



BANKERS INSTITUTE OF RURAL DEVELOPMENT, LUCKNOW
(Designated Nodal Training Institution at Central Level by GoI under the
Central Sector Scheme for Formation and Promotion of 10000 FPOs)

Session Plan

Master Training Programme Design for Capacity-Building of Cluster-Based Business Organisations (CBBOs)

**Under the Central Sector Scheme (CSS)
on Formation & Promotion of
10000 Farmer Producer Organisations (FPOs)**



Implemented by



Master Training Programme Design for Capacity-Building of Cluster-Based Business Organisations (CBBOs) under the Central Sector Scheme on Formation & Promotion of 10000 FPOs

Objective

To equip the Cluster Based Business Organisations (CBBOs) to understand, appreciate, imbibe, transfer and translate the vision of the Government of India under the Central Sector Scheme on Formation & Promotion of 10000 Farmers Producer Organisations (FPOs)

Program Mode

Online

Program Duration

4 days



Program Mode

Classroom Training

Program Duration

5 days

(One day field visit to a successful FPO to be undertaken)



Broad Coverage of the Programme

1

Understanding the present agricultural scenario - Opportunities & challenges - FPO as a viable strategy - Collectivisation, scale & access

2

Contours of the Central Sector Scheme on Formation & Promotion of 10000 Farmer Producer Organisations

3

Role & responsibilities of CBBOs in the formation & promotion of FPOs

4

Process & parameters for formation of sustainable & viable FPOs - Business & sustainability planning

5

Emerging business opportunities for FPOs - Agricultural reforms, market Access, etc.

6

Other aspects like Management Information Systems (MIS), Management audit, Compliance management, etc.



Programme on Capacity-Building of CBBOs

Objective	To equip Cluster-Based Business Organisations (CBBOs) to understand, appreciate, imbibe, transfer and translate the vision of the Government of India under the Central Sector Scheme on formation & promotion of 10000 Farmer Producers' Organisations (FPOs)
Duration	4 Days
Course Highlights	<ul style="list-style-type: none"> ◆ Overview of agriculture scenario in India leading to identification of issues in present agriculture scenario ◆ Concept of aggregation and the role of Farmer Producers' Organisations (FPOs) ◆ Overview of Central Sector Scheme on promotion & formation of 10000 FPOs with special focus on role and responsibilities of CBBOs ◆ Methodology for undertaking baseline surveys and feasibility studies leading to identification of clusters & business ideas for FPOs ◆ Community mobilisation and FPO formation - Nurturing and registration of FPOs under Companies & Cooperative Societies Acts ◆ Governance & compliance aspects in FPOs ◆ Preparation of business plans (input-output business, participation supply & value chains, etc.) ◆ Financial Planning : Capital budgeting, sources of funding & convergence with ongoing government schemes ◆ Management Audit in FPOs
Target Participants	Officials of CBBOs (Crop Husbandry, Agri-Marketing, Social Mobilisation, Law and Accounts, IT/MIS and other support officers)



Day-to-Day Schedule

Day	Sessions	Topic
I	I	Overview of Indian agriculture – From food security to a farmer-centric approach
	II	Making smallholder farming viable in India - Concept of aggregation and the role of FPOs
	III	Salient features of the Central Sector Scheme on formation & promotion of 10000 FPOs
	IV	Role, responsibilities, Key Performance indicators (KPIs) & deliverables for CBBOs
II	V & VI	Scoping of potential opportunities for FPOs – Cluster identification, baseline survey, feasibility study, identification of business opportunities
	VII	Effective strategies for mobilisation of farmers for formation of FPOs
	VIII	Comparative features and registration modalities for FPOs under the Companies & Cooperative Societies Acts
III	IX	Governance & compliance aspects in FPOs – Roles & responsibilities of CEO & BoD
	X	Management Information System (MIS) & Internal Performance Assessment Tool (IPAT)
	XI & XII	Screening of business opportunities for FPOs – Demand and supply gap, value chain-based opportunities and business mix relating to input supply, extension and technology, contract farming, processing and marketing, trading/ export of agri-commodities, etc.
IV	XIII	Formulating a prospective business plan for FPO
	XIV	Developing demand-based production and marketing plans
	XV	Financial planning: Breakeven analysis, assessment of investment and working capital requirement, sources of funds – equity, equity grant, bank loan, credit linked subsidy and credit guarantee
	XVI	Way forward for building sustainable and vibrant FPOs

Feedback and Valediction



Session

Overview of Indian agriculture – From food security to a farmer-centric approach.

Objective Enabling participants to appreciate the shift in the Indian agricultural scenario and imperatives.

