

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

LOK SABHA
UNSTARRED QUESTION NO. 1212
TO BE ANSWERED ON THE 27TH JULY, 2021

FARMER PRODUCER ORGANISATIONS

1212. SHRI MARGANI BHARAT:
SHRI PARBHUBHAI NAGARBHAI VASAVA:

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

- (a) the details of Farmer Producer Organisation (FPOs) set up in the country in 2020, State-wise;
- (b) whether the target to set up 10,000 FPOs has been achieved;
- (c) if so, the details of target set for each State and the status of achieving the same, State-wise;
- (d) the manner in which FPOs have proven beneficial to small and medium farmers;
- (e) the details of number of FPOs in the State of Andhra Pradesh and whether it is not true that the Government provide Rs.18 lakhs to each FPO and, if so, details of financial assistance given to FPOs in Andhra Pradesh in 2020; and
- (f) the details of equity grant given to farmers registered under FPOs in Andhra Pradesh in 2020?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a): As informed by Ministry of Corporate Affairs, Govt. of India, the number of Producer Companies registered in India in 2020, State-wise, is at Annexure-I. Farmer Producer Companies have not been separately defined or categorized under the Companies Act.

(b) to (c): 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 new FPOs till 2027-28 with a total budgetary outlay of Rs.6865 Cr.

Under the scheme, the formation and promotion of FPO is based on Produce Cluster Area approach and specialized commodity based approach. While adopting cluster based approach, formation of FPOs will be focussed on “One District One Product” for development of product specialization.

Initially one FPO is allocated per block. So far, a total of 4465 new FPOs produce clusters have been allocated to Implementing Agencies for formation of FPOs, of which a total of 632 no. of FPOs have been registered.

(d): As per the Evaluation Report of PricewaterhouseCoopers (PwC) on FPO component titled “Impact Study 7- Enhanced realization of agriculture produce marketed through PCs/FCSCs under Maharashtra Agricultural Competitiveness Project (MACP)” brings out the following major points : (i) sale through Farmer Producers Companies (FPCs) has resulted in increased price realization by members by 22%, (ii) Incidence of cost of marketing is 31% lower than other channels (iii) 28 percent of members have purchased inputs from PCs and it has resulted into net savings of Rs.1384 per acre.

(e) & (f) As informed by the Government of Andhra Pradesh, a total of 852 FPOs have been formed till 2020 in Andhra Pradesh.

Under the Central Sector Scheme for formation and promotion of FPOs, the Farmer Producer Organizations(FPOs), provision has been made for financial assistance upto Rs 18.00 lakh per FPO for a period of 03 years for meeting the FPO management cost. Under the new FPO scheme, the Department of Agriculture & Farmers Welfare(DA&FW) makes advance release to the Implementing Agencies for formation and promotion of FPOs. So far, Rs.249.08 Cr. has been released to all IAs.

As informed by Small Farmers' Agri-Business Consortium (SFAC), Equity Grant of Rs.31.22 lakh was extended to 4 FPCs in Andhra Pradesh during 2020-21.

Annexure-I

Detail of Producer Companies for the year 2020, Statewise

State	Number of Producer Companies
Andhra Pradesh	147
Arunachal Pradesh	15
Assam	87
Bihar	221
Chandigarh	1
Chattisgarh	32
Delhi	7
Gujarat	108
Haryana	257
Himachal Pradesh	7
Jammu & Kashmir	10
Jharkhand	70
Karnataka	195
Kerala	53
Madhya Pradesh	237
Maharashtra	1950
Manipur	26
Meghalaya	1
Mizoram	4
Nagaland	6
Orissa	177
Puducherry	1
Punjab	13
Rajasthan	114
Tamil Nadu	241
Telangana	119
Tripura	8
Uttar Pradesh	654
Uttarakhand	14
West Bengal	184
Grand Total	4959
