

No: SFAC/43/Parl.Qus/2023-24  
Small Farmers Agribusiness Consortium  
5th Floor, NCUI Auditorium Building,  
August Kranti Marg, Hauz Khas, New Delhi - 110016

Dated 31.01.2024

To,  
ASO (M-II),  
Department of Agriculture & Farmer Welfare,  
Krishi Bhawan,  
New Delhi

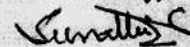
Sub: Lok Sabha Starred / Unstarred Dairy No. 858 due for answer on 06.02.2024 on Increasing the income from Agriculture -reg.

Sir,

Please refer to the Rajya Sabha question cited above. In this regard reply is furnished as below:

S.No.	Question	Reply as far as SFAC is concerned
(a)	Whether the Government has taken any steps to increase the income from agriculture in the country and if so, the details thereof;	Realizing the significance of Small, marginal and landless farmers and for providing better services to these farmers, Government has launched the Central Sector Scheme for "Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)" on 29.02.2020 with a clear strategy to form and promote 10,000 new FPOs in the country to facilitate and support small and marginal farmers with Budget of Rs. 6865 crores. The objective of the scheme is:
(b)	The details of the schemes being implemented by the Government to promote cash crops:	<ul style="list-style-type: none"> <li>• To provide a holistic and broad-based supportive ecosystem to form and promote 10,000 new FPOs.</li> <li>• To enhance productivity through efficient, cost-effective, and sustainable resource use and realize higher returns through better liquidity and market linkages for their produce and become sustainable through collective action.</li> <li>• To provide handholding support to the FPOs for five years in all aspects of management of FPO, inputs, production, processing and value addition, market linkages, credit linkages and use of technology etc.</li> </ul>
(c)	The details of the steps taken/proposed to be taken by the Government to provide agriculture loans to the farmers; and	To provide effective capacity building to FPOs to develop agriculture-entrepreneurship skills to become economically viable and self-sustaining beyond the period of support from government.  Under central sector scheme for Formation and promotion of 10,000 FPOs Scheme, formation of FPOs is based on Produce Cluster Area which means a geographical area wherein agricultural and allied produce such as horticultural produce of similar or of almost similar nature is cultivated. Benefits Extend under 10,000 FPOs scheme are.
(d)	The corrective steps taken/proposed to be taken by the Government to make agriculture a profitable business and to waive farmers loans?	<ol style="list-style-type: none"> <li>i. Management cost up to INR 18 lakhs over a period of 3 years for office and operational expenses.</li> <li>ii. Provision of Equity Grant of Rs. 2000/- per farmer to the ceiling of Rs.15 lakh/FPO on submission of member's own equity.</li> <li>iii. Credit Guarantee up to INR 2 crores. NABARD has created solely owned NABSANRAKSHAN Private Trustee Ltd. (NABTL) to manage sovereign Credit Guarantee Fund trust for FPO credit guarantee fund.</li> <li>iv. Capacity building, training and skill development of CEOs/ BoDs and other stakeholders.</li> <li>v. Handholding and support to new FPOs up to 5 years from the year of creation in all aspects of management of FPO, inputs, production, processing and value addition, market linkages, credit linkages and use of technology etc.</li> </ol> <p>As on date 7853 FPOs have been formed under the Scheme across the country. Under credit guarantee scheme operation for FPO financing, as on Dec. 2023, 994 FPOs of different schemes have been extended the credit guarantees and sanctioned loan of Rs. 271.10 crore.</p>

Yours faithfully,



(Dr. Sumathi S)  
Dy. Director (Admn)