



Implemented by
giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

TEACHING NOTES

CAPACITY BUILDING OF CEOs OF THE FPOs

Under Central Sector Scheme on Promotion &
Formation of 10,000 FPOs



CAPACITY BUILDING OF CEOs OF THE FPOs

Under Central Sector Scheme on Promotion & Formation of 10,000 FPOs

Contents

About the Teaching Notes	7
Teaching Note: CEO Training Module (Session I) Overview of Indian agriculture, Aggregation Strategies and Salient Features of the CSS on Formation & Promotion of 10,000 FPOs	8
Teaching Note: CEO Training Module (Session II) Evolution Process for Vibrant FPOs: Cluster Identification to Operationalising Business Plans	11
Teaching Note: CEO Training Module (Session III) Key role and responsibilities of CEOs in management of FPOs	13
Teaching Note: CEO Training Module (Session IV) Management and Governance aspects in FPOs: Differentiated Role of BoDs and CEO	16
Teaching Note: CEO Training Module (Session V) Importance & Type of Record maintenance, Book-keeping, MIS, and Internal Assessment Tools For FPOs	19
Teaching Note: CEO Training Module (Session VI) Statutory and Regulatory Compliances as per the Legal Form of FPO	21
Teaching Note: CEO Training Module (Session VII-VIII) Exposure Visit to a Successful FPO / Online Experience Sharing By FPO / Audio-Visual Display of a Successful FPO	23
Teaching Note: CEO Training Module (Session IX) Conceiving and Drafting a Business Plan	24
Teaching Note: CEO Training Module (Session X) Understanding the Value Chain Concept: Assessment of Business Opportunities for an a FPO	26
Teaching Note: CEO Training Module (Session XI) Business Segment, Product Planning and Marketing-Demand And Competition Analysis, Product Mix Planning, Pricing, Marketing Strategy, and Business Innovation	28
Teaching Note: CEO Training Module (Session XII) Financial Management in FPOs	30

About the Teaching Notes

Teaching notes provide various teaching strategies and concrete ways in which a technical session can be taken up by the trainer. Following the student-centric approach, the teaching notes can help the trainer to make their sessions interactive and participatory, and to use the training module more effectively.

For each session training module, the teaching notes offer a set of inputs, guidance, recommendations, and references. Specifically, the teaching notes for each session are structured in the following manner:

- i. **Synopsis:** A short summary of the topics that the module covers
- ii. **Target Group:** General/specific inputs on the target group of participants
- iii. **Learning Objectives:** Statement of the learning objectives of the module – what the participants are expected to learn after completion of the module
- iv. **Teaching Strategy:** Instructions, with explanation, of the strategies to be used in the session for the specific module
- v. **Questions for Discussion:** Questions to be used by the facilitator to generate discussion in the learning group
- vi. **Analysis of Data:** Data that participants can analyse to understand the topics covered in the module
- vii. **Background Reading:** Carefully curated reading material from other sources that are highly recommended (additional reading material) for the participants to deepen their understanding
- viii. **Multimedia:** Video content selected as additional learning material

Teaching Note: CEO Training Module

Overview of Indian agriculture, Aggregation Strategies and Salient Features of the CSS on Formation & Promotion of 10,000 FPOs

Synopsis

This session seeks to help the CEO participants understand how, over time, Indian agriculture has evolved, moving from a food security approach to a farmer-centric process. Specifically, the Module presents a bird's eye view of:

- i. Land use patterns in India from 1950-51 to 2015-16, highlighting critical constraints that the sector operates under, namely: 1) limit the horizontal scope for land expansion under agriculture and 2) the inadequate irrigation infrastructure leading to continued dependence on the monsoon.
- ii. India's food security challenge at the time of independence and the institutional reforms rolled out to tackle the food security challenge.
- iii. The progress towards self-sufficiency in food grains and trends in cultivated area, production, and productivity of important crops.
- iv. The compositional shift towards horticulture surpassed food grain production in 2012-13
- v. Importance and role of agri-allied sector in the farm production systems.
- vi. A shift in the Indian economy's sectoral share focuses on the primary sector comprising the agriculture & allied sector; Shift of subsectors within agriculture vis-à-vis GVA.
- vii. Indian agriculture's share in global markets.

Target Group

CEOs.

Learning Objectives

After completing CEO training module session 1, the participants can:

- i. Acquire a data-based understanding of India's land use pattern, constraints in area expansion under agriculture, and the progress of Indian agriculture since 1950-51.
- ii. Recall, list, and discuss the vital institutional reforms that drove India's agriculture to attain the nation's food security.
- iii. Understand the compositional shift in agriculture towards horticulture and understand contribution indian agri-products in global agri-markets (exports).
- iv. Discuss the role of agriculture and the allied sector in the farm & national economy.
- v. Learn about sectoral contributions and movements across periods in the country's economy.

