



# From Jungle to the Market: Sona Buru Jungle Producer Company's First Sale



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# Preface

**Shashi Ranjan, IAS**

**Chief Executive Officer, SIDHKOFED**

Jharkhand's forests hold immense untapped economic potential. With nearly one-third of the state's land under forest cover and a rich diversity of Non-Timber Forest Produce (NTFP), the forest economy represents one of the most powerful levers for inclusive and sustainable rural growth. For decades, tribal and other forest-dependent communities have been engaged in the collection and trade of forest produce such as Sal seeds, karanj seeds, chironji, etc. Yet, the sector has largely remained informal and fragmented—depriving primary collectors of fair value and restricting the state's ability to harness its true market potential.

The ongoing efforts to formalize the forest economy mark a transformative step toward unlocking this potential. By organizing primary collectors into producer companies and cooperatives, establishing direct market linkages, and promoting transparent trade systems, Jharkhand is demonstrating how community enterprises can operate as competitive and responsible market players. The successful formation and first sale by the Sona Buru Jungle Producer Company in Simdega exemplify this shift—from subsistence-based collection to structured enterprise. This initiative has proven that when communities are supported with institutional infrastructure, business planning, and access to buyers, the forest economy can generate significant local wealth while ensuring ecological sustainability.

The Sidho Kanho Agri and Forest Produce Cooperative Federation Ltd. (SIDHKOFED) will play a pivotal role in leading this transition at scale. As the state-level apex body, SIDHKOFED is committed to building a cohesive ecosystem for aggregation, value addition, and marketing of forest produce across districts.

SIDHKOFED will anchor the state's vision of transforming Jharkhand's forest economy into a driver of rural prosperity—where economic value creation goes hand in hand with community empowerment and forest conservation.

This report captures the successful demonstration of this emerging model. It provides a blueprint for scaling up community enterprises, formalizing forest value chains, and institutionalizing partnerships that can make Jharkhand a leader in the sustainable forest economy of India.

# Preface

## **Kuldeep Chaudhary, IAS**

**Tribal Welfare Commissioner**

**Department of Scheduled Tribe, Scheduled Caste, Minority and Backward Class Welfare, GoJ**

The recognition of Community Forest Rights (CFR) under the Forest Rights Act (FRA), 2006 mark a paradigm shift in forest governance—one that repositions forest-dwelling communities as custodians, rather than mere users, of forest landscapes. In Jharkhand, where more than one-fourth of the population depends on forests for livelihoods, the secure tenure and empowerment of these communities are central to both ecological sustainability and economic justice.

The establishment of Community Forest Resource Management Committees (CFRMCs) by Gram Sabhas provides an institutional framework for decentralized forest governance. These statutory bodies have demonstrated immense potential in bridging conservation efforts with livelihood generation. By managing, protecting, and sustainably utilizing their forest areas, CFRMCs ensure that the benefits of forest wealth flow equitably to the communities that have nurtured them for generations.

The experience from the field—especially through women-led initiatives such as the Sona Buru Jungle Producer Company—has shown how CFRMCs can play a pivotal role in enabling sustainable collection, aggregation, and trade of Non-Timber Forest Produce (NTFP). When empowered with legal rights, capacity building, and market access, communities evolve into active participants in the green economy. The integration of CFRMCs with community enterprises reinforces a governance model that is both inclusive and accountable—where ecological stewardship aligns with economic empowerment.

The Department of Scheduled Tribe, Scheduled Caste, Minority and Backward Class Welfare recognizes that strengthening community institutions through CFR and CFRMCs is key to realizing the vision of a self-reliant and sustainable forest economy. As Jharkhand continues to advance its efforts under the *Abua Bir Abua Dishom Abhiyan*, the focus on strengthening CFRMCs, scaling up CFR implementation, and building capacity of forest-dependent women will remain central to our collective mission. This report, prepared by the Bharti Institute of Public Policy, Indian School of Business, documents one such transformative model that demonstrates how community rights, when exercised through empowered institutions, can create equitable growth pathways for tribal and other forest dependent communities.

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# Executive Summary

Jharkhand is known as the land of forests with Sal (*Shorea robusta*) as the dominant species. With over one-third of its land under forests, the state has a high economic potential of generating at least 11,000 crores from major Seasonal Forest Products. Moreover, it is home to a vibrant tribal population, which is around 26.2% of the state's population. More than one-fourth of the population depends on forests for livelihoods.

Tribal women make up majority of the primary collectors of seasonal forest produce. For centuries, these Adivasi women have been collecting forest produce, such as Sal seeds, Tendu leaves, and Mahua flowers to earn income. However, the informal nature of the forest economy provides little returns to the seasonal forest product collectors. One of the reasons for this is the fragmented supply chain. Seasonal forest product collectors gather small quantities and sell them on individual level to middlemen who aggregate large volumes of produce and sell to industrial buyers. Hence, a lack of formal aggregation channels and market access renders their labor invisible, perpetuating a cycle of subsistence.

The Bharti Institute of Public Policy (BIPP) at Indian School of Business seeks to support the government of Jharkhand in improving the livelihood of tribal and forest dwelling communities by facilitating trade between communities and industries via direct market linkage. This reduces the middlemen costs, reduces per-unit transportation costs and improves value accrued to the communities. To materialize this vision, BIPP has developed a Rapid Response framework (RRF). The framework focuses on formalisation of the forest value chains through women-led community businesses. It follows a framework of rapid cluster identification in high potential seasonal forest produce areas across the state, followed by identification of women leaders and incorporation of producer companies within a six-month timeline. This is followed by communities directly engaging in sale with industrial buyers of seasonal forest produce via community-owned enterprises. The Sona Buru Jungle Producer Company (SBJPC), a tribal and women-led community enterprise in Simdega is an example of this intervention. The shareholders of the company comprise of primary collectors of seasonal forest produce seeking to create space in the forest economy as equitable market players. The Board of Directors (BoDs) were elected democratically, following discussions about capability and capacity, with members voting among eligible candidates. This is a first forest-based community enterprise completely owned and run by women amplifying Adivasi voices in forest governance.

In April 2025, over 1008 tribal women from over 60+ villages in Simdega district came together to form SBJPC. The entire operationalization of SBJPC was completed within three months before the onset of Sal seed season, which is generally in June. This included rapid expansion of shareholders within the operational block of the PC from 60 members to 1008 women members. The PC established market linkage with institutional buyers, set up procurement systems, and logistics planning for seed aggregation and sale. The PC established diverse partnerships with institutions in the industry – AAK India Pvt. Ltd, FarMart Pvt. Ltd – and Civil Society Organization – Insitute of Forest Governance – to facilitate the sale. Within two months of its incorporation, SBJPC facilitated its first ever sale of 44.464 tonnes of Sal seeds to AAK India Pvt. Ltd, an industrial buyer. The seeds were collected from 95 villages across 16 blocks in three districts – Simdega in Jharkhand and Mayurbhanj and Keonjhar in Odisha – with the direct participation of over 700 women primary collectors in the sale. Further, SBJPC generated a turnover of Rs. 14.4 lakhs within the first few months of its incorporation.

SBJPC developed a robust aggregation system leveraging three different community models: local aggregator agents – Sarai Didis – onboarded by the BoDs, Community Forest Rights Management Committees (CFRMCs) in villages and the direct procurement system by shareholders. A key feature of the aggregation models was the involvement of CFRMCs, statutory bodies constituted by Gram Sabhas (village assemblies) under the Forest Rights Act, 2006. These committees are responsible for managing and protecting forest resources within regions where CFR Rights have been granted. In this sale, CFRMCs actively facilitated sustainable collection of Sal seeds from the forests. Consequently, a portion of the sale proceeds were transferred through CFRMCs to Gram Sabhas' bank accounts, acknowledging their ownership and rights over their forest areas. The collection and aggregation adhered to due diligence protocols, with formal documentation and transactions. The shareholder expansion during the formalization process contributed to the sale with word-of-mouth credibility and strong community mobilization.

The formalization of SBJPC and its first ever sale reflects the potential of incorporating primary collectors in the formal market as business leaders. SBJPC stands as a successful example of the potential community-led enterprises have in transforming the forest value chain into sustainable forest-livelihoods. This joint report published by BIPP and the government of Jharkhand brings out detailed documentation on efforts required in formalizing a producer company, infrastructure and training support to materialize the company's operations. To scale up this model in other blocks and districts in Jharkhand, strengthening community institutions via upscaling community forest resource rights; capacity building of forest-dwelling women to build their business acumen; and community driven PC mobilization is essential.

# List of Abbreviations

AAKIPL	AAK India Pvt. Ltd.
BIPP	Bharti School of Public Policy
BoDs	Board of Directors
CFR	Community Forest Resource Rights
CFRMC	Community Forest Resource Right Management Committee
FarMart	FarMart Services Pvt. Ltd.
FRA, 2006	Forest Rights Act, 2006
GST	Goods and Service Tax
IoFE	Initiative on the Forest Economy
INR	Indian Rupee
ISB	Indian School of Business
NTFP	Non-Timber Forest Product
PC	Producer Company
SBJPC	Sona Buru Jungle Producer Company
SFP	Seasonal Forest Produce
RRF	Rapid Response Framework
TWC	Tribal Welfare commision

