

We are a small social business. NGO Products launched its brand of pure coconut products in Sept 2013. Its inception was driven by passion to deliver healthy and nutritious food to the market at affordable price, while supporting small holder farmers. NGO Products facilitated creation and growth of farmers associations in Kerala State of India. It was recognized by the Coconut Development Board of Min. of Agriculture for excellence of the quality of their products, innovation of marketing strategies and variety of added value coconut products, as well as support to the farmers. It created awareness, hence the market, about the health benefits of coconut products, including prevention of some chronic diseases. Part of NGO Products sales strategy is creation of independent micro-entrepreneurs, including women, and support of small and medium businesses. In 2017, coming in partnership with peacebuilding and community development practitioner, Tatyana Sinetskaya, NGO Products is starting a new venture that will diversify the variety of healthy foods, broadening the scope of engagement with farmers' societies, reinvesting in them and delivering schemes and programs. We are seeking seed funding of Rs.5 lakh(7,500\$US) to procure first round of products from 15 societies and cover travel expenses to visit them. We are a small Delhi-based enterprise of 2 co-founders and 3 full-time employees.

- **executive summary**

Overall vision and mission

We dream of a transparent just food system where small-holder farmers are supported and viewed as ecosystem managers and land stewards on whom the food systems depend, and where everyone has access to clean, free of chemicals, highly nutritious, ideally locally grown, food to ensure physical, mental and dignified life free of fear

Our mission is to transform chemical mono-crop farming, emphasize the importance of smallholder farmers, connect them to the market to mainstream healthy food for all, particularly in India, by:

- Supporting economically viable and sustainable farming reconnected with natural systems
- Ensure good quality by procuring directly from farmers, at fair price, and deliver cheaper healthy food to consumers using direct sales without interference of middle man
- Changing consumer awareness about the food system and healthy, nutritious foods
- Emphasizing local food security before global trade

Our values:

- To work with the purest quality healthy and highly nutritious products to be available to average person, ensure fair price for consumers and producers
- Not to serve interests of large commercial companies

- Never take advantage of situations or people to deceive, cheat or exploit
- To fulfill smallholder farmers' needs
- To learn good practices in agriculture, business, social and environmental solutions and spread them within the circles of our influence
- To work in collaboration with private, public and social sectors following principles of respect, integrity and transparency

We intend to launch a new social venture in September/October 2017. It will be based on the same principles as the existing venture of one of the co-founders, Nitin Goyal. The existing company that specializes on pure coconut products RABIAH was founded in Sept 2013 with the premise of delivering healthy and highly nutritious food at affordable price to the market, while working directly with small holder farmers.

The new venture will be called GETTING INDIA BACK ON TRACK, yet it will adopt the brand name RABIAH for marketing and sales, and will diversify its products to sell safe, sustainably grown staple crops, i.e. pulses, rice, sugar, root spices, oilseeds and added value foods, as well as crafts and cosmetics produced by farmers. We are aspired to mainstream healthy, highly nutritious food by placing small holder farmers at the center of the food system.

Nitin Goyal (11y+ business experience, Delhi based) came in partnership with Tatyana Sinetskaya (peacebuilding/international development, US based) in September 2017 to form a new venture with the main focus of close interaction with the farmers' associations and implementing long-term community development projects. The new venture will use the existing brand name RABIAH and the staff of full-time driver and 2 employees, while being a separate business GETTING INDIA BACK ON TRACK. The budget and staff for community development projects will be designed per project. The company is Delhi based.

We hope to follow the lead of the coconut products RABIAH. It has established the image of a reliable business that delivers pure quality coconut products. Due to its consistency, it gradually increased its sales year by year. Annual turnover: 2014- Rs.15-20 lakh (22,500-30,000US\$); 2015- Rs.30-35 lakh (35,000-52,500US\$); 2016- Rs.70-75 lakh (105,000-112,500US\$); 2017- projected Rs.1.3 crore (over 150,000US\$).

As a social enterprise, our two main objectives are financial sustainability, and equally important, social impact. Our goals are to mainstream healthy and nutritious food at affordable price, while ensuring transparent intermediary for producers, and improving livelihood of the farmers. As our sales strategy, we create micro-entrepreneurs and supporting small and medium businesses.

We are seeking seed funding of Rs.5 lakh (7,500US\$) to purchase first round of products and start interactions with farmers' communities. Meanwhile, we are investing in products to get market response and identify products and societies by September 2017. Our venture is a low-risk investment.

