Empowered lives.
Resilient nations.

access

POLICY PAPER

Financing for
Farmer Producer Organisations (FPOs)

POLICY PAPER

Financing for Farmer Producer Organisations (FPOs)

ACCESS Development Services*

Empowered lives.
Resilient nations.

*The paper has been put together by Monika Khanna and Ram Narayan Ghatak of ACCESS Development Services. It draws from a background paper drafted jointly by Dr. Venkatesh Tagat and Mr. Muralidharan Thykat, Director (Financial Access to FPOs & SMEs) Catalyst Management Services (P) Ltd, with research assistance from Anirudh Tagat, Consultant Research Analyst, RBI Endowment Unit, Institute of Rural Management, Anand.

CONTENTS

ABBREVIATIONS

DAC	Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India
DPIP	District Poverty Initiative Project
FAO	Food and Agriculture Organization of the United Nations
FIG	Farmers Interest Group
FPO	Farmer Producer Organization
FWWB	Friends of Women's World Banking India
GDP	Gross Domestic Product
KfW	Kreditanstalt für Wiederaufbau
NABFINS	NABARD Financial Services Ltd.
NGOs	Non-Governmental Organizations
PO	Producer Organization
PODF	Producer Organization Development Fund
PRODUCE	Producer Development and Upliftment Corpus
RKVY	Rashtriya Krishi Vikas Yojana
RRB	Regional Rural Bank
SFAC	Small Farmers' Agribusiness Consortium
SHG	Self-Help Group
UPNRM	Umbrella Program for Natural Resources Management

EXECUTIVE SUMMARY

Collectivizing farmers into Producer Organizations (POs) has been considered as one of the way to overcome the challenges faced by the small and marginal farmers. This approach is demonstrating the potential to be more successful in breaking farmer's dependency on intermediaries, and enabling them access better markets (inputs and output). In the last decade, efforts have been made towards creating and strengthening POs and thus strengthening their position in the mainstream value chain/s. Over the years, there has been a growing interest in promoting an enabling environment for the FPOs. Several initiatives have been taken by the Government, Apex financial institutions such as NABARD, private donor organizations, financial institutions and many other institutions to support the growth of the FPOs and facilitate their emergence as successful business enterprises.

Under the 12th Five Year Plan of the Government of India, promotion and strengthening of FPOs has been one of the key strategies to achieve inclusive agricultural growth. In the last three years, the growth of the FPOs has witnessed a big spurt in the formation of FPOs. Given this rapid growth of the FPOs, the issue of access to credit - linking the FPOs to reliable and affordable sources of financing to meet their working capital, infrastructure development and other needs - has assumed center stage. As the FPOs strive to achieve sustainability, there is an urgent need to reorient the funding ecosystem to support the newly formed FPOs.

This paper, further explores the financing requirements of the FPOs based on their stages in the life-cycle. Stages of the FPOs are broadly categorized into three phases:

- Incubation and Early Stage
- Emerging and Growing Stage
- Matured Stage (Business Expansion)

In each of the stage of the FPO, the financial needs were found to be different. In early stages, financial need of the FPOs revolves around the cost of mobilizing farmers, registration cost, cost of operations and management, training, exposure visits etc. Mostly the need is met thorough the grant support. Later in the emerging and growing stage, FPOs need working capital to run their businesses. As the FPOs move towards expanding their businesses, POs need term loans are needed to set up processing units, processing/grading/sorting yards, storage godowns, cold storage, transport facilities, etc.

Further, this policy paper attempts to examine the issues relating to financing the FPOs, and offers some recommendations to initiate discussion and debate by the policymakers, financiers and practitioners to evolve consensus to design appropriate policies, financial products, and governance and management practices.

I INTRODUCTION

India had over 138 million farm holdings as per the Agricultural Census, 2011[1]. Of this, about 92.8 million were marginal farm holdings i.e. having individual operational land holding of less than 1 hectare while another about 24.8 million were small farm holdings with individual operational land holding size less than 2 hectares. Therefore, the marginal and small farm holdings together accounted for a whopping 85.0 percent of the total farm holdings in India in 2010-11[2]. However, their share in the country's total operated area was only 44.6 percent. On a national average, the size of operational land holding of each farm varied from 0.39 hectare in the case of the marginal farm holdings to 1.42 hectares for small farm holdings to 17.38 hectares in the case of the large farm holdings, which worked out to 1.15 hectares for all farm holding groups taken together. Such is the predominance of small farms in Indian agriculture. As per estimates, about 1.5 to 2.0 million new marginal and small farms are being added every year due to continued land fragmentation[3].