# 1. Introduction

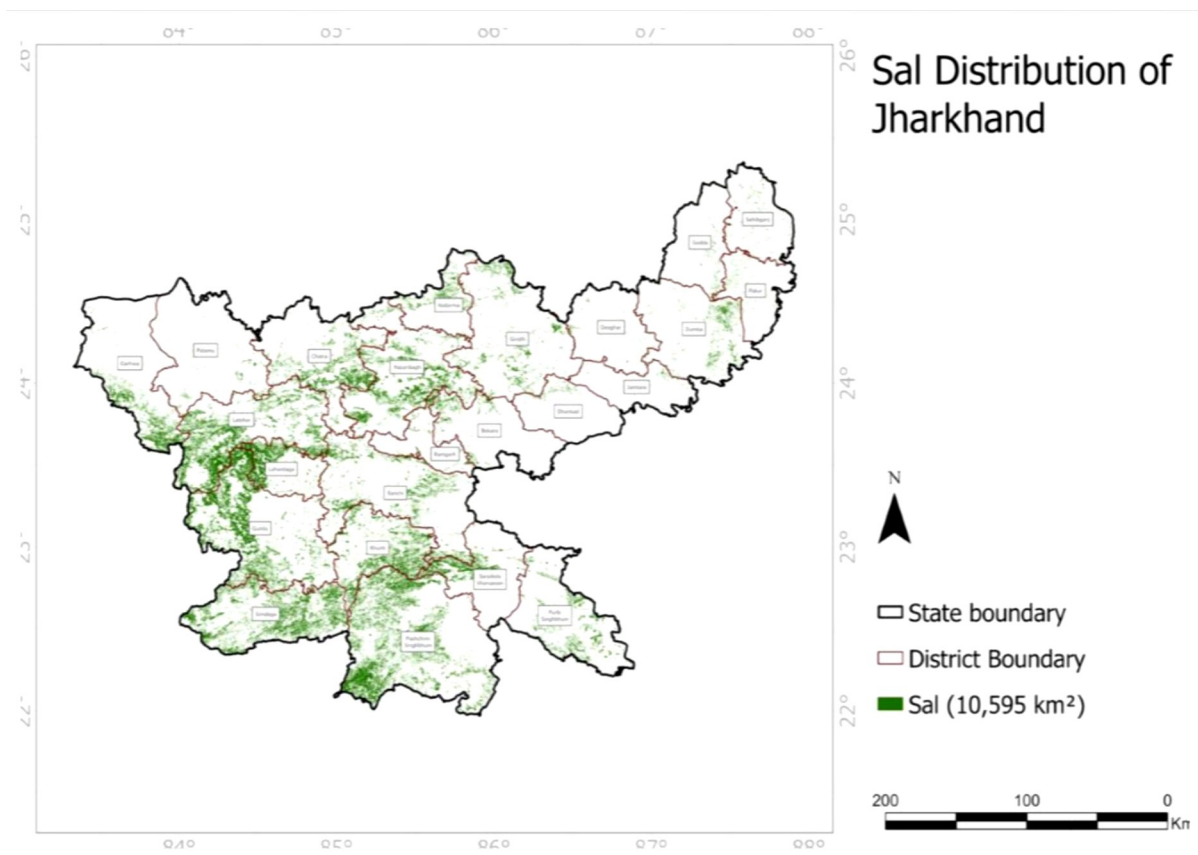
Jharkhand is home to vast forest wealth and a significant tribal population, comprising over 26% of the state's total population. With over 40% of the country's natural reserves, Jharkhand is blessed with rich dense forests, fauna, water bodies, and other mineral resources. Moreover, one-third of the state's land is covered with dense forests which support rural livelihoods and food security of tribal communities. All this combined play an important role in Jharkhand's economic development.

With over one-third of its land under forests, the state has the potential to generate an economic value of at least 11,000 crores from major Seasonal forest products (SFPs). In Jharkhand, more than one-fourth of the population is dependent on forests for livelihoods with forest resources contributing over 25% to the income of rural households. Forest-rich districts such as Dumka, Gumla, Simdega, and Chaibasa have high concentrations of Scheduled Tribe populations, with Dumka alone having around 43% tribal residents . These areas also witness significant production of minor forest products. For instance, Jharkhand produces nearly 50,000 metric tons of tamarind annually along with other high-value products such as lac and honey.

Women are the backbone of the forest-value chain with over 86 lakh women engaged in informal forest-related work without formal recognition or access to organized markets. For centuries, these Adivasi women have been collecting forest produce, such as Sal seeds, Tendu leaves, and Mahua flowers to earn income. However, due to limited infrastructure for value addition and poor market access, women currently earn less than 40% of the potential value of their labor.

## 1.1 The Sal Seed Economy

Sal seeds are one of the major NTFPs that are high in production across the state. According to the Forest Survey of India, 2015, Sal Trees (*Shorea Robusta*) covers over 45% with 10, 59, 500 H.A of Jharkhand's forests. The state's forestry is deeply interwind with the culture and ecology. It is worshipped by tribal communities reflected in their celebration of Sarhul festival when new flowers sprout on Sal trees and the use of these flowers to worship deities (Kumar and Saikia, 2020). However, beyond its cultural significance, Sal seeds also represent an important economic opportunity for these forest-dwelling communities, especially women, in Jharkhand.



Source: Map showcasing the Sal potential of the state developed using ISB-BIPP's indigenous technology, nCount

Abundant in Jharkhand's forests, they are valued for their oil and butter, which are used in various industries ranging from food sector, cosmetics, pharmaceuticals, and skincare products. These seeds have a strong demand within the industrial supply chain as an established yet crucial raw material for companies. Moreover, the European Union in 2023 permitted the use of Sal fat as an alternative to cocoa butter in chocolates expanding the Sal seed market. With a significant market, Sal seed collection and sale has the potential to provide women primary collectors a sustainable income.

However, the seasonality of Sal seeds provides a small window for collection, aggregation and sale with the flowering season onsetting during May and concluding with the sale by end of June. Thus, it is collected during the months of May and June for sale. These seeds are collected, processed, and sold by tribal communities and rural households in need of immediate liquidity. Sal seeds provide forest-dwelling communities with a seasonal income source in times of uncertainty to supplement their overall household incomes.



Picture: Sal Trees



Picture: Sal Seeds



Picture: Primary collector of seasonal forest produce collecting Sal seeds

## 1.2 Challenges and Potential of Forest Economy

The informal nature of the forest economy provides little returns to seasonal forest product (SFP) collectors. A fragmented supply chain and barriers to market access reduces value realization. SFP collectors collect and market forest produce to local traders in their villages/haat bazar at an individual level. These local traders aggregate large volumes of produce directly selling to industrial buyers, leveraging volume and scale, to receive higher unit price per quantity sold. A lack of formal aggregation channels and market access barriers makes similar kinds of arrangements for SFP collectors difficult; rendering their labor invisible and perpetuating a cycle of subsistence.

Further, various seasonal forest products such as Sal seeds, tendu leaves, mahua, and other minor forest products have been customarily used by communities to support their livelihoods. However, these forest products operate as open-access resources available communally for commercial and household purposes. While this ensures widespread accessibility, it also makes establishment of an accountability system difficult.

The formalization of the forest economy has the potential to address these gaps. To build a system of accountability, a critical step is upscaling community forest resource rights (CFR) across Jharkhand followed by establishment of forest-based producer companies (PC). A PC is legally recognized as a corporate entity formed by primary producers – farmers, artisans, or collectors – to enhance incomes and livelihoods by formalizing and strengthening their role in the produce value chain. Village communities that receive CFR for forest land they have customarily utilized are officially recognized as the legal custodians of the forests. This incentivizes sustainable forest use, investment, and preservation. The formation of a forest-based producer company improves the collective bargaining power of the communities, ensuring better market access and minimizing middlemen costs. It operates like a profit-driven corporate business but is owned and governed by its producer-members, ensuring equitable benefits and decision-making power for all stakeholders.

These steps will upscale the business model of forest products to ensure wealth generated by forests benefit those closely connected to them. Primary collectors, majority of whom are women, will be able to access market better, fetch higher prices and participate in the economy as equitable market players.

The Initiative on the Forest Economy (IoFE) at Bharti School of Public Policy, Indian School of Business (BIPP-ISB) has been working on two critical domains in the forest economy with respect to upscaling the business model:

- 1. Aggregation Mechanisms:** To address supply fragmentation of supply, IoFE seeks to facilitate the establishment of community-led forest enterprises. They function as collectives to enhance their bargaining power, lower costs through bulk logistics, and attract better industry offers.
- 2. Market Linkages:** Establishing a buyer-seller linkage between women-led community enterprises and industrial buyers through formal agreements to address pricing and sales uncertainties.

Establishing PCs formalizes the forest economy by providing a formal structure for aggregation, procurement and facilitation of forest produce sales. Further, by facilitating sales between forest-based community enterprises and industries, it reduces the middlemen costs, per-unit transportation costs and improves value accrued to the communities. IoFE aims to establish a framework rooted in community forest ownership and safeguard against market risks. Security of tenure ensures a sustainable and secure supply chain facilitating forest-based community enterprises.

## 2.0. Strengthening Formal Community Institutions

A critical block in effective management and sustainable development of the forest sector is strengthening community institutions for forest governance. This framework requires establishing forest-dwelling communities as both – the manager and the beneficiary – to establish a clear system of accountability. This requires empowering local institutions such as Gram Sabha with community forest resource rights that provide them with legal recognition of ownership over forest produce. CFR not only grants access but also the right to manage, control and govern their defined forest areas, thereby transforming their relationship with forests. With legal and enforceable rights over forest lands, communities accrue direct benefits from forests, incentivizing sustainable harvesting practices, forest conservation, and preventing resource overexploitation. Thus, communities as a collective become accountable for the sustainable management of the forest, both to its own future generations and to the state as a partner in conservation. This internal accountability system is a far more effective and pervasive governance mechanism than external regulation alone.

These community institutions in parallel to forest-based producer companies can strengthen forest livelihoods while ensuring sustainable harvesting and sourcing practices. Establishing a separate business legal entity from the forest governance system is important to avoid possible conflict of interests while ensuring both ecological and business sustainability. This ensures that the need for profit does not override the importance of forest conservation.



Picture: Distribution of Community Forest Rights by Chief Minister of Jharkhand, Hemant Soren.

## 3.0. Establishment of Sona Buru Jungle Producer Company

In April 2025, a newly formed women-led community enterprise, Sona Buru Jungle Producer Company (SBJPC) emerged in Simdega. The company comprises completely of tribal women serving as its Board of Directors, Promoters and shareholders. The PC was formed to foster value chain integration from the supply chain to market access in seasonal forest produce via forward and backward linkages. SBJPC's rapid operationalization from its formation to formalization to incorporation, and its first ever sale was completed within a three-month timeline. loFE, under BIPP-ISB, played a key facilitation role in the formation and formalization of SBJPC. From supporting formal registration to ensuring GST compliance, setting up a bank account setup, office establishment in Jaldega block of Simdega district in Jharkhand, the team of BIPP-ISB enabled it all. Furthermore, the team also initiated and led efforts for internal capacity building, including comprehensive training in financial literacy, leadership, business management, and sustainable resource utilization for SBJPC. The facilitation efforts rests on four foundational pillars: promoting formal women-led community business enterprises, enhancing entrepreneurial capabilities, facilitating market integration, and fostering scalable and sustainable business models. The process was swift including incorporation of over 1008 shareholders – all of whom are primary SFP collectors and women.

