



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

Brief Course Design

Financing Inclusive Agriculture: Various Models and Techniques

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.

India is laying emphasis on development through credit and Indian banking system has many unique/ innovative features and approaches like lead bank system, priority sector lending, potential linked credit planning, rural infrastructure financing, group mode of lending, area development schemes, etc. Some of the products implemented by Indian Banks like Farmers Credit Cards, Self Help Groups, Joint Liability Groups, Farmers Producer Organizations, Negotiable Warehouse Financing etc., offer a great learning experience and provides an opportunity for replication across the world.

Government of India has taken up various initiatives for promotion of Farmers Collectives through organizing the farmers into Producer Organisation (PO) to link them with the market. Developmental agencies like National Bank for Agriculture and Rural Development (NABARD), Small Farmers Agri-Business Consortium (SFAC) and different CSR funds have supported Farmer Producer Company. The model of Producer Organisation (PO) is worth replicating in countries where farm holding is very small and disintegrated to enable them to link with distant markets to increase their income.

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. BIRD, being the premier learning center of NABARD, has more than 15 faculty members specialized in various Agri Sectors and are experienced in Project Appraisal, Lending, Implementation and Monitoring.

Aim & Objectives:

At the end of the programme the participants will be able to:

- Describe the concept of inclusive development and role of credit in inclusive development/growth
- Explain the key institutions/initiatives of India, which facilitated development of Indian rural financial system by Government of India (GOI), Reserve Bank of India (RBI), National Bank of Agriculture and Rural Development (NABARD) and Rural Financial Institutions (RFIs)

- Describe the financial inclusion interventions of NABARD as well as other institutions and lessons thereof for ITEC member countries
- Describe the key concepts of agriculture projects and project lending
- Concepts of Value Chains in Agriculture and Allied Sectors
- Techno Economic Features and Commercial Appraisal Techniques, Financial Appraisal and Bankability
- Describe various activities of Farmer Producer Organisation (FPO)
- Explain the Financial Management and profitability and Sources of Funds for FPOs
- Describe the role of CEO, Team building and Conflict resolution in FPOs
- Understand the Governance, Organization and management of a FPO
- Describe the Networking and Convergence with other Agencies
- Describe various channels to link FPOs with markets

Course Content:

The program will lay emphasis on the following -

- Agriculture Scenario in India and Developing Nations – Issues and Challenges
- Banking in India - Targeted approach to lending - Concept of Priority Sector Lending
- Credit Planning - Bottom-up Approach - Service Area Plan and Lead Bank approach - Potential Linked Credit Plan (PLP)
- Agriculture credit – Long Term and Short Term – Issues and Challenges - Production credit - Crop loans- Farmer Credit Card (KCC) and Interest Subvention
- Issues in financing major Agriculture Sectors - Minor Irrigation, Land Development, Plantation and Horticulture, Forestry, Livestock, Fisheries, Farm Mechanization etc.
- Financial Inclusion – Compliance functions – Experiences of Banks of India
- Microfinance in India - Self Help Groups & Joint Liability Groups - Status and new Interventions
- Agriculture and Allied Sectors- Status, Challenges and Opportunities - Identification of potential activities for financing
- Approaches to Project Lending - Concepts of Project & Project Cycle - Concepts of Scales of Finance and Unit Costs for various activities
- Concept of Aggregation and Value Addition – Farmer Producer Organizations in India - Formation and Registration of FPOs and Legal and Statutory requirements.
- Governance and Management of FPOs
- Issues and Challenges for FPOs.

Duration:

Two weeks (12 days) at Bankers Institute of Rural Development (BIRD), Lucknow including relevant field visits during 01 to 12 December 2025.

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 agriculture, rural development and financial inclusion with around 2-3 years' work experience.