Teaching Strategy

TASK	ACTIVITIES
Task 1: Session objectives	Using a chart, the trainer will explain the learning objectives mentioned above. It is recommended that the facilitator use the Guided Discussion activity as a strategy. In the Guided Discussion strategy, the facilitator enables a discussion or dialogue between the facilitator and the learners.
Task 2: Guided discussion	<p>The facilitator asks specific, planned questions designed to draw learning points from the learners. The discussion questions listed are designed for the facilitator's use in structuring an effective guided discussion, following which participants have a shared understanding of the key takeaways.</p> <p>How to use the Guided Discussion strategy:</p> <ol style="list-style-type: none"> i. Identify the learning points to be brought out in the discussion (tip: use the module content and the synopsis presented in the teaching notes to complete this preparation) ii. For each learning point, the facilitator should <ul style="list-style-type: none"> • Craft a question • Note the most likely learner responses <p>Plan follow up comments to augment learners' comments and go on to the next question.</p>
Task 3: Q&A	The trainer will facilitate a Q&A session on this topic and conclude the session after summarizing the key learnings.

Questions for Discussion

The facilitator or trainer can use the following trigger questions to engage the participants in a productive discussion or debate within the broad framework of the session:

- i. Take the participants back in time. When India gained independence, what was the biggest challenge Indian agriculture faced?
 - a. What did your grandparents/parents share about those times?
- ii. How did the situation influence the journey of Indian agriculture after independence? Ask participants: what are the keywords that come to mind when you think of Indian agriculture progression?
Keywords like Green Revolution, Operation Flood are likely to come up. Use these to give direction to the discussion
- iii. What were the key initiatives/reforms in India's agriculture sector?
Use participants' responses to reinforce the understanding of the crucial reforms
- iv. What outcomes did the reforms lead to?
Use participants' responses to strengthen their understanding of the area's trends under cultivation, production, and productivity. In the field areas in which they work, what patterns have they observed?
- v. What are the two critical land-related constraints India's agriculture sector operates with? What do these constraints mean for Indian agriculture?
Use participants' responses to talk about land availability and irrigation

iv. What are the sub-sectors of Indian agriculture?

Use participants' responses to talk about the emergence of horticulture and what horticulture comprises of, and then the allied sector and its composition

v. How does Indian agriculture fare in comparison to the other sectors of the economy?

Use participants' responses to talk about the sector's share in GVA and the issues related to decline and variability

vi. What is India's position in global agriculture?

Use participants' responses to provide information and highlight how Indian agriculture has great scope in global markets

Background Reading

Resource Material: Capacity Building of Chief Executive Officers (CEOs) of FPOs. Session I. Overview of Indian agriculture, aggregation strategies and salient features of the CSS on formation & promotion of 10,000 FPOs.

Teaching Note: CEO Training Module

Evolution Process for Vibrant FPOs: Cluster Identification to Operationalising Business Plans

Synopsis

After Session I, Session II focuses on the participants developing an in-depth knowledge of the processes involved in promoting vibrant FPOs. In particular, this session covers: 1) cluster identification, 2) diagnostic study, 3) baseline survey, 4) feasibility study, and 5) identification of business opportunities.

Target Group

CEOs

Learning Objectives

After completing session II:

- i. The participant can describe in sequence the steps to be undertaken to promote vibrant FPOs
- ii. The participant can clearly explain the process of cluster identification, the method for cluster identification, the criteria to be applied for cluster identification, and the importance of cluster identification in promoting vibrant FPOs.
- iii. The participant can clearly explain the diagnostic study process in the cluster selected, list the different critical aspects studied, define the methods used, and describe the insights the CEO will get from the diagnostic study.
- iv. The participant can clearly explain the purpose of the baseline survey, the sections of the survey instrument, the questions that will be answered, and the insights generated if the survey is done well.
- v. The participant can clearly explain the feasibility analysis's purpose, steps for assessing the viability of activities, rules for eliminating unviable economic activities and selecting economically viable activities.
- vi. The participant can list PRA methods and explain how they can gather farmers' perspectives on essential aspects, issues, and challenges.

Teaching Strategy

TASK	ACTIVITIES
Task 1: Session objectives	Using a chart, the trainer will explain the learning objectives mentioned above. It is recommended that the facilitator organize the group into four smaller groups.