### 3.1. Shareholder Drive

The expansion of SBJPC followed an organized strategy designed to build momentum around the Sal seed sale, formalise membership, and build credibility of the company. The first plan of action involved identification of villages in Jaldega, Bano, and Kalebira blocks where seasonal forest product collectors were active. The objective was to identify collectors interested in contributing to the company's operations, strategy, and decision-making. The founding BoDs and members of the company strategized on shareholder mobilization plan, organizing one-day camps in every village to facilitate shareholder enrollment. They kickstarted the shareholder drive in parallel to the formalization process during mid-April 2025. The envisioned outcome of the drive was twofold. The first was to expand the company's shareholder base by onboarding new shareholders to the PC. The second was to build awareness and momentum about SBJPC and its upcoming Sal seed sale operations.

To scale up the PC's shareholder base and solidify its block-level operations, BIPP-ISB provided comprehensive operational support to the BoDs and Didis. BIPP-ISB acted as a strategic enabler by providing BoDs with the tools, training and administrative support, while ensuring full legal and financial compliance. This included rigorous compliance – verifying documents, managing share capital deposits, and conducting due diligence – while maintaining centralized database to keep track of the shareholder mobilization records and government documents. Further, Sona Buru's shareholder model was strategically designed to maximize women's participation and empowerment. The share price was deliberately set at a nominal ₹100 to ensure accessibility for women primary collectors, most of whom were engaging with a formal company for the very first time.

With active capacity building and support, the BoDs and Didis of the PC successfully led the drive. They travelled from village to village, led Gram Sabhas explaining the role of the producer company, the vision and benefits for the communities. These women became the primary conduits of information, translating complex business concepts into relatable terms during village gatherings. This grassroots approach provided our BoDs with invaluable field experience – from understanding the collector perspectives to honing their public speaking and negotiation skills – while simultaneously building a strong, community-owned foundation for the enterprise. Thus, Sona Buru onboarded 1008 forest-dwelling women as shareholders of the company within just two months of its incorporation.



Picture: Didis of the Sona Buru Jungle Producer Company participating in the capacity building workshop organised by IoFE (BIPP-ISB).



Picture: SBJPC's Secretary leading the Gram Sabha meeting for shareholder expansion of the company.



Picture: BoDs of the company filling the shareholder forms for didis to join SBJPC

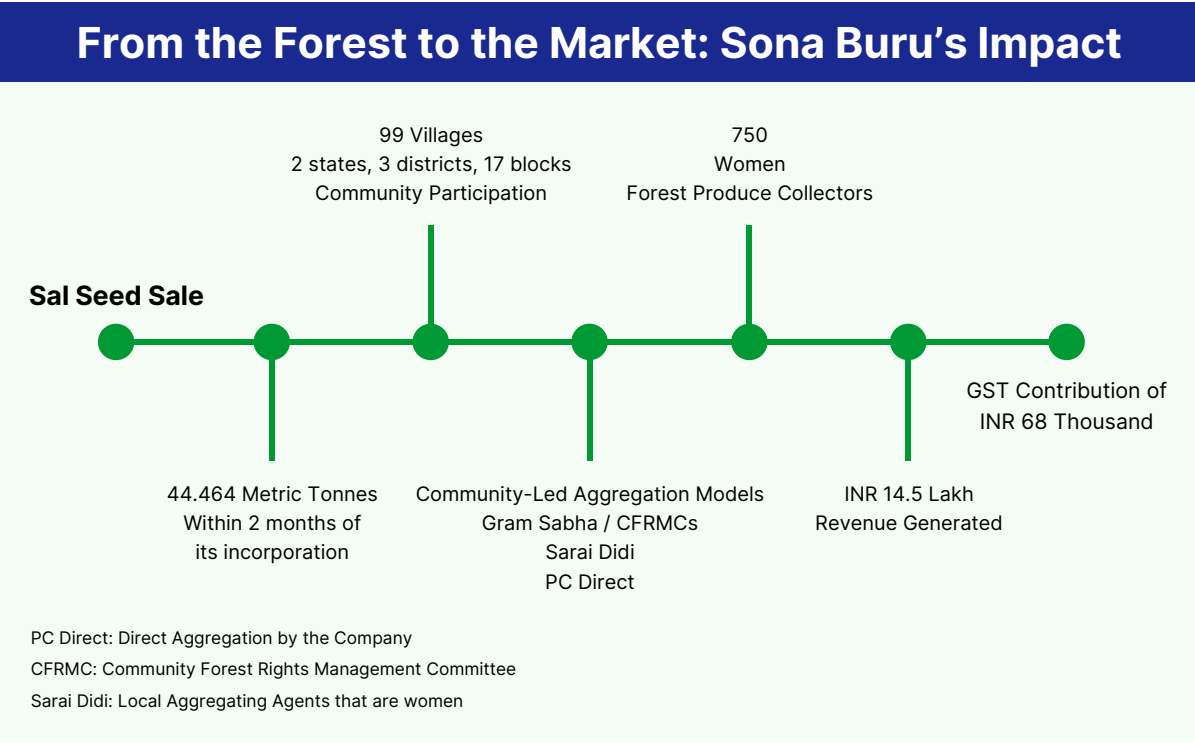


Picture: The PC members expanding shareholder base of the company during the shareholder mobilization drive

# 4.0. Sona Buru’s First Ever Sale in Sal Seeds

SBJPC facilitated its first ever sale of 44.464 tonnes of Sal seeds to AAK India Pvt. Ltd (AAKIPL), an industrial buyer within two months of its formation. The seeds were aggregated from over 700 women SFP collectors across 99 villages in 17 blocks across Simdega in Jharkhand, Mayurbhanj and Keonjhar in Odisha. The sale was conducted on community-centric governance principles as PC directly engaged tribal communities, specifically women, in democratic decision making and sustainable Sal seed harvesting. The PC mobilised over 1000 shareholders through a community-led drive and successfully established itself as a credible and competitive market player in the region. The transaction of the Sal seeds was facilitated by FarMart Pvt. Ltd (Farmart) that provided supply support in the sale to Sona Buru. They infused working capital to enable the PC to complete successful procurement for the sale of Sal seeds.

Sona Buru generated INR 14, 36,399 in sales within the first six months of its incorporation which included a GST contribution of INR 68,395 to the state’s coffers. The sale showcased the potential of community-led enterprises in empowering local communities, especially women collectors, by generating stable incomes in the forest-landscape. Simultaneously, the sale also contributes to the overall development goals by way of its contribution to the government’s tax revenue.



Flowchart: The chart showcases the impact of Sona Buru Jungle Producer Company's first ever sale

## 4.1. The Role Of ISB-BIPP in Formation and Sale

ISB-BIPP's Initiative on the Forest Economy (IoFE) is a longitudinal program founded on three building blocks in forest economy: sustainability, scalability, and technology. The objective is to strengthen forest economy, driven by women-led and community-owned enterprises that foster sustainable livelihoods, preserve forest ecosystems and contribute to overall development. Central to this model is building a market framework embedded within community forest ownership and protection against market risks. To achieve this, ISB-BIPP engages with diverse stakeholders, including state governments and civil society organizations to develop solutions for tribal communities within forest landscapes.

ISB-BIPP has been working in Simdega – particularly in the block of Bano, Kolebira and Jaldega – to upscale community forest resource rights for the past three years. The team developed strong ground presence in these regions with their operations which helped us in conceptualising and operationalising Sona Buru on ground.

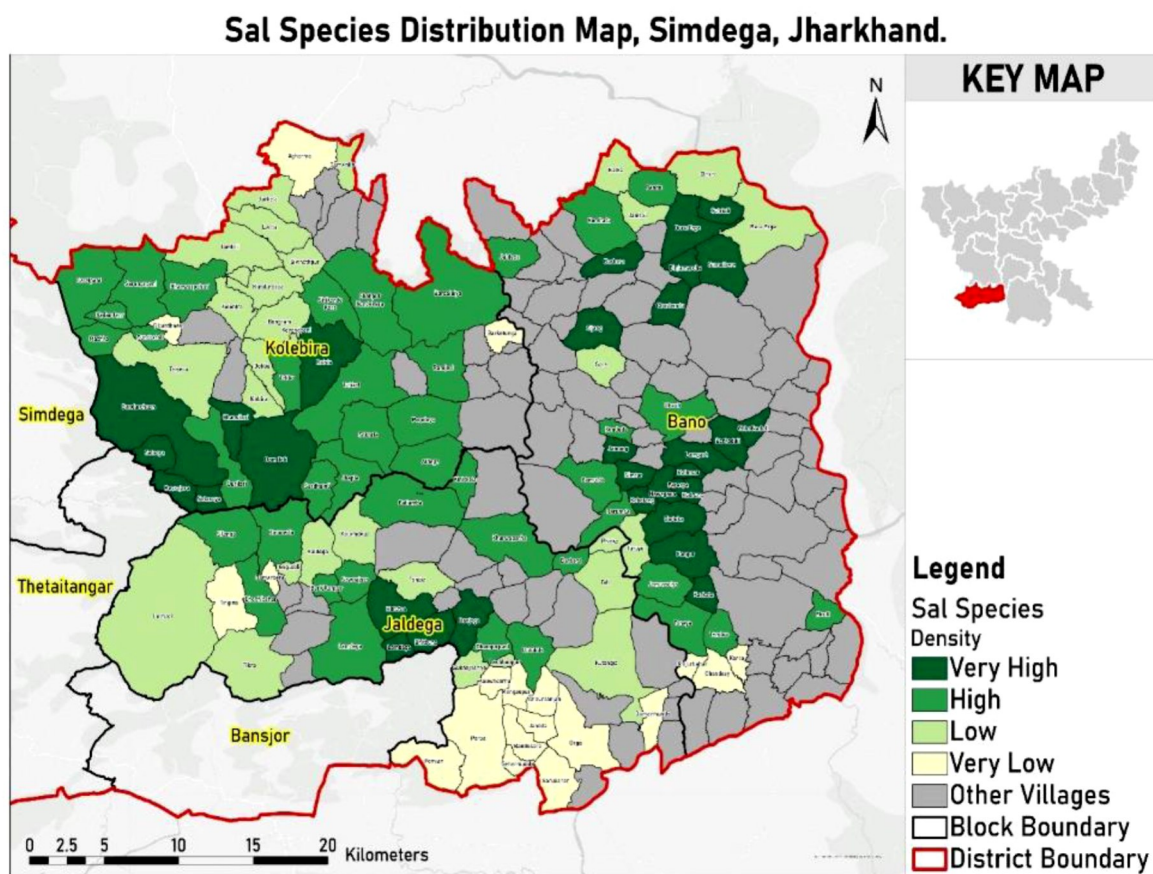
The SBJPC was conceptualized and brought to life with the foundational support and incubation of ISB-BIPP. From the initial community mobilization and legal structuring to establishing market linkages, the team provided critical technical guidance and strategic framework that allowed SBJPC to launch its operations successfully in its first financial year. Further, ISB-BIPP played a critical role in the 2025 Sal seed sale as a facilitator for the SBJPC in pricing information and negotiations; assisting with operational planning for the sale and capacity building of the shareholders. This included capacity-building and operational support provided by the team throughout the planning, operations, and sales. Moreover, the ISB-BIPP assisted the PC in establishing market linkages with industrial buyers and partners for smooth facilitation of collection, procurement, aggregation for the sale.

