PRODUCER GROUP

TRAINING MANUAL

VAAZHNDHU KAATTUVOM PROJECT

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(A) Abbreviations

BOD	Board of Directors
CLG	Common Livelihood Group
ECP	Enterprise Community Professional
EG	Enterprise Group
NABARD	National Bank for Agriculture and Rural Development
OB	Office Bearers
PG	Producer Group
PC	Producer Collective
SFAC	Small Farmers Agri Business Consortium
VKP	Tamilnadu Rural Transformation Project
TNSRLM	Tamilnadu State Rural Livelihood Mission

(B) INTRODUCTION TO THE TRAINING MANUAL

Introduction

The purpose of this Training Manual on PGs is to help trainers to conduct practical and effective training on the issues that the PG office bearers and Members in a PG need to understand and know in-order to govern and manage a successful producer group.

Who can use this manual?

This manual is designed primarily for trainers who will work with producers and PGs. The language has been kept simple and technical words have been kept to the minimum for easier understanding.

How to use this manual?

The trainers' manual is divided into the five modules. Each module is complete in it and can be used as individual capsule or together. Every trainer will have to decide whether to use all the sessions in a module or only those relevant for that PG. It is possible to pick up sessions from different modules and do need based training for different PGs.

If the facilitator has a local case study that would be more relevant for the PG, then they must feel free to use that. The only note of caution would be to make sure that it does not change the meaning of the activity.

(C) OVERVIEW OF EACH MODULE

Session Plans

Each session is divided into many parts. It is desirable that you're each session plan carefully. This will help you facilitate the proposed methodology more effectively.

Title of the session

This gives the trainer an idea of the specific topic to be covered in each session.

Time required

This time is based on sessions that were tried out at various workshops. It may vary from trainer to trainer. This is given in minutes – it may vary depending on the style of the trainer and the absorbing capacity of the participants.

Session Objectives

This describes what the participants would have learnt by the end of the session. Session objectives can be changed based on your assessment of the group's existing knowledge and skills also the overall program objectives are not affected.

Processes brief

This summarizes the key tasks and activities to be taken up during each session and the estimated time for each task. You may need to modify these, especially the time allocated, depending on the group outcomes and pace of learning. In the summary table, one can also determine the material required for the session and keep this ready.

Processes detail

This section gives a detailed description of every task and activity to be taken up during the session. It is not necessary that you follow the instructions verbatim. It is however important that you familiarize you with the session plans and practice the instructions to be given to the participants in order to ensure specific and simple communication during the sessions. It will also minimize the need to clarify instructions for group assignments and/or the risk that different participants interpret the instructions differently. The trainer give also modify or adapt the processes and methodologies according to the context and need of the participants. Digital methods could also be used to increase the effectiveness of the training.

Annexure / Handouts

This includes specific annexure that are required during the session as well as handouts for either the participants or trainer or both. The trainer will need to go through these in detail and make sure enough copies are available before the session begins.

(D) TRAINING TIPS

General Instructions for trainers

1) The first session should preferably begin with a general rapport building introductory game, and general discussions about health before going into the first session topic. At the end, go through the evaluation questions.
2) The next sessions should begin with are cap of the previous session, followed by the actual sessions. Then the trainer can revise the current session topics at the end.
3) The trainer tips are given in the next section. The trainers are requested to go through it carefully.

A good trainer is a good Facilitator

Facilitation is the work involved in ensuring the right structures and processes exist for helping the group to meet its agreed objectives, and in helping the group members to identify and overcome problems in communicating with one another and in managing emotion.

Anecdotes:

These are an effective way to send your message across about the work you have been doing with the farmers. For example, you could describe how a particular family has succeeded by joining a farmers group that started supplying millets to city retail outlet. Adding human interest to be port can help other producers understand and accept the enterprise approach. To complement your anecdotes, take photographs or make short videos about the key points in the production and marketing cycle so you can use them in reports and in your future work with producers.

Traditional Approach	Participatory Approach
Learning as a product	Learning as a process
Teacher controlled	Student centered
Transfer of knowledge	Discovery of principles
Trainer = expert	Trainer = resource person, Facilitator
Learner = passive, receptive	Learner = active, discovering
Learner = know nothing	Learner – full of capacities, knowledge of reality
Encourages conforming, coping	Stimulates independent thought, creativity

Facilitation allows learners to discover the way forward by using and developing their own skills. They should:

- Observe the group dynamics
- Manage the group process
- Obtain the best possible outcomes from the sum of the parts
- Facilitationisaboutmakingiteasyforgroup-stolearn/solveproblems/generatenew sand is about enabling individuals and groups to take responsibility and ownership for their decisions and achieve their learning outcomes.

Facilitation involves using participatory approaches to training.

While this may take longer than the traditional approach and requires the trainer to "hold back" and allow for learning, the final outcome of learning is much better.

ASK YOURSELF THE FOLLOWING?

1. Am I facilitating, chairing or leading?
2. Does the group have a clear task and outcome?
3. Are we meeting common vision or meeting individual needs?
4. Is there a hierarchical or sharing and collaborative approach as to how the group runs?
5. How structured and managed is the group work?
6. Is the group working towards solving problems or information sharing?

Preparing for a training program

It is important to well a training program. However, experienced a trainer you are, you still need timeto-prepareinadvancesothatthetraininggoessmoothly. Seethediagrambelowforabrief reminder of the steps required for preparation before, during and after the training.

STEPS IN TRAINING IMPLEMENTATION

BEFORE TRAINING (PREPARATION)	DURING TRAINING (IMPLEMENATION)	AFTER TRAINING (Follow up)
Contents, Participants Trainers/training team, Date/Venue, Announcements, Preparation of checklist and training materials	Session plan and Training process for participants	Training report Follow up with participants
Teacher controlled	Student centered	

Planning for trainings

The PG training modules are intended to train the PG office bearers and members. The trainings are to be imparted by the ECPs and the Master resource persons. The Master resource persons will be from a pool of resource pool from the Block team and the Master Enterprise Community Professionals. The Master resource persons will be trained by the Technical Support Agency along with the district project team.

Duration of the training has been set at 6-7 days but would depend on local conditions, the availability of time of the participants and also the current pandemic context. The trainers can opt for more online training mode. Whatsapp, podcast, video, Audio visual modes could be used for trainings.

It is customary to limit the number of participants in n a training workshop to between 20 to 25 persons. Centralised Trainings at Block level can be planned for Office bearers. For Members trainings can be planned at their village even during the group meetings. Depending upon the availability of the participants, the sessions could be broken for half days and could be extended to 15 days for the members. Hand on trainings, Demonstrations can be planned at the production site for technological related trainings. The group activities and the kind of inputs required for undertaking the activities are described in the table below:

Activities	Kind of inputs
Conduct of Meetings	Group facilitation skills, Conflict resolution, Decision making skills and Leadership skills Qualities of a good group How to sustain a group Benefits of working as a group Communication skills Group dynamics and governance
Governance, Management skills	Decision making structures in a group enterprise Elements of group empowerment and good leadership- (Attitude, Motivating, Inspiring etc) The role of other group members in sustaining group leadership
Financial	Record keeping- Accounting- Receipts and Payments, Costs and Returns
Planning, Implementing and monitoring skills	Activity planning, Management skills Technical skills Coordination Monitoring
Convergences	Communication and Negotiation skills Networking skills

TRAINING MODULESPG (Session Plan)

Total no. of modules: 6

No. of days: 7

Participants: PG office Bearers and Members

Type of training: Non-residential could be conducted at the Block/district level.

For the PG members Modules 1, 3, 4 and 6 could be imparted at the Village level.

DAY 1 & 2- Module 1 & 2						
Thematic Module 1: Overview of PG						
Session No.	**Name of Session**	**Contents / Subtopics**	**Methodology**	**Expected outcomes**	**Materials Required**	**Duration**
1.1	Introduction of the participants	Mutual Introduction of the participants	Group discussion and Games	Help create cordial atmosphere between trainees and resource person	Charts, Pen	30 min
1.2	Orientation to VKP Project	VKP Project Goals and Objectives, Prioritized Commodities and Value Chain opportunities Type of collective Enterprises to be promoted in VKP Role of ECPs in PGs	Presentation	Understanding the purpose, approaches and benefits of the project	PPT, Video . Flipchart	45 min

Session No.	Name of Session	Contents / Subtopics	Methodology	Expected outcomes	Materials Required	Duration
1.3	Individual Vs Group action	Individual Vs Collective Action Advantages of working in a group	ILM, Games	Understanding of working in a group	Flipchart	45 min
1.4	Basic Concepts of a PG (Importance and Definition)	Primary producer (Why PGs)-Scope of activities, Benefits What is a PG? Definition, Characteristics, Functions Types, Group Size, Legal form	Case study interactive lecture method, video display, White board animation	Understanding on the PG formation and Characteristics	Handouts, Flipchart, Case study, Video,	90 min
1.5	PG Structure and Formation	Formation process of PGs- VCA, PGP and Enterprise Opportunities, Membership criteria, Member roles etc Framing of Byelaws and Norms Office bearers- selection Opening of PG Bank account Resolutions (Filling up of Opening forms)	ILM, SGD, Mock exercise, Practice sessions	Participants understand the process of formation	Flipchart, Handouts	90 min

Module 2: PG Governance, Leadership and Management

Session No.	Name of Session	Contents	Methodology	Expected outcomes	Materials required	Duration
2.1	PG Governance	Group Constitution PG General Body and Executive committee And their functions	SGD, ILM	Understanding the elements of Governance in a PG		60 min
2.2	Management- Roles and responsibilities	Roles and responsibilities of office bearers Executive committee structure and roles Different types and role of Sub-committees	SGD, ILM, Role play, Case presentation, White board animation	Understanding the roles and responsibilities at various levels	Charts, Pen.	90 min
2.3	Leadership and Communication	Leadership styles Qualities of a good leader and effective leadership Communication skills	Case presentation/ SGD/ Storytelling	Understanding the qualities of a leader and learning effective communication skills	Stories, Case presentation	60 min
2.4	Group functioning and processes	Group meetings Frequency of meetings and participation Decision making , Problem solving, Resolving conflicts	Exposure to well functioning group/ Small Group discussions	Understanding the management processes for implementing the group plans	Handouts, Flipcharts,	90 min

DAY 3: Module 3: Thematic Training Basic Record-Keeping and Accounting

Session No.	Name of Session	Contents	Methodology	Expected outcomes	Materials required	Duration
3.1	Record-Keeping	Records keeping-Importance Types of records and registers to be maintained Minutes of group meeting	ILM (Integrated lecture Method)	Participants understand the importance of book keeping	Charts, Handouts	60 min
3.2	Basic accounting system	Basic principles of accounting Importance and role of book-keeper	Sample sheets of books and ledgers, vouchers. Practice sessions	Participants acquire the basic skills of book-keeping and accounting	Sample sheets and worksheets	180 min
3.3	Recording transactions	Receipt and Payment Cash and Bank Book Recording transactions in a cash book	Practice sessions	Understanding how to record transactions	Sample Balance sheets	120 min

DAY 4 Module 4: Activity planning

S. No	Name of session/topic	Contents	Methodology	Expected outcomes	Materials required	Duration
4.1	Understanding the need for Planning for a PG	Understanding element of production and marketing. Problem Analysis Understanding the need for planning Visioning – Long term, Mid-term and short term	SGD and ILM	Understanding the elements of production among the participants	Templates, Charts, Pen , Pencils	120 min
4.2	Business/ Activity planning	Production planning at producer and Group level Activity plan and its importance Preparing an activity plan (Estimating demand and supply) Implementation and Monitoring	SGD and Practice sessions, White board animation	Production activities plan prepared for the PG.	Templates, Chart, Pen, Pencils	120 min
4.3	Basic Financials	Importance of financial management Types of costs Costs of production at Producer level and PG level Income and returns Reducing costs and increasing income	Practice sessions, SGD and Presentations	Understanding costs, returns and profits in a production system	Templates, Charts	120 min
4.4	Resource Mobilization	Project Start up fund and Eligibility criteria Convergences and Bank linkages				60 min