Duration 90 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Status of land-use in India	Describing the status of land-use in India and presenting the likely future trends	10	Presentation
II	Agriculture – Historical perspective & institutional reforms	Presenting with facts the journey from food deficit to food surplus nation with focus on production-oriented systems and associated institutional reforms	20	
III	Importance & performance under the horticulture & allied sector	Importance of crop diversification to horticulture crops & allied sector in improving farmers' incomes & sustainable agriculture	5	
IV	India's position in world agriculture	Highlighting the crops where India is the largest producer of agriculture crops	5	
V	Agriculture exports	Presenting position of agri-commodities in global markets & marketing	5	
VI	Role & share of different sectors in the Indian economy	Presenting the role & share of different sectors over time in the Indian economy	10	
VII	Share of the agriculture & allied sector in Indian economy and its growth patterns	Presenting with facts the share and growth patterns of the agriculture & allied sector in the Indian economy and the reasons thereof	15	
		Discussion & Feedback	20	Discussion Mode
Relevant pages in Reading Material: Pages 1-12				



Session

II

Making smallholder farming viable in India - Concept of aggregation and the role of FPOs.

Objective Issues and challenges faced by small and marginal farmers and the aggregation model as a remedial strategy.

Duration 90 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	High dependency on Agriculture, reduction in landholding size and lack of income diversification	Progressive decline in net income of SF/MF due to continuous fragmentation of land leading to low productivity and lack of income diversification	15	Presentation
II	Limitations and challenges faced by smallholder farmers	Issues related to transfer & adoption of technology, access to quality agri-inputs, market access and bargaining power	20	
III	Marketing issues	Present structure of agriculture marketing, value chain inefficiencies, lower share of producers in consumer price, etc.	20	
IV	Aggregation model	Advantages of the aggregation model, different forms of aggregation models, past experiences-PACS, SHGs, JLGs, and benefits of economies of scale due to aggregation	15	
V	Short video film on successful FPO		20	Video
Relevant pages in Reading Material: Pages 13-21				



Session



Salient features of the Central Sector Scheme on formation & promotion of 10000 FPOs

Objective Enabling an understanding of the objectives of the scheme along with key features & focus areas

Duration 90 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Efforts of the Government and stakeholders in promotion of FPO model	Evolution of the FPO approach	10	Presentation
II	Objectives & expectations under the CSS on formation & promotion of 10000 FPOs	Key philosophy, cluster approach, commodity & value chain approach and membership size of FPOs	30	
III	Implementation and monitoring mechanisms under the scheme	National, State & District level Committees, key implementing agencies, CBBOs for supporting FPOs, convergence with existing programmes	20	
IV	Financial support under the scheme	Grant support to CBBOs, operational grant & equity support for FPOs, bank finance & credit guarantee	20	
	Discussion & Feedback		10	Discussion
Relevant pages in Reading Material: Pages 22-28				

Session IV

Roles & responsibilities, Key Performance Indicators (KPIs) & deliverables for CBBOs

Objective Role clarity for CBBOs

Duration 90 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Role & responsibilities assigned to CBBOs under the scheme	Role clarity on CBBOs - role & responsibilities	30	Presentation
II	KPIs for CBBOs	Expected deliverables for CBBOs along with timelines	30	
III	Incentives available to CBBOs under the scheme	Listing the incentives available to CBBOs under the scheme	20	
	Discussion & Feedback		10	Discussion
Relevant pages in Reading Material: Pages 29-34				



Session

V-VI

Scoping of potential opportunities for FPOs – Cluster identification, baseline survey, feasibility study, identification of business opportunities

Objective Describing the processes of cluster identification, baseline surveys, and feasibility studies for identification of business opportunities

Duration 180 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Cluster identification	Relevance of cluster identification and process of cluster identification for formation of FPOs	10	Presentation
II	Diagnostic study	Purpose of diagnostic study and steps involved	15	
III	Collection and analysis of secondary data	Key data points, their sources and analysis of secondary data	30	
IV	Primary data collection through baseline surveys	Key data required, methodology of data collection and mapping of individual & community resources	30	
V	Participatory Rural Appraisal (PRA)	Concept of PRA and various tools	30	
VI	Feasibility analysis of potential business opportunities	Demand analysis, supply feasibility, commercial analysis of select commodity value chains	30	
VII	Prioritisation of business opportunities	Selection & sequencing of the best business options	15	
		Discussion & Feedback	20	Discussion

Relevant pages in Reading Material: Pages 35-57



Session

VII

Effective strategies for mobilisation of farmers for the formation of FPOs

Objective Describing the process & tools for mobilising farmers for FPO formation

