	--	--
Disallowances u/s 43(B) of Income Tax Act	9,30,58,76,571	9,28,41,63,861
Total (A)	9,02,57,55,241	9,35,10,90,020
B. Deferred Tax Liabilities		
Alimenta Interest Liability claimed in Income Tax computation but not accounted in books	--	50,05,62,525
Employee Benefits	--	--
Total (B)	--	50,05,62,525
Deferred Tax Assets : NET (A-B)	9,02,57,55,241	8,85,05,27,495
Tax Effect	2,27,16,02,079	3,09,23,74,306

22. The federation is in the process of reconciliation of Goods and Service Tax( GST) at some of the location/branches and controlling offices. The necessary effect, if any will be accounted for in the Books of Accounts after reconciliation in subsequent period.
23. The federation is undertaking PSS operations on behalf of DAC under Price Support Scheme of GOI on MSP declared by Government for the benefits of the farmers. Mostly, procured stock are sold at lower than cost price / MSP, resultantly, GST paid on procurement left to be adjusted even after entire disposal of the taxable commodity. As per GST Act, the federation is not eligible for refund of unadjusted GST. Thus, the federation has charged unadjusted GST amount valuing ₹ 5.40 crore (Previous Year ₹ 37.56 crore) in the respective commodity P& L Account for reimbursement. On reimbursement, GST amount will be reversed from the GST portal.
24. Details / Information required as per AS-3 (Cash Flow Statement), AS-17 (Segment Reporting) are annexed.
25. Federation is supplying pulses procured under PSF scheme to institutions and under welfare schemes of various state Governments. For such supplies, stocks are first transferred to outright, thereafter, invoices are raised first for raw materials supplied to millers and after receipt of bills from millers for the same amount, invoices are raised on concerned state Governments. Hence, sales and purchases of the Federation include value of such supplies made to millers and received from millers respectively.
26. In view of the management, there is no impact of Covid-19 pandemic on the functioning and finance of the federation.
27. Previous year figures have been regrouped, rearranged and re-casted wherever considered necessary. Figures have been rounded off to the nearest Lacs.

(S.K. VERMA )  
ADDL. MANAGING DIRECTOR (F & A)

