

PRESENTS

# INVESTMENT CREDIT IN AGRICULTURE

At State Bank Institute of Rural Banking, Hyderabad, India



## **Background:**

National Banking Institute Ltd. (NBI) an apex level banking and finance academy having conducted over 1500+ training programs now presents a "Five -Day" residential program on "**Investing Credit in Agriculture**" with the collaboration of State Bank Institute of Rural Banking (SBIRB) Hyderabad, India.

State Bank Institute of Rural Banking is an apex training institute of India's largest Banking Group, the State Bank Group. It is one of the top rated premier institutes of the country catering to the training needs of Agriculture and Rural Banking. World-class teaching and research at SBIRB work together, to produce and enriching educational experience for the Bankers in Rural Business. What makes the programs at SBIRB unique is that the training is imparted by an elite group of experienced practitioner bankers with excellent academic background,

This program aims at providing in depth knowledge and equip bankers with the skills and orientation required for rural banking and also to sensitize bankers to rural environment. This program is the need of the hour since the NRB mandated all commercial banks to extend at least 10 percent of the total credit to agriculture sector and 15 percent to energy and tourism sector making a total of at least 25 percent in the priority productive sector. Such provision for productive sector lending for development banks and finance companies has extended to at least 15 percent and 10 percent respectively of their total credit. Commercial banks are encouraged to extend credit in priority sector in all seven provinces, making this program of utmost importance.

## **Program Details:**

**Date: 5th to 9th August 2019**

**Time: 9:00am to 5:00pm (Residential)**

**Venue: SBIRB Campus, Hyderabad, Telengana State India**

**Methodology: Classroom Lecture, Field Visits, Real Case Studies, Interactions and Discussions.**

**Deadline for Nominations: 18th July 2019**

# Faculty Profile

## COURSE CONTENT

### Rural Business:

- Scenario, Background, Business opportunities
- PSL Norms, RBI Directives, Government Agencies
- Scope of Credit for Agriculture & Allied Activities, Mechanization of Farming, Irrigation models
- Nature of Credit: Short Term Production Credit, Long term Investment credit for Production and sustainable income, Processing, Storage, Marketing etc.

### AGRI FINANCE

- Minor Irrigation – various schemes
- Farm Mechanization – Techno economic viability norms
- Agriculture Allied Activities – POULTRY, DAIRY, FISHERIES
- Plantation and Horticulture
- Emerging Areas in Agriculture: Tissue culture, Vermi-composting, Organic farming, Protected Cultivation, High density plantations etc.
- Innovative Financing Models like Contract Farming, FPO etc

## Project Approach and Financial Analysis

- Credit Assessment, Appraisal of Farm Mechanization projects
- Various aspects of Credit Risk, Credit Scoring and Credit Risk Assessment models
- Financial Statements & Ratios - Understanding, analysis of different Financial Statements and Financial Ratios
- Disbursements - Moratorium - Repayment Schedule

## Risk Mitigation

- Risk coverage - Insurance of assets
- Asset Quality Management : Pre-sanction and Post-sanction processes,
- Preventive measures at Pre-Sanction/ Disbursement / Post Sanction Stages
- Follow-up of advances
- IRAC Norms- NPA Norms, soft and hard recovery measures. Legal aspects.

## PEDAGOGY

Class room sessions, group discussions, case studies and exercises and field visit

## Target Audience

- Field/ Credit Officers (Agri)
- Branch Managers
- Sanctioning Officers at head offices
- Employees engaged in Agri- Portfolio Management

## Program Objectives

- To create awareness of agri-eco system
- To impart technical knowledge n the basics of agri-finance, project finance and emerging areas in agriculture.
- To equip the participants with the knowledge on regulatory, legal and risk aspects of agri-finance.
- To impart appraisal/assessment skills required for evaluating of agri projects

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## Faculty Profile

### **Mr. P. Panigrahi**

#### **Assistant General Manager**

#### **M.Sc (AG), CAIIB**

A graduate in Agriculture, Shri Panigrahi joined State Bank of Patiala as a Rural Development Officer and worked in Rural, Urban and Metro centers in various capacities. His area of interest includes popularizing e-Learning initiative of the Institute. He conducts sessions on Farm Mechanization, Financial Inclusion and Outreach.

#### **Teaching**

- Emerging areas in Agriculture
- New Business Models
- Project Approach and Risk Analysis
- Financial Inclusion and Financial Literacy
- E-learning initiatives

#### **Work Experience**

1. Worked in Rural, Urban and Metro centers in various capacities.
2. Treasury operations at Corporate Level  
Senior Faculty at SBIRD having decade long experience in training officials in rural banking

### **Mr. P. B. Keskar**

#### **Assistant General Manager**

#### **M.Sc (AG),CAIIB**

A post graduate in Agriculture with specialization in Agronomy. Shri Keskar handled Import/Export bills and worked as Credit Analyst in Credit Processing Cell at Commercial Branch, Mumbai. His areas of specialization include Horticulture, Floriculture projects and Medicinal and Aromatic plants. He conducts sessions on financing Horticulture, Investment credit and Allied Agri. activities.

#### **Teaching**

- Horticulture
- Floriculture projects
- Medicinal and Aromatic plants
- Investment credit
- Allied Agri. Activities

#### **Work Experience**

Credit Analyst in Credit Processing Cell at Commercial Branch, Mumbai in addition to heading AGRI intensive branches in Maharashtra and several assignments including Import and Exports desk in IBD Mumbai .

### **Mr. G. Anjaneyulu**

#### **Assistant General Manager**

#### **M.Sc (AG), CAIIB**

A post graduate in Agriculture, Shri. Anjaneyulu held various assignments like Branch Manager, Manager (NPA), SBLC faculty etc. He specializes in Agri. advances and Behavioural Sciences.

