

INSTITUTE	FACULTY OF AGRICULTURE
PROGRAM	BACHELOR OF SCIENCE (Hons.) AGRICULTURE
SEMESTER	3
COURSE TITLE	AGRICULTURAL FINANCE AND CO-OPERATION
COURSE CODE	16AS0304
COURSE CREDITS	3

Objective:

- 1 To develop the ability to remember the rural credit structure and its salient features and understand the terminology and facts about agriculture finance and cooperation.

Course Outcomes: After completion of this course, student will be able to:

- 1 Students will impart knowledge on principles of finance, banking and co –operation and farm financial analyses.
- 2 Students will understand the functions of various institutions involved in farm financing and different crop insurance products.
- 3 Students will develop the ability to analyze the financial statements, evaluate the credit structure of different credit institution.
- 4 Students will enhance the opportunity to create a project report of a new Agri-Project.

Pre-requisite of course:To provide knowledge about basic financing system and co-operations working in India.

Teaching and Examination Scheme

Theory Hours	Tutorial Hours	Practical Hours	ESE	IA	CSE	Viva	Term Work
2	0	2	50	30	20	25	25

Contents : Unit	Topics	Contact Hours
1	Agricultural Finance- meaning, scope and significance, credit needs and its role in Indian agriculture. Agricultural credit: meaning, definition, need, classification. Agricultural Finance- meaning, scope and significance, credit needs and its role in Indian agriculture. Agricultural credit: meaning, definition, need, classification.	1
2	Credit analysis: 4 R's, and 3C's of credits. Credit analysis: 4 R's, and 3C's of credits.	1

Contents : Unit	Topics	Contact Hours
3	Sources of agricultural finance; institutional and non-institutional sources, commercial banks, social control and nationalization of commercial banks, Micro financing including KCC. Lead bank scheme, RRBs, Scale of finance and unit cost. Sources of agricultural finance; institutional and non-institutional sources, commercial banks, social control and nationalization of commercial banks, Micro financing including KCC. Lead bank scheme, RRBs, Scale of finance and unit cost.	3
4	An introduction to higher financing institutions – RBI, NABARD, ADB, IMF, World Bank, Insurance and Credit Guarantee Corporation of India. Cost of credit. Recent development in agricultural credit. An introduction to higher financing institutions – RBI, NABARD, ADB, IMF, World Bank, Insurance and Credit Guarantee Corporation of India. Cost of credit. Recent development in agricultural credit.	2
5	Preparation and analysis of financial statements – Balance Sheet and Income Statement. Basic guidelines for preparation of project reports- Bank norms – SWOT analysis. Preparation and analysis of financial statements – Balance Sheet and Income Statement. Basic guidelines for preparation of project reports- Bank norms – SWOT analysis.	2
6	Agricultural Cooperation – Meaning, brief history of cooperative development in India, objectives, principles of cooperation, significance of cooperatives in Indian agriculture. Agricultural Cooperation in India- credit, marketing, consumer and multi-purpose cooperatives, farmers’ service cooperative societies, processing cooperatives, farming cooperatives, cooperative warehousing; role of ICA, NCUI, NCDC, NAFED. 3 R’s, 5 C’s and 7 P’s of credit. Agricultural Cooperation – Meaning, brief history of cooperative development in India, objectives, principles of cooperation, significance of cooperatives in Indian agriculture. Agricultural Cooperation in India- credit, marketing, consumer and multi-purpose cooperatives, farmers’ service cooperative societies, processing cooperatives, farming cooperatives, cooperative warehousing; role of ICA, NCUI, NCDC, NAFED. 3 R’s, 5 C’s and 7 P’s of credit.	3
7	Crop insurance; its scope, significance and limitations and the potential of the newly launched 'Pradhan Mantri Fasal Bima Yojana' (Prime Minister's Crop Insurance Scheme). Crop insurance; its scope, significance and limitations and the potential of the newly launched 'Pradhan Mantri Fasal Bima Yojana' (Prime Minister's Crop Insurance Scheme).	1
8	Successful cooperative systems in Gujarat (AMUL), Tamil Nadu (Aavin), Karnataka (Nandini), Maharashtra and Punjab. Successful cooperative systems in Gujarat (AMUL), Tamil Nadu (Aavin), Karnataka (Nandini), Maharashtra and Punjab.	1
Total Hours		14

Suggested List of Experiments:

Contents : Unit	Topics	Contact Hours
1	Optimum allocation of limited amount of capital among different enterprise Optimum allocation of limited amount of capital among different enterprise	2
2	Analysis of progress and performance of cooperatives using published data. Analysis of progress and performance of commercial banks and RRBs using published data. Analysis of progress and performance of cooperatives using published data. Analysis of progress and performance of commercial banks and RRBs using published data.	2
3	Visit to a commercial bank, cooperative bank and cooperative society to acquire firsthand knowledge of their management, schemes and procedures. Visit to a commercial bank, cooperative bank and cooperative society to acquire firsthand knowledge of their management, schemes and procedures	2
4	Estimation of credit requirement of farm business – A case study. Preparation and analysis of balance sheet – A case study. Estimation of credit requirement of farm business – A case study. Preparation and analysis of balance sheet – A case study.	2
5	Preparation and analysis of income statement – A case study. Appraisal of a loan proposal – A case study. Preparation and analysis of income statement – A case study. Appraisal of a loan proposal – A case study.	2
6	Techno-economic parameters for preparation of projects. Preparation of Bankable projects for various agricultural products and its value added products. Techno-economic parameters for preparation of projects. Preparation of Bankable projects for various agricultural products and its value added products.	2
7	Seminar on selected topics. Different types of repayment plans. Seminar on selected topics. Different types of repayment plans.	2
Total Hours		14

Textbook :

- 1 NA, NA, NA, NA

References:

- 1 Agricultural Economics, Agricultural Economics, Subba Reddy, S., Raghu Ram., P., Sastry, T.V.N and Bhavani Devi, I., Oxford & IBH Publishing Company Private Ltd., 2016
- 2 Cooperation in India and Abroad, Cooperation in India and Abroad, Mukhi, H R., New Heights Publishers, 1983

References:

- 3 Co-operatives in India, Co-operatives in India, Mamoria, C.B. and R.D. Saksena, Kitab Mahal, 1973
- 4 Essentials of Farm Financial Management, Essentials of Farm Financial Management, Johil S.S. and C.V. Moore, Today and Tomorrow Printers and Publishers, 1970

Suggested Theory Distribution:

The suggested theory distribution as per Bloom’s taxonomy is as follows. This distribution serves as guidelines for teachers and students to achieve effective teaching-learning process

Distribution of Theory for course delivery and evaluation					
Remember / Knowledge	Understand	Apply	Analyze	Evaluate	Higher order Thinking
25.00	25.00	20.00	10.00	10.00	10.00

Instructional Method:

- 1 The course delivery method will depend upon the requirement of content and need of students. The teacher in addition to conventional teaching method by black board may also use any of tools such as demonstration, role play, quiz, brain storming, MOOCs etc.
- 2 The internal evaluation will be done on the basis of continuous evaluation of students in the laboratory and class-room.
- 3 Practical examination will be conducted at the end of semester for evaluation of performance of students in laboratory.
- 4 Students will use supplementary resources such as online videos, NPTEL videos, e-courses, Virtual Laboratory.