TASK	ACTIVITIES
Task 2: Group Reading and Class Presentation	<p>It is recommended that the facilitator organize the group into four smaller groups. To each group, the facilitator distributes a high-quality sample output from one of the four critical steps. Then, the facilitator uses a combination of Group Reading and Class Presentation as a teaching strategy. At least two days before the session, each group is given one of the following reports:</p> <ol style="list-style-type: none"> i. Cluster Identification ii. Diagnostic Study iii. Baseline Survey iv. Feasibility Analysis <p>All group members read the report and then summarize, in sequence, the different parts of the report - the purpose of the particular step/stage, methodology, tools used, findings, decision-making criteria used, and insights generated.</p> <p>No one member must do all the presenting. Members in the other groups can ask questions to understand the report better.</p> <p>In this way, each report document is read and presented, step by step (each member presenting one logical part of the report). This activity ensures that all members take part in reading and summarising the report/output.</p>
Task 3: Lecture	<p>Following this, the facilitator switches to the Lecture strategy to present the essential concepts and know-how to organize the knowledge and use it.</p> <p>This combination of teaching strategies will ensure that the entire group understands each output and how it is connected to the next step, culminating in a clear understanding of scoping that forms the foundation for mobilization.</p>
Task 4: Q&A	<p>The trainer will facilitate a Q&A session on this topic and conclude the session after summarizing the key learnings.</p>

Questions for Discussion

The facilitator or trainer can use the following trigger questions to engage participants in a productive discussion or debate within the broad framework of the session:

- i. What are the key findings of the cluster identification process?
- ii. What questions did the diagnostic study answer?
- iii. What were the key findings of the baseline survey?
- iv. What were the choices recommended in the feasibility study?

Background Reading

Resource Material: Capacity Building of Chief Executive Officers (CEOs) of FPOs. Session II. Evolution process for vibrant FPOs: cluster identification to operationalizing business plans.

Teaching Note: CEO Training Module

Key role and responsibilities of CEOs in management of FPOs

Synopsis

After Session II, Session III focuses on the participants recognizing the skillsets, personality, and qualities CEOs need to develop and demonstrate to lead their FPOs effectively. In particular, the participants will explore the concepts around three areas:

- i. Useful personal traits for success as a CEO of FPO
- ii. Useful skills in creativity and problem solving, negotiation and networking, and delegation,
- iii. Leadership abilities demonstrated in planning, managing, and effective communications.

Target group

CEOs

Learning Objectives

After completing Session III, the participants can:

- i. Identify and prioritize the personality traits they need to nurture and develop in leading their FPOs as CEOs,
- ii. Assess leadership skills and practice and work on the leadership skills where they are found to be lagging.

Teaching Strategy

TASK		ACTIVITIES
Task 1: Objectives	Session	Using a chart, the trainer will explain the session objectives as described above. This session has two activities. In the first activity, the participants do a self-assessment exercise. The second activity is developing reflective teamwork that involves planning, delegation, and superior interpersonal communications.

TASK	ACTIVITIES
Task 2: SWOB test	<p>This activity helps the participants assess their personality traits compared to the useful qualities a CEO shall possess. The participants use the SWOB (Strengths, Weaknesses, Opportunities, and Barriers) test to assess themselves in each trait, identify critical areas of development, and create a plan for it.</p> <p>At the start, the trainer introduces the key personality traits (listed in the resource material). The participants can do a self-reflection for 10 to 15 minutes. They don't have to reflect on all the traits, but they should make sure to pick up at least 3 to 5 traits.</p> <p>Once they had selected those traits, the participants shall mark:</p> <ul style="list-style-type: none"> • On a scale from 1 to 10, where would I rate myself today in this area? • On a scale from 1 to 10, where would I like to be in 1 month/ 3 months/ 6 months? • What actions can I take to harness opportunities to accelerate my development? • What actions can I take to overcome barriers to accelerate my development? <p>The participants then come together as small groups and share their marks on the traits. They also tell their peers the opportunities they will tap to improve and plans to overcome barriers. Participants get feedback from the peers helping them to prepare better on their journey.</p>
Task 3: Reflective Teamwork Activity (RTA)	<p>The RTA helps the participants explore leadership style and functions, negotiation, delegation, planning, informing, and managing. The trainer will first explain the activity. Participants are organized into groups of five. Each member in a group gets one of the roles of BoD, CEO, and accountant.</p> <p>The trainer then hands over a list of tasks each participant will do as per her role. The CEO will have a lengthier list of functions, in addition to the supervisory responsibilities. BoDs also have a task that conforms to their roles (refer to Module on BoD). Then the trainer shall ask all the groups to start their work. Each participant can mark their task as complete or incomplete when the CEO and BoD approve. At the end of the activity, the trainer shall ask the CEO to share tasks completed by her group. The BoDs also explore if the pending tasks could have been delegated to the FPO employees.</p>
Task 4: Q&A session	<p>The participants can raise and discuss few questions in this slot. The trainer will wrap up the session by summarizing the learnings from Session III.</p>

Questions for Discussion

The trainer can use the following trigger questions to engage participants in a discussion within the broad framework of the session:

- i. Ask the participants which of the personality traits they think they already possess. Let them share if they can inspire other participants to develop any traits their peers may be lacking.
- ii. Ask the participants which of the FPO activities they would prefer to delegate and why.

- iii. Ask the participants to share successful negotiation tactics they have used in the past and useful in the FPO context.

Background Reading

Resource Material: Capacity Building of Chief Executive Officers (CEOs) of FPOs. Session III. Key role and responsibilities of CEOs in management of FPOs.

