

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

RAJYA SABHA
UNSTARRED QUESTION NO. 676
TO BE ANSWERED ON 05/12/2025

INTEGRATION OF FPOs WITH NATIONAL AGRICULTURAL VALUE CHAINS

676. DR. K. LAXMAN:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether Government has undertaken any initiatives to strengthen the integration of Farmer Producer Organisations (FPOs) with national agricultural value chains, including procurement, processing, storage and marketing systems;
- (b) the number of FPOs currently linked with e-NAM, agri-logistics networks, and central sector schemes such as PM-KISAN, PM-FME, and AIF;
- (c) the steps taken to improve credit access, digital infrastructure, and capacity-building support for FPOs to enhance their participation in organized markets; and
- (d) whether Government proposes any new measures to facilitate partnerships between FPOs and private sector entities, agri-startups, or cooperatives to improve farmer incomes and ensure sustainable value chain integration?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
(SHRI RAMNATH THAKUR)

(a): Government is implementing the Central Sector Scheme on Formation and Promotion of 10,000 FPOs (Farmer Producer Organizations), under which 10,000 FPOs have been registered. The scheme provides ₹18 lakh per FPO for 3 years as management cost, matching equity grant up to ₹15 lakh, and credit guarantee up to ₹2 crore from eligible lending institutions, along with support for training, market linkages and convergence with other schemes.

Further, FPOs are supported for availing input licences (seed, fertilizer & pesticide) & mandi licences for marketing of produce. To strengthen integration of FPOs in value chains, weekly webinars are being conducted for FPOs. Credit linkage and e-commerce enablement has also been supported.

(b): As on 31.10.2025, 4,642 FPOs are linked with the National Agriculture Market (e-NAM) platform, credit-linked subsidy has been sanctioned to 236 FPOs under the PM Formalisation of Micro Food Processing Enterprises (PM-FME) Scheme and 1590 FPOs have availed benefit under the Agriculture Infrastructure Fund (AIF). Under PM-KISAN, benefits are extended to individual eligible farmers and not to FPOs.

(c) & (d): To improve credit access, FPOs are encouraged to avail collateral-free credit under the Credit Guarantee Fund (CGF) of the 10,000 FPO Scheme, under which 2,583 FPOs have obtained credit guarantee cover. Efforts are made to provide exposure to FPOs to different marketing platforms like Open Network for Digital Commerce (ONDC), e-NAM and Government e-Marketplace (GEM) to access wider geographies and fetch better prices through these platforms. FPOs are connected with the industry and Agri-business organizations for better bargaining and improved market access through Melas/ Exhibitions etc. where industries are invited for B2B linkages with FPOs. Besides, FPOs are also facilitated in participating various Expos/ Exhibitions conducted by Industries, Associations, other Departments of Central Government, State governments etc. Webinars are also being organized for FPOs by this Ministry where industry experts guide FPOs on doing business with their organizations.
