Samhita's Blended Finance Continuum allows customization to meet the needs of farmers, entrepreneurs & workers and makes markets work for them

The Blended Finance Continuum is a series of innovative financial products that are offered to participants depending on their need and eligibility, ensuring the right product for the right participant at the right time.

Informal Economy – High risk participants with no access to formal credit | **Formal Economy**

Plain Grants

Traditional philanthropic funding to build resilience.

Suitable for:
- New to Business needing seed fund
- No KYC documents (e.g. Migrant workers)

Returnable Grants

Zero interest, zero collateral loan with no legal obligation to repay.

Suitable for:
- Business vintage of 1+ yr and capital needs of upto INR 20,000
- Skilling/upskilling needs for new or existing workers

Credit Guarantee-Backed Loan

provides a risk cover to the lender to encourage lending to underbanked/unbanked segments

Suitable for:
- Business vintage of at least 2+ yrs with established cash flows
- Higher capital needs

NBFC + Bank Loans

Once the loan is availed and paid back in time, a credit history is created opening access to commercial loans without needing additional support

Suitable for:
- Credit active or has a credit history/individual credit score

-----›-----›-----›---The Continuum is powered by the Pre-Credit Score-----›-----›-----›---

The Pre-Credit Score is **the first of its kind** proxy to formal credit rating for new-to-credit (NTC) borrowers that factors non-financial social indicators to help borrowers assess their credit readiness and enable FI's to assess the creditworthiness of an untapped segment, unlocking access to finance for multiple use cases.

Empowering farmers across rural Maharashtra: A case study that showcases the success of a climate smart initiative

We supported **10,000** farmers across **12 FPOs** in rural Maharashtra with access to credit through blended financing tools like RG and CG-backed loans as well as social security and market linkages. This is boosting FPO engagement and creating a virtuous cycle where farmers scale up contributions to FPOs and drive growth for all stakeholders involved

Returnable Grant (RG)

★ Enables purchase of agri-inputs and agri-allied investments
★ 1900 farmers impacted
★ 97% repayment rate

CG-backed loans

★ Enables purchase of livestock, infrastructure, etc
★ 7.04 Cr in funds disbursed to 1565 farmers
★ Avg. loan ticket size of INR **44,000**

Social security

★ Farmers are enrolled in climate schemes provided by the government
★ 900 farmers have been impacted so far

Climate resilient trainings

★ Trainings on one acre farming, dairy, and climate-smart practices
★ **32** training sessions conducted so far impacting **3100** farmers