DAY 5 Modules 5: Orientation to Producer Collectives

S.No	Name of session	Contents	Methodology	Expected outcomes	Materials required	Duration
5.1	Basic understanding and need for a PC	PC and its importance PC Membership PC Structure & Functions	ILM, SGD, Case Presentation, Visit to a PC Video	Participants have a basic understanding of PC	PPT, Digital materials	60 min
5.2	PG- PC linkages	PC (formation) Visioning Exercise Membership Criteria and Mobilisation of shares Shareholding Roles and responsibilities of PG as producers and suppliers to PC	ILM and SGD	Understanding of the connect of PG and PC	Charts, Pen	60 min
5.3	PC legal forms	Various legal forms available for PC Advantages and disadvantages	ILM Video presentation Exposure visit to a PC	Understanding of various legal forms	PPT.	60 min

**** An Exposure visit for the PG office bearers to a successful PC can be planned before the conduct of the above module***

Module 6: Technical trainings as per commodity / sub-sector (1-2 days depending on need)

Note: *These trainings are product specific and will be imparted by commodity/technical experts. The broad areas of imparting trainings related to the technical trainings are articulate. Specific themes related to each commodity/ subsector may be developed further with the support of the experts. This may take 1 to 2 days based on the need of the group*

Session No	Name of session	Contents	Methodology	Expected outcomes	Materials required	Duration
6.1	Product / Production Management	Commodity/Product related Issues and challenges Strategies and techniques for improvement in production (Varietal improvement, Adjusting of time, Increasing area, Increasing yield etc, production /productivity,) Understand the importance of production schedule Innovative technologies in Processing, packaging and storage Product Diversification	Demonstrations, Tie up with experts, Lecture, Podcast, Whatsapp,	Learn on improved production related techniques and skills and on production management	Farm sites, tools, plots etc	1-2 days
6.2	Quality management	Kinds of produce quality issues and hazards Quality loss during production, harvest and post-harvest Practices that help minimize these issues Quality parameters and standards	Video tutorials, demonstration, Integrated lecturemethod	Understand the issues related to produce quality and minimizing these issues	PPT, Video, Charts	60 min

Session No	Name of session	Contents	Methodology	Expected outcomes	Materials required	Duration
6.3	Good Agricultural Practices	Food safety GAP in production, harvest and post- harvest ESMF Requirements for PGs	Video tutorials Lecture	Participants understand the concept of GAP and its role on food safety, produce quality and environmental sustainability	PPT, Video, Charts	45 min

(E) Session Plan summary

Module 1	Overview of a PG	Time required
Session 1.1	Introduction of the Participants	30 min
Session 1.2	Orientation to VKP Project	45 min
Session 1.3	Individual Vs Group Action	45 min
Session 1.4	Basic concept of PG- Why & What	90 min
Session 1.5	PG Structure and Formation	90 min
Module 2	**Governance, Leadership and Management**	
Session 2.1	PG Governance	60 min
Session 2.2	Management- Roles and Responsibilities	90 min
Session 2.3	Leadership and Communication	60 min
Session 2.4	Group Functioning and Processes	90 min
Module 3	**Basic Record keeping and Accounting**	
Session 3.1	Record Keeping	120 min
Session 3.2	Basic Accounting Systems	120 min
Session 3.3	Recording Transactions	180 min
Module 4	**Activity Planning**	
Session 4.1	Understanding Need for Planning	120 min
Session 4.2	Preparing an Activity Plan	180 min
Session 4.3	Basic Financials	180 min
Session 4.4	Accessing Funds (Project start up fund and Convergences)	60 min
Module 5	**Orientation to Producer Collectives (Why & What)**	
Session 5.1	Basic Concepts of a PC	60 min
Session 5.2	Legal Status	60 min
Session 5.3	Share Holding	60 min
Module 6	**Technical Trainings as per Commodity Sub-Sector**	
Session 6.1	Production Management	1 day
Session 6.2	Quality Management	60 min
Session 6.3	Good Agricultural Practices and ESMF	45 min

MODULE 1
BASIC ORIENTATION TRAINING

MODULE 1 Basic Orientation Training		
SESSION	TOPIC	DURATION
1.1	Introduction of the participants	30 min
1.2	Orientation to VKP Project	45 min
1.3	Individual Versus Group Action	45 min
1.4	Basic Concepts of PG- Why and What	90 min
1.5	Structure, Formation and Functions of PG	90 min

SESSION 1.1

Time: 30 min

Session Objectives:

1) To help the participants gain mutual confidence
2) To set a cordial atmosphere for the participants

Process- Summary

Session Outline				
S.No	Content	Methodology	Time (Duration)	Materials
1.	Introduction to the participants	Read out objectives of the training - ILM, Game	60 min	Flipchart

Process - Detailed

The training could be started by stating the training objectives and asking the participants to write down their expectations. The facilitator can note down their expectations, consolidate and summarise their expectations. After this the introduction of the participants could be done. This could be conducted through various games.

Game 1 Introduction to a companion game

Method: The following methods can be used to select a companion. Names/drawings of fruits, flowers, vegetables, animals, etc., can be written in small slips, the number of slips should be as per the number of the trainees. Suppose if there are 50 people, 25 sets of slips or drawings should be prepared. After each of them selects a slip, two people who have selected the slip with the same name or same drawing can be asked to become companions. Five to ten minutes time shall be given for each pair to introduce themselves. After introduction, each of the participants will introduce his/her companion to the total group. During introduction they should be asked to share the following points:

Game 2: Introducing by moving in a circle

Method: The trainees should be made to stand in two circles, one within the other and asked to walk in opposite directions. They should be asked to stop moving when the resource person claps and should introduce the person who is mutually in front of each of them. They shall be asked to exchange information like their name, place and a little family background.

After some time they should be asked to move again. Again at the clap of the resource person they shall stop and introduce themselves with new friends. This activity can be continued for 4-5 rounds. This activity/ game helps to introduce or know 4-5 new friends in very less time.

Note to the Trainer

In this session process of filling up the pre-training questionnaire can be done. The trainer should have clarity and skill about the introduction game they are going to facilitate. They should keep all the necessary material prepared well before time. They should ensure that all the trainees will take part in the game and shall try to complete the game within the stipulated time.

Outcome:

Opportunity for the trainer to personally identify the attitude of the trainees

A cordial and comfortable atmosphere created for the trainees

Helps build a rapport between the trainees and resource person

SESSION 1.2 Orientations to VKP Project

Duration: 45 min

Session Objective:

The participants learn the goals, objectives of VKP and Enterprises promotion in the project

Process: Summary

S. No	Content	Time	Methodology	Material
1	VKP project objectives, approach, project components of the project	30 min	Presentation, ILM	PPT
2.	Types of collective enterprises to be promoted in VKP project	10 min	Presentation	PPT
3.	Role of ECP in VKP project	10 min	Presentation	PPT
4.	Summing up the session	5 min	Lecture	

Start from here

Process Detail:

The trainer can start with the session by asking the participants whether they are aware of VKP project before.

Method:

Power Point presentation

Learning Outcome:

By end of the session the participants should have understood the objectives, approach and benefits of the project

Note to the trainer

The resource persons should ensure that the subject presentation passes in the right direction. After presentation discussion should be held by the trainer so as to provide proper information to the participants.

Time duration: 60min

Materials: Handouts, PPT

Annexure (1.2) / Handouts

Note to the Trainer

The trainer can elicit question from the participants as whether they are aware of VKP project activities (as VKP had already worked in the blocks with CAP assistance)

What kind of activities was supported since VKP had focussed more on revival of the enterprises.

Session 1.3 Individual Vs Collective Action

Duration: 45 min

Session Objectives:

- To make the participants understand the importance of collective action
- To make them appreciate the benefits of collective action

Session plan

Process - Summary

S. No	Content	Methodology	Time duration	Materials
1.	Introduction to the session	Case study interactive lecture method,	10 min	
2.	Individual Vs Collective Action	Story narration, Brainstorm	30 min	Chart, Pen
3.	Advantages of collective action	Brainstorm	30 min	Chart, Pen
4.	Games	Any	30min	Cards
5.	Summing up and link with next session		10min	

Process detailed

Task 1: The trainer has to start the session with an introduction to the objectives written on a chart.

Task 2: Could play broken square Game to describe how collective action is effective in accomplishing certain tasks which cannot be achieved individually. The suggested story is given in the Annexure.

The facilitator can ask the group to explain what kind of tasks is done collectively undertaken in their farm related activities.

Divide the groups into subgroups and each group can present their discussions in their plenary. Note them down separately in the flipchart.

Individual Vs Collective Action

Suggested Games Broken square game

Task 3: A brainstorming session can be held with the participants to list out the advantages of collective action over individual action. The trainer also has to elicit questions as given below:

1. The present issues and constraints affecting the individual producers

2. What could be the solutions and

3. What kind of collective actions could be taken up.

This could be listed down in the chart and summed up.

Summing up and conclusion:

The facilitator can explain the advantages of collective action and also of a collective enterprise.

Learning outcome:

The participants understand the benefits of collective action.

Handouts/Annexure- To be included-

Case study of successful PG

Benefits of collective action

1. **Buy inputs at a lesser cost**

   By buying in bulk, the group can get discounts from suppliers and share transport costs.

2. **Bulk aggregation of produce.**

   Most small-scale producers are unable to get a good price for their produce because they are unable to access markets which offer higher prices. By Bulk aggregation, PGs can enable better prices by achieving the scale necessary to deal with buyers in these markets.

3. **Better Access to finance.**

   Financing is a key challenge for small and marginal farmers, PGs can access finance through convergences and bank linkages

4. **Utilising Common Group Infrastructure** PG can create Common infrastructures like drying yard, storage facilities, and machineries (Customer Hire Centres)

5. **Production planning, Quality Management and traceability PG facilitates a** coordinated planning, monitor the quality standards and traceability of the produce.

6. **Improved access to technologies** PG could link with technological institutions for improved *technologies and training to its members

Session 1.4

Basic Concepts of PG- Why and What

Duration: 90 min

Objectives:

To introduce the purpose and characteristics of a PG to the participants

Process summary

Session Outline

S. No	Content	Methodology	Time duration	Materials
1.	Introduction and Link to previous session	Brainstorm/Reading objectives	10 min	Chart, pen
2.	Why PGs- Scope of activities	Small group discussion	40 min	Chart, pen,PPT
3.	Type of PGs	ILM/SGD	10 min	Chart, pen, PPT
4.	What is a PG?	ILM/PPT	30 min	Handouts. Case study of PG-Youtube, Video
5.	Summing up and link to the session	Discussion	5 min	10 min

Process summary

Task 1: The trainer can brief about the objectives of the current session and ask a participant to recap the previous session and also ask one or two participants to explain about the how the present session has a link with the previous session.

Task 2: The participants should be divided into small groups and ask to discuss why a PG need to be formed and the activities that could be undertaken by a PG in the subgroups. Representative from a subgroup could present their discussions in a larger group. The facilitator should sum the discussions and conclude the need and importance of PG and its scope of activities.

Task 3: The trainer could ask the producers to list down the type of Producer Groups that are functioning in their village and what kind of activities they are engaged in. The differences and commons aspects in other groups could be explained.

Task 4: The definition of PG is to be made followed by a Video presentation of a case of well functioning of PG. A field visit to a well functioning PG could be made. The trainer should elicit questions and prompt discussions on the PG case.

Summing up and Conclusion: The trainer should sum up the session by reinforcing the importance of a PG.

Learning outcome:

By the end of training session the participants would have understood the importance of PG and learnt its essential features

Annexure (1.4)

Videos of Successful PGs

Who is a primary producer?

A producer is any person who is engaged in any activity connected with or relatable to primary produce.

What is a primary produce?

Primary Produce essentially means the procedure of farmers which arises from agriculture, animal husbandry, horticulture, floriculture, fisheries, forestry, forest products, re-vegetation, beekeeping and farming plantation products. It includes the produce of persons who are engaged in handloom, handicraft to other cottage industries.

AGRICULTURE PRODUCTS

What is a PG?

PG is a group of *primary producers engaged in a particular commodity/ subsector in a village or cluster of villages who come together for aggregation, productivity enhancement and other collective actions. The producer groups will be organized when there is opportunity of collectivization, aggregation, value addition and marketing of Farm commodities (like Maize, Millets, Vegetables, Pulses, NTFP and Oil Seeds) or Off- Farm (Milch animals, Goatery).