## 4.2. Area of Operation

Prior to the formation of SBJPC, it was decided that the PC will launch its first sale operations in Sal seeds, a key SFP in Jharkhand. Jaldega, Bano, and Kolebira blocks in Simdega district were selected for the composition and operations of the company. These blocks were identified for their high Sal density using ISB-BIPP's open-source data capture technology, **nCount**. nCount is a user-friendly tech platform developed by ISB-BIPP for communities and stakeholders to collaboratively gather, analyze, and visualize data. It allows for easy mapping of forest boundaries and SFP inventory with the use of a simple smartphone.

ISB-BIPP spearheaded an SFP mapping exercise across the Simdega district to map the density and distribution of Sal trees. The field team collected over a thousand geographical data points per species with location coordinates and photographic evidence. This helped develop GIS maps that provided visual understanding of the resource base with spread and production estimates of species per village in target regions. It provided us with insights into the Sal seed production estimate and area covered by Sal trees. Hence, the decision to facilitate Sal seed sale was strategically driven by the high density of Sal seeds in these regions to demonstrate the potential of community-led enterprises in forest economy.

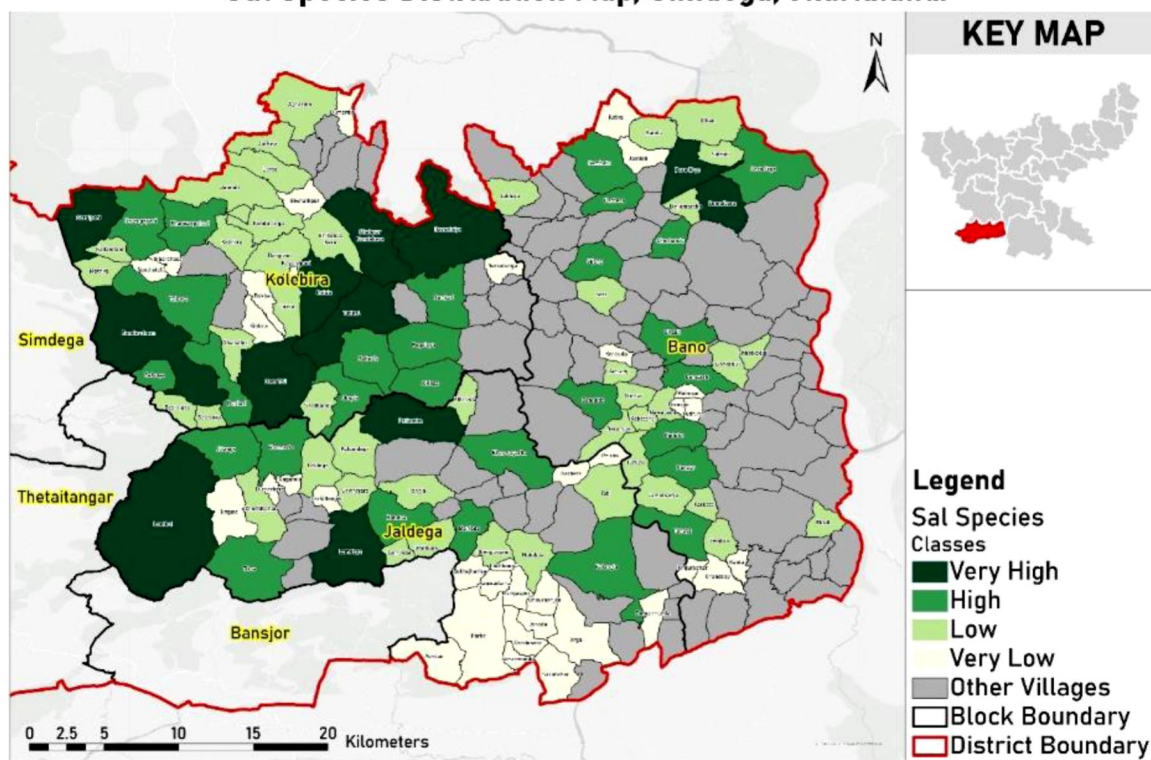
## Sal Density Distribution Map



Source: Map developed using ISB-BIPP's technology, nCount.

# Sal Count Distribution Map

Sal Species Distribution Map, Simdega, Jharkhand.



Source: BIPP, Indian School of Business, Hyderabad.

Source: Map developed using ISB-BIPP's technology, nCount.

**Map – I&I:** The Sal count map provides information on the number of Sal trees per block; however, a high Sal count does not ensure a high density. As seen in the maps, villages that have high Sal count have Sal trees spread out and at distance while villages that reflect high Sal density have a higher concentration of Sal trees together.

Initially the PC's area of operations for the sale was to cover 120 villages within Jaldega, Bano, and Kolebira block. The composition of the company – shareholders belonging to these blocks – provided PC with the advantage of proximity, cultural influence and connection. Along with this, familiarity of the region meant better estimation of the available seed inventory by SBJPC for streamlining the planning process. However, the scope of the operations expanded beyond the initial target area with a positive word of mouth.

For SBJPC's first time facilitating a large-scale sale, they were able to procure seed produce from around 63 villages across 8 blocks. Furthermore, SBJPC's area of focus involves villages that have received community forest resource rights, are in the process of receiving or have CFR potential. The idea behind aggerating from

villages that have received CFR under the Forest Rights Act (FRA), 2006 is to showcase the potential of secure tenure for large-scale sale. As these villages are officially recognised as the owners of forest resources they reside within and around, the supply chain for the Sal seeds remains secure with decision making power of those forests and forest resources being in the hands of the forest communities. Thus, secure tenure is the bedrock of upscaling forest economy.

Following was the profile of the villages part of the PC's operations:

<b>CFR CLAIM STATUS</b>	
<b>No. Of Villages</b>	<b>63</b>
Titles Received	24
Pending at DLC/SDLC	13
In Process	7
Yet to Initiate	19

### **4.3. Establishing Multi-Stakeholder Partnerships**

SBJPC established multiple and diverse partnerships which included the district administration of Simdega, non-governmental organizations (NGO), and industrial players in the forest-based supply chain. These partnerships have been foundational in de-risking the market for primary collectors and providing price stability by facilitating predefined and formal contracts. Moreover, these partnerships ensured smooth operations and access to a structured and high-value economy. The district administration of Simdega provided infrastructural support to the newly formed community enterprise, facilitating smooth aggregation. Industry partners such as FarMart, and AAK provided supply chain support and facilitated the procurement of SFPs. They helped inject financial liquidity into the PC's operations and ultimately allow them to transform a seasonal market opportunity to a permanent yet sustainable livelihood.

#### **4.3.1 Support from the District Administration of Simdega, Jharkhand**

A Memorandum of Understanding (MoU) was signed between BIPP-ISB and Tribal Welfare Commissioner's (TWC) Office of Simdega establishing a collaborative partnership. This partnership aimed at piloting initiatives in the district for strengthening forest value chains, linking local communities to markets, and fostering inclusive socio-economic development.

The district administration was instrumental in providing immediate, short-term infrastructural support, including office space and go-down facilities in Jaldega,

Bano, and Kolebira blocks. This critical intervention enabled the seasonal sale operations of the SBJPC to commence seamlessly at a grassroots level. Furthermore, the administration is actively facilitating the CFR claim filing process in these blocks, which is fundamental to securing community tenure and the long-term goals of this initiative.

### **4.3.2. Formal Market Linkage with AAKIPL**

BIPP-ISB has signed an MoU with the Indian subsidiary of Sweden-based company, AAK to establish a sustainable and competitive forest-based economies. A key objective of this collaboration has been to strengthen the forest-based supply chain and foster wealth creation by directly procuring forest products from tribal communities. Thus, prior to the commencement of the sale operations, loFE had established a market linkage between AAKIPL and SBJPC with loFE playing a facilitative role. This included ensuring pricing information symmetry, facilitating purchase order for advance payment, and assisting in price negotiation between the two.

During the sale, AAKIPL explored purchase contract agreements with SBJPC to ensure a competitive pricing based on prices in the local markets and seed quality. Partnership with AAKIPL connects SBJPC with one of the leading industry players that process Sal seeds into oil and fat – key ingredients in premium products across consumer sectors. Further, for AAKIPL partnering with SBJPC in Jharkhand allows them to work directly with their raw material aggregators – engaging communities closest to the forest. This not only helps share the benefits of the Sal trade more equitably in an otherwise largely informal economy but also gives forest-based communities visibility into where their resources end up and the value they carry in the market.

