

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 2088
ANSWERED ON 11.03.2026

Formation and promotion of FPOs by NCDC

2088. Shri Mokariya Rambhai:

Will the Minister of Cooperation be pleased to state:

- (a) Whether the institutional collectivisation of farmers through Farmers Producer Organization (FPOs) is being promoted in the country, if so, the details thereof;
- (b) The year-wise and district-wise physical targets fixed by National Cooperative Development Corporation (NCDC) for the implementation of the FPO scheme; and
- (c) The details of FPOs receiving credit linked guarantee cover from NCDC?

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a) FPO's enable small or marginal farmers struggling with high input costs lacking access to modern technology and poor bargaining power in the market to pool their resources to achieve economies of scale effectively transforming them from "individual producers" into a "collective business entity. Under the Central Sector Scheme - Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs), National Cooperative Development Corporation (NCDC), a statutory organization under the administrative control of Ministry of Cooperation is one of the Implementing Agencies designated by the Department of Agriculture and Farmers Welfare (DA&FW), Ministry of Agriculture and Farmers Welfare towards the formation and promotion of FPOs under the Cooperative Societies Act. NCDC has got 1863 FPOs registered/ onboarded in cooperative sector across the country. This will help provide farmers with necessary market linkages and get fair and remunerative prices for their produce.

(b) Under the scheme, there was no district wise target. Reference Year-wise FPO's formed/onboarded are as under:

Sl.no	Reference Allotment Year	No. Of FPOs formed/ onboarded
1	2020-21	519
2	2022-23	227
3	2023-24	1117
Total		1863

(c) As on date, NCDC has disbursed collateral free financial assistance to 87 FPOs under Credit Guarantee Scheme for FPOs for 113 projects worth Rs. 22.33 crore.