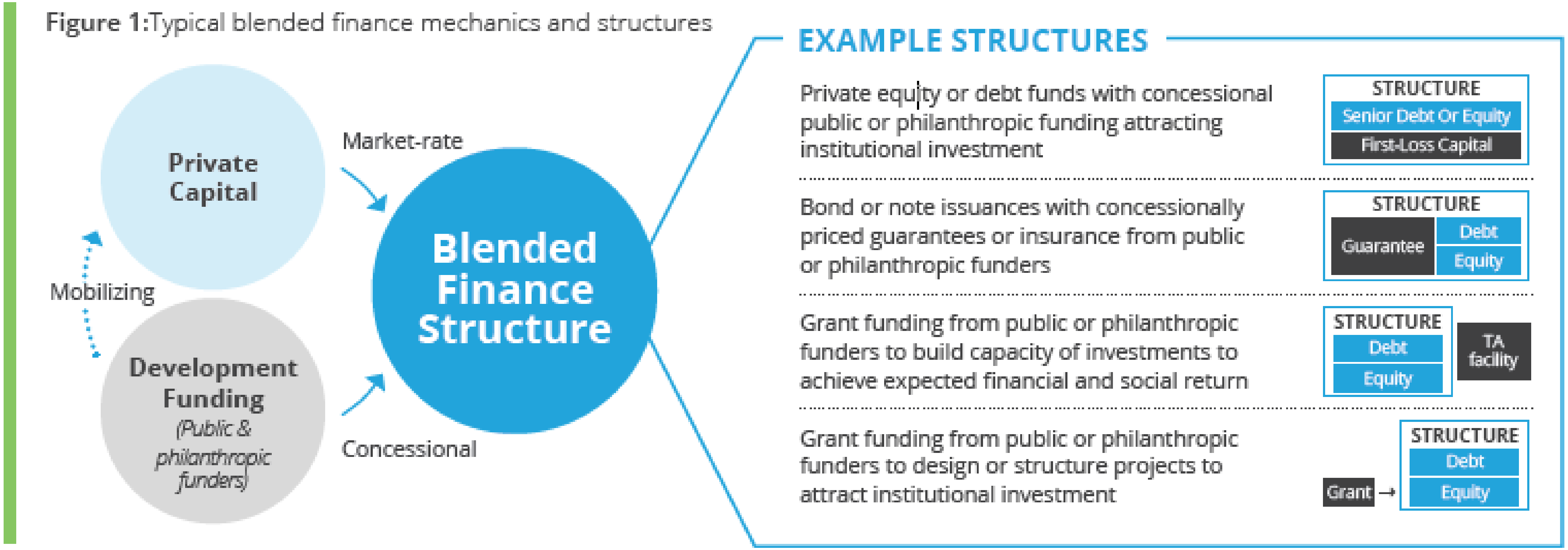
Market linkages

★ Facilitating market access for FPOs, both online and offline, to enhance product sales and branding
★ Linked **3,000+** farmers to markets

Sangita was a dairy farmer who aspired to start a khoya-making business. We helped her buy equipment through the PM Formalisation of Micro Food Processing Enterprises scheme, securing a 90% subsidy. We also gave her a Returnable Grant and training which helped her **become a business owner.**

Previously, she sold 80 liters of milk daily at INR 30 per liter. Now, she processes it into 20 kg of khoya, selling at INR 180-200 per kg, **increasing her monthly income by INR 15,000**

What is blended finance



Convergence State Of Blended Finance 2024

Link between blended finance and end-user subsidies

Type	Cost reduction	Structural change in cost or payment terms	Risk mitigation for loan enablement
Characteristics	• Vulnerable groups: needs more targeting • Direct subsidy • Interest subvention	Costly to implement – needs grant component	Helps with loan enablement; crowding in private investment
Examples	Sustain Plus; Powering Livelihoods		• Guarantees with Rabo Foundation • Green Genset Facility • G4A

LAKHPATI KISAN PROGRAMME

Making a Sustainable difference

TATA TRUSTS

CInI
An Initiative of TATA TRUSTS

SUSTAIN+

The Lakhpati Kisan[1] Program has identified a scalable layered approach to strengthen tribal livelihoods and boost incomes

Implemented by Collectives for Integrated Livelihood Initiatives (CInI) – a Tata Trusts initiative

First phase of the program commenced in 2015

100K tribal households supported across Gujarat, Maharashtra, Odisha and Jharkhand