AAKIPL's involvement was instrumental in bridging the gap between market expectations and ground realities. They set clear quality parameters while committing to procure all of the produce from the company given that they meet the quality standards set. Moreover, AAKIPL communicated that the seeds must be matured, have low moisture content (<10%) and their Free Fatty Acids levels should be below 3%. To ensure quality of the seeds, they deployed a team for on-ground training in loFE's capacity workshop conducted in Odisha and field visits. Further, AAKIPL requested SBJPC to submit a 5kg sample prior to the procurement process (by 17th May 2025) to their Raipur facility for quality inspection. They shared lab reports with the team to facilitate transparency and address logistical challenges such as transportation, GST transit permits, and billings.

They also facilitate SBJPC through the vendor registration process ensuring compliance with procurement protocols. They communicated the documentation requirements – GST, PAN, Cancelled Cheque, GST invoice after the sale – and speeded up the approval to designate SBJPC as an authorized supplier.

### **4.3.3. Farmart as the Supply Chain Partner**

Farmart Pvt Ltd (FarMart) is a food commerce platform that leverages technology to optimize supply chain efficiency of Agri-based food produce and facilitate farmer-to-buyer linkages. Their core business model is based on risk transfer from farmers/producers to the buyers, i.e., making it buyers-facing risks. They do so by purchasing the produce from the Farmer Producer Companies or Organizations (FPC/Os) and becoming responsible for the sale of the produce.

SBJPC needed immediate working capital for the procurement process. IoFE (BIPP-ISB)'s market-linkage specialist, Mr. Vishal Hanumant Jadkar reached out to Farmart Pvt Ltd to broker a strategic financing partnership with SBJPC. FarMart acted as a financial intermediary between SBJPC and AAKIPL. They disbursed working capital to SBJPC for Sal seed aggregation against the purchase order (PO) issued by AAKIPL for a small service fee of Rs. 0.25 per kg sold. Further, FarMart provided market facilitation services by facilitating the sale through their platform.

While Farmart primarily operates within the agricultural food sector, they have been looking to enter the forest produce supply chain. The collaboration with SBJPC was an opportunity for them to work with the source of the forest produce supply – the primary SFP collectors – and enter the forest economy. In their partnership with SBJPC, FarMart worked to shift the risks in the supply chain away from the primary collectors-led producer company via financial support for the aggregation process. The model adopted for optimizing the SBJPC's supply chain has been different from the model they follow when collaborating with FPCs/Os on agricultural food supply chain. In the case of the agri-food supply chain, FarMart purchases the produce after the aggregation is completed and takes it forward for processing and sale. However, since forest value chain functions differently with aggregation being heavily cash-dependent, FarMart infused capital for the procurement process to facilitate smooth aggregation.

### **4.3.4. Operational Support from Institute of Community Forest Governance (ICFG)**

ICFG is a forest-based NGO working on empowering forest-dwelling communities and support community-led businesses to support rural livelihoods and

development. Having worked with BIPP-ISB previously during 2023 and 2024 in Simdega and Ranchi to facilitate large-scale sale of Sal seeds, they were keen on collaborating with Sona Buru Jungle Producer Company for shareholder expansion and sale. They expanded our reach during the shareholder drive by adding members of their community from Jaldega, Bano and Kolebira blocks. Further, they provided on-ground support and leveraged their ground-presence by effectively raising awareness about the PC and their role in the Sal seed sale.

## 4.4. Operational Planning

Prior to the onset of Sal seed aggregation, the BoDs and shareholders of the company called for a board meeting on 10th of April 2025. With a purchase agreement already established for the sale with AAKIPL, BoDs and shareholders discussed campaigning strategies, pricing, and aggregation methodology for procurement. It was decided that seeds would be procured from the communities at a competitive price – of Rs. 1 or 2 – higher than offered in the local market. The company set aside Rs. 4 per unit for operational costs to ensure efficient and transparent execution of the sale. Further, SBJPC developed various aggregation mechanisms for efficient procurement during a two-day capacity building workshop organized by IoFE (BIPP-ISB). The PC then ensured aggregation models were set in place to kickstart seed procurement.



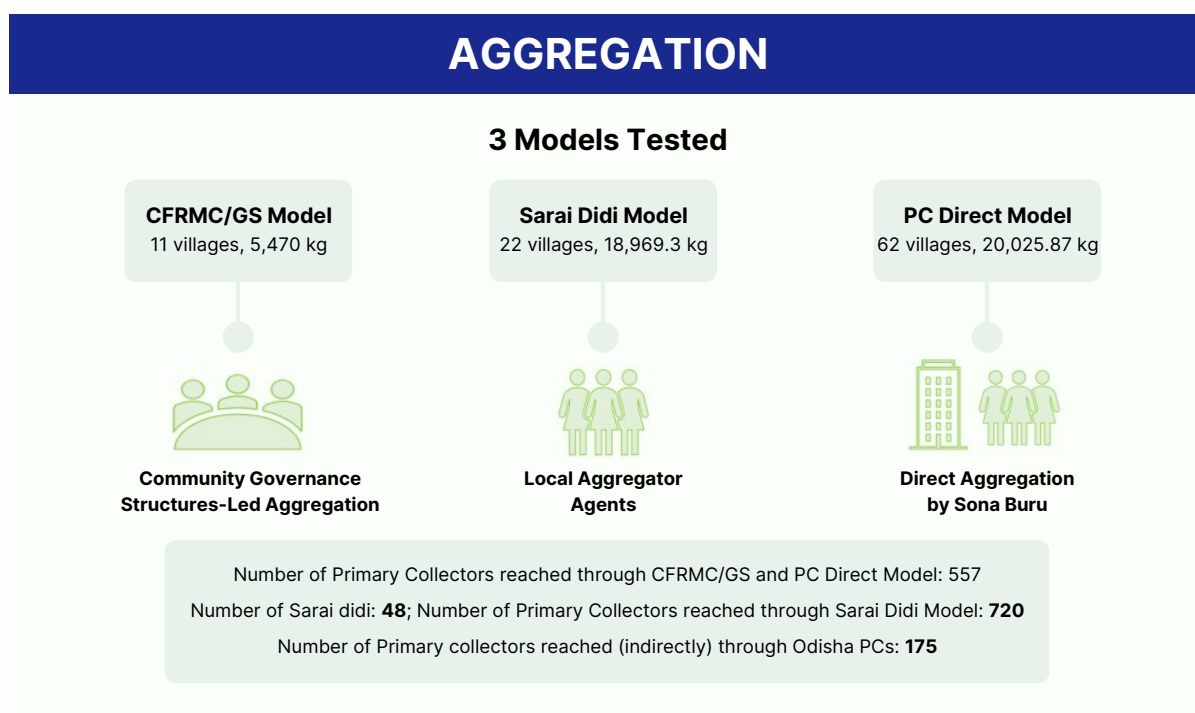
Picture: Didis brainstorming to develop an operational plan for the Sal seed sale.

## 4.5. Aggregation Models

The PC set up diverse aggregation models to facilitate smooth and efficient seed procurement process. These structures and networks were established not only for this Sal seed sale but for future scalability and to develop a sustainable operational framework.

Prior to the shareholder drive, a two-day capacity building workshop was organized for the BoDs from the three blocks with over 60 women present. During the workshop, the women formulated an operational plan for village-level aggregation and storage. The BoDs and other women decided to secure a streamlined and decentralized procurement system. The strategy to maximize seed procurement was to commence aggregation prior to local market opening as most people process and prepare Sal seeds just before selling. By ensuring that aggregation happens in an organized manner a day before haat opened (local market), the chances of leakages could be minimized.

SBJPC chose a mix of aggregation models depending on local context and feasibility. The PC developed a robust aggregation system leveraging three different community models: local aggregator agents – Sarai Didis – onboarded by the BoDs, Community Forest Rights Resource Management Committees (CFRMCs) in villages and the direct procurement system by shareholders.



**Figure I:** The chart highlights the reach and volume of different aggregation models for the sale.

## **Local Aggregator Agent/Sarai Didi Model**

The BoDs and members of the PC identified local aggregator agents in each village and onboarded them as Sarai Didis. These Didis were responsible for Sal seed aggregation and storage at the village level. Moreover, this system aimed to embed strong checks and balances to ensure sustainable procurement. They were responsible for figuring out the logistics for storage, be it community building, their house, or other godown facilities. In exchange for the services for seed aggregation from individual seasonal forest collectors and arranging storage logistics, they will be paid a commission. The BoDs made a decision to set the charges at Rs. 1/- per kg of bag procured.

The Sarai Didis was either selected from within the PC shareholders or identified local agents within various villages for effective aggregation. Initially, it was decided that the PC would employ the Sarai Didi model only in villages where CFRMCs were not functional. However, over the course of aggregation period it was seen that the model was effective in incentivizing women to maximize aggregation. A total of 48 local aggregator agents were selected as Sarai Didis and were registered with Sona Buru as vendors for the procurement process. Approximately 18, 969.3 kgs of Sal seeds were procured through the Sarai Didi model from 22 villages.



Picture: a. Vendor registration of Sarai Didi



b. Payment receipt issued for Sal seed procurement.

## CFRMC-Led Aggregation Model

A key feature of the aggregation model was the involvement of Community Forest Resource Rights Management Committees (CFRMCs)– the statutory bodies constituted by Gram Sabhas (village assemblies) under the FRA, 2006. These committees are responsible for managing and protecting forest resources within regions where CFR Rights have been granted. As SBJPC was established on the principles of profitability, efficiency and sustainability, one of their core objectives was to ensure ethical harvesting and sourcing. To adhere to these principles, the PC obtained written authorization from CFRMCs to procure produce from their designated forest areas. Consequently, a portion of the sale proceeds were transferred through CFRMCs to Gram Sabhas' bank accounts, acknowledging their ownership and rights over their forest areas.

During the shareholder drive, representatives of the PC – BoDs and shareholders – met with CFRMC members in villages to establish a strategic sourcing partnership.

