



hpscb The H.P. State Cooperative Bank Ltd.

(Scheduled Bank)

Head Office- The Mall Shimla



Academy for Agriculture Entrepreneurship Development for Growth and Empowerment

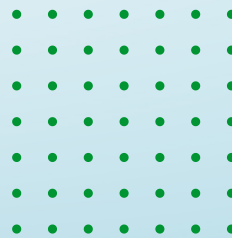


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MESSAGES



Davender Shyam
Chairman

It is with great pleasure and excitement that I extend my warmest greetings to all of you on this momentous occasion—the inaugural of the AagriEDGE, FPO Academy at ACSTI, Shimla. As the Chairman of this esteemed institution, it fills me with immense pride to witness this significant milestone in our journey towards State Government vision of Formation and Empowering of FPOs. First and foremost, I would like to express my heartfelt gratitude to the entire team involved in bringing this Academy to fruition. Your dedication, hard work, and unwavering commitment have culminated in a publication that reflects the essence of our academy and its noble vision. The FPO Academy stands as a beacon of knowledge, innovation, and transformation in the field of Financial Planning and Operations. Our aim is to nurture and develop exceptional professionals who will lead the finance industry with integrity, expertise, and ethical values. With a steadfast commitment for providing world-class education, training, cutting-edge research, and partnerships, we will continue to redefine the boundaries of financial training, planning and operations and shape a brighter tomorrow for farmers community. May it serve as a testament to our collective efforts and the remarkable potential we possess.

Wishing you all a fulfilling and inspiring journey ahead!

GoI is giving thrust on FPOs for the welfare of small and marginal farmers and there is an urgent need to guide the farmers through their capacity building and consultancy support under a single umbrella. FPO Academy is being established at ACSTI, Sangti with the objective of capacity building of different stakeholders including Board of Directors, CEOs and functionaries of FPOs. In the FPO Academy, thorough knowledge will be imparted to FPO functionaries on various topics such as financial management, Business segmentation, product planning, marketing of products, book keeping and accounting etc. Infrastructure of ASCTI will be used in which NABARD shall provide financial assistance of Rs.10 Lakh as infrastructure support. Corpus of Rs.10 Lakh shall be invested by Himachal Pradesh State Cooperative Bank Ltd. for the functioning of FPO Academy. ACSTI shall use its in-house faculty and other manpower for the FPO Academy. Bye-Laws of FPO academy have been discussed and finalised with HPStCB. I am sure that the academy agritech would emerge as source of excellence and help in digitisation of agri-value chains.



Dr. Sudhanshu KK Mishra
CGM, NABARD

I am delighted to extend my heartfelt congratulations to each and every member of our esteemed bank on the successful establishment of AagriEDGE, FPO Academy at ACSTI, Shimla. This achievement marks a significant milestone in our journey towards empowering and supporting farmers through Farmer Producer Organisations (FPOs). The establishment of AagriEDGE, the FPO Academy demonstrates our unwavering commitment to the agricultural sector and our vision of fostering financial inclusion for farmers. By equipping them with the necessary Training, knowledge and skills, we are enabling farmers to leverage the potential of FPOs as a means to access capital, enhance productivity, and achieve sustainable growth. As we embark on this new chapter with the FPO Academy, I am confident that we will witness transformative changes in the lives of farmers in the State, empowering them with financial knowledge, and positioning them for success. This academy will not only provide valuable insights into FPOs but also serve as a platform for knowledge exchange and collaboration within the agricultural community. Once again, congratulations on this momentous achievement! Let us continue to work together, inspire one another, and make a lasting difference in the lives of farmers through the FPO Academy.



Sharwan Manta, HAS
Managing Director

ESTABLISHING FARMER PRODUCER ORGANIZATION (FPO) ACADEMY AT AGRICULTURE COOPERATIVE STAFF TRAINING INSTITUTE

BACK DROP

Agriculture sector is the prominent sector in the Indian economy. Agriculture, with its allied sectors, is the largest source of livelihood in India. Apart from this, it has contributed a significant figure to the Gross Domestic Product (GDP) of the country. Agriculture is taken up by the majority of poor rural mass who own small and fragmented land holdings.

The basic rationale for the development of FPOs is that the agriculture being an unorganised sector, is faced with number of challenges. There are several problems faced by the farmers such as fragmented and small size of land holding of farmers, unavailability of access to procure seeds and agricultural inputs, modern technology for enhancing the productivity of the crops, transportation cost which sometimes lead to mental harassment of farmers.

In some cases where the landholding of the farmer is less; they cannot individually enjoy economies of scale and afford to invest in farm mechanization/technology for improving the productivity of crops. To mitigate various problems of farmers that come in their way while working alone, aggregation of all farmers of area at common platform known as Farmer Producer Organization (FPO) is the only feasible option left for farmers to increase the productivity and profitability of crops. Collective efforts of the farmers increase the bargaining power for their produce in the market as well as to reduce the transaction cost of the crops. By joining hand together, it becomes easier for them to have access to various farming inputs such as seeds, fertilizers and pesticides, machinery, tools at nominal rates or on rental basis and to aggregate produce, give value addition to the product and provide suitable markets for agricultural produce. Mutual cooperation among farmers not only improve the financial position but also help in moving out of poverty.

