

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1379**  
TO BE ANSWERED ON THE 27<sup>TH</sup> JULY, 2021

**ROLE OF FPOs IN DOUBLING THE FARMERS INCOME**

1379. SHRI DEVJI M. PATEL:  
SHRI SUMEDHANAND SARASWATI:

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

- (a) whether the Farmers Produce Organisation (FPOs) also has an important role to play in doubling the income of the farmers;
- (b) if so, the details of steps being undertaken by the FPOs to double the income of the farmers; and
- (c) the number of the FPOs proposed to be constituted by the Government and the number of the said organisations which have been set up at present and details thereof?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b): Yes Sir, The Government of India has launched the Central Sector Scheme of "Formation and Promotion of 10,000 Farmer Producer Organisations (FPOs)" to form and promote 10,000 new FPOs which will leverage economies of scale in production and marketing with a view to enhance productivity through efficient, cost effective and sustainable resource use for ensuring sustainable income oriented farming, thus helping in reduction of cost of farm production and enhancing farmers' earning thus playing a major role towards doubling the income of farmers. Under this scheme, provision is made for professional handholding support for a period of five years to new FPOs formed.

The Scheme is intended to provide and undertake following relevant major services and activities for their development which would cater to increasing farmers income:-

- (i) Supply quality production inputs like seed, fertilizer, pesticides and such other inputs at reasonably lower wholesale rates.

- (ii) Make available need based production and post-production machinery and equipment like cultivator, tiller, sprinkler set, combine harvester and such other machinery and equipment on custom hiring basis for members to reduce the per unit production cost.
- (iii) Make available value addition like cleaning, assaying, sorting, grading, packing and also farm level processing facilities at user charge basis on reasonably cheaper rate. Storage and transportation facilities may also be made available.
- (iv) Undertake higher income generating activities like seed production, bee keeping, mushroom cultivation etc.
- (v) Undertake aggregation of smaller lots of farmer-members' produce; add value to make them more marketable.
- (vi) Facilitate market information about the produce for judicious decision in production and marketing.
- (vii) Facilitate logistics services such as storage, transportation, loading/unloading etc. on shared cost basis.
- (viii) Market the aggregated produce with better negotiation strength to the buyers and in the marketing channels offering better and remunerative prices.

(c): Under the said Central Sector Scheme, provision has been made to form 10,000 new FPOs. Implementing Agencies (IAs) have been finalized for formation and promotion of FPOs viz. Small Farmers Agri-Business Consortium (SFAC), National Cooperative Development Corporation (NCDC), National Bank for Agriculture and Rural Development (NABARD), National Agricultural Cooperative Marketing Federation of India (NAFED), North Eastern Regional Agricultural Marketing Corporation Limited (NERAMAC), Tamil Nadu-Small Farmers Agri-Business Consortium (TN-SFAC), Small Farmers Agri-Business Consortium Haryana (SFACH), Watershed Development Department (WDD)-Karnataka & Foundation for Development of Rural Value Chains (FDRVC)-Ministry of Rural Development (MoRD). So far, a total of 4465 FPO produce clusters have been allocated to Implementing Agencies for formation of FPOs, out of which a total of 632 no. of FPOs have been registered so far.

\*\*\*\*\*