FOR DINESH JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-004885N

(CA DINESH KUMAR JAIN)  
PARTNER  
M. NO. 082033

(RAJBIR SINGH)  
MANAGING DIRECTOR

FOR SATISH K. KAPOOR & CO.  
CHARTERED ACCOUNTANTS  
FRN-016222N

(CA SATISH KUMAR KAPOOR)  
PARTNER  
M. NO. 094823

FOR HDS& ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-002871N

(CA HARJIT SINGH GULATI)  
PARTNER  
M. NO. 084072

PLACE : NEW DELHI  
DATE : 01.08.2022

NATIONAL AGRICULTURAL COOPERATIVE  
MARKETING FEDERATION OF INDIA LTD., NEW DELHI

**CASH FLOW STATEMENT FOR THE YEAR 2021-2022**

PARTICULARS	YEAR ENDED 31.03.2022 AMOUNT (₹ IN LAKH)		YEAR ENDED 31.03.2021 AMOUNT (₹ IN LAKH)	
<b>A : CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit as per P & L A/c		13,927.16		24,394.70
<b>ADJUSTMENTS FOR :</b>				
Deferred Tax Expenses / (Income)	8,207.72		2,836.83	
Income Tax Expenses	6,071.11		14,457.36	
Depreciation & Amortisation	923.28		861.89	
Dep on revalued amount written back	(323.01)		(337.82)	
Interest Income	(7,723.92)		(4,404.42)	
Dividend Income	(101.33)		(86.19)	
Interest Expenses	75.58		693.79	
(Profit) / Loss on sale of fixed assets	(0.08)		0.06	
Profit on sale of Investment	(90.35)		-	
		<b>7,039.00</b>		<b>14,021.50</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>20,966.15</b>		<b>38,416.20</b>
Decrease/(Increase) in Sundry Debtors	(1,15,195.73)		(1,04,970.29)	
Decrease/(Increase) in Subsidy Receivable	30,505.46		25,316.15	
Decrease/(Increase) in amount recoverable from Govt.	11,503.53		(2,83,223.68)	
Decrease/(Increases) in Advances to suppliers/other advances	(2,2,814.88)		10,008.32	
Decrease/(Increase) in Inventories	62,395.79		13,66,793.81	
Decrease/(Increase) in Claims & Other Recoverable	(13,660.56)		10,529.87	
Increase/(Decrease) in Sundry Creditors	1,67,703.74		(91,099.16)	
Increase/(Decrease) in Other Current Liabilities	4,59,743.10		(5,32,088.00)	
Payment to NCUI from Education Fund	(243.95)		(392.46)	
Tax Paid		<b>5,79,936.51</b>		<b>4,00,874.55</b>
<b>NET CASH FROM / (USED IN) OPERATING ACTIVITIES : (A)</b>		<b>(14,727.24)</b>		<b>(8,860.28)</b>
<b>B : CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>5,86,175.42</b>		<b>4,30,430.47</b>
Purchase of Fixed Asset	(727.02)		(968.05)	
Advance paid for purchase of Fixed Assets	(485.10)		-	
Decrease / (increase) in Investment	3,005.27		(9,030.37)	
Interest Received	7,723.92		4,404.42	
Dividend Received	101.33		86.19	
Profit on sale of Investment	90.35		-	
Sale of Fixed Assets	4.03		1.82	
<b>NET CASH FROM / (USED IN) INVESTING ACTIVITIES : (B)</b>		<b>9,712.78</b>		<b>(5,506.00)</b>
<b>C : CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Issuance of Share capital	302.16		364.30	
Increase in share application money	-		627.18	
Payment of Dividend	(427.28)		(555.86)	
Increase in secured loans	(5,65,002.17)		(3,87,124.76)	
Interest Paid	(75.58)		(693.79)	
<b>NET CASH FROM / (USED IN) FINANCING ACTIVITIES : (C)</b>		<b>(5,65,202.86)</b>		<b>(3,87,382.93)</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		<b>30,685.34</b>		<b>37,541.53</b>
<b>CASH &amp; CASH EQUIVALENTS AT THE BEGINNING OF PERIOD</b>	(See Note 1)	<b>1,46,763.88</b>	(See Note 1)	<b>1,09,222.35</b>
<b>CASH &amp; CASH EQUIVALENTS AT THE END OF PERIOD</b>	(See Note 1)	<b>1,77,449.22</b>	(See Note 1)	<b>1,46,763.88</b>

Notes to Cash flow Statement

1. Cash and Cash equivalents

Cash and Cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

	<b>31.03.2022</b>	<b>31.03.2021</b>
Cash in hand and balance with bank	<u>1,77,449.22</u>	<u>1,46,763.88</u>
	<b>1,77,449.22</b>	<b>1,46,763.88</b>

(S.K. VERMA)  
ADDL. MANAGING DIRECTOR (F & A)

(RAJBIR SINGH)  
MANAGING DIRECTOR

FOR DINESH JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-004885N

FOR SATISH K. KAPOOR & CO.  
CHARTERED ACCOUNTANTS  
FRN-016222N

FOR HDS& ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-002871N

(CA DINESH KUMAR JAIN)  
PARTNER  
M. NO. 082033

(CA SATISH KUMAR KAPOOR)  
PARTNER  
M. NO. 094823

(CA HARJIT SINGH GULATI)  
PARTNER  
M. NO. 084072

PLACE : NEW DELHI  
DATE : 01.08.2022

NATIONAL AGRICULTURAL COOPERATIVE  
MARKETING FEDERATION OF INDIA LTD., NEW DELHI

**SEGMENT REPORT ( AS-17 ) FINANCIAL YEAR 2021-2022**

(Amount ₹ in lakh)