Our financial sustainability relied on trading return. We anticipate a quick return after the initial investment using the established networks of direct costumers and retailers, social media groups, etc.

- **company description and outlook:** Our new venture is intended to be based on the experience of social enterprise founded by Nitin Goyal in Sept 2013. NGO Products RABIAH is a small social enterprise that sells coconut products procured directly from the farmers' societies of Kerala and Gujarat, India. The inception of his venture was driven by the idea of delivering healthy food to the market to help prevent common diseases such as diabetes, thyroid, constipation, and even cancer. Nitin Goyal started the venture in Sept 2013 with coconut products, a line called RABIAH. His initial investment was Rs.6,000 (less than 100US\$).

Nitin Goyal started procuring from the company that worked with Kerala farmers. He got recognized by the Coconut Board (Min. of Agriculture) for his hard work, innovation in marketing and selling strategies, broadening the existing variety of value added coconut products and desire to support farmers. On par with the board's efforts of building farmers' associations, RABIAH supported emerging societies by connecting them to the market. Now there are hundreds of coconut framers' associations in Kerala State, many of them find support by RABIAH.

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Coming in partnership with Tatyana Sinetskaya in 2017, it was decided to set up a new venture, based on the same principles of delivering to the market highly nutritious safe staple food and healthy items that can prevent chronic diseases (like pure coconut products do), meanwhile working directly with small holder farmers to support them and bring the price of mainstream healthy foods in the market down. Although we intend to use the same brand name RABIAH for marketing and sales, business registration number and established customers, we are launching a new social business GETTING INDIA BACK ON TRACK. We will diversify products, hence, increase the scope of farmers' associations, and start implementing community based projects. It is a new concept that implies continuous engagement on the ground level with the farmers' communities, altered marketing strategy, change in organization and management, separate accounting and business plan, etc.

- **market analysis:** Our company will use the strategies tested out by RABIAH coconut products. Learned from the experience, we believe in:

- consistency of the quality of products is the key to build clientele to ensure recurring revenue;

- build the market/demand where it doesn't exist yet by promoting the value of healthy and highly nutritious foods, and introducing new products in the areas where it is unknown
- launching periodically new value added products, in partnership with farmers' societies
- creating small entrepreneurs, with the emphasize on women in towns, not only big cities
- buying directly from the farmers and selling directly to the costumers, retailers, small shop keepers, less to bulk distributors to keep the market price down
- seeking government support through the boards of products with which the company works

- **organization and management:**

2 co-founders:

Nitin Goyal, co-founder and CEO; founder of the Coconut brand RABIAH; 11y+ years of business background; Delhi based

Tatyana Sinetskaya, co-founder and Head of Community Development Projects, graduate in world politics, 3y experience in peacebuilding and international development, US based

Driver +2 full-time employees = Rs.36,000

Independent micro-entrepreneurs. Income – value added 30% margin; staple foods- 10%

Accountant

Branding advisor under demand

Website designer

Label designer

We will seek legal unpaid advisory through fellowships and incubation centers.

-service or product line: Our objective to deliver safe, healthy and highly nutritious staple and value added foods at affordable price in big cities (i.e. Delhi, Mumbai, Goa), as well as to the areas of interaction with farmers' societies. We also target cosmetics and artisan products procured directly from the farmers or NGOs that provide capacity-building services.

Why there is need for it? We believe that global food systems have become broken and unjust. In attempt to fill in the gap of unavailability and inaccessibility of affordable healthy and nutritious foods in the market, we support farmers with reinvestment, schemes and community development programs delivery to ensure availability of safe food and wellbeing of the produce suppliers. Further, we procure directly from the farmers' associations at fair price and deliver products to the market at yet lower the comparable existing price through direct sales and networks of small retailers, rather than bulk distributors.

Why do we target added value and staple foods? We believe that value addition is the future for the global agricultural sector. Yet, the concern about quality of staple food that feeds majority of the world population is becoming increasingly alarming. We are set to counteract the harmful outcomes of the Green Revolution. We stay abreast of current national and international food policies, and aware of the persistence of private sector to take advantage of voiceless population. We emphasize the importance of small holder farmers as guardians of our ecosystems and providers of global food supply on whom the world population relies. From the business perspective, staple foods are fairly easy to sell to make first returns.

How do we help farmers? Initially, we target farmers that practice eco-friendly, 'responsible crop' agriculture, or good agricultural practices, and deliver goods from them to the market (ex. pulses, root spices, rice, oilseeds, sugar, wheat flour). Meanwhile, learning from them and spreading their good practices in the nearby areas. As a social enterprise, our first impact will focus on capacity building through reinvesting in skills development and partner up with local NGOs that already provide skills (ex. artisan or value addition) to help link their added value products to the market.

