

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

RAJYA SABHA
UNSTARRED QUESTION NO. 824
TO BE ANSWERED ON THE 09/02/2024

UTILISATION OF FUND UNDER SCHEME FOR FPOS

824. SHRI V. VIJAYASAI REDDY:

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

- (a) the number of Farmer Producer Organisations (FPOs) registered, State-wise, with a particular reference to Andhra Pradesh;
- (b) whether it is a fact that the period for formation and promotion of FPO is till 2027-28;
- (c) if so, the reasons for credit guarantee coverage of only Rs. 214 crores to 918 FPOs between 2020 and January, 2024 inspite of nearly 7,500 FPOs having been registered; and
- (d) in what manner the allocated budget of Rs. 6,865 crore would be spent before the deadline of 2027-28 when just Rs. 325 crores was spent in three years since February, 2020?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

(SHRI ARJUN MUNDA)

(a): The Government of India is implementing the Central Sector Scheme for “Formation and Promotion of 10,000 Farmer Producer Organisations (FPOs)” scheme to form and promote 10,000 new FPOs. The State-wise number of FPOs registered including in the State of Andhra Pradesh is annexed.

(b): The aforesaid scheme was launched with a total budgetary provision of Rs.4496.00 crore for five years (2019-20 to 2023-24) with a further committed liability of Rs.2369.00 crore for period from 2024-25 to 2027-28 towards handholding of each FPO for five years from its aggregation and formation. The support to each FPO is to be continued for 5 years from its year of inception, the scheme would continue till 2027-28 to support those FPOs which have formed in the subsequent years till 2023-24.

(c): In order to ensure access of FPOs to credit a dedicated Credit Guarantee Fund (CGF) was provided under the “Formation and Promotion of 10,000 Farmer Producer Organisations (FPOs) scheme. FPOs take credit guarantee cover only after the post registration, which includes mobilization of farmers, generation of certain business revenues etc. As on 31.01.2024, credit guarantees issued to 1097 FPOs worth Rs.246.04 crore.

(d): As on 31st December, 2023, Rs.1054.56 crores have been released to all the Implementing Agencies (IAs) under the “Formation and Promotion of 10,000 Farmer Producer Organisations (FPOs) scheme. Fund expenditure through the FPOs/ Cluster-Based Business Organizations (CBBOs) is dependent on mobilization of farmers, utilization of funds for payment of FPOs premise rent, staff salaries and other key activities across the three years post the FPO incorporation. In addition, more than 66% (of 7960 FPOs) have been formed during the last two financial years.

Annexure-I

State-wise number of FPOs registered including in the State of Andhra Pradesh (as on 31st Jan, 2024)

Sr. No.	States	Number of FPOs Registered
1	Andaman & Nicobar	7
2	Andhra Pradesh	406
3	Arunachal Pradesh	139
4	Assam	347
5	Bihar	506
6	Chhattisgarh	170
7	Goa	8
8	Gujarat	392
9	Haryana	154
10	Himachal Pradesh	118
11	Jammu & Kashmir	206
12	Jharkhand	288
13	Karnataka	281
14	Kerala	124
15	Ladakh	3
16	Lakshadweep	1
17	Madhya Pradesh	582
18	Maharashtra	538
19	Manipur	76
20	Meghalaya	52
21	Mizoram	48
22	Nagaland	85
23	Odisha	414
24	Puducherry	6
25	Punjab	124
26	Rajasthan	506
27	Sikkim	13
28	Tamil Nadu	395
29	Telangana	279
30	Tripura	54
31	Uttar Pradesh	1188
32	Uttarakhand	136
33	West Bengal	314
	Total	7960