*Primary Producers are producers are dependent on natural resource base for their livelihoods and engaged in the primary production viz., farmers, milk producers, fishermen, weavers, rural artisans, craftsmen.

PG Objective - The basic objectives of the PG is to improve the productivity, profitability and thereby increasing the income of individual producers. They work together to solve agronomic and other problems, particularly focusing on procurement, processing, and marketing of products in a collective manner to increase their productivity, efficiency and profitability.

Session 1.5 Structure, Formation and Functions of a PG

Duration: 90 min

Objective

By the end of this session, the participants would have understood the Steps in formation, structure and functions of a PG

Duration 90 min

Process Summary

Session outline

S. No	Topic	Duration	Methodology	Materials
1	Introduction to the session and link with previous session	10 min	ILM	Chart, Pen
2	PG Structure and Formation	60 min	Role play, Video	Handout- Annex 1
3	Functions of a PG	20 min	PPT , SGD	Handout- Annexure 2
4	Summing up and link to next session	10 min	ILM	Chart, Pen

Process Detailed

PG Structure

Task 1: The facilitator asks one of the participants to recap the previous session and provides an introduction to the objectives of the current session.

Task 2: A presentation is made on the PG structure, a guide line on the membership criteria, formation process. At the end of the presentation, The facilitator should allow time for participants to raise doubts and discussions on the subject.

The Facilitator asks, "What are the common steps in the formation of PG?

Task 3: The group could be divided into subgroups. A demonstration/ roleplay / video presentation could be held on how an initial meeting is to be conducted and on how the members can evolve byelaws. Now each subgroup can demonstrate on the above steps

Task 4: Working with the same groups, the facilitator could give each group a chart paper and ask them to list out the functions. The will write out the functions of a PG and the facilitator will read out all the functions written on the charts one by one. Facilitator will ask the participants that any functions left out from this list? If yes, ask the participants add any missed point under the functions of PG.

Questions:

1. What are the functions performed by PG?
2. Any functions left out from this list?

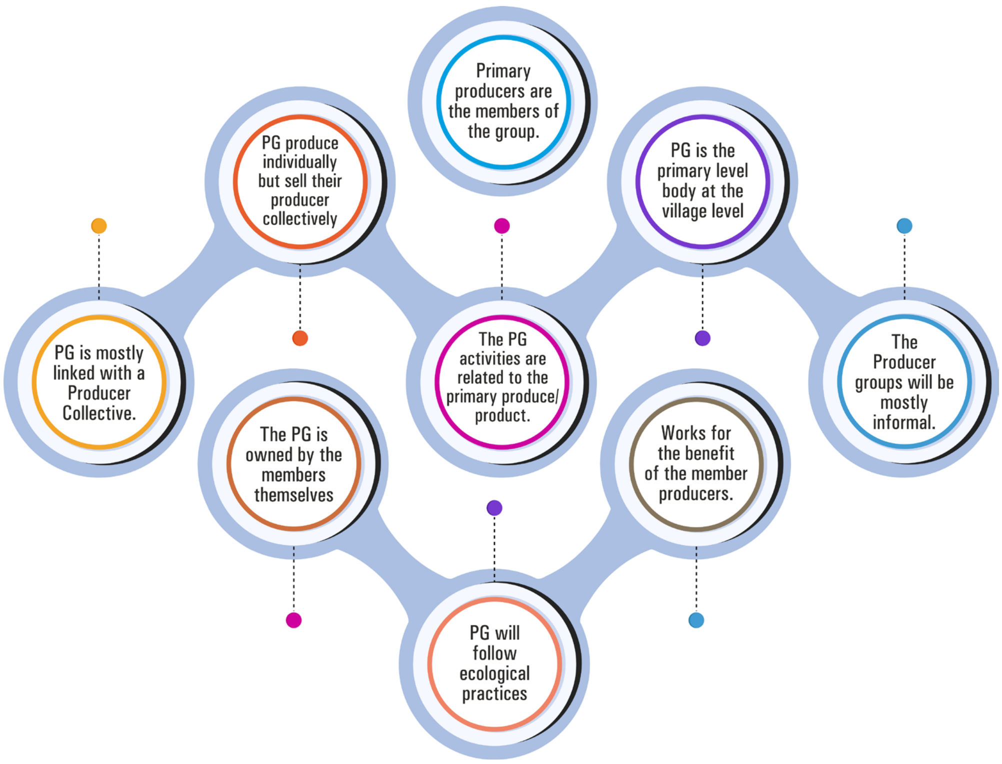
Task 5: Summing up

Summing up: The facilitator will sum up the session by clarifying their doubts and linking this session to the next one to next session

Handout/Annexure (1.5)

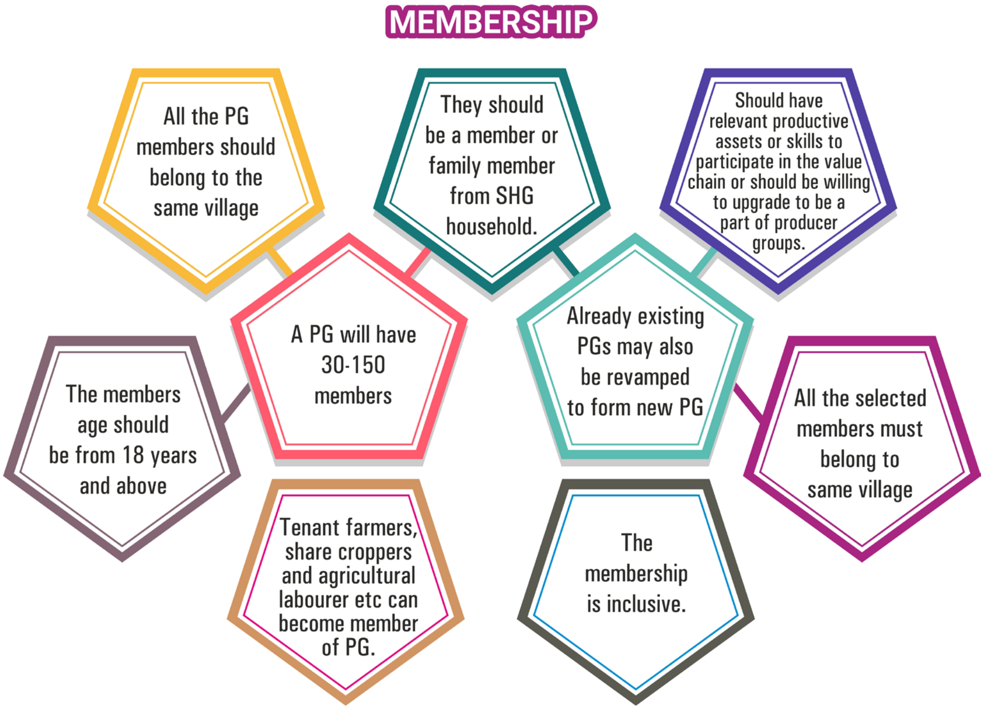
What are the essential features of a PG?

A producer group is owned and managed by the *primary producers for their mutual benefit to access to common facilities like infrastructure, capacity building, hand-holding, financial support & markets linkages on a sustainable basis.



Group Size and Structure

The PG could have a minimum of 30 and maximum of 150 members with sub groups of 10-20 members at the hamlet level. These sub groups are formed to ensure transparency and participation of members in the activities of the group. These subgroups should ideally be located within the same hamlet in close proximity and may function as a Joint Liability Group (JLG) for financial linkages.



PG Formation Steps and Process

Formation- Steps involved

Focus Group Discussion with the Producer Members

A meeting of all the producers in the village is organized and focused group discussion with the producers is conducted to brief about the prioritized commodity and the possible value chain interventions that can be developed through the project. As far as possible women membership should be promoted. In Traditional activities like livestock rearing or floriculture the involvement of women is high. All women should be included as PG members for these kinds of traditional activities. If the activity is non-conventional (Eg: Operating agricultural machineries), proactive measures will be taken by the ECPs to motivate, train and engage women in such activities.

During the meetings members the points related to decision on time and place of meetings, penalties for non-attendance, membership fee, and production activities are to be discussed by group members.

Integration of Existing PGs

Adding more group members in existing PGs could also be tried

The ECP would hold a separate FGD in a village with the existing Producer groups who were identified during the PGP process to assess the strength of the group and in terms of governance, the activities and financial health, strengthened and integrated into the project.

Mobilization of Producers into PGs

The interested producers are mobilized to form a New PG. The aims, objectives and norms of the Producer group are explained to the members.Based on contiguity, homogeneity, new PG group may be formed.

Framing of Bye laws and Norms: The bye laws and Norms are evolved by the PG members based on the guidelines

Member Subscription

Each member identified for the PG should pay Rs.100/ as membership fee which is one time and non-refundable. A separate amount to meet the expenses for a PG could be collected as decided by the PG members.

Opening of PG savings Bank account

Opening of PG savings account in a bank, preferably a service area bank is a significant step in the promotion of PG. The ECPs will facilitate opening of PG savings bank account soon after the formation of PG. The ECP will provide documentation support and introduce the bank manager to the PG and facilitate opening of bank account. The PG should adopt a resolution and this should be mentioned in the minute's register of PG.

MODULE 2

GOVERNANCE, LEADERSHIP AND MANAGEMENT

MODULE 1 Basic Orientation Training		
SESSION	**TOPIC**	**TIME DURATION**
2.1	PG Governance	60 MIN
2.2	Management-Roles and Responsibilities	90 MIN
2.3	Leadership and Communication	60 MIN
2.4	Group Functioning Process	90 MIN

MODULE 2

PG Governance, Leadership and Management

SESSION 2.1 PG GOVERNANCE

DURATION: 60 MIN

OBJECTIVES

After this session the participants will be able to understand group governance

Process (Summary)

Session Outline				
S.No	Content	Methodology	Time (Duration)	Materials
1.	Introduction to the participants	Read out objectives of the session ILM, Game	5 min	
2.	Group Constitution Why and what?	ILM, SGD	25 min	PPT, Template, Charts, Pens
3.	PG General Body and Executive committee	Presentation and ILM	25 min	PPT, Charts, pen
4.	Summary and Conclusion		5 min	

Process (Detailed)

Task 1: The trainer reads the objectives aloud and explains the session outline to the participants.

Task 2: The facilitator explains why a constitution is important element for a PG. The trainer also explains the aspects of good governance.

He/She also explain different elements of the constitution and how byelaws could be evolved and followed. The trainer also explains about the election of office bearer is conducted. The group is now divided into subgroups and each subgroup is asked to evolve the byelaws and norms for its subgroup. The subgroup presents its discussion in a larger group. The facilitator now summarizes by presenting a case example of the constitution of already existing PG. At the end of the session a group exercise or a Q & A session can be conducted for the participants.

Task 3: The trainer presents the PG governance structure and their functions at various levels. Annexure/ Handout (2.1)

Task 4: The trainer also explains what constitutes a management committee, the different types of management subcommittees and their functions. This could also be done by role play. The group can be divided into subgroups and each subgroup can act as a sub-committee. The subgroups can discuss their roles and can explain in a larger group discussion. Finally the facilitator summarises the functions of each subcommittee. Annexure/Handout

Task 5: At the end of session the facilitator can conduct Q & A on the roles and responsibilities of different structures of to the participants understanding on the subject.

2.1 Annexure/Handouts

PG Byelaws – What should it have?

It should be made step by step, and tailored to the particular needs of the group. The first draft is made when a group is formed. Rules can be added or changed as new issues arise.

Groups often **borrow** a byelaw: The group should consider them carefully and adapt them to their own needs and to reflect the group's own purposes.

Some of these rules can be set as **byelaws** rather than included in the Policy. It is best to keep the constitution general and vague to allow sufficient flexibility. The details can be filled in by byelaws.

Governance Structure of PG

General Body: The General Body will be the principal decision making body of the Producers' Group and will comprise of all the members of the group. The general body will meet at least once in three months with a quorum of two third of its members.