Teaching Note: CEO Training Module

Management and Governance aspects in FPOs: Differentiated Role of BoDs and CEO

Synopsis

Session IV lists 11 principles and practices to ensure good governance in the FPO. Each principle specifies some specific areas of action for the FPO to follow. Besides, it outlines different roles and responsibilities of two key institutions of FPOs – Board of Directors and Chief Executive Officer (CEO) – for the effective implementation of those 11 principles and policies.

Target group

CEOs.

Learning Objectives

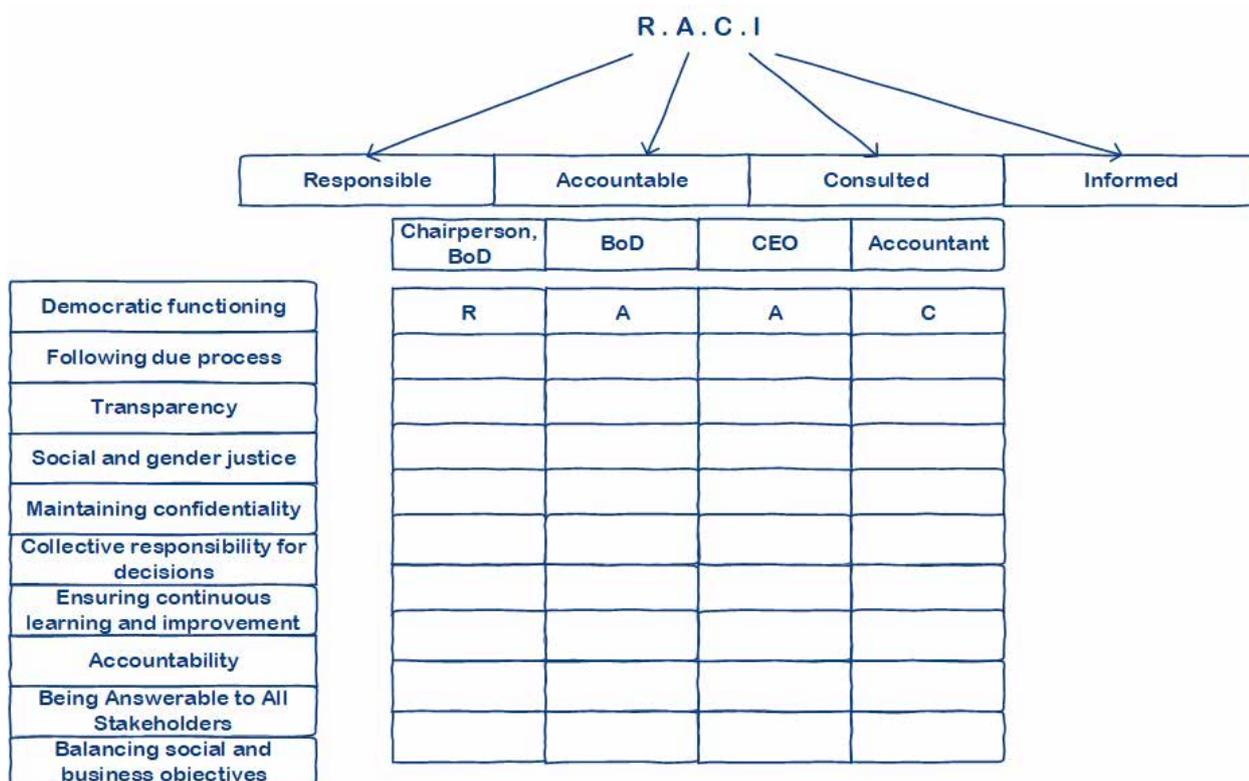
After completing this session, the participants can:

- i. Understand the fundamental principles and standards to implement in FPO to achieve good governance.
- ii. Recognize how the BoD and CEO need to implement those 11 principles and standards.

Teaching Strategy

TASK	ACTIVITIES
Task 1: Session objectives	<p>Using a chart, the trainer will explain the session objectives as described above. This teaching strategy emphasizes holding the officers of the FPOs responsible for upholding the governance standards.</p> <p>The trainer will then introduce the “RACI Matrix” activity. A RACI Matrix will help the participants define the FPO officers’ governance responsibilities. For this activity, the session will need a flipchart, markers, and post-its.</p> <p>The participants will form 3 smaller groups, with each group taking up 3 to 4 governance topics for this activity.</p>