#### **Teaching**

- Production Credit
- Investment Credit specialization in Minor Irrigation
- Farm Mechanization
- Behavioral Sciences

#### **Work Experience**

Various assignments like Branch Manager of Agri Intensive Branches in Senior Capacity in Andhra Pradesh and Telangana States and Experience as Faculty at Learning & Development Centers

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## Faculty Profile

### **Dr. N. Padmanaba Pillai**

#### **Chief Manager**

#### **M.Sc (AG), PhD in Horticulture**

A Doctorate in Horticulture, Dr Pillai, has worked in various operational capacities in India and also had a stint abroad. He conducts sessions on Horticulture, Minor irrigation and Agri value chain financing.

#### **Teaching**

- Horticulture
- Minor irrigation
- Post Harvest Technologies
- Value chain financing
- Fisheries

#### **Work Experience**

Worked in various operational capacities in India and also had a stint abroad.

Experience as Branch Head in rural areas in Tamilnadu

### **Mr. T.N. Tripathy**

#### **Assistant General Manager**

#### **Bachelors of Veterinary Sciences**

#### **Teaching**

- Agriculture Allied activities with specialization in Dairy and Poultry, Sericulture

- Investment Credit
- Behavioral Sciences

#### **Work Experience**

1. Senior Level assignments in Corporate Finance in Indore and Mumbai
2. Has worked in several capacities in AGRI intensive branches in Andhra Pradesh

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## Program Itinerary

SESSIONS	TOPIC	CONTENTS
<b>Day 1: 5<sup>th</sup> August 2019</b>		
1	PSL norms & Agri Business Scenario	<ul style="list-style-type: none"> <li>Rural Business Scenario,</li> <li>Thrust Areas and Strategies.</li> <li>NRB-Monetary Policy 2017-18- Priority Sector lending guidelines</li> </ul>
2	Emerging Areas in Agriculture	<ul style="list-style-type: none"> <li>Emerging Areas in Agriculture: Tissue culture, Organic farming, Protected Cultivation, High density plantations. Farm Mechanization</li> </ul>
3 & 4	Evaluation of Agricultural Projects	<ul style="list-style-type: none"> <li>Project approach concepts for investment credit in agriculture; various factors to be considered for the preparation of project report.</li> <li>Financial Viability tools VIZ., NPW/NPV, Benefit Cost Ratio (BCR), IRR, DSCR, Break Even Analysis- with exercise</li> </ul>
<b>Day 2: 6<sup>th</sup> August 2019</b>		
1 & 2	Horticulture & Plantation Crops	<ul style="list-style-type: none"> <li>Importance of Horticulture &amp; Plantation crops. Techno-economic aspects of Financing Horticultural activities with exercise.</li> </ul>
3 & 4	Allied Activities to Agriculture	<ul style="list-style-type: none"> <li>Allied Activities – Poultry, Dairy, Fisheries, Goat rearing.</li> <li>Assessment of Technical Feasibility and Economic Viability with exercise.</li> </ul>
<b>Day 3: 7<sup>th</sup> August 2019</b>		
1 & 2	Minor irrigation	<ul style="list-style-type: none"> <li>Minor Irrigation, Various Types of Structures</li> <li>Techno-economic aspects of financing Minor irrigation, Drip / Sprinkler Irrigation, Lift Irrigation Schemes</li> <li>Water Conservation methods – with exercise.</li> <li>Govt Initiatives &amp; Institutional support.</li> <li>Construction of Farm ponds and its importance in perennial irrigation</li> </ul>
3	Post Harvest Technology	<ul style="list-style-type: none"> <li>Post-Harvest management at farm level, different activities in post-harvest equipment and processes at different levels of value addition.</li> <li>Rural Go-downs, ware houses, cold storages, Transport vehicles/ Reefer Vans, PML, Ware House Receipt Financing.</li> <li>Finance against receivables specifically collateral management services, Negotiable Warehouse Receipts.</li> </ul>
4	Analysis of Balance sheet/ Financial statements	<ul style="list-style-type: none"> <li>Analysis of Balance Sheet and other Financial Statements, P&amp;L Account, Important Ratios, Limitations.</li> </ul>
<b>Day 4: 8<sup>th</sup> August 2019</b>	<b>Field visit</b>	<ul style="list-style-type: none"> <li><b>Visit to a Dairy/Poultry/Poly House unit</b></li> </ul>

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## Program Itinerary

### Day 5: 9<sup>th</sup> August 2019

1	Emerging Business Models	<ul style="list-style-type: none"> <li>• Innovative Financing Models like Contract Farming,</li> <li>• Farmer Producer Organisations (FPOs) / JLGs and Start-Ups</li> </ul>
1	Commercial Aspects in financing Medicinal and Aromatic Crops	<ul style="list-style-type: none"> <li>• Business Opportunities available in Cultivation and Marketing of Medicinal and Aromatic Plants</li> </ul>
1	Risk Mitigation	<ul style="list-style-type: none"> <li>• Various types of Risks and their mitigation in agriculture financing</li> </ul>
1	Asset Quality & NPA Management	<ul style="list-style-type: none"> <li>• Preventive measures at Pre-sanction / Disbursement / Post-sanction Stages.</li> <li>• Follow-up of advances.</li> </ul>

Timings	Daily Library reading session	I	II	III	IV
All Days	9:00am -10:00 am	10:00 am-11:30 am	11:45am - 13:15pm	14:00pm - 15:15 pm	15:30pm - 17:00 pm

**11.30 -11.45 Tea Break (Forenoon)**

**13.15-14.00 LUNCH RECESS**

**15.15-15.30 Tea Break (Afternoon)**

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