Functions of General Body:

- General body will approve the plan in annual general meeting
- General body will verify and approve the financial statements
- GB can call meeting in case of any urgent need felt by the members and has the power to dissolve the executive committee

SESSION.2.2: Management of PG -Roles & Responsibilities

Duration: 90 min

Session Objective:

At the end of this session the participants will be able to understand how to manage a PG and the roles and responsibilities of management committee

Process Summary

Session Outline				
S.No	Content	Methodology	Time (Duration)	Materials
1.	Introduction to the session and link to the previous session		10 min	
2.	Office bearers-Roles and responsibilities of	SGD, Role Play	45 min	Charts, pen
3.	Subcommittees- Types and functions	SGD	20 min	PPT, Chart, pen
4.	Summary and conclusion		10 min	

Process Detailed

Task 1: The facilitator introduces the participants to the objectives of the current session and explains the link to the previous session

Task 2: The roles and responsibilities of office bearers, election of office bearers and their rotation are explained by the facilitator Annexure (2.3). A role play can be enacted by few volunteer participants.

Task 3: The facilitator recaps about the executive committee, the subcommittees in a PG. At the end of the session the facilitator can ask the questions to the participants in an interactive mode and ask one of the participant to recap the salient points of an executive committee

Task 4: The trainer introduces the types of subcommittees that could be formed for division of responsibilities in the PG and types subcommittees and its formation. The participants can be divided into 4 subgroups and each subgroup can be assigned to discuss on a subgroup. The subgroup can present their findings in a larger group.

Task 5: At the end of the session, the trainer can conduct a Q&A session on governance and management. The facilitator sums up the session by reinforcing the salient points made during the session.

Learning outcome: The participants understand key management committee and their roles and responsibilities

Annexure (2.2)/Handout

OFFICE BEARERS-ROLES AND RESPONSIBILITIES

The Executive Committee will comprise of 3 office bearers namely President, Secretary and the Treasurer to run the day to day operations of the Producers' Group along with members from the sub committees.

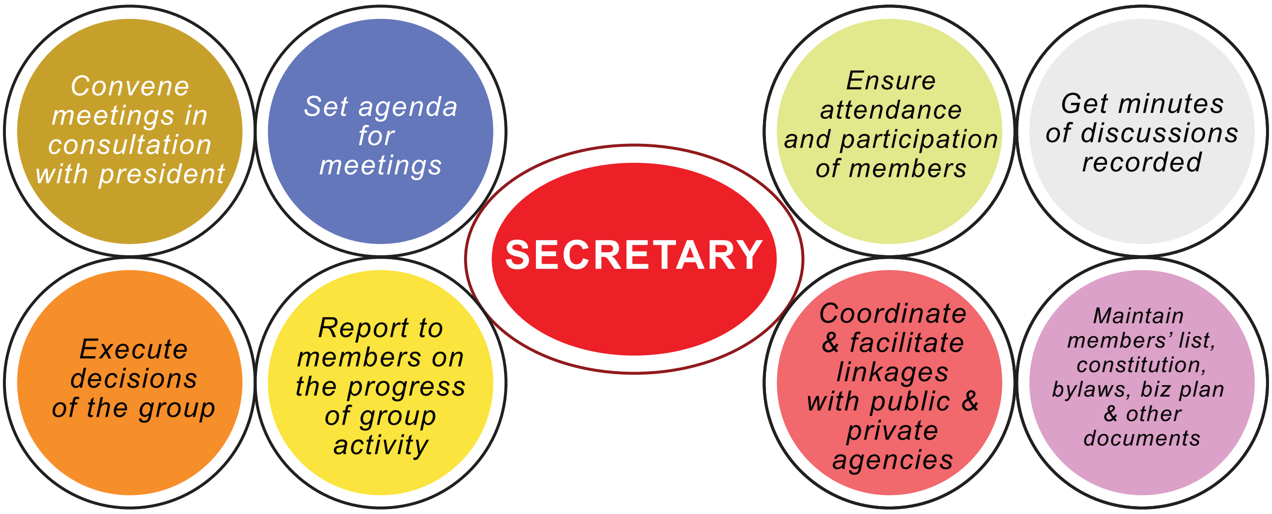
- Selection of PG Office bearers may be done by nomination by the majority of members by the Executive Committee
- The Office Bearers (OB) will be accountable to the EC for their day to day activity.
- Any two of the elected OBs (The president and the Treasurer) operate the PG bank account with the approval of Executive Committee.
- The PGs may decide to rotate the office bearers amongst the members at specific intervals (2-3 years) in order to inculcate leadership qualities among all members and to promote shared responsibility.
- Office bearers report to general assembly during the annual general meeting and they get instructions for the next year.

ROLES AND RESPONSIBILITY OF OFFICE BEARERS

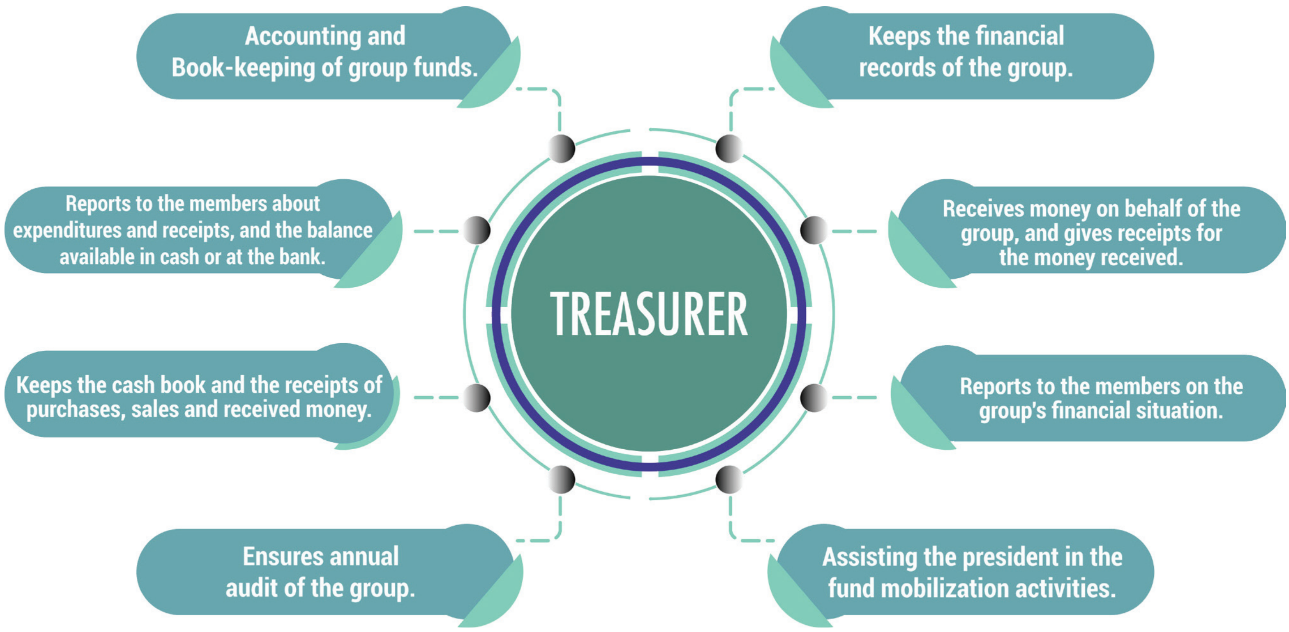
ROLE OF A PRESIDENT- The president leads coordinates and represents the group. He/She are the custodian of the group and provide overall guidance and ensure regular conduct of meetings and participation of members.

ROLE OF A SECRETARY- The secretary manages the group's correspondence and records. She / He is the custodian of all records and books of accounts of PG and its assets and responsible for organizing meetings regularly.

The role of a secretary is to



ROLE OF A TREASURER- The treasurer manages the group's money- The role of a treasurer is to



To summarise the treasurer is responsible for all financial matters including accounts and audit. In the absence of Treasurer, Secretary takes full charge of all the responsibilities of Treasurer

Apart from the office bearers the PG may choose to have a production coordinator and Marketing coordinator

SESSION 2.3 LEADERSHIP & COMMUNICATION:

DURATION 60 min

At the end of this session

The participants will be able to understand the qualities of an effective leader and communication

Process (Summary)

Session Outline				
NO.	**CONTENT**	**METHODOLOGY**	**TIME(min)**	**MATERIALS**
1.	Introduction to the objectives of the session and link with the previous session	Reading	10 min	Chart
2.	Qualities of a good leader	SGD, ILM Games	30 min	Handouts
3.	Leadership styles	ILM	30 min	PPT
4.	Communication	SGD, Role play	20 min	PPT, Chart, en
5.	Summing up the session and conclusion	Lecture	10 min	

Process detailed

Task 1 The facilitator introduces the session to the participants by reading aloud the objectives

Task 2 The facilitator could divide the groups into subgroups and ask them to list the qualities of good leader. Then each subgroup discusses and writes them on a chart and presents it in a larger group. The exhaustive list of qualities of qualities of a leader is made. The facilitator then could put it together and reinforce the qualities of a good leader. Also could let the participants know they could also make effective leaders. The facilitator also could present a case of a leader and why he made a good leader

Task 3 The facilitator starts the presentation with a presentation of the types of leader and style of leadership, its advantages and disadvantages Annexure (2.4). The facilitator could pick up few participant and ask about a leader they most like and which style best fits them and discuss it detail on the advantages and disadvantages to the large group. A Q & A session could be conducted at the end of the session as given in the Annexure

Task 4 A presentations is made at the end of the session on communication and various types of communication that a leader could use in different types of situation and effective communication is important for a leader.

GAMES/STORY

The trainer could divide the group into subgroups and gives a conflict situation on the subgroup could work on. Each subgroup could be asked to discuss on the topic. The sub-group cans role plays how they resolved the conflict and presents it to the larger group. The facilitator then summarizes the session by how a conflict could be resolved by effective communication and negotiation.

Handout (2.3)

Ask participant to go in pair and to tie the cloth around one person in each pair. The person who is not blindfolded lead the person that is for five minutes Discussion How did the blindfolded person feel when you could not see? How did you feel about the person leading you around? Did you trust him/her? Why or why not? Do you feel that your guide cared for you or that he/she made a fool of you? Why? How did the 'guides' feel leading a blind person? What special efforts did you make to lead your partner? Did they search for difficult or easy things for their partner to experience? Did they give him/her their full attention? Did they supervise him/her tightly or did they allow him/her to act freely? Did they explain each situation before hand? From the answers given during the discussion above, some general conclusions can be drawn regarding leadership e.g.:

A good Leader:

- *Does not leave his/ her group to their own devise*
- *Does not force others into his/her own plans*
- *Gives sensible and timely explanations,does not threaten others, but does not hide constrains either.*
- *Acts according with the capabilities and the emotions of the group he/she is leading*
- Delegates those responsibilities and tasks that can be accomplished by other by othermembers of the group

Learning outcome:

After this lesson the participants will be able to describe the desirable characteristics and skills of effective leader.

Q & A at the end of the session

Which is the best style of leadership?

Select the best option.

- Leaders who command
- Leaders who consult
- Leaders who enable
- A combination of styles depending on the situation

A good leader has the following characteristics.

Select all that apply.

- Confidence
- Arrogance
- Focus and analytical
- Bossy
- Aggressive
- Composed

Which statement or statements best describes a good leader?

Select all that apply.

- A good leader controls what each group member does and takes all the decisions.
- A good leader instils confidence in others by delegating tasks among group members.
- A good leader has no need to listen to the opinions of others because he or she was selected because of their superior knowledge and skills.
- A good leader participates in group tasks and does not mind getting his or her hands dirty.

To be a good leader a person must be an expert who has deep technical knowledge of farming.

- True
- False

Lalitha is confused about what each leader in the group should do. She needs your help to match each duty with the correct person.

Match the role with the correct leader.

DUTY	LEADER
A. Organize meetings	1. Treasurer
B. Maintain documents	2.President
C. Keep financial records	3. Production coordinator
D. Coordinate planting and harvesting	4. Secretary
E. Check that the accounts are accurate	5. Marketing coordinator
F. Manage the sale of produce	6.Auditor

Which of these people is NOT a member of the management committee?

Select the correct option.

- Chairperson
- Treasurer
- Auditor
- Secretary
- Marketing coordinator
- Production coordinator

Handout

Qualities expected of a good leader

Real life examples could be used to explain these qualities

Integrity: A leader must be honest and impartial and must earn the trust and respect of others.

Vision: Vision gives direction and builds cohesion among the group members. People trust a leader who knows where they should go and how to get there.

Enthusiastic: Leaders must inspire and motivate the group members, and must convince outsiders about what they do.

Team player: Good leaders work well with other people, and lead by example.

