

LINKAGE OF FPOs WITH INDUSTRIES

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Government of India has taken several proactive initiatives to promote direct marketing of farmers' produce, thereby aiming to reduce dependency on middlemen and enhance farmers' income. The key initiatives undertaken include:

- i. Implementation of Formation & Promotion of 10,000 Farmer Producer Organisations (FPOs) scheme: Through the Central Sector Scheme for Formation and Promotion of 10,000 FPOs, farmers are organized into collectives, enabling them to engage in direct marketing and negotiate better terms with buyers.
- ii. National Agriculture Market (e-NAM): The electronic National Agriculture Market (e-NAM) facilitates transparent and competitive online trading, allowing farmers and FPOs to directly connect with traders.

The Government has taken several initiatives to facilitate direct linkages between industries and Farmer Producer Organizations (FPOs) to ensure better market access, fair price realization, and integrated value chain development. Key steps include:

- i. Cluster-Based Business Organizations (CBBOs): Under the Central Sector Scheme for Formation and Promotion of 10,000 FPOs, CBBOs are tasked to facilitate market linkages by identifying and connecting FPOs with relevant industries, processors, and institutional buyers.
 - ii. Buyer-Seller Meets (BSMs): Regular BSMs are organized at the state and national level to bring together industries and FPOs, allowing them to explore direct procurement opportunities.
 - iii. Digital Market Platforms: FPOs are encouraged to use digital platforms such as Open Network for Digital Commerce (ONDC), e-NAM, Government e-Marketplace (GEM), etc. to list their produce and directly interact with buyers from agri-processing, retail, and export sectors.
 - iv. FPOs are being facilitated for issuance of input licenses (seed, fertilizer, pesticide, etc.), enabling them to supply inputs and establish business relations with agri-input industries.
- These initiatives have resulted in increased formal linkages between FPOs and industries across various sectors such as food processing, retail, agri-export, and input supply. Till 30th June, 2025, more than 9000 FPOs have been onboarded on ONDC platform, and 216 FPOs on the GeM, enabling them to list and sell agri-products digitally.

FPOs have established backward market linkages with Agri input suppliers like Bayer crop science, Syngenta, Godrej agrovvet, National Seeds Corporation (NSC), Hindustan Insecticides Limited (HIL) etc. and forward linkages with ITC, Reliance, Big Basket, Farmart, Agri-Bazaar, Patanjali, Mother dairy, Olam, National Cooperative Consumers' Federation of India Limited (NCCF) etc. 171 Industries/ Business Organizations have tied up with 430 FPOs of Small Farmers' Agri-Business Consortium (SFAC) for procurement of raw materials, finished agri-products, agri-commodities, etc. and supply of farm inputs.

This information was given by Minister of State for Agriculture and Farmers Welfare, Shri Shri Ramnath Thakur in a written reply in Rajya Sabha today.

RC/ KSR/AR

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