

File No. 28011/3/2021-M.II (94028)  
& File No. 28011/01/2020/M-II(Pt.4)-Part(3) (144111)

Government of India  
Ministry of Agriculture & Farmers Welfare, Department of  
Agriculture & Farmers Welfare (Agricultural Marketing  
Division)

Krishi Bhawan, New Delhi Dated:  
03.02.2025

**OFFICE MEMORANDUM**

**Sub.: Addendum to Operational Guidelines of Central Sector Scheme for  
“Formation & Promotion of 10,000 Farmer Producer Organizations (FPOs) –  
circulation & implementation – reg.**

In continuation of this Department's communication of even number dated 04th September, 2023, 2nd July, 2020, 28th September, 2020 and 06th June, 2022 forwarding therewith operational guidelines and addendum issued under 10,000 FPOs scheme.

2. The operational guidelines of the aforementioned scheme have been slightly revised and enclosed herewith for implementation (**Annexures I & II**). The aforementioned addendum is also being uploaded on Ministry's website: <https://agriwelfare.gov.in> . The mandatory agenda points for SLCC and D-MC meeting is hereby formulated and enclosed as **Annexure-II**, to assist State Government and its field machinery to regularly monitor and review the progress of Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs) scheme

3. Addendum to Operational Guidelines of 10,000FPOs scheme and agenda points for SLCC & D-MC were approved by Hon'ble Minister for Agriculture & Farmers Welfare, Government of India.

Encl: **Annexure I & II**

  
(Kapil Ashok Bendre)  
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Tel No.23381385

To

Chief Secretary/ Administrator of all States/ Union Territories

**Distribution**

1. Secretary, Department of Expenditure, North Block, New Delhi
2. Secretary, Department of Financial Services, Jeevan Deep Building, Sansad Marg, New Delhi
3. Secretary, Ministry of Rural Development, Krishi Bhawan, New Delhi
4. Secretary, Ministry of Food Processing Industries, Panchsheel Bhawan, New Delhi
5. Secretary, Department of Animal Husbandry & Dairying

6. Secretary, Department of Fisheries, Krishi Bhawan, New Delhi
7. Secretary, Ministry of Tribal Affairs, New Delhi
8. Secretary, Ministry of Cooperation, New Delhi
9. Secretary, Ministry of Development of North Eastern Region, New Delhi
10. Secretary, Department for Promotion of Industry & Internal Trade, Udyog Bhawan, New Delhi
11. All Implementing Agencies under 10,000 FPOs scheme
12. CEO, NABSANRAKSHAN
13. Additional Chief Secretary (Agriculture)/ Pri Secretary (Agriculture)/ Secretary – Chairman of State Level Consultative Committee under 10,000 FPOs scheme

**Copy to:**

- i. PPS to Secretary, DA&FW, Krishi Bhawan, New Delhi
- ii. PPS to Additional Secretary (Marketing), DA&FW, Krishi Bhawan, New Delhi
- iii. PPS to Joint Secretary (Marketing), DA&FW, Krishi Bhawan, New Delhi
- iv. Joint AMA, DMI, Head office, Faridabad
- v. NIC, Krishi Bhawan, with a request to upload the addendums on the Ministry's website under the head of schemes- Guidelines- Agricultural Marketing.

**ADDENDUM TO OPERATIONAL GUIDELINES (OG) OF CSS FOR FORMATION & PROMOTION OF 10,000 FPOs SCHEME**

Sr. No	Page no. of Operational Guidelines	Clause no. of existing guidelines	Provision of existing guidelines	Modified guidelines
1	35	<b>District Level</b>  14.3.1  (iii & iv)	(iii) District level officers of line departments (Agriculture/ Horticulture / Animal Husbandry/Fisheries/Marketing/Cooperation)- <b>Member</b>  (iv) DDM (NABARD)- <b>Member Secretary</b>	(iii) DDM (NABARD)- <b>Member</b>  (iv) District level officers of line departments (Animal Husbandry/Fisheries/Marketing/Cooperation)- <b>Member</b>  (v) District level officers of Agriculture/ Horticulture department - <b>Member Secretary</b>
2	33	<b>State Level</b>  14.2.1  (v)	(v) Representative of NABARD- <b>Member Secretary</b>	(v) Director (Agriculture/ Horticulture/ ATMA) – <b>Member Secretary</b>
3	16	<b>FPO Management Cost</b>  10.0	<b>FPO Management Cost</b>  Under the scheme, financial support to Farmer Producer Organization (FPO) @ upto maximum of Rs. 18 Lakh / FPO or actual, whichever is lesser is to <b>be provided during three years</b> from the year	<b>FPO Management Cost</b>  Under the scheme, financial support to Farmer Producer Organization (FPO) @ upto maximum of Rs. 18 Lakh / FPO or actual, whichever is lesser is to be provided during three years from the year of formation. However, if any of the FPO promoted under 10K FPO

