



Bankers Institute of Rural Development (BIRD)
(A Premier Learning Center of NABARD)
Lucknow, Uttar Pradesh, India

Brief Course Design

02. Project Lending for Agriculture and Allied Sectors

Agriculture and Allied sectors are major livelihood providers for the small holder farming systems in India and other developing countries. The banking system plays a vital role in providing the much required credit for farmers as well as other players in the value chain related to input supply, service sector, processing and value addition. There are many key challenges for reaching the farmers through an appropriate loan product. Further, appraising the activities in Agriculture and Allied sectors requires specialized technical and banking skills. National Bank for Agriculture and Rural Development (NABARD) with its focus on Agriculture and Rural Development has developed various farm loan products and processes. BIRD, being the premier learning center of NABARD, is having more than 15 faculty members specialized in various Agri Sectors and are experienced in Project Appraisal, Lending, Implementation and Monitoring.

Aims & Objectives:

At the end of the program, the participants would be in a position to understand and appreciate-

- Concepts of Project Lending
- Concepts of Value Chains in Agriculture and Allied Sectors
- Concepts of Scales of Finance and Unit Costs for various activities
- Developing Loan Products-Case studies (Farmers Credit Card/Area Development Schemes/Long Term Products)
- Group Approach for Lending-Concepts of JLGs/Farmer Collectives
- Techno Economic Features and Commercial Appraisal Techniques
- Financial Appraisal and Bankability
- Credit rating and Monitoring
- Indian Experiences in pushing credit for Agriculture sector

Course Content:

The program will broadly deal with the following –

- Agriculture and Allied Sectors- Status, Challenges and Opportunities - Identification of potential activities for financing

- Banking Network-Targeted approach to lending - Priority Sector-Lead Bank Scheme & Service Area Approach
- Approaches to Project Lending - Concepts of Project & Project Cycle - Concepts of Scales of Finance and Unit Costs for various activities
- Sectors and Loan Products - Case studies (Farmers Credit Card/Area development Schemes/Long Term Products) - Indian Experiences
- Group Approach for Lending-Concepts of JLGs/Farmer Collectives for lending to agriculture
- Concept of Value Chains - Financing various stake holders in the value chain - Indian experience
- Innovations in lending products
- Commercial Appraisal Methodology - Techno Economic Features, , Financial Appraisal and Bankability - Case exercises
- Credit Monitoring & Measurement of success and long term sustainability

Duration

One week at Bankers Institute of Rural Development (BIRD), Lucknow (16 December – 20 December 2024) including relevant field visits.

Participants

The program participants will be middle/senior Officers from ITEC member countries working in government, universities, banks, NGOs, MFIs and other institutions concerned with communities in the area of Agriculture, Banking, and Rural development with around 2-3 years' work experience.