

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

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 643**  
TO BE ANSWERED ON THE 08/12/2023

**FORMATION OF FPOS IN ANDHRA PRADESH**

643. SHRI PRABHAKAR REDDY VEMIREDDY:

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

- (a) whether it is a fact that new 10,000 Farmer Producer Organisations (FPOs) are going to be formed as a Central Sector Scheme (CSS);
- (b) if so, the details thereof and the number of FPOs going to be formed in Andhra Pradesh, district-wise;
- (c) the performance of FPOs formed so far, with a particular reference to Andhra Pradesh; and
- (d) efforts being made to form more FPOs?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

(SHRI NARENDRA SINGH TOMAR)

(a) & (b): The Government of India has launched the Central Sector Scheme for “Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)” in the year 2020 with a total budgetary outlay of Rs.6865 Crores which will enable farmers to enhance their bargaining power, leverage economies of scale, reduction in cost of production and enhancing farmers’ incomes through aggregation of their agricultural produce, thus playing a major role towards sustainable incomes. Under the said scheme, FPOs being provided financial assistance upto Rs.18.00 lakh per FPO for a period of 03 years. In addition to this, provision has been made for matching equity grant upto Rs.2,000 per farmer member of FPO with a limit of Rs.15.00 lakh per FPO and a credit guarantee facility upto Rs.2 crore of project loan per FPO from eligible lending institution to ensure institutional credit accessibility to FPOs. Further, Rs.25 Lakhs are given to CBBOs for hand holding each FPO over a period of five years.

Formation & Promotion of FPOs are to be done through Implementing Agencies (IAs) which further engage Cluster Based Business Organizations (CBBOs) to form & provide professional handholding support to FPOs for a period of 5 years. So far, 14 IAs were approved for formation & promotion of FPOs which includes Small Farmers' Agri- Business Consortium (SFAC), National Bank for Agriculture and Rural Development (NABARD), National Cooperative Development Corporation (NCDC), National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) etc.

As on 30.11.2023, under the said scheme so far, 461 FPOs have been allocated in the State of Andhra Pradesh. The District-wise number of FPOs allocated in the State of Andhra Pradesh is at Annexure-I.

(c): The performance of the FPOs formed so far, with a particular reference to Andhra Pradesh is at Annexure-II. Further, FPOs started business transactions, the details of work carried by FPOs are as follows:

- i. Supply of quality inputs like seed, fertilizer, pesticides, etc;
- ii. Undertaking aggregation of farmer-members' agri produce for marketing/selling.;
- iii. Making available machinery and equipment on custom hiring basis for members;
- iv. Undertaking value addition like cleaning, assaying, sorting, grading and processing of agricultural produce.

(d): As per the set target, 10,000 FPOs have been allocated to Implementing Agencies under 10,000 FPOs scheme out of which 7597 FPOs have been registered in 34 States/Union territories.

**Annexure-I**

## District-wise number of FPOs allocated in the State of Andhra Pradesh

Sr. No.	District	No. of FPOs allocated
1.	Alluri Sitharama Raju	29
2.	Anakapalli	15
3.	Ananthapuramu	24
4.	Annamayya	9
5.	Bapatla	15
6.	Chittoor	17
7.	East Godavari	20
8.	Eluru	28
9.	Guntur	18
10.	Kakinada	12
11.	Konaseema	11
12.	Krishna	23
13.	Kurnool	25
14.	Nandyal	17
15.	NTR	18
16.	Palnadu	24
17.	Parvathipuram Manyam	10
18.	Prakasam	19
19.	Sri Potti Sriramulu Nellore	21
20.	Sri Sathya Sai	11
21.	Srikakulam	12
22.	Tirupati	26
23.	Visakhapatnam	2
24.	Vizianagaram	21
25.	West Godavari	5
26.	YSR Kadapa	29
	<b>Grand Total</b>	<b>461</b>

**1. Performance of the FPOs at National Level**

No. of FPOs registered	No. of FPOs received equity grant	Actual release of Equity Grant reported (₹ crores)	Total Amount released to FPOs (₹ crores)	Amount of CBBO cost disbursed (₹ crores)
7597	2,740	116.6	291.94	255.5

**2. Performance of the FPOs in Andhra Pradesh**

Numbers of FPOs allocated to IAs	No. of FPOs registered	Matching Equity Grant (₹ Crores)	FPO Management Cost (₹ Crores)	CBBO Management Cost (₹ Crores)
461	355	4.39	7.64	9.21

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