



EXPRESSION OF INTEREST (EOI)

REF-ACCT /25/CASH CREDIT/2024-25/-----1420

DATE-----09.04.2024

SUBJECT: Request for CC Facility for OMFED from banks as per notification of Finance Department, Govt. of Odisha vide Notification No-26061/19.10.2022

Dear Sir/Madam,

The Odisha State Cooperative Milk Producers' Federation Ltd. (OMFED) formally requesting a Cash Credit (CC) Facility from your esteemed institution. Our organization is currently experiencing increased demand for dairy products, and we need additional financial support to purchase a higher volume of Raw Milk, which will be processed into SMP (Skimmed Milk Powder), Butter and Ghee.

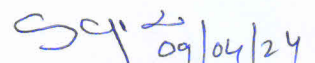
We are pleased to inform you that OMFED currently holds a substantial stock of dairy products, comprising 1243 MT of SMP, 626 MT of Butter, and 333 MT of Ghee, which is likely to be increased further. We are strategically planning to liquidate this entire stock within the next 120 to 180 days, taking advantage of the prevailing market conditions. The proceeds from this liquidation will enable us to repay the loan comfortably. Considering the rapid turnover of our dairy products and the proven market demand for our offerings, we estimate that an additional working capital loan of approximately **Rs 75 Crore** would adequately support our operations during this period. **This loan will primarily be used for the procurement of Raw Milk from rural farmers, which is the essential raw material for SMP and Ghee production.**

Moreover, we are proud to highlight that in the fiscal year 23-24, OMFED successfully managed a loan of Rs. 74 crores, of which we have diligently repaid Rs.65 crores without any instances of default. This underscores our commitment to financial prudence and responsible debt management.

We understand the importance of maintaining a strong financial position and ensuring timely repayments. OMFED has a robust business model and a history of sound financial management, which has enabled us to achieve consistent growth over the years. We assure you that the loan amount will be utilized judiciously, with a sharp focus on enhancing our production capabilities and meeting the escalating market demands. As a responsible and financially stable entity, we assure you that OMFED will uphold its commitment to prompt loan repayments.

Considering above it is requested to offer your best interest rate on or before 18th April 2024, 05.00 PM.

Yours faithfully,


09/04/24
GM - Finance

Odisha State Cooperative Milk Producers' Federation Ltd. (OMFED)

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The Orissa State Cooperative Milk Producers' Federation Ltd.

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