			of formation	scheme was unable to avail/ utilize Rs 18 Lakh within the period of three years (due to initial corona restrictions or any other reason); then the respective FPO to utilize the <b>same within the period of five years</b> from its formation, subject to overall ceiling of assistance of Rs 18 Lakhs per FPOs.
4	5	<p><b>National Project Management Agency (NPMA)</b></p> <p><b>5.0</b></p>	<p>5.1 At National level, a National Project Management Agency (NPMA) will be set up <b>by SFAC</b> through transparent manner for providing overall project guidance, data maintenance through integrated portal and information management and monitoring.</p> <p>5.2 The NPMA will be expected .....national and state level. <b>SFAC may</b>, while formulating the criteria for selection of NPMA, take into account the appropriate qualifications and experience of requisite experts, relevant experience of organization/ entity in guiding both companies and co-operative organizations as reasonably required for discharge of role envisaged for NPMA under the scheme including the minimum net worth for suitability.</p>	<p>5.1 At National level, a National Project Management Agency (NPMA) will be set up through transparent manner for providing overall project guidance, data maintenance through integrated portal and information management and monitoring.</p> <p>5.2 The NPMA will be expected .....national and state level. While formulating the criteria for selection of NPMA, appropriate qualifications and experience of requisite experts, relevant experience of organization/ entity in guiding both companies and co-operative organizations as reasonably required for discharge of role envisaged for NPMA under the scheme including the minimum net worth for suitability, <b>may be taken into account.</b></p>

5	29	<b>Eligibility Criteria for FPO</b> 12.5 (i)	<b>Eligibility Criteria for FPO</b> An ELI can avail Credit Guarantee for the FPO/Federation of FPOs, which are covered under the Scheme.	<b>Eligibility Criteria for Credit Guarantee</b> An ELI can avail Credit Guarantee for the FPO/Federation of FPOs which are covered under the Scheme and PACs availing benefit under WLGSP. PACs maybe permitted to avail Credit Guarantee upto 20% of the available credit guarantee cover extended
6		12.5 (iii)	NA	<b>New clause:</b> The criteria for selection of PACs to be decided by the Credit Guarantee Fund Trust for Farmer Producer Organizations managed by NABSanrakshan Trustee Private Limited, a wholly owned subsidiary of NABARD.
7	2	<b>Broad Services and Activities to be undertaken by FPOs</b> 3.0	Broad Services and Activities to be undertaken by FPOs	Broad Services and Activities undertaken by FPOs <b>and PACs under WLGSP:</b>

In addition to the above changes, following provisions were also included in the Scheme's Operational Guidelines for implementation:-

1. Since many of the implementing agencies do not have any foot prints at District level, it will be imperative and mandatory that the CBBOs engaged with such agencies and the CEOs of the FPOs to participate in the Review Meeting of District Monitoring Committee, provide all details on the functioning of FPOs and raise issues or problems for resolution.
2. Many of the implementing agencies even do not have footprints at the State Headquarters. Whenever the state level committee is called the representative of the implementing agency will mandatorily attend the meeting either in physical form or online to give the updated picture of the FPOs being formed by the concerned implementing agency and to raise any issues in implementation.
3. PACs to be considered at par with FPOs for availing Credit Guarantee facility under CSS for formation & promotion of 10,000 FPOs scheme. This will also ensure convergence of an existing scheme viz., World's Largest Grain Storage Plan (WLGSP) of Ministry of Cooperation, Government of India.