Key principles

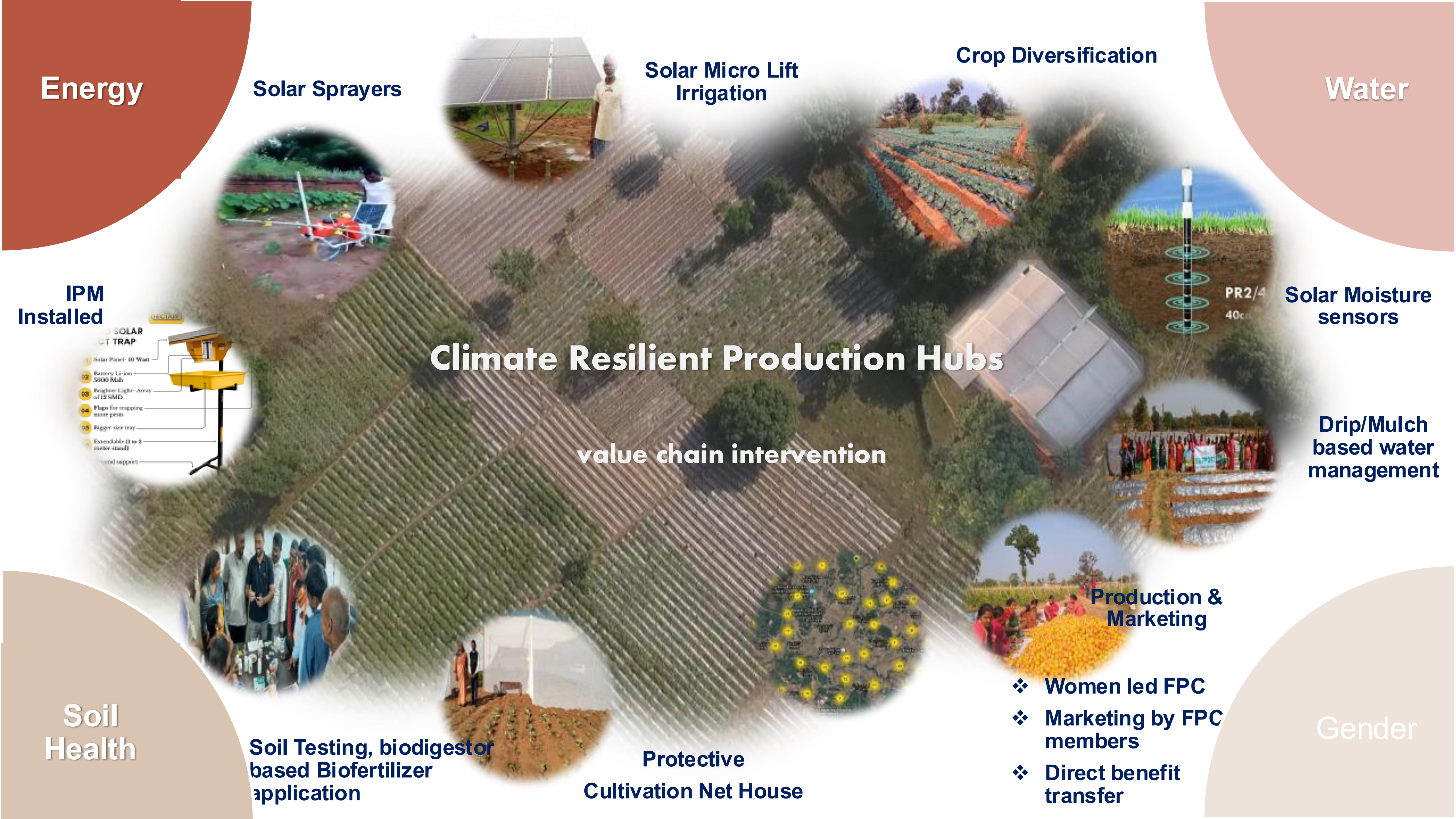
Women-led institutions | Climate resilient practices & technologies | Livelihood layering

100% farmers members of women-led community-based organizations

15k acres brought under irrigation[3]

2.5x Increase in household income[2]

1. Farmer who has an annual income over INR 100K/USD1200
2. 50% of participating households have crossed INR 1lakh annual income and an additional 27% crossed the INR 75K per annum threshold in LK 1.0 the programme has created
3. 2,540+ irrigation structures constructed, thereby bringing 15k acres under irrigation and ensuring year-round agricultural water for 40k+ households.