S. NO.	PARTICULARS	I AGRICULTURAL BUSINESS	II PSS BUSINESS	IV OTHER BUSINESS	V UNALLOCABLE ITEMS	TOTAL FOR THE YEAR 2021-2022	I AGRICULTURAL BUSINESS	II PSS BUSINESS	IV OTHER BUSINESS	V UNALLOCABLE ITEMS	TOTAL FOR THE YEAR 2020-2021
A.	SEGMENT REVENUE:										
i)	SALES	7,32,271.08	6,38,753.50	5,34,152.71	70,045.12	19,75,222.41	4,48,828.44	20,03,264.51	11,87,688.39	49,713.20	36,89,494.54
ii)	SERVICE CHARGES(PSF / PSS)	105.12	6,024.65	8,698.86	-	14,828.63	5,424.61	14,959.36	25,382.31	-	45,766.28
iii)	OTHER INCOME	72.40	5,423.57	(608.39)	19.46	4,907.05	154.38	7,616.85	1,754.38	32.78	9,558.39
	GROSS SALES/INCOME (i+ii+iii)	7,32,448.60	6,50,201.72	5,42,243.18	70,064.58	19,94,958.08	4,54,407.43	20,25,840.72	12,14,825.08	49,745.98	37,44,819.20
B	SEGMENT RESULTS (GROSS PROFIT)	83,036.83	(1,67,051.92)	52,845.33	55,556.37	24,386.60	1,40,910.14	(3,25,112.00)	2,22,076.40	6,863.62	44,738.16
a)	ADD: UNALLOCABLE INCOME	-	2.61	-	10,301.84	10,304.45	7.57	66.61	-	6,399.21	6,473.39
b)	LESS: UNALLOCABLE EXPENCES	-	-	-	21,097.28	21,097.28	953.85	145.94	611.43	25,374.71	27,085.93
c)	PROFIT (B+a-b) BEFORE EXCEPTIONAL ITEMS	83,036.83	(1,67,049.31)	52,845.33	44,760.93	13,593.77	1,39,963.87	(3,25,191.33)	2,21,464.97	(12,111.89)	24,125.62
d)	EXCEPTIONAL ITEMS	2.61	0.00	28.78	301.99	333.39	-	-	-	269.08	269.08
e)	PROFIT BEFORE TAX (c+d)	83,039.44	(1,67,049.31)	52,874.11	45,062.92	13,927.16	1,39,963.87	(3,25,191.33)	2,21,464.97	(11,842.81)	24,394.70
C	SEGMENT ASSETS	1,93,914.58	25,84,587.91	1,27,778.32	1,10,520.86	30,16,801.67	1,89,066.00	25,89,797.53	1,15,580.00	58,383.82	29,52,827.34
a	UNALLOCABLE ASSETS	-	-	-	3,73,612.91	3,73,612.91	-	-	-	3,62,355.89	3,62,355.89
b	TOTAL ASSETS(C+a)	1,93,914.58	25,84,587.91	1,27,778.32	4,84,133.78	33,90,414.59	1,89,066.00	25,89,797.53	1,15,580.00	4,20,739.72	33,15,183.24
D	SEGMENT LIABILITIES	2,03,754.34	27,22,584.09	93,644.30	43,576.12	30,63,558.85	1,56,275.41	27,44,338.15	76,371.61	46,935.07	30,23,920.24
a	UNALLOCABLE LIABILITIES	-	-	-	3,26,855.74	3,26,855.74	-	-	-	2,91,262.99	2,91,262.99
b	TOTAL LIABILITIES (D+a)	2,03,754.34	27,22,584.09	93,644.30	3,70,431.86	33,90,414.59	1,56,275.41	27,44,338.15	76,371.61	3,38,198.06	33,15,183.24
E	CAPITAL EXPENDITURE INCURRED DURING THE YEAR	-	-	-	1,842.43	1,842.43	-	-	-	2,238.14	2,238.14
F	DEPRECIATION	-	-	-	923.28	923.28	-	-	-	861.89	861.89
G	NON-CASH EXPENDITURE OTHER THAN DEPRECIATION	-	-	-	18,773.62	18,773.62	-	-	-	13,894.64	13,894.64

(S. K. VERMA )  
ADDL. MANAGING DIRECTOR (F & A)

(RAJIB BENGHI)  
MANAGING DIRECTOR











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**nafed**

**A Farmers' Cooperative**

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Marketing Federation of India Ltd.**

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आश्रम



Ashram