**Agenda Points for State Level Consultative Committee (SLCC) & District Level Monitoring Committee (D-MC)**

**I. State Level Consultative Committee (SLCC)**

SLSC meetings should be held at least once a quarter to support regularity and for effective supervision. The following **agenda points to be mandatorily discussed in the SLCC** meetings: -

- i. An overview of the FPOs- about membership, input business, output business activities and turnover.
- ii. Status of credit linkages established for FPOs with different formal lending institutions, addressing any operational issues and challenges related to any loan application submitted or to be submitted by any FPO.
- iii. In each of the SLCC meeting, status of the licenses along with the dealerships & business done by the FPOs should be tabled.
- iv. Orientation & training to all the officials of the Agriculture, Agriculture Marketing & Horticulture departments at State level on FPOs as socio-economic institution of the farmers and for the departments to treat FPOs on par with PACS.
- v. Give priority to the suitable FPOs as a procurement agency under MSP and PM-AASHA operations. In this regard, revised guidelines of PM-AASHA has been circulated on 29th October 2024.
- vi. FPOs to be given fertilizer supply by the State Government on Free on Lorry (FoL) basis.
- vii. As required, enable FPOs to avail government lands for free / subsidized rates/long term lease for setting up of required infrastructure for marketing and value addition of their produce. For reviving or for better utilization, give unused warehouses / collection centre / processing units owned and managed by Government department to FPOs for free / subsidized rates / long term lease, subject to conditions to that encourage maximization of business activities of the FPOs.
- viii. Agriculture/Horticulture/Ag. Marketing department of the States to partner with FPOs in implementing their developmental schemes for better outreach and efficacy.
- ix. Consider eligible FPOs for rural retail outlets for sale of 'Bharat Dal' through NAFED, NCCF, etc. or any such agency in the State.
- x. **General instructions for SLCC:-**

a) The representative of IA and CBBOs may be invited to the SLCC meetings to have the well-grounded discussion on implementation related challenges and solutions.

b) Minutes of the SLCC meeting should mandatorily be circulated to all the district level officers of the line departments to make them aware of the decisions taken and to ensure that line departments comply with the decisions mentioned in the minutes, along with copy to the Government of India.

c) There are various developmental schemes of the Central and State Governments which could be beneficial to the FPOs. There should be taken up for focused convergence with all the FPOs regularly.

## **II District Level Monitoring Committee (D-MC)**

DMC meetings should be held at least once a quarter to support regularity and for effective supervision. The following **agenda points to be mandatorily discussed in the DMC** meetings: -

- i. An overview of the FPOs- about membership, input business, output business activities and turnover.
- ii. Assessment of current status of credit linkages established for FPOs with different formal lending institutions, addressing any operational issues and challenges related to any loan application submitted or to be submitted by any FPO within the DMC vicinity.
- iii. Fast-track application process of Seed, Fertilizer, Pesticide, APMC Mandi, GST, PAN and Trade license, etc, as required. In each of the D-MC meetings a table of the status of the licenses and dealership is shared with all the members present in these meetings.
- iv. Orientation & training to all the officials of the Agriculture, Agriculture Marketing & Horticulture departments at District & field level on FPOs as a socio-economic institution of the farmers and for the departments to treat FPOs on par with PACS.
- v. Give priority to the suitable FPOs to act as procurement agency under MSP and PSS operations.
- vi. As required, help FPOs avail access to common/ government lands for free or subsidized rates or on long term lease for setting up of required infrastructure for marketing and value addition of their produce. For reviving or for better utilization, give unused warehouses / collection centre / processing units owned and managed by Government department to the suitable FPOs for free / subsidized rates / long term lease.
- vii. **General instructions for D-MCs:-**

a) The CEO and one Director from each FPO from the concerned district may be invited to the D-MC meetings to have the well-grounded discussion on implementation related issues.

b) Minutes of the DMC meeting should mandatorily be circulated to all the district level officers of the concerned line departments to make them aware of the decisions made and to ensure that line departments comply with the decisions mentioned in the minutes.

c) Awareness campaign on various government schemes that can benefit the FPOs.

d) Though LDM is a member of the DMC. However, to ensure institutional credit access to the FPOs, in every meeting, branch-head of a bank may also be invited to the meeting. Different banks can be called to these meeting in tandem. Bankers should also inform about various scheme / products and handhold the FPOs to address the financial challenges and risks related to their business.

e) In case where IA does not have any presence at the district level, any one CBBO working in the district may be appointed as a representative of the IA and attend the D-MC meetings.

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