Energy
Solar Sprayers
Solar Micro Lift Irrigation
Crop Diversification
Water
IPM Installed
Solar Panel- 10 Watt
Bigger size tray
Solar Moisture sensors
PR2/4
Climate Resilient Production Hubs
value chain intervention
Drip/Mulch based water management
Production & Marketing
Women led FPC
Marketing by FPC members
Direct benefit transfer
Gender
Soil Health
Soil Testing, biodigestor based Biofertilizer application
Protective Cultivation Net House

Enterprises and Entrepreneurship Integration

Increased climate-resilience created irreversible livelihoods

Establishment of Rural Entrepreneurship in different livelihood categories such as agriculture, livestock, water, non-timber forest produce (NTFP)

SHG federations and secondary tiers spearheaded the development processes in the area

Market Oriented Intervention

Demand-led intervention

Innovation – not stereotyped

Overall, more than 100 micro entrepreneurs created through 25 Community based organizations

Blended Financing Opportunities

	1	2	3	4
	Climate resilient agriculture			**Allied livelihoods**
Investment cost	**INR 80 to 100K**	**INR 100 to 120K**	**INR 120 to 140K**	**INR 97K**
Access to irrigation	Solar Micro Lift Irrigation	Well deepening Pumping	Borewell drilling (with recharge) Pipeline network	Livestock purchase
Better water & soil health management	+ Drip irrigation Mulching	+ Drip irrigation Mulching	+ Drip irrigation Mulching	+ Nutrition and shelter, dung management
High-value agriculture	+ HVA inputs	+ HVA inputs	+ HVA inputs	+ Insurance
Income from year 2	**INR 110K**	**INR 100K**	**INR 110K**	**INR 70K**

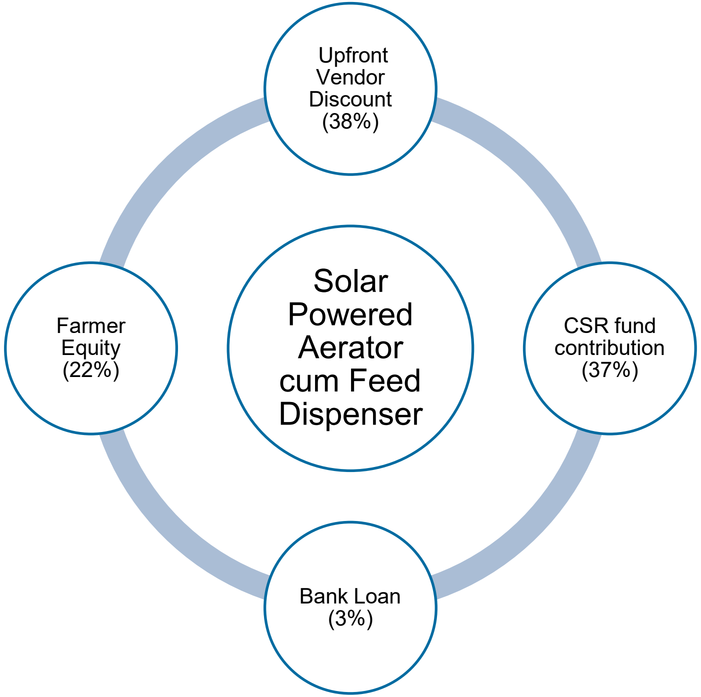
1. HVA inputs include soilless saplings, precision farming methods, etc.

S.No.	Technology	Application	Category	Envisaged economic and/ or climate adaptation benefits to farmers/ producers
1	Solar Portable Pumps	Surface irrigation	Productive use of renewable energy (PURE) assets	• Enhanced climate resilience by providing access to irrigation facilities in rainfed areas with surface water • Efficient utilization of water • Gender equitable in terms of the ease of use water • Reduced cost of irrigation.
2	Biodigester units	• Cheaper cooking fuel (as compared to LPG), • Cleaner cooking fuel (as compared to wood fire), and • Biofertilizer (slurry) as a by-product	Productive use of renewable energy (PURE) assets	• Reduced domestic energy expenditure • Reduced expenditure and dependence on chemical fertilizers • Enhanced bioavailability of soil nutrients from applying slurry.
3	Drip Irrigation	Sub-surface irrigation	Irrigation enabling assets	• Reduced loss of water due to evaporation leading to sustainable use of natural resources • Increased irrigation cover in drier regions. • Enhanced productivity
4	Poultry Shed lighting	Solar powered lighting for poultry sheds	Productive use of renewable energy (PURE) assets	• Enhanced energy access for productive use by reducing dependence on grid, particularly in remote villages • Enhanced duration of operations leading to income enhancement.
5	High Quality beehives for rearing bees along with software that guides beekeeping	High quality honey production	Smart farming practices	• Increased income due to premium pricing of honey • Enhanced productivity of flower bearing plants in the vicinity
6	Net House by Kheyti tech Pvt Ltd.	Increase in crop yield and reduced water consumption	Climate-smart package of practices	• Enhanced climate resilience by creating a conditioned production environment, particularly during sapling and flowering stages • Sustainable use of natural resources