They requested CFRMCs to act as local aggregation hubs during the Sal seed aggregation process to support SBJPC's operations. The idea was that by involving CFRMCs directly, aggregation became relatively structured and community-driven while acknowledging their rights over their forest products. This strategic partnership enabled seamless procurement, with CFRMCs playing a direct role—either by actively facilitating seed collection or by formally granting permission for procurement from their forest areas. Therefore, these committees actively facilitated and supported sustainable aggregation of Sal Seeds from their forests. Further, the Cess – portion of the sale proceeds (2% of the produce sold from the village) – were paid irrespective of their support to the PC during the aggregation process. A total of 5,470 kgs of Sal seeds were procured through the CFRMC model from approximately 11 villages with a royalty of 2% of the total value procured paid to the committees.



Picture: President and Secretary of CFRMC from a village in Bano aggregating produce for SBJPC.

## **PC Direct Model**

The shareholders of the PC have a personal stake in the success of the sale which provides a strong incentive for direct procurement. Moreover, given that every shareholder of the PC is a tribal woman and primary SFP collector, procurement becomes relatively easy. Thus, Didis decided to directly procure from their villages and minimize labor costs. This approach leverages the personalized relationships or goodwill the shareholder didis have within their villages for wider reach and cost minimization. A total of 20,025.87 kgs were procured through the PC direct model from approximately 40 villages.

The entire collection and aggregation process adhered to due diligence protocols, with formal documentation and transaction process. Moreover, the shareholder expansion during the formalization process contributed to the sale with word-of-mouth credibility and strong community mobilization spearheading seed procurement.



Picture: President and the board of Director directly aggregating from primary collectors.

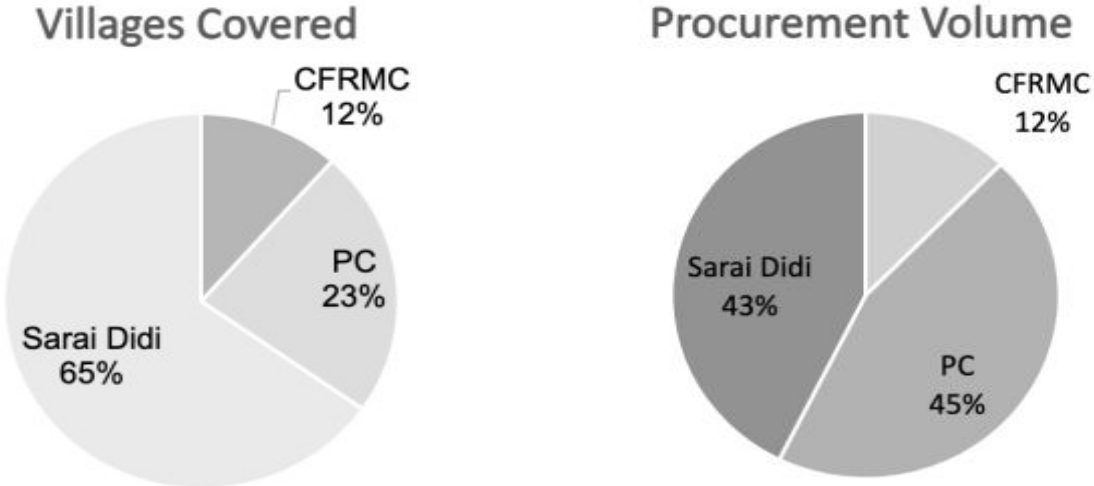


Figure II: The chart above illustrates the percentage of villages and procurement volume covered by the diverse aggregation models.



Picture: Shareholders of the PC weighing produce and registering the quantity in the company's register.

## 4.6. Dispatch of the First Truckload of Sal Seeds

The first round of Sal seeds was aggregated within a week from approximately 44 villages from the blocks of Jaldega, Bano, Kolebira, Simdega, Kersai and Thethaitangar with a total of 24.62 MT of seeds. Initially, only Jaldega, Bano and Kolebira were the target blocks for procurement, but a positive word of mouth about SBJPC expanded its procurement reach beyond its target blocks to other areas in the Simdega district.

Over 500 forest-dwelling women directly participated in the collection, aggregation and sale of the Sal seeds. SBJPC procured directly from the primary collectors by offering competitive rates. This turned out to be beneficial, especially in areas where procurement had previously been absent due to weak market ecosystems. The dispatch of the first truckload generated a revenue of INR 7.58 lakhs inclusive of GST (INR 36,006) from the sale to AAKIPL.



Picture: President with the first truckload of seeds ready to be dispatched.

## 4.7. Dispatch of the Second Truck of Sal Seeds

The second round of Sal seeds aggregation expanded beyond the 44 villages to include more communities from other villages that had reached out to sell their produce. With a positive word of mouth, SBJPC attracted progressively more primary collectors that were interested in the company's vision and wanted to join the company in the capacity of a shareholder. The PC successfully dispatched a second truckload of 13.750 MT of Sal seeds to AAKIPL's factory facility in Raipur. The sales generated a revenue of INR 4.43 lakhs inclusive of GST (INR 21,140).



Picture: Subardani Lugun, the president of SBJPC aggregating from Sarai Didi.

## 4.8 Inter-PC Collaboration with Green Shakti Producer Companies in Odisha

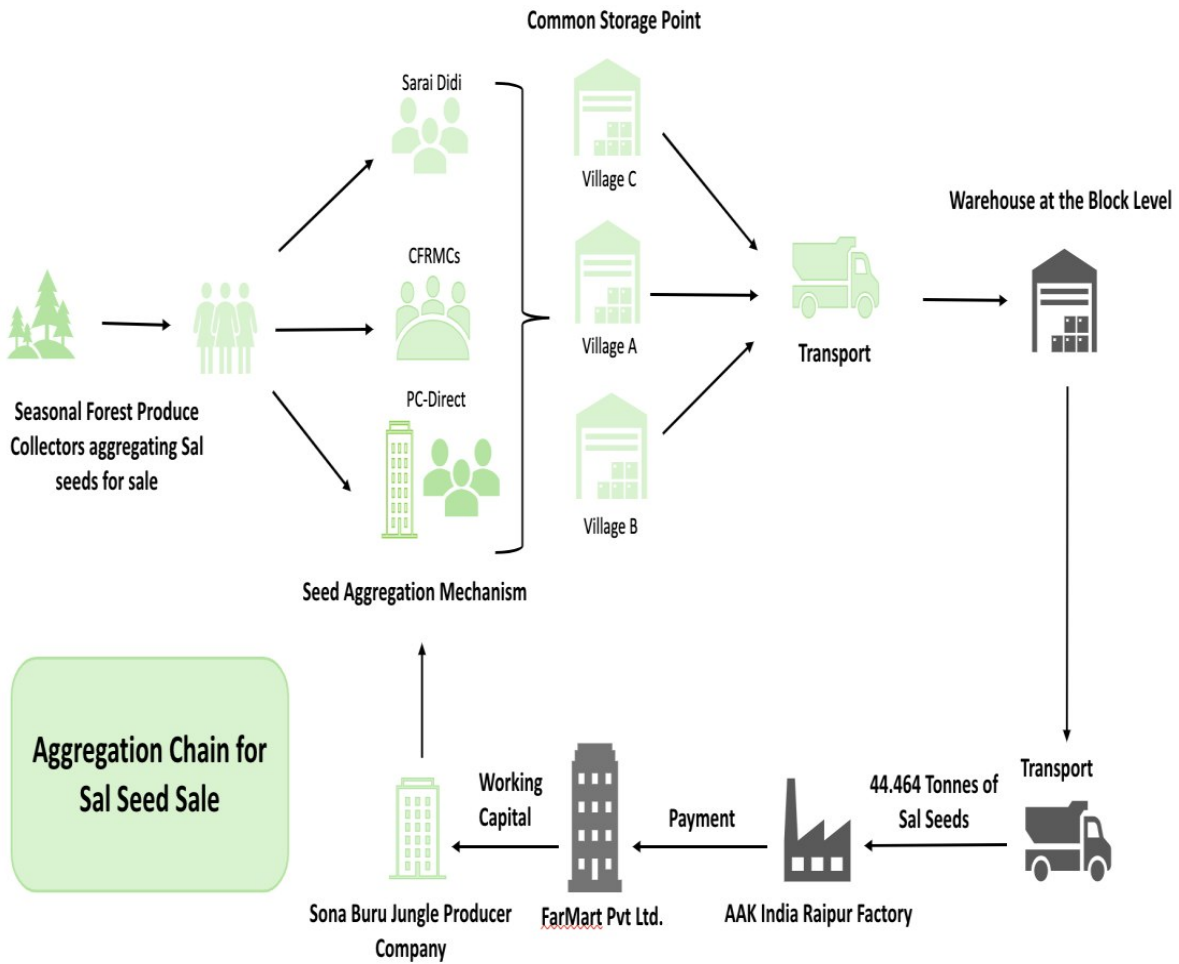
SBJPC collaborated with two Green Shakti Producer Companies from Mayurbhanj and Keonjhar in Odisha by providing market facilitation services to enable their sale. The Odisha PCs aggregated Sal seed produce from approximately 32 villages in Mayurbhanj and Keonjhar district from approximately 80 primary collectors. The positive word-of-mouth about SBJPC spread beyond Jharkhand to Odisha. The BoDs of Odisha PCs received information on higher prices being offered to SBJPC and reached out to SBJPC's president for sale support.

SBJPC acquired a competitive pricing advantage with AAKIPL as the PC had previously facilitated two truckloads of Sal seeds. This built confidence in the partnership SBJPC had with AAKIPL, enabling better competitive pricing and transport costs factored in. As SBJPC received a better price from AAKIPL, facilitating a third truckload of Sal seeds produce directly by Odisha PCs provided Odisha PCs with better prices and SBJPC took a commission for facilitating the sale. This support was essential to ensure profitability for the PCs, developing a model of inter-PC collaboration with SBJPC providing strategic market access and better prices.



Picture: Third truckload from Mayurbhanj and Keonjhar in Odisha being dispatched via Sona Buru.