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Collectivization of small and marginal farmers to form Farmer Producer Organization(FPO) is the most effective way to reduce cost of production, increase in earning of each and every small farmer and a platform to collectively sell the products by providing better market linkages at best price.

It will not only increase the income of the farmers but will improve their standard of living, will be able to provide job avenues to the unemployed youth of the village and will boost the rural economy. Because of its importance in rural economy, the present Government policies intends to enhance the farmer's income through a flagship programme of "Doubling of Farmers Income". One of the main strategies suggested in this document is aggregation of farmers into Farmer Producer Organizations. The Government of India has decided to promote 10,000 FPOs over next five years i.e. up to 2027-28.

Since Farmer's Organization has central role in the development of rural economy, so as to fulfill this, they need specific attention and support in terms of Capacity Building, Training and Skill Development so that they can perform their work and Institution with effectiveness and self-sustainable basis. There is a dire need of training to these Farmer Producers Organizations, as there is no training institute in the state as on date.

Accordingly, the Agriculture Cooperative staff Training Institute (herein after referred as ACSTI) can take lead towards this, as there is more potential of training in this field as Govt. of India and NABARD is emphasizing for promotion of FPO's. in view of this, the item was placed before the Standing Committee of ACSTI, an apex decision making body. The committee vide its resolution No. 10 dated 11.4.2022 had resolved as under the committee resolved and approved the proposal of ACSTI. The ACSTI shall prepare the detailed report and submit the same to NABARD..." please pursue Annexure as appended in this report.

Having being mandate to ACSTI, to establish FPO Academy in the existing building along with available manpower, the training can be initiated after concurrence from NABARD for financial reimbursement. The above FPO Academy would be of first of its kind in the country. The objective of the academy would be as under:



OBJECTIVES OF FPO ACADEMY :

The objectives of the FPO Academy are as follows:

- Capacity building of different stakeholders covering Board of Directors, CEOs and functionaries of FPOs.
- Through FPO academy knowledge will be imparted to FPO functionaries on various topics such as financial management, Business segmentation, product planning marketing of products, book keeping and accountancy, statutory and legal compliance required for FPOs etc.
- Documentation and dissemination of success stories on FPO to different stakeholders.
- Provide consultancy in different areas of farmer producer organization
- Undertake research on various aspect of promotion and strengthening of FPOs.

VISION :

“To become a Centre of Excellence with knowledge and competence by providing education, training and consultancy to agri- entrepreneurs in the State and Country.”

MISSION:

- Ø To create learning environment by providing adequate training and handholding
- Ø To impart training and support on good agriculture practices, business management and marketing
- Ø To impart professional and managerial approach in managing & diversify business activity
- Ø To carry out the research activities with a view to facilitate better policy formulation.

LAND, BUILDING AND OTHER INFRASTRUCTURE:

ACSTI is one of the leading Apex Training Institution of Himachal Pradesh which endeavors to promote and improve the working of cooperative institution. Institute is also recognized as Nodal Agency for imparting training to Cooperative Banks, Cooperative departments, and other cooperative institutions. Institute is working on the motto of no profit no loss.

The infrastructure of ACSTI shall be available for FPO for imparting training to the participants. The following infrastructure shall be used by FPO.

1. Classrooms
2. Hostels Accommodation
3. Mess and Dining Hall
4. Library
5. Conference hall
6. Glass House
7. Administrative Block
8. Recreation Facility

1) Class Rooms

The success of any training session greatly depends upon good infrastructure, where everything has been considered with the trainer's and participants' comfort in mind. Keeping these things in mind, Classrooms are equipped with ultra-modern facilities like Air-conditioned classrooms, Smart TVs, laptops, comfortable furniture.

2) Hostel Accommodation

It has modern and spacious hostel accommodation for the comfortable stay of participants consisting of furnished rooms with attached bathrooms. Summer and Winter beddings are available for 80 participants at a time.

3) Mess and Dining Hall

FPO academy has its own mess in the campus, which runs on the contract basis. The institute is also having a beautiful dining hall with the capacity of 100 participants.

4) Library

A highly specialized well stocked and furnished library having 2500 plus volumes of books on Co-operation, Banking Economics, Rural Development, Law, Management, Finance, Accounts and other related areas catering to the needs of the participants, members of the faculty and research scholars from different colleges and universities. Besides this all leading Journals, Newspapers, Magazines etc. are available in the library.

5) Conference hall

FPO Academy is having the facility of spacious, well-decorated and beautifully furnished conference hall which has capacity of 100 seats.

6) Glass House

A spacious exquisitely decorated and well-furnished glass house is also available in the institute for the purpose of get-together.