Story through pictures

Odisha: Pilot of Blended Finance Models

Odisha Blended Finance Model – I



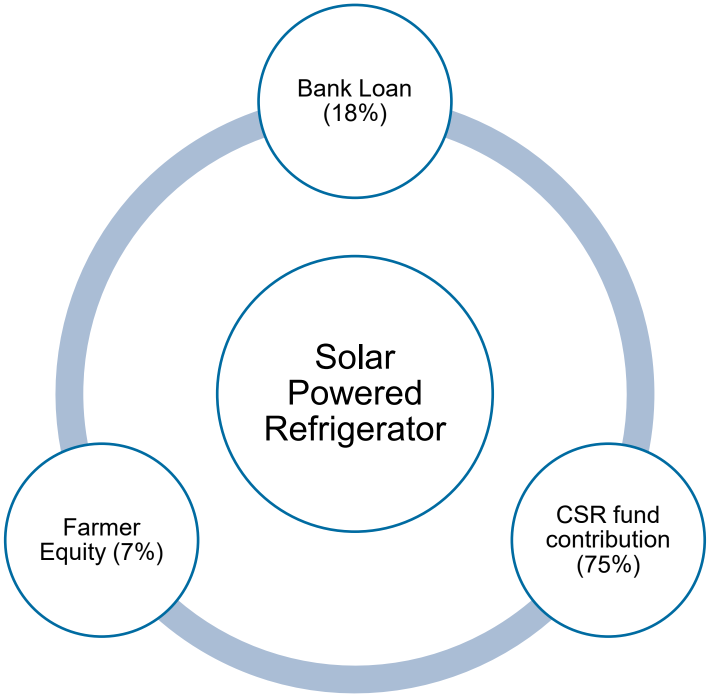
Beneficiary: Four DRE Assets across two Fish FPCs
Location: Kalahandi & Khirkhona, Odisha

Rate of Interest: 7.25% p.a.
Loan tenure: 12 Months
Financial Institutions: Public Sector Bank, Regional Rural Bank
Product Type: Asset purchase loan

Asset usage pattern: In each FPC, a group of approx. 40 women famers (Farmer interest Group) will use the asset in respective community ponds managed by them. The asset will be shared by 4 FIGs over 1 year benefitting approximately 400 women fish farmers in the two FPCs

Early benefits of DRE adoption: The farmer groups are cultivating Rohu, Bhakur and Mira fish types. After the use of the aerator, an increase in the weight of the fish has been observed. For example, Rohu, which used to weigh around 500 grams before the use of the aerator, now weighs 700 grams.

Odisha Blended Finance Model – II



Beneficiary: One DRE Asset in Fish FPC
Location: Balasore, Odisha

Rate of Interest: 9.76% p.a.
Loan Tenure: 12 Months
Financial Institution: Public Sector Financing Entity
Product Type: Short term working capital loan of INR 20 Lacs, under credit guarantee scheme for FPOs (NAB Sanrakshan)

Asset Usage Pattern: At present, 3 women users are benefiting from the usage of the asset. From April'25 onward, the FPC will be allowing all 160 women members to use the asset.

Early benefits of DRE adoption: Before the introduction of the freezer, these women spent INR 50 per block of ice per day (monthly expense of INR 1500). With the introduction of the refrigerator, this cost has significantly reduced to INR 2 per kg per day.