

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

**LOK SABHA**  
**UNSTARRED QUESTION NO.4957**  
TO BE ANSWERED ON THE 23<sup>RD</sup> JULY, 2019

**SETTING UP OF SFAC**

4957. SHRI HEMANT TUKARAM GODSE:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether the Government has set up Small Farmers' Agri-Business Consortium (SFAC) in various States of the country and if so, the details thereof including the functions performed by SFAC;
- (b) the details of the projects/schemes being implemented, funds sanctioned and physical achievements/progress made so far under the SFAC, State-wise;
- (c) whether the SFAC has not been able to make much impact on the agriculture sector and if so, the reasons therefor;
- (d) whether the Government has reviewed the functioning of SFAC to make it more effective; and
- (e) if so, the steps being taken by the Government in this regard?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a): Yes Sir. The Government established Small Farmers' Agri-Business Consortium (SFAC) as a Society in 1994 to facilitate agri-business ventures by catalyzing private investment through Venture Capital Assistance (VCA) Scheme in close association with financial institutions. SFAC has facilitated development of State level SFACs in 21 States by way of one time corpus support as matching contribution. List of State level SFAC's is at **Annexure-I**.

The main functions of SFAC are: (i) Promotion of development of small agribusiness through VCA scheme; (ii) Helping formation and growth of Farmer Producer Organizations (FPOs) / Farmer Producer Companies (FPCs); (iii) Improving availability of working capital and development of business activities of FPOs/FPCs through Equity Grant and Credit Guarantee Fund Scheme; (iv) Implementation of National Agriculture Market (e-NAM) Scheme.

(b): At present, SFAC is implementing the following schemes:

- i. SFAC promotes development of small agribusiness through its Venture Capital Assistance (VCA) Scheme for value added processing and marketing linkages. The State-wise progress of VCA Scheme is at **Annexure-II**.

- ii. SFAC offers Schemes like Equity Grant and Credit Guarantee Fund Scheme (EGCGFS) for FPCs to improve availability of working capital and development of business activities. The State-wise progress of EGCGFS is at **Annexure-III**.
- iii. SFAC is also the implementing agency for the National Agriculture Market (e-NAM) Scheme. The objective is to develop transparent, competitive online bidding system to facilitate farmers with remunerative prices. The Government has released an amount of Rs. 459.44 crore for development, operationalisation and maintenance of e-NAM scheme. The State-wise number of mandi integrated under e-NAM is at **Annexure-IV**.

So far, more than 1.64 crore farmers & more than 1.24 Lakhs traders have been registered on e-NAM platform. Further trade transactions having total volume of 2,61 crore MT with total value of Rs.72,128 crore, have been recorded on e-NAM platform.

- iv. SFAC was mandated by Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, Govt. of India, to support the State Governments in the formation of Farmer Producer Organizations (FPOs). FPO projects are taken up by State Governments under general Rashtriya Krishi Vikas Yojana – Remunerative Approaches for Agriculture and Allied Sectors Rejuvenation (RKVY-RAFTAAR) funds as well as under the National Demonstration Project under the National Food Security Mission (NFSM) and Mission for Integrated Development of Horticulture (MIDH).

So far, SFAC has helped 818 FPOs in registering as companies. State wise list of FPOs promoted by SFAC is at **Annexure –V**

- (c): SFAC has emerged as a developmental Institution with its core aim and objective focused on increased production and productivity, value addition, provision of efficient linkages between producers and consumers.

SFAC commissioned an independent Mid-term appraisal of the VCA Scheme for XII Plan through NABARD Consultancy Services (NABCONS). NABCONS has found the Scheme to be highly effective and significant. The Scheme has resulted in strengthening the forward linkages for farmers, and in achieving efficiency and higher price realization for farmers in the agriculture value chain.

SFAC also commissioned an independent Evaluation Study of the EGCGFS for FPCs through NABCONS. NABCONS has found that the EGCGFS for FPCs has been useful to the FPCs in improving their business activities.

- (d) & (e): The Government has reviewed the functioning of SFAC from time to time. Based on the review the annual action plans are formulated and associated budgets are released.