From the forest to market, SBJPC's aggregation chain followed the following workflow:



## 5.0. Price Competition

Primary forest product collectors form the first mile of the forest supply chain. However, the fragmented nature of the supply chain reduced the price accrued to these collectors. In previous years of the Sal seed season, primary collectors sold Sal seeds individually and lacked mechanisms for bargaining power. Every village had a local vendor that had captured the supply market, leaving SFP collectors with little to no alternative selling options. Sona Buru Jungle Producer Company's entry into Jharkhand's Sal seed market shifted this very market dynamics in favor of the primary collectors.

Prior to the market opening, Sona Buru engaged in pre-market negotiations with AAKIPL to secure a premium price for Sal seeds. Thus, Sona Buru negotiated a favorable price higher than offered in the local market by vendors. A critical component of this market negotiation was the proactive management of supply chain costs. By negotiating and absorbing freight costs to the buyer's facility, Sona Buru ensured its offer remained highly competitive. Moreover, Sona Buru's entry created more pressure on local vendors as increased competition pushed them to increase their prices to keep up with the market rate. The market competition continued to push prices upwards throughout the season, raising the prices from an initial price of ₹15/16 per kg to as high as ₹36/37 per kg. In response, SBJPC demonstrated remarkable agility in re-negotiating prices to incorporate the growing market competition and demand. For instance, the price rose up to ₹70-₹80 by the end of the season, providing primary collectors an exceptional value for their forest produce. This ensured that primary collectors received a fair value for their seasonal forest produce, even if they sold to other market buyers.

Thus, SBJPC's entry and pricing negotiations had a dual benefit. Firstly, it secured the company's supply chain by being an attractive buyer, and secondly, it created a positive market externality by raising the overall price floor.

## 6.0. Success of Sona Buru's Sale

Sona Buru established effective systems for procurement, aggregation, transport, storage, quality control, and market linkages in the forest value chain. These end-to-end systems generated indirect employment opportunities within the community in logistics, support services, and local trade amplifying Sona Buru's positive impact. For instance, Sona Buru's procurement chain itself created direct employment for 48 women as Sarai Didis who aggregated produce as local agents. Further, community institutions such as Gram Sabha/CFRMCs were vital to the success of this sale. These community governance institutions supported aggregation operations of the company, leveraging their grassroots presence and authority. They authorized the PC to aggregate from their forests area and supported the operations. This gesture of goodwill stemmed from the fact that PC is composed of and led by their own community members—particularly tribal women. Hence, these community institutions had a vested interest in seeing this enterprise, which they see as their own, succeed.

This sale was a successful demonstration of the community enterprise model in action highlighting its dual benefits to communities from business and community institutions. The direct sale to AAKIPL facilitated better price realization to the communities for their produce. Further, the sale established a crucial precedent where SBJPC paid a royalty to community's Gram Sabhas/CFRMCs for the Sal seeds procured from their forest areas. Royalty is not just a cost but an acknowledgement of the communities' ownership over forests and forest produce.

Sona Buru Jungle Producer Company is one of the 31 tribal-led women PCs formed under the **Sulabhaa Green Business Enterprise Leadership (Sulabhaa) Initiative**. The initiative is an innovative leadership and enterprise development program designed by IoFE (BIPP-ISB). The program has been specifically designed to empower women from the forest-dependent communities focusing on building their entrepreneurial capacity and sustainable forest livelihoods. The aim is to foster business leadership skills among women and integrate them into the forest economy as equitable market players. At its core, Sulabhaa seeks to nurture agency, rewire ambition and redefine leadership among women deeply embedded in the social, ecological and economic fabric of the forests. SBJPC is a successful example of the potential Sulabhaa initiative has in incorporating women collectors into the formal supply chain of forest produce as equal market actors. Further, it highlights how community-led enterprises as a pioneering business entity can work within bounds of sustainability while ensuring profitability and efficiency of forest supply chain.



## सोना बुरु जंगल प्रोड्यूसर कंपनी

SONA BURU JUNGLE PRODUCER COMPANY

Village - Lombol, Panchayat - Lombol, Block - Jaldega, Post Office - Lombol, Police Station - Jaldega, District - Sonbhadra, Phiroze - 83221,  
CIN - U63400JH2002PTC024405 | Email - sonaburu@sonaburu.com

Ref no. - 01

Date: - 15/05/2025

सेवा में,  
अध्यक्ष,  
सामुदायिक वन संसाधन प्रबंधन समिति,  
ग्राम: सुबरदानी  
पंचायत: कोलेबिरा  
अंचल: कोलेबिरा  
जिला: सिमडेगा

**विषय: साल बीज के संग्रहण एवं खरीद हेतु अनुमोदन का अनुरोध**  
महोदय/महोदया,

सादर निवेदन है कि हमारी कंपनी, सोना बुरु जंगल प्रोड्यूसर कंपनी, एक वनाश्रित महिला उत्पादक कंपनी है, जो वनों पर निर्भर समुदायों, विशेषकर महिलाओं को आर्थिक रूप से सशक्त बनाने के उद्देश्य से कार्यरत है। इस कंपनी में आपकी ग्राम की महिलाएं भी शेयरहोल्डर हैं। कंपनी का उद्देश्य सशक्त, समावेशी और टिकाऊ वन-आधारित अर्थव्यवस्था का निर्माण करना है।

इसी क्रम में, इस वर्ष हम साल बीज का संग्रहण एवं विक्रय करने जा रहे हैं, और आपके ग्राम क्षेत्र से भी साल बीज का संग्रहण एवं खरीद करना चाहते हैं।

हम आपसे निवेदन करते हैं कि कृपया वन अधिकार अधिनियम, 2006 के तहत संशोधित नियम, 2012 के नियम 2(1)(d) के अंतर्गत हमें इस गतिविधि हेतु आवश्यक अनुमोदन प्रदान करें।

हमें पूर्ण विश्वास है कि यह पहल ग्राम की महिलाओं एवं समुदाय के समग्र विकास में सहायक सिद्ध होगी। कृपया हमें आवश्यक अनुमति प्रदान कर इस प्रक्रिया को आगे बढ़ाने में सहयोग करें।

आपकी अनुमति व सहयोग की अपेक्षा में,

सुबरदानी लुगुन  
नं. 15-05-2025  
**PRESIDENT**  
Sona Buru Jungle Producer  
Limited, Jaldega  
सुबरदानी लुगुन

अध्यक्ष

सोना बुरु जंगल प्रोड्यूसर कंपनी (कंपनी का नाम)

Picture: Sona Buru Jungle Producer Company acquiring written consent from CFRMCs to aggregate from their forest areas.



Picture: The president of SBJPC with other members of the company facilitating Sal seed aggregation & dispatch.

## 7.0. Key Learnings from The Sale

Formation of specialized micro enterprises, specifically women-led, in seasonal forest produce (SFP) have the potential to enable rural employment and promote entrepreneurship among women. While there exist multiple community-led enterprises, they tend to be focused on agricultural value chain and are male-dominated at every level. Forming micro-enterprises in the forest-value chain requires a different framework and model that focuses on aggregation from numerous small-scale collectors rather than bulk procurement from a few farmers. Moreover, forest value chains predominantly comprise of women collectors that are unregistered and informal. Women-led Forest enterprises would provide “formalized” economic identities to these women, ensuring inclusive governance and representation. It will facilitate collective bargaining power; better price realization for the forest produces against what an individual collector can receive. A formal structure such a producer company also provides legal identity to enter into large-scale contracts with industrial players in the market accruing better prices. This model of enterprise not only focuses on facilitating large-scale sales but also on building systems that address barriers to the forest economy.

The following key considerations provide a strong framework for replication and scaling of the initiative:

### **Community-Led Mobilization for PC Formation**

One of the most critical learnings that have come out from the sale has been the process of forming a network of Primary Collectors. Rather than a top-down recruitment drive, we invested time in a bottom-up, participatory process. Prior to the “legal” formation of SBJPC, potential BoDs and promoters were identified from within the communities. These women were enthusiastic about forming their own company. Their early enthusiasm was channeled into a powerful system of accountability. These leaders were entrusted with the responsibility of building the enterprise from the ground up spearheading shareholder expansion, developing the sales strategy, and navigating the complex documentation and government clearances required for formal operation. This approach ensured the PC was built by the community, for the community, from its very inception. They engaged with existing women's groups (the Didis) and community institutions such as CFRMCs to build trust and co-design the aggregation model. This approach cultivated a deep sense of ownership among the PCs. They were not just suppliers; they were partners and shareholders in the enterprise from day one. This foundational ownership is what

empowered them to confidently negotiate prices and adapt to market dynamics, proving to be the bedrock of SBJPC's operational resilience and the key to long-term sustainability.

### **State Support for Large-Scale PC Formation Across State**

The swift turnaround from the formation to formalization to incorporation of SBJPC within just three months – prior to the onset of Sal seed season – allowed the company to facilitate their first ever sale in Sal seeds. Thus, the state's support in fast-tracking documentation protocols is critical to operational efficiency, ease of doing business, and facilitating large-scale PC formation and sale. Moreover, establishing community-led PCs in the forest value chain requires catalytic capital to help them transition into self-sufficient, profitable, and sustainable enterprises. To activate an entire ecosystem of community-led enterprises, access to working capital via funding, cluster-based formation to identify NTFP rich-zones and easing documentation protocols is essential. This in turn will elevate the forest economy, create jobs, and promote sustainable livelihoods.

### **Upscaling Community Forest Resource Rights**

During the sale, CFRMCs established in villages with CFR were instrumental in facilitating SBJPC's Sal seed sale. As formal institutions empowered by the government, these committees provided critical support to the PC during the procurement process. They supported the company's sale operations by aggregating produce from primary seasonal forest product collectors in their villages on behalf of SBJPC. These committees along with Gram Sabha ensured that harvesting practices adhered to sustainable harvesting protocols set by them. Further, Gram Sabhas of villages with CFR provided formal authorization letters consenting SBJPC's aggregation operations from their forest areas.