7) Administrative Block

The institute's administrative block consist of Principal room, independent faculty rooms, superintendent room and office for other staff members.

8) Recreation Facility

For the recreation of participants Institute/FPO has Smart T.V. in the dining area. Apart from this, different sports items such as carrom board, chess, badminton etc. can be used by participants during their leisure time.

It is evident from the above stated amenities that institute is well equipped for running the Farmer Producer Organization (FPOs) academy smoothly.

MANPOWER:

Presently, the manpower of institute/FPO is having the following manpower:

- 1) Principal
- 2) Vice Principal
- 3) Lecturers (Law, Management and Accountancy) – 3
- 4) Office Superintendent – 1
- 5) Librarian – 1
- 6) Jr. clerk – 1
- 7) Care taker – 1
- 8) Sub- Staff – 3
- 9) M.P.W. – 1
- 10) Sweepers – 3 (Daily Wages)

TRAINING ADVISORY COMMITTEE:

There shall be need of a training advisory committee. The following will be the members of Training Advisory Committee

1	Managing Director, The H.P. State Cooperative Bank Ltd. Shimla	Chairman
2	Chief General Manager, NABARD, Shimla or Representative from NABARD	Member
3	Representative from Agriculture Department, Govt. of H.P.	Member
4	Representative from Horticulture Department, Govt. of H.P.	Member
5	Representative from Rural Development, Govt. of H.P.	Member
6	Representative from BIRD, Lucknow	Member
7	Principal, ACSTI, Shimla	Member
8	Director, Aagri EDGE	Convener

The committee provides guidance to the institute on the matters pertaining to the training, guidance and development. The committee also approves the training programmes of the institute to be conducted during the year.

TRAINING PROGRAMME

Aagri EDGE will conduct programme for CEOs of FPOs. This will enable their capacity building in a systematic and comprehensive manner.

Session plan for course for CEOs of FPOs

Sr. No.	Course	No. of Sessions
1.	Overview of an FPO	5
2.	Statutory compliance	3
3.	Marketing and Networking	8
4.	Managing the FPO	10
5.	Business plan of an FPO	10
Total Sessions		36

DETAIL OF THE COURSES GIVEN BELOW:

Session	Course 1: Overview of an FPO
I	Business Working together versus individual action
II	Basic concepts of an FPO
III	Structure, formation and functions of FIG and FPOs
IV	Board of Directors and Management: Who they are, how to select and monitor
V	Specific and shared responsibilities of BOD, CEO

Session	Course 2: Statutory compliance
I	Importance of Share capital. How to collect and how to maintain
II	Statutory compliances under Companies Act 1956 and Cooperative Societies Act
III	Statutory compliances – meetings and registers certification/licenses for trading

Session	Course 3: Marketing and Networking
I	Analysis of current market practices - Buying and Selling of Produce
II	Aspirations of farmers versus market realities
III	Assessing the market need and demand: realistic versus ideal; short-term versus long term
IV	How can an FPO respond to the fluctuating market?
V	Planning for Short Term Strategies to mitigate market risk.
VI	Networking and Stakeholder engagement
VII	Special situations where networking skills are required
VIII	Methods of stakeholder engagement

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Session	Course 4: Managing the FPO
I	Introduction to HR and roles of the staff in the FPO operations
II	Introduction to basics of finance in an FPO
III	FPO Operations - Need for Understanding and Planning various resources - Part 1
IV	FPO Operations - Need for Understanding and Planning various resources - Part 2
V	Basics of Finance: Budgeting, Working Capital, Cash flow; Raising funds; Managing share capital; Investment financing
VI	Basics of Finance Costing and Profitability
VII	Assessing the Financial position of the FPO for its operations
VIII	Introduction to Recruitment process
IX	How to leverage available resources and provision for future needs
X	Different scenarios in efficiently managing resources using simulation

Session	Course 5 : Business plan of an FPO
I	Understanding the customer
II	Major components of the Business Model Canvas
III	Components of a Business Plan
IV	Opportunities and challenges involved in running a business; How to identify the potential business
V	Learnings from an existing FPO's business - exposure visit
VI	Risk factors in the FPO business and ways to mitigate the risks
VII	Impact on business in different scenarios using simulated models
VIII	Role of FIG in the overall FPO's business
IX	How to prepare an MIS using data of FIG farmers
X	FIG activity plan contributing towards FPO business

RESOURCES

The course fee shall be charged on no profit-no loss basis (subject to change from time to time), which shall be as under:

COURSE FEES

Sr. No.	Particular	Amount (₹)
I	Boarding & Lodging per day per participant	500
II	Stationary items per participant	100
III	Study Material per participant	300
IV	Institution Charges per participant	200
Total charges per person per day		1100

CONCLUSION

Keeping in view the aforesaid backdrop and well established credential(s) of the Institute, it is expected that Nabard will extend all kind of financial support vis-a vis other related support from line agencies who are engaged in imparting such kind of training and exposure visits' for overall development of the state.



(Bank of the State - for the State)

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