## List of State Level SFACs

Sl. No.	State level SFACs
1.	Arunachal Pradesh
2.	Assam
3.	Bihar
4.	Gujarat
5.	Himachal Pradesh
6.	Jharkhand
7.	Kerala
8.	Karnataka
9.	Madhya Pradesh
10.	Maharashtra
11.	Manipur
12.	Meghalaya
13.	Mizoram
14.	Nagaland
15.	Punjab
16.	Rajasthan
17.	Sikkim
18.	Tamil Nadu
19.	Tripura
20.	Uttar Pradesh
21.	Uttarakhand

**Annexure-II**  
**State-wise progress of Venture Capital Assistance (VCA) Scheme**

Sl. No.	State	No. of sanctioned projects	VCA (Rs. in lakhs)
1	Andhra Pradesh	41	1095.92
2	Arunachal Pradesh	4	294.39
3	Assam	29	1338.52
4	Bihar	5	163.77
5	Gujarat	419	13598.73
6	Goa	1	54.33
7	Haryana	120	3787.89
8	Himachal Pradesh	72	2428.19
9	Jammu & Kashmir	46	1821.05
10	Karnataka	217	5566.77
11	Kerala	46	852.34
12	Madhya Pradesh	154	3632.26
13	Maharashtra	474	12574.32
14	Manipur	11	203.21
15	Meghalaya	3	99.55
16	Nagaland	9	188.85
17	Orissa	4	58.59
18	Punjab	108	2302.48
19	Rajasthan	198	5595.18
20	Tamil Nadu	95	2793.23
21	Uttar Pradesh	323	10523.04
22	Uttarakhand	46	2192.19
23	West Bengal	9	321.12
24	Mizoram	1	155.43
25	Chhattisgarh	216	4551.69
26	Tripura	3	185.84
27	Jharkhand	3	84.28
28	Telangana	54	2011.72
	<b>Total</b>	<b>2711</b>	<b>78474.88</b>

**Annexure-III****State-wise progress of Equity Grant and Credit Guarantee Fund Scheme (EGCGFS)**

Sl. No	State	No. of FPCs where Equity Grant Sanctioned	Total Amount (Rs. in lakhs)
1	Andhra Pradesh	10	44.07
2	Bihar	12	45.35
3	Chhattisgarh	1	10.00
4	Gujarat	7	50.52
5	Haryana	11	92.51
6	Himachal Pradesh	1	2.84
7	Karnataka	67	624.29
8	Kerala	2	16.85
9	Madhya Pradesh	53	230.85
10	Manipur	3	23.16
11	Maharashtra	84	480.23
12	Odisha	8	62.66
13	Rajasthan	10	55.21
14	Tamil Nadu	70	515.20
15	Telangana	5	26.34
16	Tripura	1	8.44
17	Uttar Pradesh	80	410.15
18	Uttarakhand	1	10.00
19	West Bengal	63	307.47
	<b>Total</b>	<b>489</b>	<b>3016.14</b>

Out of 489 cases, 18 FPCs have taken 2nd tranche of Grant.

#### Annexure-IV

State/Union Territory wise number of mandis integrated with National Agriculture Market (e-NAM)

Sl. No.	State/Union Territory	Number of Mandis Integrated with e-NAM
1.	Andhra Pradesh	22
2.	Chandigarh	1
3.	Chhattisgarh	14
4.	Gujarat	79
5.	Haryana	54
6.	Himachal Pradesh	19
7.	Jharkhand	19
8.	Madhya Pradesh	58
9.	Maharashtra	60
10.	Odisha	10
11.	Puducherry	2
12.	Punjab	19
13.	Rajasthan	25
14.	Tamil Nadu	23
15.	Telangana	47
16.	Uttar Pradesh	100
17.	Uttarakhand	16
18.	West Bengal	17
	Total	585

**Annexure-V****State wise list of Farmer Producer Organizations (FPOs) promoted by SFAC**

<b>S. No.</b>	<b>Name of the State</b>	<b>Number of FPOs promoted</b>
1)	Andhra Pradesh	7
2)	Arunachal Pradesh	2
3)	Assam	12
4)	Bihar	29
5)	Chhattisgarh	26
6)	Delhi	4
7)	Goa	2
8)	Gujarat	20
9)	Haryana	23
10)	Himachal Pradesh	6
11)	Jammu & Kashmir	2
12)	Jharkhand	10
13)	Karnataka	119
14)	Madhya Pradesh	143
15)	Maharashtra	99
16)	Manipur	6
17)	Meghalaya	3
18)	Mizoram	1
19)	Nagaland	2
20)	Odisha	41
21)	Punjab	7
22)	Rajasthan	48
23)	Sikkim	30
24)	Tamil Nadu	11
25)	Telangana	20
26)	Tripura	4
27)	Uttarakhand	7
28)	Uttar Pradesh	51
29)	West Bengal	83
	<b>Total</b>	<b>818</b>

\*\*\*\*\*