

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

Dated 02.08.2024

To,

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

**Subject: -Response for provisionally admitted Question for Rajya Sabha
starred/unstarred Diary no – S3740**

Sir,

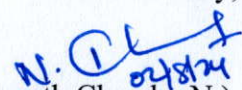
Please refer to your mail letter dated 31.07.2024 on the above subject. In this regard, point wise reply is furnished as below:

Query	Reply
(a) Whether the Government has provided or is likely to provide any kind of assistance to the farmers to promote and develop regional agricultural products in each State/UT, If so, the details thereof.	<p>The Government of India has approved and launched the Central Sector Scheme of “Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)” to form and promote 10,000. As per the scheme guideline, while adopting cluster-based approach for produce or produce mix, formation of FPOs will also focus on “One District One Product” approach for development of product specialization, in case the focused agriculture produce has been declared for that district, whereby FPOs will be encouraged for promoting processing, branding, marketing and export of the product for better value realization. There may be more than one cluster for one product in one district and a cluster also may extend beyond a district.</p> <p>Support to FPOs under the said scheme.</p> <ol style="list-style-type: none">1. Provision of FPO Management Cost of Rs. 18 lakh/FPO for 3 years.2. Provision of Equity Grant up to Rs. 2000/- per farmer to the ceiling of Rs.15 lakh/FPO.3. Provision of Credit Guarantee Fund of project loan of max. (working capital/term loan) Rs.2.00 Crore per FPO.4. Handholding and support to 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

N. C. S.

(b) Whether any assistance is likely to be sought from the State/UT Governments in this regard.	<ol style="list-style-type: none"> 1. States/Union Territories can top up and additionally supplement the activities of FPOs from their own fund for activities and infrastructure not covered under Government of India Scheme. 2. States/Union Territories may actively consider to make available appropriate size of land to FPOs for setting up of CFCs and CHCs at cheaper rate on rent/lease or otherwise; or may make available free of cost. 3. States must actively consider encouraging FPOs for selling their produce through e-National Agriculture Market (e-NAM) including FPO module of e-NAM or through other electronic platform from their premises itself without physically bringing the produce to the APMC market yards.
(c) Whether any provision is likely to be made by the Government to develop clusters of farmers for the same.	Under the scheme, Formation and promotion of FPO is based on "Produce Cluster Area" for purpose of FPO formation, which is the geographical area wherein agricultural and allied produce such as horticultural produce of similar nature is grown / cultivated; so that an FPO can be formed for leveraging economies of scale in production and marketing. This will also cover Organic Produce and Natural Farming. As per the scheme at least one FPO to be formed in each block (Block as cluster of country)
(d) If so, the details thereof?	8977 FPOs registered in 7249 Blocks till 31 July 2024

Yours faithfully,


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