

Investment in ABY Farmers LLP – Frequently Asked Questions (FAQs)

1. What is ABY Farmers LLP?

ABY Farmers LLP, a social enterprise established in 2017, is primarily an agro-processing and marketing organisation which deals with the commodities produced by the farmers. Built on the principles of equity, the mission of ABY Farmers LLP is to ensure equitable distribution of income to its key stakeholders' viz: Farmers, Partners and Employees. ABY Farmers LLP recognises the critical contribution of farmers to the organisation, treats farmers as “Partners in Progress” and shares 50% of the surplus generated by the organisation with the Farmers at the end of every fiscal year.

2. What is the meaning of ABY Farmers?

ABY Farmers is a short form for **Agri Business Yuva Farmers of India**. ABY Farmers will make all efforts to encourage youth to take up agriculture as their preferred livelihood option by facilitating them to get better returns. **ABY** is also the acronym for “*Always Brings You the Best*”. This acronym has been chosen to convey the meaning that “**ABY Farmers always brings the best to the customers because they are the best and they deserve the best**”.

3. What is LLP? How is it different from a Partnership firm?

LLP stands for “Limited Liability Partnership”. The firms registered as LLP are governed by the Limited Liability Partnership Act 2008. Like companies, LLP is also a body corporate. Unlike in Partnership firm, *the liability of the partners of LLP is only limited to the amount invested in the LLP*. There is no restriction on the number of partners in LLP.

4. Where is the registered office of ABY Farmers LLP located?

The registered office of ABY Farmers LLP is located at 301, H.No: 9-1-67/4, Sai Lakshmi Mansion, Sarojini Devi Road, Near Clock Tower, Secunderabad- 500003, Telangana, India.

5. Who are the Founding promoters of ABY Farmers LLP?

ABY Farmers LLP registered by Mr. Satya Dev G and Mr. Shesharao Rathod. The brief details of founding members are given as follows: -

- a. **Satya Dev G**, a rural management professional with 19+ years of experience in working with community-owned collective institutions. He has conducted capacity building programmes to various stakeholders on livelihoods promotion and micro-enterprise development. Satya has worked with development organisations, Government departments both at state and central levels and has coordinated large scale livelihood projects. He has hands-on experience in designing and managing collective enterprises to increase the income levels of marginalised, disadvantageous and poor people. He has worked on entire value chain of multiple commodities like redgram (tur dal), groundnut, milk and established market linkages at various levels.
- b. **Shesharao Rathod**, a rural development professional with 17+ years of experience in promotion and management of farmer owned enterprises. He has successfully promoted and managed Farmers Collective based at Utnoor for more than 10 years. During his tenure, the Farmers Collective has grown into 3 Cr annual turnover and earned profits in all the years. He has gained experience on procurement and processing

of redgram, soyabean, groundnut and cotton commodities. He was awarded prestigious fellowship of Tata by Late President Dr. Abdul Kalam.

6. What are the major activities envisaged by ABY Farmers LLP?

The activities of the ABY Farmers are driven by the twin objectives of catering to the needs of the market and farmers. Some of the important activities include – Supply of inputs, procurement of raw materials from the farmers, storage, trading, processing and marketing of value-added products.

7. Where ABY Farmers LLP operates?

Currently, ABY farmers LLP has operations in the state of Telangana, Andhra Pradesh and Maharashtra. ABY Farmers has aggressive plans to expand its base and venture into additional states/UTs in next five years.

8. How is ABY Farmers LLP run?

The day to day activities of the ABY Farmers LLP is managed by the Designated Partners of LLP who are elected by the Partners of LLP. The Chief Executive Officer is the chief functionary of ABY Farmers LLP.

9. Will the accounts of ABY Farmers LLP be audited?

A chartered accountant is appointed for auditing the accounts of ABY Farmers LLP in the first year itself.

10. What are the benefits of becoming a partner in ABY Farmers LLP?

The partners get an opportunity to serve the farmer community and contribute towards their increased income, wellbeing and empowerment. At the same time, partners get returns on their investment made in ABY Farmers LLP.

11. What are the ways and means I can contribute to ABY Farmers LLP?

You can contribute by providing financial resources as well as by providing your time and non-financial resources to the organisation. Financial resources can be contributed to the organisation by purchasing the shares or by providing working capital loan to ABY farmers LLP or in both forms.

12. Will I be compensated if I contribute my time to ABY Farmers LLP?

Partners will be compensated for the time provided to ABY Farmers LLP by the Partners as per the norms prescribed.

13. How can I become a partner in ABY Farmers LLP?

An individual can become a partner in ABY Farmer LLP by purchasing shares. At present, a minimum of **500 shares** with face value of INR.100 (per share unit) could be purchased to become a Partner. The book value of the shares may change every year. There is no ceiling on the maximum number of shares that can be purchased by an individual.