TASK	ACTIVITIES
Task 2: RACI matrix activity	<p>RACI stands for Responsible, Accountable, Consulted, and Informed. A RACI activity will use a matrix shown below to discuss and identify the critical FPO officials' role concerning 11 governance principles. For about 10 minutes, each group will mark R, A, C, and I for each of the key actors – Chairperson of Board of Directors, Board of Directors, CEO, and the Accountant.</p> <p>Each group will then get about 10 minutes to make a presentation of their marks. Other groups will get a chance to ask the presenting group about their markings.</p>
Break: Doodling together	<p>Doodling together is an energizer. It helps to collaborate effortlessly. This activity requires felt markers (not too thick/thin, one/participant) and paper / blank postcards. The trainer will invite each group to draw a simple form quickly on the paper. Each participant will draw, and then the next participant will continue from where the previous participant has left off. Once the time is up, each group will show what they drew.</p>
Task 3: Roleplay	<p>The next activity is to enact a typical business day in an FPO. The trainer can pick up a business day, such as a board meeting, Annual General Meeting, etc. Then, participants will form groups to represent member farmers, the Board of Directors, and FPO staff like the CEO and Accountant.</p> <p>During the roleplay, the trainer will ask the groups to raise two to three governance issues for the groups to discuss and resolve.</p>
Task 4: Q&A	<p>The participants can raise and discuss few questions in this slot. The trainer will wrap up the session by summarizing the governance principles.</p>



Questions for Discussion

The facilitator or trainer can use the following trigger questions to engage participants in a productive discussion or debate within the broad framework of the session:

- i. Ask the participants to share their views on the board of directors' role in ensuring the democratic functioning of the FPO.
- ii. Often, ordinary farmers cannot fully participate and benefit from the FPO business. Discuss with participants about three preventive steps they will institutionalize to ensure such situations do not happen in the future.
- iii. Participants shall share some insights from their own experiences on enabling roles that the board of directors can play in ensuring transparency in operations by the FPOs.

Background Reading

Resource Material: Capacity Building of Chief Executive Officers (CEOs) of FPOs. Session IV. Management and governance aspects in FPOs: Differentiated role of BoDs and CEO.

Teaching Note: CEO Training Module

Importance and Type of Record-Keeping, Bookkeeping, MIS, and Internal Assessment Tools For FPO

Synopsis

After Session IV, Session V orients the participants with the books of accounts and registers to be maintained by the FPOs. In particular, the participants get the orientation on these topics:

- i. Understanding and practical demonstration of financial and non-financial records to be maintained by the FPOs
- ii. Importance and process of management audit in FPOs, along with the prescribed formats
- iii. Use of MIS for monitoring and compliance in the FPOs.

Session V includes a tool for the performance measurement and grading of FPOs

Target Group

CEOs

Learning Objectives

After completing the session, the participants can:

- i. Recall the key registers – financial and non-financial – FPOs need to maintain
- ii. Identify and make informed decisions on browsing the registers
- iii. Review and decide based on the management audit of the FPO
- iv. Review key MIS reports
- v. Decide on the periodicity and requirements of various compliances to be fulfilled

Teaching Strategy

TASK	ACTIVITIES
Task 1: Session objectives	Using a chart, the trainer will explain the learning objectives of the session, as described above.

TASK	ACTIVITIES
Task 2: Demonstration	In this activity, the trainer will first orient the participants about the financial and non-financial records. The trainer will arrange to bring sample copies of each type of record and allow the participants to inspect those records and registers.
Task 3: Practice self-audit	In this activity, the participants use the management audit form to assess an FPO they are familiar with.
Task 4: Introducing MIS for FPOs	<p>The trainer shall identify one or two dashboards (MIS) of an FPO or a cluster ideally in the same region where CEOs operate. At the beginning of the session, the trainer will walk through the online MIS and explain each MIS indicator to the participants.</p> <p>The online demonstration will also highlight how the MIS indicator can help understand financial and human resources in FPOs and make day-to-day operational decisions.</p> <p>The trainer can then conduct a Q&A session with the participants to explore MIS indicators' practical usage for the FPOs.</p>
Task 5: Compliance	<p>Participants return to the next activity focusing on using records, registers, and MIS for compliance. For teaching compliance for an FPO, the trainer can use 4Cs. The 4C game helps participants to gather and organize information about any subject using four common vital concepts. To play the game, we will need a flipchart, markers, and post-its.</p> <p>The trainer will draw a 2 by 2 matrix on a large flipchart and write 4Cs in each box – components, characteristics, challenges, and characters. The trainer will then mention the type of compliances and ask the participants to say their components, characteristics, challenges, and characters. The trainer will discuss the points participants mention and write in the relevant box in 4C matrix.</p>

Questions for Discussion

The trainer can use the following trigger questions to engage participants in a discussion within the broad framework of the session:

- i. Ask the participants to share their experience of using data to making decisions.
- ii. Ask the participants to share the difference between online MIS and offline MIS tools (such as excel sheets).
- iii. Ask the participants to raise their hands if they had taken part in any performance assessment exercise in the past Ask one or two participants to share their experience of conducting performance assessments.

Background Reading

Resource Material: Capacity Building of Chief Executive Officers (CEOs) of FPOs. Session IV. Importance and type of record-keeping, bookkeeping, MIS, and internal assessment tools for FPO.