Duration 90 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Why community mobilisation?	Importance of effective community mobilisation in formation of cohesive, member driven & sustainable FPOs	10	Presentation
II	Community-Based Organisations - Stages of Development	Different stages of development in community-based group formation	20	
III	Process of community mobilisation	Step-wise approach for forming people's institutions	40	
IV	Ensuring sustainability of CBBOs	Clarity of objective, democratic functioning, transparent operations, effective communication with members	10	
	Discussion & Feedback		10	Discussion
Relevant pages in Reading Material: Pages 58-60				



Session

VIII

Comparative features and registration modalities for FPOs under the Companies & Cooperative Acts

Objective Define an FPO along with the modalities of registration process under Companies & Cooperative Acts

Duration 90 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Various forms of CBOs in India and their experiences	Lessons from functioning of informal and formal community organisations in India, their comparative analysis- Farmers Clubs, SHGs, JLGs, FIGs, PACS & FPOs	20	Presentation
II	Definition of a FPO & FPC	Features of FPO & FPC – operating environment	10	
III	Registration modalities of FPO & FPC	Step-wise guide for registration of FPOs/ FPCs under relevant Acts (Companies and Cooperative forms) and preparation of Memorandum of Association (MoA), Articles of Association (AoA)/ Byelaws	50	
		Discussion and Feedback	10	Discussion
Relevant pages in Reading Material: Pages 61-70				



Session

IX

Governance & compliance aspects in FPOs – Roles & responsibilities of BoDs & CEO in FPOs - Dos & Don'ts

Objective Imbibing a professional, ethical and legally compliant approach in the management of FPOs

Duration 90 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Pillars of corporate governance	Describing the basic aspects of governance and management of FPOs – Democratic functioning, collective decision-making, developing systems & procedures, transparency, confidentiality, accountability	20	Presentation
II	Compliance function of FPOs	Accounting & audit practices, compliance under applicable law, tax compliances	20	
III	Improving shareholders' value/ returns	Adopting efficient business strategies – diversification and risk management	5	
IV	Inclusive approach	Focus on smallholders/medium farmers, women, marginalised sections, etc.	10	
V	Role clarity	Roles & responsibilities of FPO BoDs & CEO, Dos & Don'ts	20	
	Discussion & Feedback		15	Discussion
Relevant pages in Reading Material: Pages 71-75				



Session

X

Management Information System (MIS) & Internal Performance Assessment Tool

Objective Highlighting the importance of concurrent monitoring through well-evolved monitoring mechanisms in FPOs

Duration 90 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Why monitoring?	Importance of putting in place a sound monitoring and co-ordination mechanism for an FPO	10	Presentation
II	Monitoring indicators	Important parameters for assessing functioning & performance of FPOs, rating tools, structured monitoring systems for continuous measurement and improvement	30	
III	Management of compliance function	Listing the key compliance requirements with regard to external authorities with timelines	20	
IV	Designing a Management Information System (MIS)	Developing a robust MIS for the FPO, preferably on an IT platform	20	
	Discussion & Feedback		10	Discussion
Relevant pages in Reading Material: Pages 76-84				



Session XI & XII

Screening of business opportunities for FPOs – Demand and supply gap, value chain-based opportunities and business mix relating to input supply, extension and technology, contract farming, processing and marketing, trading/export of agri-commodities, etc.

Objective Illustrating the business opportunities for FPOs under input-output business and through participation in value chains with the objective to enhance farmer share in consumer price

Duration 180 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Understanding agriculture value chains and certain infirmities	Defining the concept, elements, and functioning of the agri-value chains and existing structural weaknesses with reference to farmers share in consumer price	20	Presentation
II	Market map	Describing the agricultural market structure, value chain actors, market practices, perceived inefficiencies, and possible role and opportunities for FPO	20	
III	Various business models for FPOs	Collective input procurement, technology & mechanisation, collective marketing of produce, collective processing, marketing & exports	30	
IV	Business diversification & growth strategies for FPOs	SWOT analysis of available business opportunities, ranking & selection of appropriate business activities and operationalisation of business activities, growth & diversification strategy	30	
V	Cost, pricing and profitability planning for a given business segments	Case studies on various types of FPO business opportunities along the value chain	70	
	Discussion & Feedback		10	Discussion
Relevant pages in Reading Material: Pages 85-105				



Session

XIII

Formulating a prospective business plan for FPO

Objective Highlighting the importance of a business plan and delineating the constituents of a model business plan in a step-wise manner