The concept of reinvestment is universal for all societies. The application of that money will be decided together with the associations using the participatory asset-based principles (identifying available assets and talents, and acknowledging needs, then delivering deficiencies from the outside).

Once the rapport with communities is established and our venture is financially sustainable, we intend to launch our first large scale community development project to become a producer organization promoting institution (POPI) which is supported by the Indian government and international development agencies (i.e. WTO, the World Bank, UN FAO).

What are the benefits of FPOs? We believe that promotion of farmers' producer organizations (cooperatives or companies) suggested by WTO, initiated and supported by the Indian government, provides a framework for the private and non-profit sectors to work in collaboration with the public sector for the highest benefit of small holder farmers. The suggested framework not only helps mobilize and organize farmers, it assures the missing parts of many existing associations, namely connection to the market, autonomy, basic business training and holistic approach to processing and value addition.

The framework allows the promoter entity to link farmers with input suppliers, technology providers, research agencies and extension, market, investment institutions assisted by the government.

We also plan to partner up with institutes that do research on health benefits of some food items, based on the experience with the coconut products.

- marketing and sales strategies

We are planning to sell in Indian large cities - Delhi, Mumbai, Goa, as well as creating markets in the areas of interaction with farmers societies through exhibitions, online platform, independent micro-entrepreneurs, farmers markets, organic stores,

and health centers. The need for affordable safe, healthy and highly nutritious food is high in large cities, whereas awareness of health benefits of some products is low in peripheral cities. Therefore, the scope of consumer demographics will go beyond Indian largest cities. We believe that accessible safe, healthy food must be a human right. Therefore, we cater to the demands of common people.

We will give to resellers 30% margin on food and 40% on cosmetics. We will use the practice of discounts (i.e. two for one) during our direct interactions with customers.

- ***funding required:***

- 1- We seek seed funding of Rs.5 lakh (7,500US\$) from various sources to procure first round of following products in Sept/Oct 2017:

root spices, rice, pulses, soybeans (5 types)- Rs.1 lakh (1,500US\$) from 3-5 society

mud utensils- Rs.50,000 (750US\$) from 2 societies

cane sugar, jiggery, honey, Rs.50,000 (750US\$) from 2-3 societies

cow gee- Rs.50,000 (750 US\$) from 1-2 societies

wheat flour- Rs.50,000-1 lakh (750-1,500US\$) from 2-3 societies

oils (mustard, sesame, groundnut) – Rs.1 lakh (1,500US\$) from 3-5 societies

- Operational costs: travel expenditure to visit to various farmers associations (self-help groups, cooperatives, farmers producer organizations/companies) in 5 states (Uttarakhand, Western Uttar Pradesh, Punjab, Haryana, Himachal Pradesh, Rajasthan); participation in exhibitions, salary to the staff - Rs.1 lakh (1,500US\$)

(!) Meanwhile, we are investing in buying various products from farmer's societies to get market response to identify products and societies to work with starting Sept/Oct 2017.

- 2- Community development: project based funding

-***financial Projections:*** Timeline:

June-September 2017 seeking seed funding for working capital and operational costs (Rs.5 lakh, about 7,500US\$). First investment and visits of the communities in September 2017. Increase of sales end October-mid December, mainly through fall exhibitions. Becoming financially sustainable by February 2018; ready for reinvestment.

In fall 2017 applying for Echoing Green fellowship, full growth/angel investing (impact investments), applying for Schwab, Skoll, Ashoka fellowships to receive funding by May 2018. This funding will be spent on diversification of products and farmers support.

Independently, in December 2017, we will start applying for grants to NASARD and SFAC (Govt. of India), multilateral aid agencies (i.e. World Bank, UNCTAD, UN FAO etc.) bilateral (i.e. German Ministry for Economic Cooperation and Development) to

launch our first community-based development project in spring 2018. As a legal entity, we intend to become a Producer Organization Promoting Institution (POPI) to promote and develop farmer producer organizations (with cooperatives or company structures) in the area of our interaction with the communities. This project is traditionally funded for 12-36 months. Additional staff will be hired for the implementation of the project. The budget will be separately detailed in the project proposal. Tentative dates for the project implementation is May 2018- December 2019. All other projects, ex. Sanitation, Health and nutrition, Water management, will be funded per approved proposals.