Teaching Note: CEO Training Module

Statutory and Regulatory Compliances as per the Legal Form of FPO

Synopsis

After Session V, Session VI equips the participants on the statutory and legal compliance for the FPOs. In particular, the participants will explore the following topics:

- i. Compliances after incorporation of the FPO under the Companies Act, 2013
- ii. Annual compliances under the Companies Act, 2013
- iii. Event-based compliances under the Companies Act, 2013
- iv. References to forms to be furnished by the FPO for undertaking those compliances and penalties
- v. Liabilities for the FPOs under various other statutes

Target group

CEOs

Learning Objectives

After completing the session, the participants will:

- i. Become familiarized with the critical compliances required after incorporation, annually, and on events
- ii. Become aware of the legal requirements in addition to the compliance under the Companies Act, 2013 and penalties

Teaching Strategy

TASKS	ACTIVITIES
Task 1: Session objectives	Using a chart, the trainer will explain the session objectives as described above. This teaching strategy uses the lecture method followed by discussions to clarify the doubts of the participants.
Task 2: Lecture	The trainer uses a presentation to present the compliance FPOs required to fulfill under the Companies Act, 2013, and other legal requirements.
Task 3: Q&A	The participants can raise and discuss few questions in this slot. The trainer will wrap up the session by summarizing the key learnings from the session.

Questions for Discussion

The trainer can use the following trigger questions to engage participants in a discussion within the broad framework of the session:

- i. Ask the participants to share some of the FPOs' compliance requirements after incorporating the FPOs.
- ii. Ask the participants to share some compliance requirements on an annual basis under the Companies Act, 2013.
- iii. Ask the participants to name some of the laws FPOs must comply with other than the Companies Act, 2013.
- iv. Explain the reasons why the legal compliances have to be followed by FPOs.
Explain the reasons why the legal compliances have to be followed by FPOs

Background Reading

Resource Material: Capacity Building of Chief Executive Officers (CEOs) of FPOs. Session VI. Statutory and regulatory compliances as per the legal form of FPO.

Teaching Note: CEO Training Module

Experience Sharing by Members of a Successful FPO

Synopsis

After Session VI, Session VII-VIII encourages the participants to share their experiences of operating the FPOs.

Target group

CEOs

Learning Objectives

After completing the session, the participants will:

- i. Appreciate both the success and areas of improvements in managing an FPO
- ii. Get a firsthand account of the day to day activities in the FPO.

Teaching Strategy

TASKS	ACTIVITIES
Task 1: Session objectives	Using a chart, the trainer will explain the session objectives as described above. This teaching strategy uses storytelling methods by participants.
Task 2: Storytelling	The trainer shares a few discussion points and encourages the participants to share their experiences around those points. The participants
Task 3: Q&A	The participants can raise and discuss few questions in this slot. The trainer will wrap up the session by summarizing the key learnings from the session.

Questions for Discussion

The trainer can use the following trigger questions to engage participants in a discussion within the broad framework of the session:

Ask the participants to share their questions with their peers to clarify the challenges they faced and solutions they evolved.

Background Reading

Resource Material: Capacity Building of Chief Executive Officers (CEOs) of FPOs. Session VII-VIII. Experience sharing by members of a successful FPO.

Teaching Note: CEO Training Module

Conceiving and Drafting a Business Plan

Synopsis

After Session VIII, Session IX equips the participants with the knowledge and hands-on practice in preparing a business plan. In particular, the participants will explore the session around two areas:

- i. Use of a business plan for an FPO and its structure
- ii. Review of a business plan and ability to understand information and make decisions

Target group

CEOs

Learning Objectives

In this session, the participants can:

- i. Understand and recall the key concepts used in a business plan
- ii. Navigate a business plan using a standard structure
- iii. Gather and understand the information presented in the business plan and ask relevant questions to develop more clarity
- iv. Decide a course of action for the FPO based on short term and long term projections in the business plan.

The session alone is insufficient to train the BoDs in developing a business plan. The participants will require many practices to develop the skills.

Teaching Strategy

TASK	ACTIVITIES
Task 1: Session objectives	Using a chart, the trainer will explain the learning objectives mentioned above. The session can use a three-step training strategy: role play, group reading and presentation, and lecture method.

TASK	ACTIVITIES
Task 2: Role-play activity	<p>The participants form five groups. In each group, one participant plays a banker's role. The rest of the participants takes the roles of BoDs and CEO of an FPO. The FPO leaders approach the banker to apply for a loan.</p> <p>The banker asks questions about the FPO and its prospects. Then, the banker asks the business leader to prepare a business plan. The banker shall select two random sections that the FPO leaders will use to prepare the business plan.</p>
Task 3: Group reading and presentation	<p>Then, the facilitator uses a combination of Group Reading and Class Presentation as a teaching strategy. At least two days before the session, each group is given an FPO business plan document that is an excellent example of the business plan characteristics that the session will recommend and train participants to create.</p> <p>All members of the groups read the business plan document they have been assigned. In the session, participants present one or more sections of their business plan - business idea generation, opportunity and threat analysis, Identification of business opportunity, marketing plan, and financial plan.</p> <p>In this way, each business plan document is read and presented step by step. This activity ensures that all members take part in reading and summarising the report/output.</p>
Task 4: Debriefing	<p>Following this, the trainer debriefs the entire group. The trainer switches to the Lecture mode to present the essential concepts of an FPO business plan.</p> <p>This combination of teaching strategies will ensure that the entire group understands each output and how it is connected to the next step, culminating in a clear understanding of business planning.</p>
Task 5: Q&A	<p>The trainer will facilitate a Q&A session on this topic and conclude the session after summarizing the key learnings.</p>