Confident and purposeful: Good leaders have the ability to make decisions, an ability to inspire confidence in others, and the talent to draw out the best efforts of the team and to get things done well.

Resolving conflict: He or she helps resolve disputes among members and guides their energy into positive channels.

Good communicator: Leaders must be able to communicate well with the group members. They encourage the building of relationships within the group and with outsiders.

Calm, focused and analytical: Good leaders manage crises by staying calm, and keeping them aim goal in mind. They break down at ask in to manageable steps to make it progress easier.

Knowledgeable: Good leaders have a good understanding of the problems that group members face, and should have ideas on what the solutions might be.

Participatory: To lead a group of farmers, a leader must make it possible for all the members to voice their ideas and contribute to the group's growth.

SESSION 2.4 PG FUNCTIONING PROCESSES

Duration: 90 min

Objectives: At the end of the session the participants would learn the importance and procedure for conduct of regular meetings

Process summary:

Session Outline				
S.No	**Content**	**Methodology**	**Duration**	**Materials**
1.	Introduction to the session and link with the present session	ILM	10 MIN	
2.	Conduct of Regular meetings	SGD, ILM	25 MIN	Chart, pens
3.	Member Attendance and Participation	SGD, ILM	25 MIN	Chart, pens,
4.	Decision making, Resolving Conflicts and Negotiations	SGD, Exercise	30 MIN	Chart, pen, Handout
5.	Summing up and conclusion	ILM	10 MIN	

Process detailed:

Task 1: The facilitator introduces the participants to the objectives of the session and explaining the link to the previous session by reading aloud.

Task 2 & 3: The facilitators explain about the importance of conduct of regular meetings with the participants and elicit responses from the participants Ref: Annexure (2.5)

Task 4: The facilitator can conduct an exercise- where the participants can be divided into four groups. Each group could be given a role and conflict situation with another group. The groups enact their roles. After the role play, the facilitator can observe and sum up the session by various kind of response for each group.

Task 5: The trainer summarizes and concludes the session by recap of the topics covered during the session.

Learning outcomes: The participants learn about the importance of conduct of regular meetings, decision making and conflict resolution processing in the PG

MODULE 3

RECORD KEEPING AND ACCOUNTING

BASIC RECORD KEEPING AND ACCOUNTING		
SESSION	**TOPIC**	**DURATION**
3.1	RECORD KEEPING	120 MIN
3.2	BASIC ACCOUNTING SYSTEMS	120 MIN
3.3	RECORDING TRANSACTIONS	180 MIN

Session 3.1 RECORD KEEPING

Duration: 120 mins

OBJECTIVES

At the end of the session the participants will be able to describe the types of records the group should keep and how a group should keep records.

PROCESS - PROCESS SUMMARY

Session Outline				
S.No	Content	Methodology	Time (Duration)	Materials
1.	Introduction to the session objectives	Reading	10min	Chart
2.	Record keeping What and Why?	ILM	30 min	Charts, Pen, PPT
3.	Types of Records and How to Keep Records	ILM, Demonstration	30 min	Charts, Pen, Sample sheets
4.	Minutes of Group Meeting	ILM and practice session	60 min	Charts, Pen, White sheets of paper
5.	Summing up and conclusion	Lecture	10min	

PROCESS DETAILED

Activities

Task 1: Introductory session by reading the objectives aloud

Task 2 & 3: The facilitator explains about record keeping and its importance in an Interactive Lecture Mode and the suggested procedure is as given in the annexure (3.1) to explain the importance of record keeping. He / She may conduct a group exercise as given in the Annexure (3.1)

Task 4: A sample minutes is given in the Annexure (3.1). The trainer can circulate this and also ask participants to practice writing a minute of a discussion in a meeting.

Task 5: The trainer sums up the session by reinforcing and summarizing the records to be maintained at Producer Group level which is as given below:

Learning outcome: The participants learn on the importance on record keeping and how to minute a discussion

Annexure 3.1/Handouts

Group Exercise

1. The group should keep records…"Why?

Select all that apply.

a) To help the members remember what decisions have been made.

b) To record financial transactions.

c) To enable the members to monitor progress.

d) To help avoid misunderstandings among members.

e) To meet the requirements of the government, banks or donors.

f) All of the above.

2. Who should be allowed to see the group's records?

Select all that apply.

A. Only the chairperson, secretary and treasurer.

B. Only members of the management committee.

C. All members of the group.

D. Anyone from outside the group.

E. Staff of authorized organizations (such the government, or a bank if the group applies for a loan)

3. Raghini , a community facilitator is explaining different types of records to a new group. Help her match the type of record with the correct description.

Match the type of record with the correct description.

TYPEOFRECORD DESCRIPTION		
A.	Bye laws	1. Shows which members have come to meetings
B.	Attendance records	2. Describes what the group wants to do to earn money
C.	Minutes	3. Shows who is a member of the group
D.	List of members	4. Shows the money the group has received and paid out
E.	Activity plan	5. Contains the basic rules governing the group
F.	Financial records	6. Documents agreements made at meetings

4. Who is responsible for keeping what type of records?

Match the type of records with the correct person.

TYPE OF RECORDS	WHO	
A. Sales records	1.	Treasurer
B. Attendance records	2.	Secretary
C. Planting and harvesting records	3.	Marketing coordinator
D. Financial records	4.	Production coordinator

Annexure 3.1

Group Exercise

SUGGESTED PROCEDURE

The trainer can buy the note- books the group will need for record keeping beforehand. This can be used to explain how to keep each type of record

1. Ask the group **whether it is important** to keep records of their group. Ask them why. If necessary, give some of the reasons (they help members remember what has happened help them make better decisions, document money received and paid out and who owes what, enable the group to monitor progress help avoid misunderstandings may be required by the government and other organizations).

2. Ask the participants to name the **types of documents** and other records that they should keep. Make a list of these on the cards (one type of record on each card).

3. Ask them to say **what each type of record is for.** How is it used? Why is it useful?

4. Ask them **whose job** it is to maintain each type of record (the secretary, treasurer, marketing coordinator, production coordinator, etc.). As the group agrees on each person responsible, give that card to the person responsible.

5. Ask the group **how** the records should be made. Memorized, hand written in a note book, on loose sheets, on a computer, on a mobile phone...? Get them to think through the pluses and minuses of each method, and to decide which method (or methods) to use.

6. Using the note books and flipchart, explain how to keep each type of record.

7. Ask **where** the records should be kept. How best to keep them safe? Should copies be made for safety? How should this work?

8. Remind the group that in addition to written records, they should also memorize the most important details such as the provisions of the byelaw and how much each person owes or is owed.

SESSION 3.2 BASIC ACCOUNTING SYSTEM

Duration: 120 min

Objectives

At the end of the session the participants must be able to explain the four parts of a simple accounting system and records transactions

Process (Summary)

Session Outline				
S.No	Content	Methodology	Time (Duration)	Materials
1.	Introduction to the session	Reading	10 min	Chart
2.	Importance of Paying fees and accounting	ILM	30 min	Chart
3.	Basic principles of accounting system	SGD, ILM, Practice	60 min	PPT, Sample sheets, Digital Tools
4.	Importance and Role of Book-keeper	ILM	30 min	Chart , Pen
5.	Summing and conclusion	Lecture	10 min	Chart

Process (detailed)

Activities

Task 1: The facilitator explains the objectives of the session to the participants

Task 2: Importance of paying fees and accounting

The facilitator explains the importance of paying fees and accounting to the participants in Interactive Method Annexure (3.2) Handout

Task 3: Basic principles of accounting system

The facilitator explains the basic principles of accounting system and the importance of cash and bank book to the group. A sample cash book – Annexure (3.2) is presented to the group and the facilitator explains of how to make entries in the Cash and Bank book Example of a Cash book and Bank book is given in the Annexure.

Task 4: Importance and role of a Book-keeper: The facilitator elicits questions to the group on this topic and concludes the session by summarising on the importance and role of a book- keeper

Task 5: The facilitator concludes the session by recap of the important points in the session.

Annexure (3.2)

ACCOUNTING

A simple accounting system consists of Cash Book, Bank Bok, Receipts and Payments documents

- **Cash book :** Cash receipts and cash payments, pertaining to the PG only, may be recorded in cash book against appropriate account heads
- **Bankbook:** Any transaction made through the bank is recorded in the bank book.
- **Cash Box:** The money in the cash box is recorded at all times. Every time money is received or payment is made it is recorded in the cash book.
- **File folders:** to hold receipts and other documents. The group will need one folder for the cash receipts and another for the bank receipts and statements.

SESSION 3.3 RECORDING TRANSACTIONS

Duration: 180 min

Objectives:

At the end of the session the participants will learn how to record the transactions in a cash book.

Process (Summary):

Session Outline				
S.No	Content	Methodology	Time (Duration)	Materials
1.	Introduction to the objectives of the session	Lecture	10 MIN	Chart, Pen
2.	Receipt and Payment-	ILM, Practice	60 min	Sample vouchers, Receipts
3.	Cash and Bank Book–	ILM,	60 MIN	Sample sheets
4.	Practice session of accounting in a cash book	SGD, ILM, Practice	120 MIN	Charts, Pens, Worksheet
5.	Summing up and conclusion	Lecture	10 MIN	Chart, Pen

Process (detailed)

Activities

Task 1: The facilitator starts the session by explaining the objectives of the session to the participants

Task 2: Receipt and Payment- What and Why? The facilitator explains about the receipts and payment to the participants showing sample receipts and payments and importance of obtaining and filing the vouchers Annex (3.3)

Task 3: Cash and Bank Book- What and Why? The facilitator explains the importance of cash and bank book. She/he explains a sample cash book and bank book as given in the annexure(3.3) to the participants

Task 4: Practice session of accounting: The groups are divided into subgroups and Sample worksheets are given to the subgroups. An exercise of a transaction is given to the group. They practice recording the transactions and present it to a larger group. The facilitator can correct if there are any mistakes made during the exercise.

Task 5: The trainer/facilitator concludes the session by summing up and conclusion

Annexure 3.3/Handouts

Receipts and Withdrawals

When money is taken from the cashbox or bank, there has to be a piece of paper to show who took it out and how it was used. This can be a receipt from a trader or a shop. Some traders and shops give receipts automatically. If not, it may be necessary to ask for one. If there is no receipt, the person who makes the purchase should write the date, item and amount on a slip of paper and sign it.

The treasurer puts all these receipts in a file folder in chronological order. The best choice a ring binder: punch holes in the receipts to put them in the binder, with the oldest receipts at the bottom and the newest at the top.

On the top right corner of each receipt, the treasurer should write the same number as in the cash book or bank book..

On the right are examples of:

- A receipt that the input supply store gave when the group bought some sacks to hold grain.
- A receipt that the treasurer wrote when withdrawing money from the cash box to deposit in the bank.

It is best to file the receipts straight away, as soon as they come in. If this is not possible, then the treasurer should set aside sometime to do it regularly, perhaps once a week.

Sample receipt for grain sacks

Sample payment for purchase of Maize

CHECKING THAT THE CASHBOX AND CASH BOOK AGREE

The treasurer should check regularly (perhaps once a week) whether the amount of money in the cashbox is the same as the latest balance stated in the cashbook and find if there is any difference in the amount.

Example of a cash book

NO.	DATE	ITEM	Debit (Rs)	Credit(rs.)(Rs)	BALANCE
	201				
1	3 Jan	Cash balance from last year			250
2	5 Jan	Membership fees2015:15 members x 20¢		300	550
3	6 Jan	Sale of maize: 20 bags x 50¢		1,000	1,550
4	7 Jan	Sacks: 20x5¢	100		1,450
5	8 Jan	Deposited in bank	1,000		450
6	10 Jan	Fare for Mary's trip to market	10		440
7	15Feb	Withdrawn from bank to		2,000	2,440
8	16Feb	Seed	500		1,940
9	16Feb	Fertilizer	1,500		440

250 balances carried forward from the previous year

300¢ of fees put into the cashbox. This figure is written in the **Payments in** column. The new total in the cashbox (550¢)

is written in the **Balance** column. The members' names and the amounts they have paid are noted in the

The group sold 20 bags of maize at 50¢ each, totaling1,000¢.Thenewtotal(1,550¢) goes in the **Balance** column.

