

No: SFAC/43/Parl.Qus/2025-26
 Small Farmers Agribusiness Consortium
 5th Floor, NCUI Auditorium Building,
 August Kranti Marg, Hauz Khas, New Delhi – 110016

Dated 28.07.2025

To,

Marketing Officer (Group-1)
 Department of Agriculture & Farmer Welfare,
 Shastri Bhawan
 New Delhi

Sub: Rajya Sabha Provisionally Admitted Starred/Unstarred Q.No. U3384 for answer on 01.08.2025 on "Government Schemes for Small Farmers' Welfare."

Sir,

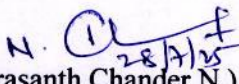
Please refer to your email dated 25.07.2025 on the above subject. In this regard, point wise reply is furnished as below:

Sl. No.	Question	Reply
a)	What specific steps or schemes has the government introduced to support small farmers and improve their livelihoods:	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. One of the objectives of the scheme is to build capacity building of FPOs to develop agriculture entrepreneurship skills to become economically viable and self-sustaining.
b)	Are there financial support schemes in place, such as subsidies, loans, or insurance, tailored for small farmers?	Till 25.07.2025 all 10,000 FPOs have been formed with the beneficiary farmers of 36.95 Lakhs, out of which 80% are small, marginal and landless. As per the guideline of the "Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)" scheme, FPO provide special focus to include small, marginal and women farmers/women SHGs, SC/ST farmers and other economically weaker categories etc. as members to make FPOs more effective and inclusive. 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: • Provision of FPO Management Cost of Rs. 18 lakh/FPO 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 for project loan of up to Rs.2.00 Crore per FPO. • Capacity building, training and skill development of CEOs BoDs and beneficiary farmers of the FPOs Central government has implemented several initiatives to incentivize and promote Farmer Producer Organizations (FPOs),

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		focusing on financial support, infrastructure development and market access. - FPOs can avail assistance for setting up of Custom Hiring Centre (CHC) under Sub Mission on Agricultural Mechanization (SMAM). - Agriculture Infrastructure Fund (AIF): FPOs can access credit guarantee loans up to Rs. 2.0 Cr with an interest subvention of 3% per annum - Agricultural Marketing Infrastructure (AMI) sub-scheme of ISAM: FPOs can avail maximum Rs 50 lakh for storage & Rs 30 Lakh for non-storage infrastructure - PM Formalisation of Micro Food Processing Enterprises Scheme (PM FME Scheme): Credit linked grant @35% for micro food processing enterprises subject to a maximum of Rs.10 lakh. - Kisan Drones: Existing and new Custom Hiring Centers (CHCs), Farmers Producer Organizations (FPOs), and Rural entrepreneurs can receive financial assistance of 40% of the basic cost of the drone or Rs. 4 lakhs, whichever is less. - The efforts are made to provide the exposure to FPOs to different marketing platforms like ONDC and GEM to access the wider geographies and fetch better prices through different platforms. - FPOs can get assistance under oilseed mission and honey mission of Government of India.
c)	How is the government improving access to technology, training, and markets to help small farmers increase their productivity and income	- Through the FPOs, beneficiary farmer who are mainly small and marginal farmers are being extended support in form of availability of quality inputs such as seeds, fertilizer and pesticide which helps in increasing their productivity. - Through the FPOs, beneficiary farmers get the benefit of custom hiring such as tractor, harvester, etc. - Through the FPOs, beneficiary farmers also extended various training and exposure visits to KVKs / Agricultural Institutes and also other established FPOs for training and capacity building in improving the productivity and to increase their income. - FPOs are being provided with offline and online market linkages for direct sales of FPO products and also the aggregated produce of member farmers. FPOs are facilitated in promotion and sales of their products through various FPO Melas, Exhibitions, Trade Fairs and Expos etc. FPOs are facilitated for on boarding on electronic platform such as e-NAM, ONDC, GeM etc. Till 30.06.2025, 4518 FPOs have been on boarded on e-NAM, 5315 on ONDC and 216 are on GeM.

Yours faithfully,

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