Questions for Discussion

The trainer can use the following trigger questions to engage participants in a discussion within the broad framework of the session:

- i. Ask the participants if they found the business plan a useful document in planning their FPO businesses.
- ii. Ask the participants to tell which sections in the business plan they had the most difficulty grasping and why.
- iii. Ask the participants how they will select their products in the first year based on a business plan example.

Background Reading

Resource Material: Capacity Building of Chief Executive Officers (CEOs) of FPOs. Session IX. Conceiving and drafting a business plan.

Teaching Note: CEO Training Module

Understanding the Value Chain Concept: Assessment of Business Opportunities for a FPO

Synopsis

After Session IX, Session X equips the participants with the concepts of the agricultural value chain and the roles FPOs can play in the value chain to strengthen farmers' interests. The session mainly provides a range of possible options that the FPOs can consider implementing in their business.

Target group

CEOs

Learning Objectives

After completing the session, the participants can:

- i. Recognize the importance of value chain for FPO
- ii. Identify and prioritize select value chain activities that can benefit the FPO

Teaching Strategy

TASK	ACTIVITIES
Task 1: Session objectives	<p>Using a chart, the trainer will explain the learning objectives mentioned above. The trainer can organize the participants into several smaller groups as required.</p> <p>Then, the trainer uses a combination of Group Reading and Class Presentation as a teaching strategy. At least two days before the session, each group is given one of the following notes:</p> <ol style="list-style-type: none"> i. One relevant value chain analysis note ii. One note that identified and prioritized FPO business opportunities, mapping them to members' requirements.

TASK	ACTIVITIES
Task 2: Reading activity	<p>All participants read the notes and then highlight one section each - the purpose of the particular step/stage, methodology, tools used, findings, decision-making criteria used, and insights generated.</p> <p>In this way, each value chain analysis is read and presented step by step. This activity ensures that the participants take part in reading and summarising the notes.</p>
Task 3: Lecture	<p>Following this, the trainer debriefs the entire group and then switches to the Lecture activity as a training strategy to present the essential concepts and know-how that participants need to organize the knowledge and use it.</p> <p>This combination of teaching strategies will ensure that the entire group understands each output and how it is connected to the next step, culminating in a clear understanding of analysis that leads to opportunity identification and tie-up.</p>
Task 4: Q&A	<p>The trainer will facilitate a Q&A session on this topic and conclude the session after summarizing the key learnings.</p>

Questions for Discussion

The trainer can use the following trigger questions to engage participants in a discussion within the broad framework of the session:

- i. Ask the participants which products they will prefer to use for considering developing a value chain and why.
- ii. Ask the participants to name the value chain activities they are yet to experience or observe. Ask the peers to share their experience of doing such a value chain activity.
- iii. Ask the participants if they feel ready to develop any value chain activities and what resources they will require to create them.

Background Reading

Resource Material: Capacity Building of Chief Executive Officers (CEOs) of FPOs. Session X. Understanding the value chain concept: Assessment of business opportunities for an FPO.

Teaching Note: CEO Training Module

Business Segment, Product Planning and Marketing-Demand And Competition Analysis, Product Mix Planning, Pricing, Marketing Strategy, and Business Innovation

Synopsis

After Session X, Session XI equips the participants to understand the marketing avenues open for the FPOs, supported by the Government and private agencies. In particular, the participants will explore the session around these three topics:

- i. Interventions by the government agencies through various policies and programs for procurement and distribution, providing food subsidy, APMC Act, and price support
- ii. Elaborates the critical outcomes for the marketing of produce due to enactment of the Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017, Farmers' Produce Trade and Commerce (Promotion and Facilitation) Act, 2020, Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020, and Essential Commodities (Amendment) Act 2020
- iii. Pricing strategy using a variety of techniques

Target group

CEOs

Learning Objectives

After completing the session, the participants can:

- i. Understand the reforms brought in the agriculture marketing by the Government of India
- ii. Recognize and develop strategies to adopt pricing strategies for FPO products

Teaching Strategy

TASKS	ACTIVITIES
Task 1: Session objectives	Using a chart, the trainer shall introduce the session objectives and teaching strategy to the participants. The trainer will conduct the session in three stages – a) marketing concept, b) marketing before and after the reform measures and c) pricing strategy.

