

No: SFAC/43/Parl.Qus/2024-25 /1730
Small Farmers Agribusiness Consortium
5th Floor, NCUI Auditorium Building,
August Kranti Marg, Hauz Khas, New Delhi – 110016

Dated 27.01.2025

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

Sub: Lok Sabha Provisional Question Dy. No. 546 on FPO for reply on 04.02.2025.

Sir,

Please refer to your mail letter dated 22.01.2025 on the above subject. In this regard, point wise reply is furnished as below:

Sl. No.	Question	Reply so far as SFAC is concerned
a	whether the Government is implementing any policy initiatives to support Farmer Producer Organizations (FPOs) throughout the country; if so, the details thereof including the agencies tasked with these initiatives and if not, the reasons therefor:	<p>Government of India has launched a Central Sector Scheme for “Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)” in 2020 in the country to facilitate and support the small and marginal farmers with the aim to form FPOs.</p> <p>The objective of the scheme is:</p> <ul style="list-style-type: none">• To provide holistic and broad-based supportive ecosystem to form and promote 10,000 new FPOs.• To provide adequate hand holding and financial support to the FPOs for five years.• To facilitate access to quality inputs, technology, credit, and marketing through economies of scale. <p>The scheme is being implemented through 14 Implementing Agencies ensuring pan India implementation and support to the scheme. 487 Cluster-Based Business Organizations (CBBOs) and 09 value chain organisations (VCOs) are working with 14 Implementing Agencies. Cluster Based Business Organizations (CBBOs) are engaged for formation and promotion of FPOs at the cluster level. Rs. 25 Lakhs are given to CBBOs for hand holding each FPO over a period of five years. As on date, 9,268 FPOs, benefiting 27.88 lakh farmers have been registered.</p> <p><u>Benefits to FPOs:</u> The FPOs get access to funds in form of FPO management cost, equity grant and credit guarantee facility apart from capacity building trainings, market and credit linkages etc. as below:</p>

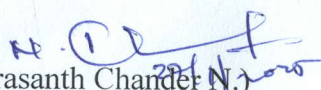
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		<ul style="list-style-type: none"> • Provision of FPO Management Cost of Rs. 18 lakh/FPO for 3 years for office and operational expenses. • Provision of matching Equity Grant upto Rs. 2000/- per farmer with the ceiling of Rs.15 lakh/FPO. • Provision of Credit Guarantee up to project loan of Rs.2.00 Crore per FPO. • Capacity building, training and skill development of CEOs/ BoDs and other stakeholders <p>Till 31.12.2024, 4,761 FPOs have received matching equity grants of ₹254.5 crores, FPO management costs amounting to ₹557.7 crores have been released and 686 credit guarantees have been issued, supporting loans worth Rs 78.6 crores for the FPOs formed under 10,000 FPO scheme.</p>
b	the details of specific programs that are being put in place to strengthen market linkages for FPOs and assist them along with the work done under the same;	<p>FPOs are encouraged for promoting processing, branding, marketing and export of the product for better value realization. Efforts are made to provide exposure to FPOs to different marketing platforms outside traditional mandi system or local markets to access the wider geographies and fetch better prices through different platforms</p> <ol style="list-style-type: none"> 1. Currently, ONDC and GeM online platforms are available to FPOs and farmers. The key updates are: <ul style="list-style-type: none"> • FPOs onboarded on ONDC: 7,901 • 10k Scheme FPOs onboarded on ONDC: 4,523 • FPOs onboarded on Government-e-Marketplace (GeM): 216 2. 4,362 FPOs have been registered on e-NAM portal and done business of ₹ 239.61 crores since inception. <p>FPOs (Farmer Producer Organizations) are facilitated to participate in melas and exhibitions as FPOs get a platform to connect directly with buyers and exhibit their produce and products. SFAC has conducted 12 FPO melas in collaboration with Open Network for Digital Commerce (ONDC) during 2024-25 in different states. In FY 24-25, NABARD organized 24 Tarang Melas across India. In FY 23-24, NABARD organized 23 Tarang Mela across India.</p>
C	whether the Government is planning to increase financial assistance or subsidies for FPOs to enhance their operational	No information available.

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	capabilities; if so, the details thereof and if not, the reasons therefor;	
d	the details of measures which are being considered to promote private sector investment in FPOS, including potential partnerships and funding opportunities including the agencies facilitating these efforts; and.	There has been no private sector investment other than that of shareholder in FPOs formed under 'Formation & Promotion of 10,000 FPOs scheme.
e	the details of the FPOs registered in Jhalawar-Baran Constituency of Rajasthan, along with any subsidies or financial assistance provided by the Government indicating the agencies responsible for these programs?	43 FPOs are registered under 10k FPO scheme. 25 FPOs are registered in Baran district and 18 FPOs are registered in Jhalawar district under 10k FPO scheme. The details is given as Annexure – I

Yours faithfully,


(Prasanth Chander N.)
Dy. Director (Admn.)