The group bought 20 empty sacksat5¢each.Thetreasurer took 100¢ out of the cashbox to pay for these. The new total (1,450¢) goes in the **Balance** column.

The treasurer deposited 1,000¢ in the bank. This was taken out of the cashbox, so is recorded in the **Payments out** column. (It will be recorded separately in the **bank book** as a paymentin.)

The new total (450¢) goes inthe

Mary, the group's marketing officer, went to market to negotiate with traders there. The treasurer took 10¢ out of the cashbox to pay for her fare. The new total (440¢) goes in the **Balance** column.

The group withdrew money from the bank, put it in the cashbox, then the next day used it to buy seed and fertilizer. For each deposit or withdrawal, a new total goes in the **Balance** column.

The format of cash book is given below:

CASH BOOK

Debit side (Dr.) **Credit side (Cr.)**

Date	V.No.	Particulars	L.F	Amt. (Rs.)	Date	V.No.	Particulars	L.F	Amt. (Rs.)

The Bank book

All transactions related to receipt of money in Bank and payment made through bank are recorded in the bank book. The format of Bank book is similar to that of cash book. However, it is important to note that transactions routed through a Bank only (i.e. money received in Bank & payment made through Bank) be recorded in this book.

BANK BOOK

Name of Bank:......................................

Account Type & No..............................

Debit side (Dr.) **Credit side (Cr.)**

Date	Particulars	L.F	Amount(Rs.)	Amount(Rs.)
	Account head to be debited .... ……….. Dr. Account head to be credited Cr. (Narration)		XXX	XXX

NO.	DATE	ITEM	PAYMENTS OUT (¢)	PAYMENTS IN(¢)	BALANCE (¢)
	2020				
1	8 Jan	Balance from last year			1,250
2	8 Jan	Deposited in bank		1,000	2,250
3	15 Feb	Withdrawn from bank for seed and fertilizer	2,000		250

The balance brought forward from the previous year.

The treasurer deposited 1,000¢ (remember, she took this out of the cashbox and recorded it in the cash book).

The group withdrew 2,000¢ from the bank to buy seed and fertilizer.

MODULE 4
Activity Planning

MODULE 4 Activity Planning		
SESSION	**TOPIC**	**DURATION**
4.1	Understanding the need for planning	120 min
4.2	Business / Activity planning	180 min
4.3	Basic Financials	180 min

Session 4.1 PG (Operations) –Understanding the need for planning

Duration: 120 min

Session Objectives:

At the end of the session the participants understand the elements of production and marketing and need to plan their production and marketing activities

Process Summary

Session Outline				
S.No	Content	Methodology	Time (Duration)	Materials
1.	Introduction to the session	ILM	10 min	
2.	Understanding elements of production and marketing	Market visits, Exposure visit		Templates, Charts, Pen
3.	Problem Analysis	Group exercise	60 min	Charts, pen
4.	Understanding the need for planning resources	SGD and ILM	60 min	Charts, Pen, Handouts
5.	Summing up the session	ILM	10 min	

Process (detailed)

Activities

Note to the facilitator: Planning exercise has to be contextual to the PG activity so before hand the facilitator should be aware of the nittygritties of the activity

Task 1: The facilitator reads and explains the objectives of the participants

Task 2: Understanding elements of production and marketing

The facilitators can divide the team into subgroups and ask each subgroup to describe about a market they have a visited or if possible ask them to conduct a market survey and also look at how these products could be produced and sold at a competitive price. During the market visits they could try to answer how the demand and supply affects pricing. After the exercise, the subgroups should discuss and analyze the information it has collected and report it to the whole group. The indicative questions that the team can ask and discussion is given in the annexure (4.1).the subgroups

Suggested an Exposure visit could be organised to producers who are already using improved technologies to produce more.

Concept Conclusion: The market demand and supply has an effect on pricing and the ways to reduce this effect is through improved way of current planning production methods. Details explanation given in Annexure (4.1)

Task 3 Understanding the need for planning resources

The facilitator could conduct an exercise as suggested below. The exercise tries to prioritise the problems and find solutions specific to their produce. Also this exercise enables participants to identify the causes of problems they (producers) face, judge which are most important, identify solutions and plan their resources accordingly. The suggested procedure is as given below:

After the initial market exposures and visits to performing PG (suggested) the facilitators could ask the participants to summarize their existing current production situation (type and amount of product produced), their postharvest handling (drying, storage, packaging) and marketing activities (buyers, sales agreements), and the business services (input suppliers, microfinance institutions, etc.) they currently use. Summarize these on a sheet of paper under the headings "production," "postharvest," "marketing," and "business services."

1. Ask the participants to list the main problems they face that are related to related to Pre-production, production, post harvest and marketing of their selected product (Commodity). They should write each problem on a single piece of paper.
2. Ask them to put similar problems into groups. Give each group a name, such as "low prices," "pests and diseases "or "poor quality."
3. Ask the participants to describe what they currently do to deal with these problems and List their answers.
4. Ask the participants to suggest how they might overcome the problems better either by improving their current solutions, or by implementing new solutions.
5. Invite the group to list the activities they will need to do in order to implement the solutions.

Ask each of the group to also explain how this planning exercise would be helpful in findings solutions in the future

Concept conclusion: The facilitator can summarise the small group discussion by explaining the strategies that could be taken up by the producer and producer group to overcome these problems and the need for planning resources for preparation and effective coordination.

Task 5: The facilitator summarises and concludes the session with a briefing on the learning's from the session.

Annexure (4.1) /Handouts

Facilitating Questions (Indicative list) that could be asked during the visits.

Market studies

- Where do we get the varieties that the buyers want?
- When should I expect my first payment?
- Is selling the product to one of the traders more profitable that what I am already doing?

Analysing production, Improving production and value

- What are the **new varieties** of a product that traders or processors want to buy?.
- What are the **current production methods** and **yields per unit area?**
- Are commercial producers using any new production methods to increase their yields?.
- How to increase the levels of production and competitiveness of the product and
- Whom should I contact to obtain expert advice on this?

Annexure (4.1) QUESTIONS TO STIMULATE DISCUSSION –

Production

- What area of land will each farmer plant? How many animals will each farmer keep?
- What tools and equipment will we use?
- When do we need to plant crops (or breed animals)?
- What management practices do we need to change: seed type, variety, planting density, weeding methods, fertilizer application, irrigation usage, etc.? For livestock, what are the breeding, feeding, veterinary care and housing we need?
- How will we monitor production to make sure we get the right amounts and quality?

Postharvest handling

Marketing

- How will we identify buyers? How will we market the product? Who will negotiate on behalf of the group?
- What transport will we need? What will the delivery schedule be?
- What price range will we negotiate for? What should the payment terms be? Do we need a bank account? Who will be the signatories for the account?
- How will the money be shared in the group?
- How much of the profit will we invest, and what will we investing? How will we save money in order to invest?

Business development services

How will we harvest the product? When? Who will do the harvesting?

How will westore the product? What facilities will we need?

How will we sort-grade, package and abel the product?

Annexure TABLE (4.1). EXAMPLE OF A PROBLEM ANALYSIS

PROBLEMS	CURRENT SOLUTIONS	POSSIBLE FUTURE SOLUTIONS	ACTIVITIES TO IMPLEMENT SOLUTIONS
Low prices	Do nothing	Bulk product and negotiate better price	Coordinate planting and harvesting
			Agree on collection point
			Appoint marketing agent to identify buyers and negotiate price
		Store until prices rise	Dry produce sufficiently after harvest
			Build warehouse to store produce
Pests and diseases	Spray insecticides	integrated pest management	Get training on pest management methods
Poor quality	Poor quality	increase quality	Sort produce by quality
			Prevent contamination during harvest and processing

Session 4.2: Business / Activity planning (Preparing Activity Plan)

Duration 180 min

At the end of the session the participants would be able to prepare an activity plan.

Process (Summary)

Session Outline				
S.No	Content	Methodology	Time (Duration)	Materials
1.	Introduction to the session objectives		10 min	
2.	Production planning at FIG/ subgroup	SGD and ILM	30 min	Templates, PPT Chart, Pen,
3.	PG Activity Plan	SGD , ILM and Practice sessions	120 min	Chart , Pen, Digital tools
4.	Implementation and Monitoring	SGD , ILM	30 min	Chart, Pen
5.	Summing up the session and conclusion		10 min	

Process (detailed)

Task 1: Introduction to the session objectives

The facilitator introduces the participants to the session objectives and how it is linked with the previous session.

Task 2: Crop / produce / product planning for assessment of input and output. (40 min)

In PG has a plan to supply tomato to the PC which in turn will supply to processing companies. The PG after consulting its FIGs feels it can supply 50MTtomato.The buyer specifically requires hybrid varieties like Abinavandina particular season only. The PG has decided to do crop planning and staggered planting outline, so that the required quantity and quality can be supplied. The PG has also planned for a training session for nursery owners for raising hybrid seedlings.

Question: How will the PG engage with its FIG members to achieve the target of 50 MT of supply to a PC? Both the groups will present their suggestions which will be discussed by all participants.

Concept conclusion

Crop and input planning and get an idea of the information required for the purpose as well as discuss the issues that arise at FIG level

Task 3: Understand production planning at PG sub unit level

This exercise enables understand the production planning to be done at FIGs level for crop planning and demand collection (60min)

Step 1: Taking the same case which was discussed earlier, write down various data that must be collected from the farmers for crop planning and input demand. E.g.: Farmer Name, subgroup name, PC name, Name of crop, Extent on which crop(eg: Maize) will be planted, Season, Total land, Neem cake, Urea, DAP, Tractor, etc. Along with this, irrelevant details will also be written on cards such as coconut saplings, thresher, motorcycle, etc.

Step 2: The cards will be shuffled and distributed among participants. It is likely that each participant will receive more than one card.

Step 3: Ask participants to pin the cards by asking the question -

"What all information must be collected from the PGs crop planning and demand collection?" Each participant will pin up the cards that are relevant on one chart and the irrelevant ones on another chart. Do this till all cards are done.

Task 4: To prepare a plan for the activities at PG level

The Facilitator will divide the participants into 2 groups, PG 1 & PG 2, and give them 20 minutes to discuss the case and answer the question in the case. The steps given below will be done in their individual groups.

Step1: The groups will discuss and write or draw the various tasks to be done for this business activity. One task is to be written on one card.

- The groups must factor in all aspects such as: Seasonality labour, Inputs (Ragi flour, solar dryer, packaging equipment, etc), Finance, production, Need for any training etc.
- The group scan deciduous different colours for different activities (pre-production, production, procurement, processing and Marketing) based on whether the task involves expense or no. Ask them to be very specific about what activities to undertake, who will do what and when, and what support they will need. Mark which activities they can do themselves, and which will require external support. Summarize the results of the discussions and notes.
- The activities also have to be organised as: Who will do the activity? Whether PG or FIG or others (traders, labour etc). To indicate this, different shaped cards can be used. For e.g.: All PG sub groups activities are on round cards, while all PG activities are in rectangular cards.

Step 2: After the participants write the tasks, the Facilitator asks them to arrange the tasks in the order in which the tasks will be performed. If any tasks are missing, they have to be identified by the group and the list of activities has to be completed.

Once the activity is done, both the groups will present their plans. This will be discussed in a plenary. The formats for activity plan are as given in the annexure (4.2). The group also needs to have a pre-production plan at the producer level before preparing the activity plan Annexure (4.2)

Task 5: The facilitator summarizes the learning's from the session and concludes the session. The outcome of the activity planning is crop planning, indent generation for inputs, timeline for production and responsibilities within the PG

Annexure (4.2)/Handout

Activity Planning

The producer after exposure to production and marketing systems may feel the need of introducing new activities, and the need of developing alternate business channels (developing linkage with traders, inviting middle man for bulk purchase etc). Therefore a comprehensive activity plan which can be taken up by PG and its members is needed for a PG. The plan consolidation with respect to production related activities, market linkages will be done. Activity planning for PG will also be done to support the member level production activities. Selection of service providers for supporting the member producer activities will be done during the planning exercise. Plan of trainings, demonstration and marketing will also be included in the activity plan.

Why an Activity planning?