TASKS	ACTIVITIES
Task 2: Lecture	<p>The trainer introduces agricultural marketing both in the public and private sector, using a lecture method. These concepts are procurement and distribution through the Food Corporation of India and inefficiencies in the current system.</p> <p>The trainer then explains the salient features of the three Acts: Farmers' Produce Trade and Commerce (Promotion and Facilitation) Act, 2020, Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020, and Essential Commodities (Amendment) Act 2020 using a presentation. The trainer</p>
Task 3: Dot voting	<p>The trainer will use the dot voting activity to introduce a hands-on and practical way to explore techniques to develop FPO products' pricing. Before starting this activity, the trainer will elaborate on a few pricing methods to fix a few select products from the FPOs, such as geographical pricing, discounts, and discriminatory pricing.</p> <p>After elaborating the concepts, the trainer will divide the participants into a few smaller groups. The trainer will select up to 3 products the participants are familiar with and put them on the charts. Each group will first discuss among themselves and then put as many dots as the participants in that group choose to vote for that given pricing strategy for the product.</p> <p>At the end of the session, the trainer will count the dots and write the numbers against the pricing factors. Each group's representative will explain the reasons for giving maximum votes for each of the three select products.</p>
Task 5: Q&A	<p>The trainer encourages the participants to ask questions on presentations by different groups and the pricing strategy. The trainer wraps up this session by summarizing the key learnings.</p>

Questions for Discussion

The trainer can use the following trigger questions to engage participants in a discussion within the broad framework of the session:

- i. Ask the participants to share the salient features of the reforms brought in through three Acts in 2020.
- ii. Ask the participants to identify and share one pricing strategy that they feel can't be applied for their products and why.
- iii. Ask the participants to share their learnings on dealing with private institutional buyers.

Background Reading

Resource Material: Capacity Building of Chief Executive Officers (CEOs) of FPOs. Session XI. Business segment, product planning and marketing-demand and competition analysis, product mix planning, pricing, marketing strategy, and business innovation.

Teaching Note: CEO Training Module

Financial Management in FPOs

Synopsis

After Session XI, Session XII equips the participants with knowledge and practice to develop financial planning for their FPOs. In particular, the participants will explore the technical concepts used in financial planning and business plan, including on the following topics:

- i. Preparing budget with a clear focus on costs, revenues, and profits; understanding, assessing, and managing working capital requirements; investment capital or term loans, typical terms and conditions, and documentation requirements.
- ii. Sources of finance for FPOs (equity/own capital in the form of reserves or surplus/grants/schemes/donor agencies/debt financing); and financing options suitable for early-stage FPOs.
- iii. Breakeven analysis; preparation of an operational plan and activity schedule

Target group

CEOs

Learning Objectives

After completing the session, the participants can:

- i. Develop an understanding of the technical concepts of financial planning
- ii. Interpret a select set of financial statements with the peers
- iii. Develop a pathway to advance the understanding of other financial concepts

Teaching Strategy

TASKS	ACTIVITIES
Task 1: Session objective	Using a chart, the trainer will explain the learning objectives mentioned above. A three-step teaching strategy is recommended for this session.

TASKS	ACTIVITIES
Task 2: Group reading and presentation	<p>It is recommended that the facilitator organize the participants into several smaller groups as required.</p> <p>Then, the facilitator uses a combination of Group Reading and Class Presentation as a teaching strategy. At least two days before the session, each group is given an FPO's financial plan document that is an excellent example of what the module covers.</p> <p>All members of the groups read the financial plan document they have been assigned. In the session, members present, in sequence, the different parts of the financial plan - costs, revenues, profits, sources of finance, convergence, and licenses and permissions.</p> <p>No one member must do all the presenting. Members from the other groups can ask questions to understand the report better.</p> <p>In this way, each financial plan is read and presented step by step. This activity ensures that all members take part in reading and summarising the report/output.</p>
Task 3: Individual practical activity	<p>After this, the facilitator hands out a printed template for a simplified financial plan of an FPO. Each participant is required to make certain assumptions, work out the calculations, and fill the template.</p>
Task 4: Interactive lecture activity	<p>Finally, the trainer uses the interactive lecture to make a comprehensive presentation of a financial plan's components, the concepts involved, the process, and financing sources, including schemes designed to facilitate credit linkages for FPOs.</p>
Task 5: Q&A	<p>The trainer will facilitate a Q&A session on this topic and conclude the session after summarizing the key learnings.</p>

Questions for Discussion

The trainer can use the following trigger questions to engage participants in a discussion within the broad framework of the session:

- i. Ask the participants to share their understanding of the key terms used in financial plans.
- ii. Ask the participants to explain a cash flow statement to the peers.
- iii. Ask the participants to share specific aspects of a financial plan they find difficult to understand.

Background Reading

Resource Material: Capacity Building of Chief Executive Officers (CEOs) of FPOs. Session XII. Financial Management in FPOs