Duration 90 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Rationale of a business plan	Scoping & potential, conceptualising specific business idea & their SWOT analysis, demand & market analysis, unique selling proposition	20	Presentation
II	Broad aspects of business plan	Technical feasibility, commercial viability, financial viability, bankability, risk analysis & risk mitigation strategy	30	
III	Operational aspects of business Plan	Developing production, marketing & financial plans, sources of funding, approvals, licenses & certification, human resource planning, technology management, convergence, etc.	30	
		Discussion & Feedback	10	Discussion
Relevant pages in Reading Material: Pages 106-122				



Session XIV

Developing demand-based production and marketing plans

Objective Describing the features of a market plan and the marketing planning process

Duration 90 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Market analysis	Describing the various aspects of the market, its segmentation, customers, and competitors	20	Presentation
II	Developing a marketing strategy	Describing the steps involved in building a marketing plan - analysis of challenges & opportunities in choosing the right strategy based on 4 Ps model viz. product, price, place and promotion and selection of appropriate marketing channels	30	
III	Preparation of a marketing plan	Setting marketing targets, market mix, target geography, target customers, competitive edge, pricing strategy, promotion strategy, etc.	30	
	Discussion & Feedback		10	Discussion
Relevant pages in Reading Material: Pages 123-128				



Session

XV

Financial planning: Breakeven analysis, assessment of investment and working capital requirements, sources of funds – Equity, equity grants, bank loans, credit-linked subsidies and credit guarantee

Objective Describing the process of financial planning and giving an insight into capital budgeting

Duration 90 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Basic financial concepts	Creating a familiarity with basic financial concepts viz. capital budgeting, working capital, term loans, cash flows, fund flows, income & expenditure statements, balance sheet, etc.	20	Presentation
II	Working capital concept & term loan assessment	Items of investment and assessment of term loan, working capital cycle and methods for assessing working capital requirement - Important information required and general terms & conditions for bank finance	20	
III	Cash flow & fund flow statements	Highlighting the importance of preparation of cash flow and fund flow statements and describing the methodology of preparing the same with examples	20	
IV	Breakeven Analysis	Explaining breakeven analysis as a planning tool	10	
V	Sources of funds	Types: Equity, equity grants, bank loans, credit-linked subsidies and credit guarantees	10	
	Discussion & Feedback		10	Discussion
Relevant pages in Reading Material: Pages 129-141				



Session

XVI

Way forward for building sustainable and vibrant FPOs

Objective Summarising the essential facets of sustainable and vibrant FPOs

Duration 90 Minutes

SESSION OUTLINE

S. No.	Session Plan	Objective	Duration (minutes)	Methodology
I	Maintaining member-driven and democratic functioning of FPOs	Building & maintaining trust, participatory approaches & effective communication among members	15	Presentation
II	Efficient use of financial resources and transparent accounting	Judicious deployment of financial resources, maintaining appropriate accounting systems and transparency	15	
III	Business plan diversification and refinements for financial efficiency	Diversified business as a risk management strategy, continuous refining of business strategies for maintaining expected business margins	15	
IV	Competition analysis	Eye on the competitors to evolve strategies to maintain market share	15	
V	Compliance with regulatory requirements	Always be on the right side of the law	15	
		Discussion & Feedback	15	Discussion
Relevant pages in Reading Material: Page 142				





Bankers Institute of Rural Development (BIRD), Lucknow is an autonomous institute promoted by National Bank for Agriculture and Rural Development, the Development Bank of the country. It is a premier institute for providing training research and consultancy services in the field of agriculture and rural development banking in India and abroad. The Institute was established in 1983, for addressing the capacity building needs of stakeholders. BIRD, Lucknow is an ISO 9001:2015 certified training Institute.

Clients

All Banks, Government agencies, MFIs, NBFCs, Financial Sector, NGOS and Civil Societies.

Coverage (Training, Consultancy, Research)

Project Lending-Agriculture and MSME, Climate Finance, Rural Banking, Farmer Producer Organization, Micro Finance, Human Resource, Financial Inclusion, Training of Trainers, Executive Development, Management Development Programme, IT based Banking, Green Finance, Responsible CSR, Group approach to Development, Women Empowerment, Organizational Development, Investment & Treasury Management, Risk Management.

Faculty

Faculty are drawn from NABARD, banks and scholars of respective fields and have pan-India level field experience. The faculty have specialization in Banking Finance, Financial Inclusion, Agriculture & Allied sector, Fisheries, Forestry and Human Resources, etc.

Infrastructure

43 acre green campus has world class infrastructure in terms of class rooms, simulation and AV Rooms, Board Room, Conference Hall, Auditorium, Library, Gym, Air-conditioned Hostel Rooms, Local and International cuisine.