The process of preparing a activity plan and implementation plan helps to build a sense of common purpose within the farming group. This process also starts to build relationships between the farmers and their service providers. Making these plans helps the ECP and project team to have a clearer understanding of the groups' capacity, technology use, and planned production levels. Through this process the will also have gained a lot of useful marketing experience, learning how to gather market information, learning about market demand, production activities, costs of the production and marketing, and information about loans and how they will be repaid. The ECP will also be able to use this information in making decisions on what external support is required and what the community is able to contribute.

The issue of access to business services will also be part of these discussions of supporting the producer collective enterprises and how much support is required to support linkage to the local business services.

It is needed for the following purposes:-

SESSION 4.3 Basic Financials and sources of funds

Duration: 180 min

Objectives

At the end of the session the participants learn to work out the costs and returns for at producer and Producer Group level

Process (Summary)

Session Outline				
S.No	Content	Methodology	Time (Duration)	Materials
1.	Introduction to the objectives		10 min	
2.	Importance of finance.	PPT, ILM	15 min	PPT
3.	Types of costs	PPT, ILM	15 min	PPT, Template, Digital tools
4.	Calculating producers total costs income and profit	ILM, Practice sessions	30 min	PPT, Template, Charts, pen
5.	Calculating Producers' Group Costs	ILM, Practice sessions	60 min	PPT, Template, Charts, pen
6.	Calculating Income and Profit	Practice sessions	60 min	
7.	Accessing funds	ILM	60 min	PPT
8.	Summing up and conclusion		10 min	

Process detailed

Activities

Task 1: The facilitator explains the objectives of the session to the participants.

Task 2 & 3 Importance of finance and Types of costs? The facilitator explains the topics to the participants

Task 4 Calculating producers total costs income and profit

Suggested Exercise

Split the participants into small groups: one for each type of product they are considering.

1. Give each group to work on producing a standard amount of the product (crop). Eg: Maize this might be one hectare of the crop. Chickens, it might be 100chickens.

2. Ask them to list all the items they need to produce and market the product–these will include material costs such as seed, fertilizer, land-rental, irrigation, and labour costs for ploughing, sowing, weeding and so on. Prompt them if necessary and classify into three categories: Recurring items, fixed items, and labour and services.
3. The participants could list each of the items, in the "Quantity" and "Price per unit" columns of Table.
4. For each item, get the participants to calculate the total cost (the last column in the table).
5. The participants could repeat these steps for the fixed items, labour and services also and to write this information in the appropriate section of Table.
6. They could check the calculations.
7. Add the totals from Table, Table and Table :
8. Total costs= Recurring material costs+ Fixed items cost per year+ Labour

Task 5: Calculating Producers' Group Costs: The facilitator can explain that the adding the individual producers cost could give the total group cost.

Task 6: Exercise CALCULATING INCOME AND PROFIT

This exercise uses the information generated in the previous exercise to calculate the expected income and profit for different products. It enables participants to see whether producing a product is likely to be profitable, and to compare the profitability of various products.

The trainer should have the list of the costs of seeds by type, costs of fertilizer by type, costs of agrochemicals commonly used for target crop. It also includes basic costs of equipment that most farmers will use such as a power tiller, plough, hoe, machete, string, bags, knives, etc. The costs of certain services, such as plough teams per day, tractor lease, weeding teams daily rates etc. could also be collected. This information could as a reference list to work out profit.

Exercise

1. The same group could work on the Profits or loss. Explain to the participants that they will calculate the income and profits from the products they are considering producing. They need to do this so they can see whether producing each item is likely to be profitable. It will also help them choose among the products.
2. For each product, ask how many units they expect to be able to produce. For example, how many bags of maize per hectare, or how many litre of milk per production cycle? Write these figures in the first row.
3. Ask them what price they can expect per unit of output. Write this amount in the second row.
4. For each product, multiply the amount of output by the price. Write this amount in the third row.
5. Write the total costs in the fourth row.

The difference in the total income and costs would give them the profit or loss.

Task 6: Summing up and conclusion The facilitator could sum up the session by triggering questions on how the producers could reduce the loss and increase the profitability of the product in the next season

Task 7: The facilitator can explain about the Project start up fund to the project and also accessing funds from convergences with financial institutions and government agencies to meet its infrastructure requirements

Annexure (4.3)

Q & A Exercises

Q.1 The farmer wants to buy some new items for his use. Match each cost with the correct category.

COST	CATEGORY
A. Hybrid seed	1. Fixed Items
B. Hand-tractor	2. Recurring materials
C. Veterinary advice for his sick camel	3. Labor and services
D. The latest mobile phone	

Q.2When calculating the cost of labor, you should:

a) include the cost of family labour
b) include the cost of family labour only if the family members are paid in cash
c) ignore the cost of family labor

Q.3 what is a farmer's gross margin?

a) The farmer's total income
b) The farmer's total income minus materials costs
c) The farmer's total income minus materials and labour costs

MODULE 5

Basic Orientation to PC

Module 5 - Orientation to Producer Collectives (why & What)		
SESSION	**TOPIC**	**DURATION**
5.1	Basic Understanding and Need for a PC	60 min
5.2	PC Share Capital	60 min
5.3	PC legal form	60 min

Session 5.1 Basic Understanding and Need for a PC

Duration: 60 min

Objectives: At the end of the session the participants will have a basic understanding of and the need for a PC.

Process (Summary)

Session Outline				
S.No	Content	Methodology	Time (Duration)	Materials
1.	Introduction to the session objectives	Lecture	10 min	
2.	Why PC?	SGD, ILM	30 min	Charts, Pens
3.	What is a PC?	SGD, ILM	30 min	PPT, Handouts
4.	PG-PC linkage	ILM	30 min	
5.	Summing up of the session	Lecture	10 min	

Process (detailed)

Task 1 Introduction to the session objectives: The facilitator reads out and explains the session objectives to the participants

Task 2 Why PC?

Activities:

The facilitator could start the session by explaining what a PC is and how it can benefit the group.

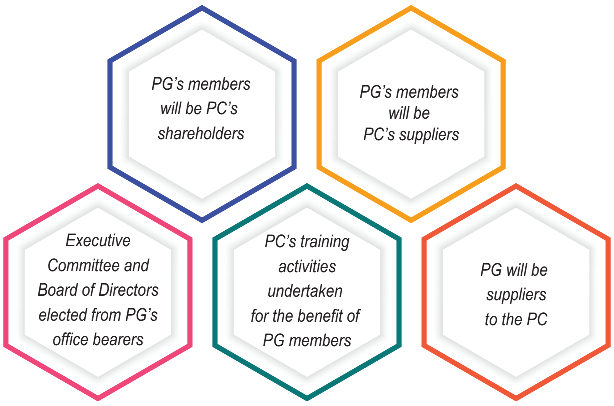
Divide the participants into several small groups. Tell them that each small group represents one PG on the chart.

Ask each small group to identify the areas of common concern that their organization has with each of the others. Examples: same crop, interest in marketing. With which of the other organizations would they consider forming a Collective? Why? What functions might the association take on? What functions should it have? What would they see as the benefits of such an association? What would be the challenges?

After the small groups have finished discussing these issues, invite them to report back to the plenary. The small groups to report back to the plenary. Facilitate a discussion of the needs and potential of forming a Producer Collective

Task 3: Explain What PC a is and the basic functions that the PC will undertake.

Task 4: The Facilitator explains the link of PG in PC. Some points are as given below. The facilitator can suggest more points.



Task 5: Summing up and concluding the session by asking one of the participants to recap and explain the learning's gained on PC

Annexure (5.1)

Producer Collectives

Why Producer Collective?

The Producer Groups which have been formed at village level are usually small and also disaggregated. Therefore they cannot individually engage effectively in large scale economic interventions and exploit the market potential. To achieve goal of maximum price realization to the producer a larger professionally managed and community owned institution would be more effective. Hence a Producer Collective which is a formal higher level collective of producers is formed. This will undertake aggregation, value addition, marketing activities for economies of scale.

What is a Producer Collective?

Producer Collective (PC) is a "formal higher level collective of producers for aggregation, value addition, marketing and service provisioning for economies of scale".

The membership usually ranges between 500-5000 producers and for certain commodities and in sparsely populated tribal areas the size of the PC may be as low as 300 producers.

PC will be a membership based organization having representation from the PGs or producers.

The Producer Groups (PGs) which are formed at the village level will be federated in the form of Producer Collectives (PC) at the appropriate (Block/Sub-district/District) as per the requirement of the commodity and the type of activities.

Session 5.2 PC Share Capital

Duration: 60 minutes

Objectives: At the end of the session, the participants the role of PG in PC, Linkages and differences

Process (Summary)

All Producer Collectives will be legally registered bodies

Session Plan				
S.No	Content	Methodology	Time (Duration)	Materials
1.	Introduction to the objectives of the session	Lecture	5 min	Chart
2.	Importance of share capital	SGD, ILM	30 min	Charts, Pen, Handout
3.	Maintenance of share capital	SGD, ILM	30 min	Charts, Pen
4.	Summing up and conclusion	Lecture	5 min	Chart

Process (Detailed)

Task 1: Introduction to the objectives of the session

Task 2: Importance of share capital

This will be through a small interaction with the full group divided into 3 small groups: The Facilitator will ask a different question to each group and given them 10 mins to answer. Each group will come and present their answers.

A) Group 1 question: What is share capital?

After 20 mins, the group will read out the answer to the first question. These will be listed on the board. Finally, a consensus will be arrived at so that they are clear as to why a PC is important.

B)Group 2 question: Why PC need to collect share capital?

For this question, give them small cards to write out their answers – one answer on each card. Then they can go and stick their card on the chart put up on the board.

C) Group 3 question: From whom will the PG collect this share capital, how much, when and how?

After the group discusses, they can send one person to fill up their answers on the chart. Then they will be asked to fill in the columns in the chart on the board – after the first group that volunteers to the Importance of share capital do this, the others will add any newpoints. This will be reviewed and agreed upon.

There may be a difference of opinion, but the Facilitator needs to explain that the situation may vary from PG to PG - this is only a check list.

From whom	How much	When	How

Table to answer third question on collection of share capital

D) What is the responsibility/role of share holders?

Share holders accountability

They should understand the dream, concept, aim, objectives, rules and regulations of the Company clearly.

- Should extend good cooperation and coordination to other members.
- Should establish coordination with the experiences of agriculture, horticultural activities and technology and
- Bring quality to the produce and work with all the efforts of the company in finding a good price in the market.

Task 4: Maintenance of the share capital

This is more of an explanation – the Facilitator will pass around a guideline (Annexure) to each group and ask them to read it out. The note will contain points on how this share capital istobefirstcreditedintothePCaccount. Itwillalsoexplainhowthisamountcannotbeused for operational purposes.

The guideline will also discuss the process to follow in case a member farmer quits the PC and wants his/her share returned or transferred.

The facilitator must stress that this is a very technical topic and all participants may not follow every rule. What they need to know is that there are rules, and they should work with their legalcounseltomakesuretheyarefol-lowingtheruleswhencollectinganddealingwithshare capital.

Task 5: Summing up (10 mins)

Once all the discussions are over, the Facilitator will sum up the session highlighting the key learning's

Annexure 5.2

Shareholding and Mobilization of shares

If the PC is registered as a Producer Company then, A PG member or a PG become the shareholders in the Producer Company. The members of the PCs could either be PGs or individual producers. In case of PGs it would be represented by the PG representatives. An amount of share capital has to be paid to the Producer Collective at the formation. Share capital represents a form of member commitment to the group and it defines each member's stake in the group. In a Producer Company it shall consist of only equity shares.

Session 5.3 PC Legal Form

Duration: 60 min

Objectives: At the end of the session the participants will have a basic understanding of different Legal forms available for a PC.

Process (Summary)

Session Plan				
S.No	Content	Methodology	Time (Duration)	Materials
1.	Introduction to the session objectives	Lecture	5 min	
2.	PC legal form	SGD, ILM	45 min	Charts, Pens
Suggested -Exposure and Interaction with a PC or present on Video of a PC				
3.	Summing up of the sessions and way forward	Lecture	15 min	

Process (Detailed)

Task 1: The facilitator recaps the earlier session and explains the link between the previous session and the present one.

Task 2: Through an interactive session the trainer explains the legal form that could a PC could take up

Task 3: The facilitator could arrange an exposure visit to a well-functioning PC and facilitate a discussion session during the visit or make a video presentation of a well-functioning PC

Task 4: The session could be concluded by the recap of the session and summing up of key points.