CFR has been critical in ensuring sustainable and equitable practices of community-led enterprises. Secure tenure not only ensures sustainable harvesting practices within the communities but also facilitates long-term ecological health of the forests while allowing economic benefits. Further, clear forest rights provide a legal stake to the communities in maintaining their forests, incentivizing sustainable extraction and securing the supply chain. Hence, upscaling forest rights across the state along with establishing forest-based producer companies would unlock the potential of forest economy. CFRR would provide legal authority to communities transforming them from vulnerable forest-dwellers to legitimate managers of their forest resources. It will ensure forest-dwelling communities' economic benefits while ensuring ecological stewardship. In essence, CFR provides the legal platform and the empowerment; the community enterprise provides the commercial vehicle to drive tangible benefits from that platform, creating a powerful virtuous cycle of ownership, entrepreneurship, and conservation.

## Institutional Capacity Building

Prior to the sale and while forming the PC, loFE conducted multiple training sessions for the women in financial literacy, business fundamentals, governance, and sustainable harvesting. The trainings helped building the confidence among the women to run the company by building their knowledgebase and leadership skills. Consistent capacity building workshops facilitated development of operational plans, identification of diverse aggregating strategies, setting up systems for procurement, transport and quality control. These trainings were fundamental in empowering the collectors/shareholders of the PC in true democratic decision making.

Therefore, nurturing entrepreneurial acumen, leadership qualities and market skills in women is essential to ensure the success of women-led community enterprises. These training workshop to women on managing a larger, more complex enterprise – including financial oversight, strategic planning, and human resource management – are important in strengthening the institutional core of the company’s governance. This enables them to emerge not just as mere participants but as leaders in sustainable enterprises. Additionally, the capacity building workshops will ensure business readiness from the early onset of their establishment.



Picture: Didis sharing their operational plan for the upcoming Sal seed sale



Picture: Capacity Building Workshop of the shareholders



Picture: The first fifty shareholders of the Sona Buru Jungle Producer Company attend the capacity building workshop

## 8.0. Way Forward

Forest-based economies currently operate informally and are unorganized, leaving women's labor unaccounted for and their contribution unacknowledged. As a result, there is minimal investment in the sector, weak accountability, and loss of potential revenue and sustainability outcomes. The absence of formal institutional structure not only excludes women from participating in the formal value chain but also undermines the fundamental link between ecological conservation and sustainable economic development. Formalizing the invisible value chain in the forest economy will elevate women's formal workforce participation, unlocking social protection, access to credits, schemes, and policies. Collectors in the first mile supply chain – majority of whom are women – will spearhead community-driven, ecologically responsible and sustainable enterprises models. Secondly, formalization will build institutional accountability across the chain – from procurement to pricing to policy. Thirdly, it will transition the sector from a low-value chain to a formal contributor in the sustainable economy. This will incentivize investments into forest conservation efforts aligning the local development goals to national goals.

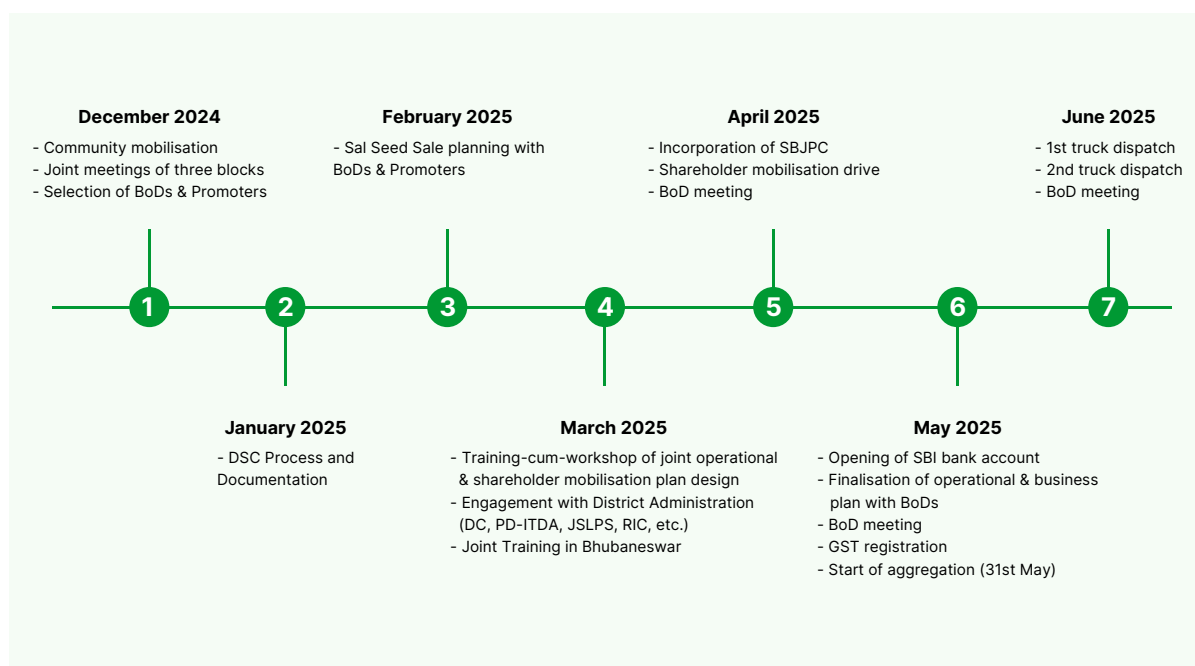
The success of Sona Buru Jungle Producer Company is not unique, but very much replicable on a scale. The PC has been built on a standardized legal framework under the Companies Act, 2013. The legalities of which with respect to formation, governance, and financial management are already defined by law. Thus, large-scale PC formation across Jharkhand will unlock the potential of forest economy, create employment opportunities within the landscape, and promote holistic development.

### 8.1 Rapid Response Framework

To materialize improved returns for the communities on forest produce sales, BIPP-ISB has designed a Rapid Response framework (RRF). The framework builds over a decade-long engagement with Jharkhand's Forest Economy, Government, and Community Engagement. At the core of this framework is the formalization, digitization, and market integration of forest-based value chains. It follows rapid cluster identification in high potential seasonal forest produce areas across the state, followed by identification of women leaders and incorporation of producer companies within a six-month timeline. This is followed by communities directly engaging in sale with industrial buyers of seasonal forest produce via newly established producer companies.

Community-managed resources such as Sal seeds, Bamboo, and Karanj will be mapped and monetized through transparent mechanisms through women-led community businesses. This structured visibility will unlock accountability, attract responsible green finance, and enable large-scale private investments. This model has been developed based on four key components: the formation of women-led community enterprises, which focuses on structured and formal community business enterprise; skill building for enhancing entrepreneurial capabilities; market integration to ensure access to industrial supply chains; and sustainability, promoting environmentally responsible and scalable business models. The formalization of economy and income enhancement of households at scale will significantly reduce the burden on the state exchequer and add to the income of the state through taxation.

**Example of the Rapid Response Framework: Swift Turnaround in the case of Sona Buru Jungle Producer Company:**



From the swift mobilization of the forest-dwelling communities within the three blocks to forming the PC to facilitating its first ever Sal seed sale. Sona Buru Jungle Producer company is the ultimate proof of concept which shows that this is possible and efficient.

To scale this model across the state, it is critical to invest in ground-up mobilization and leadership development. Dedicated resources are required for investing in pre-formation leadership, training and empowering the next cohort of women from

forest-dwelling communities to build their own enterprises from ground-up. Furthermore, designated funding is critical to facilitate formation of potential enterprises and structured program for building PCs financial history – eventually access formal bank loans and commercial finance independently. The community-enterprise model is a catalyst for rural development with the potential to create demand in support services such as transportation, logistics, processing, packaging and manufacturing. Moreover, the model has the potential to expand employment opportunities beyond forest livelihoods by creating significant forward and backward linkages building a more resilient local economy.

Furthermore, proactive government support is essential in scaling this model. As we've witnessed first-hand with the active participation of CFRMCs and Gram Sabha, formal community institutions are the bedrock of a sustainable and equitable forest economy. When communities have clear legal rights, they can formally establish CFRMCs, which in turn become the PC's strongest partners. This will strengthen the PCs' operations with a legal and sustainable supply base, while ensuring harvesting practices protect the forest for future generations.



Picture: The Board of Directors of Sona Buru Jungle Producer Company

# A. Appendix

## A.1. Details of the Board of Directors and Promoters of the Producer Company:

No.	Name	Designation	Address
1.	Bishwasi Jojo	Board of Director	Vill – Ella Bagicha Toli, PO Sikorda, PS Bano, District – Simdega 835201
2.	Lalita Kandulna	Board of Director	Vill – Pomiya, PO Sukhahariya, PS Jaldega, District – Simdega 835211
3.	Mwulyani Dang	Board of Director	Vill – Bandarchuwa Chaurapani, PO Barwadih, PS Kolebira, District – Simdega 835211
4.	Radha Devi	Board of Director	Vill – Kawadahra, PO Sukhahariya, PS Jaldega, District – Simdega 835211
5.	Subardani Lugun	President	Vill – Lomboi, PO Lomboi, PS Jaldega, District – Simdega 835211
6.	Binita Devi	Promoter	Vill – Marani, PO Raikera, PS Bano, District – Simdega 835201
7.	Jayanti Kumari	Promoter	Vill – Sora, PO Bano, PS Bano, District – Simdega 835201
8.	Juliyani Topno	Promoter	Vill – Tangia Girja Toli, PO Jaldega, PS Jaldega, District – Simdega 835211
9.	Sumanti Dang	Promoter	Vill – Patiamba, PO Jaldega, PS Jaldega, District – Simdega 835211
10.	Sumanti Soreng	Promoter	Vill – Takba, PO Bongram, PS Kolebira, District – Simdega 835211

## A.2. Shareholder Demographic and Details: (As of 20.09.2025)

SHAREHOLDER DRIVE		
<b>Distribution across blocks:</b>		
<b>Kolebira Block</b> 20 villages	<b>1,008</b> Shareholders	<b>₹1,00,800</b> Funds Deposited
<b>Bano Block</b> 26 villages		
<b>Jaldega Block</b> 14 villages		
	<b>60</b> Villages Covered	

# About BIPP

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ideas, and conversations.*

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