14. Can I transfer my investment amount through an online payment process?

Yes you can transfer investment amount through online payment directly in the bank a/c of ABY Farmers LLP.

15. Will I get a receipt for my investment amount made online/cheque to ABY farmers LLP?

Investors will get a receipt for the investment made online or through cheque/DD to ABY LLP immediately after the money is received in the bank a/c of ABY Farmers LLP.

16. How many members can become partners in ABY Farmers LLP?

There is no limit on the maximum number of Partners in ABY Farmers LLP.

17. Can employees also become Partners in ABY Farmers LLP?

Employees can also become Partners of ABY Farmers LLP by purchasing a minimum of 100 shares with face value of INR 100.

18. What are the documents I should submit to become a partner in ABY Farmers LLP?

An individual who is interested to become partner in ABY Farmer LLP should submit a copy of PAN Card and Aadhaar Card or any other address proof.

19. Will I get share certificates if I invest in ABY Farmers LLP?

Partners will get receipt for the share amount and LLP deed agreement from ABY Farmers LLP.

20. Will I get assured return on my investment?

Individual(s) who invest in ABY Farmers LLP by taking shares will get return(s) in proportion to the number of shares held by them.

Individual(s) will get an assured interest of 12% compounded annually on the amount given as **working capital loan** to ABY Farmers LLP. The interest amount is paid annually at the end of the financial year.

21. How much return I will get on my investment?

ABY Farmers LLP distributes its profit to 3 major stakeholders viz., Farmers, Partners and Employees in 3:2:1 ratio respectively. Thus, Farmers will get 50% of the Gross Profit before Tax and Partners will get 33% and Employees get 17% respectively. Partners will get a surplus in proportion to the number of shares in the organisation.

22. What is the guarantee on my investment?

Like investment in any other company, there is no guarantee on the amount invested in ABY Farmers LLP. However, ABY Farmers LLP will make the best efforts to protect and get returns on your investment.

23. What are the rights of a Partner?

- a. Partners have the right to get dividend on the value of shares invested in ABY Farmers LLP.
- b. Partners have access all the books maintained at ABY Farmers LLP.
- c. Partners are free to carry their own business without using the name of the ABY Farmers LLP.
- d. Partner can resign/withdraw from ABY Farmers LLP by giving 30 days' notice to the Managing Partner after the **5-year lock-in** period is over.

- e. The amount found due from or payable to the resigning partner will be paid within 3 months from the date of resignation.
- f. In event of the death of partner, its nominee can be admitted as a partner on similar terms and conditions, post submitting his/her consent and death certificate of the partner. The nominee will be paid the full value of the partner's shares in case he is not willing to join as a partner.
- g. Partner can never be expelled except in case where s/he has been found guilty of carrying on any activity/business in name of ABY Farmers LLP for fraudulent purposes.

24. What are the responsibilities of a Partner?

- a. Partners are encouraged to participate in the General Body Meetings of ABY Farmers LLP and exercise their voting rights.
- b. Partners are encouraged to give time as may be required by ABY Farmers LLP. If the partners provide their time for ABY Farmers LLP, they are called as 'Working Partners' and time given by them will be compensated as per the norms of ABY Farmers LLP.
- c. Partner shall render true accounts and full information of all things affecting the ABY Farmers LLP, if asked for by ABY Farmers LLP.
- d. No partner, without the written consent of the ABY Farmers LLP, should act on behalf of ABY Farmers LLP.

25. What is the plan for operations till end of FY 2025?

ABY Farmers LLP plans to work with 100 Farmer Producer Organisations (FPOs/ Farmer Producer Companies (FPCs) covering approx. **1 Lakh** farmers in states viz: Andhra Pradesh, Telangana, Maharashtra, Karnataka, Tamilnadu, Odisha, Uttarakhand, UP and North East Regions (NER)States. ABY Farmers LLP will take up Millets, Pulses, Cereals, instant mixes, spices, Fruits and Vegetables as products and commodity for market linkage. Additionally, it envisages providing technical consultancy to FPOs viz: input seeds and turnkey projects and foray into both B2C and B2B space for business expansion.

26. How will I get an update on the activities of ABY Farmers LLP?

Partners will get a periodic update on the progress made by the ABY Farmers LLP via email, if subscribed.

27. How can I engage in day to day activities of ABY Farmers LLP?

Partners can get engaged in day to day activities of ABY farmers LLP by becoming Designated Partner.

28. When can I withdraw as a partner from ABY Farmers LLP?

Partner can resign/withdraw from ABY Farmers LLP by giving 30 days' notice to the Managing Partner after the 5-year lock in period is over.

29. Can I sell my shares to others if I withdraw from ABY Farmers LLP?

If a member withdraw/ resign as a Partner of ABY Farmer LLP, they have the right to sell their shares to others. However, first preference will be given to the existing partners to purchase those shares.