Annexure 5.3/Handout

Legal Status of Producer Collectives:

The current legal options available in the state for PC registration are Cooperatives Act, 1961, Societies Registration Act, 1973, Mutual Benefit Trust Act, and Producer Companies Act, 2002. The producer companies have several advantages compared to other acts for undertaking producer collective. The producer company act infuses a professional attitude into the management. It takes care of the flaws in the cooperative societies but keeps its strengths. It has also borrowed the strengths of the corporate companies. However, the management of Producer Companies is more difficult and cost intensive.

Key differences between Producer Companies and Cooperatives

Parameters	Cooperative	Producer Company
Registration	Cooperative Societies	Indian Companies Act.
Objectives	Single object	Multi-object
Area of Operation	Restricted	Entire Union of India
Membership	Individuals and cooperatives	Any individual, group,association, producer
Share	Non-tradable	Not tradable but transferable
Profit sharing	Limited dividends on shares	limited to members on par Commensurate with volume of business
Voting rights	One member, one vote, but Government and Registrar of Cooperatives hold veto	One member, one vote. Members not having transactions withtheMinimal, limited tostatutory
Government control	Highly patronized to the extent ofinterference Limited in	Fullyautonomous,self-ruled Within the provisions ofAct
Extent of Autonomy Reserves year	Created if here are profits	Mandatory to create every
Borrowing power	Restricted	More freedom and alternatives

MODULE 6

Technical trainings as per commodity / sub-sector

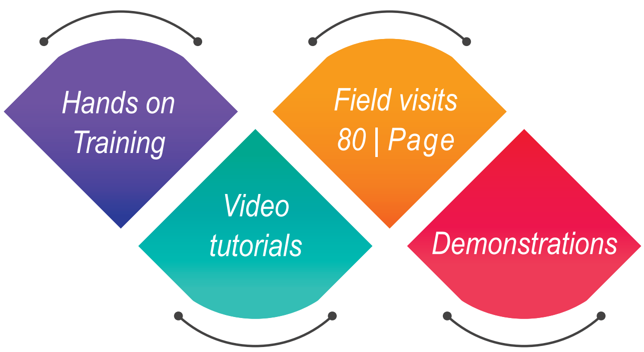
Session plan			
SESSION	**TOPIC**	**CONTENT**	**DURATION**
6.1	Product/ Production Management	Commodity/Product related Issues and challenges Strategies and techniques for improvement in production (Varietal improvement, Adjusting of time, Increasing area, Increasing yield etc, production / productivity,) Understand the importance of production schedule Innovative technologies in Processing, packaging and storage Product Diversification	1 day
6.2	Produce Quality Management	Kinds of produce quality issues and hazards Quality loss during production, harvest and post harvest Practices that help minimize these issues Quality parameters and standards	120 min
6.3	Good Agricultural Practices(GAP)	Food safety GAP in production, harvest and post- harvest ESMF Requirements for PGs	120 min

Note: These trainings are product specific and will be imparted by commodity/technical experts. The broad areas of imparting trainings related to the technical trainings are articulate. Specific themes related to each commodity/subsector may be developed further with the support of the experts. This may take 1 to 2 days based on the need of the group.

Duration: 1-2 days

Objectives

Methodology



Outcome

The participants learn new skills on innovative technologies and good agricultural practices to followed in a particular commodity

HANDOUT:

Introduction- Globalisation and its influence on food safety

With globalization consumers increasingly demand a greater variety of foods, which has led to the creation of a global market and the Trans boundary movement of food across countries. With such a global movement of food there is a high potential for the spread of contaminants and diseases that have entered the food chain leading to greater risks to human health (food safety and nutritional status), increased food losses and wastes, reduced national and international market access and adverse economic impacts in terms of product destruction, market losses, health care, etc. In such a scenario, food quality and safety have become even more important and governments having recognized their roles in protecting the health and safety of their populations are imposing increasingly stringent requirements relating to pesticide residues, contaminants, microbiological parameters, pests, diseases, as well as hygiene controls.

Food safety and food safety concerns

In the case of fresh fruits and vegetables, it is important that there is no harm or adverse health effects, including physical injury, as a result of consuming these foods in their fresh state as they are often eaten raw. A snapshot of quality in the region reflects that major food safety concerns generally relate to residues and contaminants, plants and animal pests and diseases, pathogens and spoilage micro-organisms, physical contaminants, technology issues such as irradiation or GMOs, persistent organic pollutants, food allergens, labeling and claims related issues such as an incorrect—best before date and fraud.

With the rapidly changing world and varying influences such as increasing population, scientific advances, new technologies, changing agricultural practices, changing hazards such as more resistant hazards, and changes in lifestyles worldwide, there is a greater need to investigate and address the increasing potential for food safety incidents. To elaborate on the growing importance of quality and safety in fruits and vegetables, one could find a host of specific recent examples with respect to horticulture. A range of risks were identified across countries and in the case of fresh and processed horticulture products, pesticide residues were identified as the most common risk factor, others being food additives, heavy metals, aflatoxins. Through the process of risk categorization undertaken by established mechanisms (in the fruits and vegetables sector, farming is categorized as medium risk whereas retailers are categorized as low risk.

Food safety approaches

Greater awareness of food safety by consumers has led them to demand safe food. At the same time, regulators have recognized their responsibility for ensuring that their citizens are provided with safe food by imposing regulations on food safety to cover both domestically produced and imported food (processed and fresh produce). To address these concerns of the consumer, certain approaches have been recognized. Emphasis on the food chain approach is important as food safety hazards can arise at various stages of the food chain andneedtobepreventedoreliminatedateachstage.Thepreventativerisk-basedapproach is recommended. This aims at implementing practices that prevent the entry of hazards into the food chain, as once the hazards enter the food chain it may be difficult to remove them.

Good Agricultural Practices (GAP)

GAPisoneofthemostimportantcontributorstothepreventativepracticesmentionedearlier and ensures that on-farm practices result in safe produce reaching the farm gate. GAP is a practicethatneedstobeapplie donthefarmtoensurefoodsafetyduringthepre-production, production, harvest and post-harvest stages. In many cases, such practices also help to protect the environment and safety of the workers. In other words GAP is a systematic approach that aims at applying available knowledge to address environmental, economic and social sustainability dimensions of on-farm production and post-production processes, resulting in safe and quality food and non-food agricultural products. In recent times, importing countries/ buyers have begun to seek assurance of robust preventative measures inproduction.Sincethebuyers/ domesticsupermarketscannotverifycomplianceindividually, certification plays a very important role.

At farm level, the scope covers both the farm and the pack house. The focus at farm level relates to Primary Production and relates to environmental hygiene – related to the soil, water, waste disposal etc.;

Hygienic production – related to fertigation and pesticide spray schedules, irrigation schedule, planting material, storage and handling of agro-and non-agro chemicals etc.;

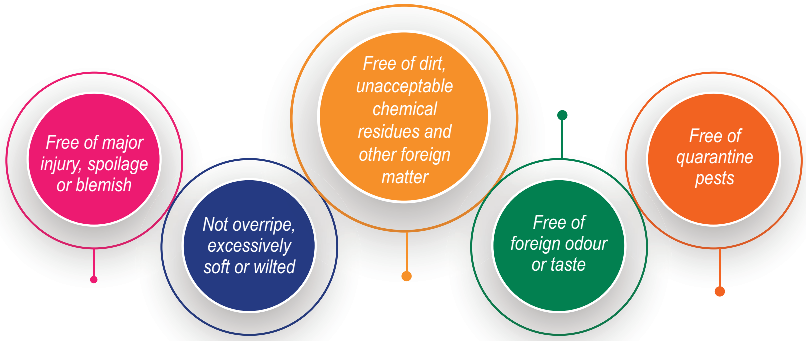
Handling, storage and transportation – related to practices essential to maintain food safety and quality during handling, storage and transportation; andCleaning, maintenance and personal hygiene – related to cleaning of pack house/storage premises, maintenance of fertigation and pesticide equipment and personal hygiene.

- controlofoperations–relatedtocontrolofpost-harvesttreatmentandhandling;
- Maintenance and sanitation – related to maintenance and sanitation of the pack house, implements and equipment used in the pack house etc.;
- personal hygiene – related to personal hygiene practices to be followed by those working in the pack house;
- transportation – related to practices to be followed to ensure produce is safe during transportation;
- product information–related to instructions on the label of packed produce such as

—best before date, storage conditions; and

Produce Quality Management Issues, produce quality hazards and quality losses

A quality hazard is any characteristic that prevents the produce from meeting the customer requirements or a government regulation. For example, the produce quality may not meet customer requirements with respect to size, color, maturity, external appearance, flavor, or shelf-life. The produce may also not meet the quarantine regulations of an importing country because of the presence of a pest or disease or it may be incorrectly labeled. There are some basic quality characteristics that customers expect when purchasing fresh produce. These are some of the expectations:



There are three types of quality characteristics – external appearance (for example, color, texture, shape and size), internal quality (for example, total soluble solids, turgidity, water content) and hidden quality (for example, nutritional value, shelf life).

Produce quality relates to characteristics such as external appearance. The producer needs to design its processes to realize Good Agricultural Practices to address produce quality.

Quality loss during production

The inherent quality of produce is determined by the production practices. Once produce has been harvested, produce quality cannot be improved. Production practices affect all types of quality characteristics.

External characteristics such as color, size, and shape are affected by practices that impact on plant growth and crop load such as water and nutrition management, pruning and thinning. External appearance can be affected by disease infection, pest damage and mechanical injuries such as wind rub.

The internal appearance, eating quality, shelf-life and nutritional value of produce are affected by water stress, inadequate plant nutrition and excessive crop loads. GAP during production is aimed at maintaining the inherent quality of produce at the time of harvest. Quality loss at harvest

The maturity of produce not only affects its quality at harvest but also its shelf-life. Maturity refers to a stage of development in the growth of the fruit or vegetable. Maturation continues until the start of senescence (ageing), leading to the cell death of the produce.

Deciding when produce is mature and ready for harvest can be difficult. For some crops, maturity indices have been developed to assist in the decision process. For other crops, harvesting at the correct time can be highly subjective.

The optimum maturity for harvest is when the plant has completed sufficient growth and development to ensure that produce quality and shelf life are acceptable to the consumer. Most produce start to senesce once harvested, eventually leading to cell death. If produce is harvested when it is too mature, senescence may occur before the produce reaches the consumer. If produce is harvested when it is immature, quality characteristics such as color, size, shape, flavor and texture will be adversely affected.

Quality loss during post-harvest handling

There are many causes of quality loss after harvest. Quality loss can be a result of the normal biological processes, which can be slowed but not stopped, and can be the result of poor handling practices. Major causes of quality loss after harvest are:

- Acceleration of senescence
- Water loss
- Mechanical injuries
- Physiological disorders
- Disease infection.

Produce quality- Requirements and Practices that lead to produce quality

Produce quality relates to characteristics such as external appearance (color, texture, and shape), internal quality (brix, total soluble solids, turgidity) and hidden quality (nutritional value, shelf life, etc). Producers need to design their processes incorporating Good Agricultural Practices that lead to produce quality. These are grouped into ten elements covering 54 good practices as follows.

- Quality plan
- Planting material
- Fertilizers and soil additives
- Water
- Chemicals
- Harvesting and handling produce, which includes harvesting, handling and packaging produce and storage and transport
- Traceability and recall system
- Training
- Documents and records
- Review of practices.

Additionally, there are some optional requirements in relation to chemicals and harvesting and handling produce.

Environmental Safeguards Requirements for the PGs

Compliances related to Production:

- Sale, stock or exhibition of sale or distribution of any insecticide cannot be done without license as per Insecticide Act 1968
- Sale or distribution of seed should comply with The Seed Act, 1966
- Purchase, stock, sale, distribution or exhibition of pesticides and chemical fertilizers without license as per The Fertilizer (Control) Order, 1985 is not allowed
- Avoid use of banned and restricted pesticides by Government of India and the pesticides that are non-permissible according to Pest Management Policy of World Bank (WHO class 1a, 1b and II)
- Use of forest land or any portion of it (for cultivation, aggregation, processing activities etc.) without prior approval is not permitted
- Stopping or diverting water flow in to or from any wild life sanctuary (for irrigation, processing etc.) should not be done

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