Indian agriculture, therefore, is a small farm activity. A large majority of them are dependent on monsoon to raise their crops. Being small farms they have natural disadvantage to achieve scale to justify high investment. Limited investment capacity of these small farms is also an area of great concern. Access to critical inputs such as quality seeds, fertilizers, irrigation water, power and credit have created a hugely disabling ecosystem for the small farms. Most farms do not have access to consumer market and therefore are forced to sell their produce to the numerous intermediaries operate in the market. This reduces their profit margin, making the farming business, in most cases, a non-viable one. Therefore, at one hand, we have ever increasing prices of agricultural inputs, and on the other, profit margin of the farms are not increasing proportionately, leading to a situation of crisis where the small farms struggle to survive. The spate of farmer suicides in different parts of the country only epitomizes this crisis. Market oriented reforms have largely been unable to reach the agricultural sector – regulated processing, market and distribution continue to stifle most agricultural value chains and market. Several laws and policies that govern the agricultural sector today have lost their relevance long back demanding their repeal sooner than later[4]. Thus, the agricultural sector needs an urgent overhaul of governance to ensure agricultural growth keeps pace with the overall growth of the economy, guarantee food security of the nation

1 Government of India, Agricultural Census, 2011.
2 Government of India, Agricultural Census, 2011.
3 NAC Draft Document 2012-13 by the Working Group
4 The World Bank Working Paper on Agricultural Reforms in India, 2006.

and assure enhanced livelihood for the people engaged in farming.

As the small farms struggle to get access to inputs, market and credit – they need a level playing field to be able to compete with other market players in equal terms. Due to factors beyond their control and absence of institutions to safeguard their interests, they are unable to integrate with the agricultural value chains, fight the risks and vulnerabilities such as commodity price volatility, crop failure, insect pest-attacks etc. on their own. Considering the legal environment and political sensitivity of the agricultural sector, there is a gradual recognition that one of the ways to overcome the challenges as described above, could be to collectivize the farmers into Producer Organizations (POs) - be they are producer companies, cooperatives or, any other form. The approach is considered to be helpful in integrating the farmers directly, through their institutions (producer companies/ cooperatives), to market, for both, inputs and output. The approach envisions collective processing and marketing whereas production is largely left to the individual small farms, as they too, are considered to have some unique advantages to raise productivity, increase income through diversification and high value agriculture. The initial results also, have been quite encouraging to catch the attention of many public and private sector organizations to set up more number of Farmer Producer Organizations (FPOs). This interest is primarily based on the premise that FPOs give small farmers bargaining power in the market place, enable cost-effective delivery of extension services, and empower the members to influence the policies that affect their livelihoods. In recent years, SFAC (Society promoted by the Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India) and NABARD, have emerged as the driving force in supporting and of FPOs. The Approach Paper to the 12th Five Year Plan reiterates its focus on aggregating the produce of the small and marginal farmers through FPOs, enabling them to reach large and high value markets to realize better price for their produce.

Furthermore, many donor organizations are focusing on formation and strengthening of producer companies (POs) as a key element of their development strategies. The Ford Foundation has placed a grant of USD 690,000[5] with the Client Fund of Rabobank Foundation to provide guarantee to the Indian Financial Institutions who would lend to FPOs. Even, many bilateral and international organizations and financial institutions are taking keen interest in developing the ecosystem for growth of the FPOs/ POs.

Traditionally, FPOs/POs were organized mostly under the co-operative structure. However, due to various legal obstacles and low efficiency, the government support to the cooperatives has declined over the years, and gave birth to producer companies with regulatory framework similar to that of companies while retaining the unique elements of cooperative businesses. Though FPOs/POs include producer companies and cooperatives, this paper attempts to examine the issues relating to financing the FPOs, particularly the producer companies, and offers some recommendations to initiate discussion and debate by the policymakers, financiers and practitioners to evolve consensus to design appropriate policies, financial products, and governance and management practices.

---

5 https://www.rabobank.com/en/about-rabobank/rabobank-foundation/rabobank-foundation-news/2013/Partnership_Ford_Foundation_and_Rabobank_Foundation.html

II FPO POLICY LANDSCAPE

During the last couple of years, there has been a growing interest in promoting an enabling environment for the FPOs. Several initiatives have been taken by the Government, the Apex financial institutions such as NABARD, private donor organisations, financial institutions and many other institutions to support the growth of the FPOs and facilitate their emergence as successful business enterprises. SFAC particularly was mandated by the Government to support formation of FPOs. SFAC's initiative, started in 2011-12 under two Central Government Schemes - the National Vegetable Initiative for Urban Clusters (NVIUC) and the Integrated Development of 600,000 pulses villages in rainfed areas - has since expanded its scope, and includes Special FPO projects being taken up by some State Governments under the Rashtriya Krishi Vikas Yojana (RKVY0 funds and the National Demonstration Projects under the National Food Security Mission (NFSM).

Under the 12th Five Year Plan of the Government of India, promotion and strengthening of FPOs has been one of the key strategies to achieve inclusive agricultural growth. In the last three years, the growth of the FPOs has witnessed a big spurt in the formation of FPOs. With large scale promotion of FPOs, the Government of India has initiated the following policies to create an enabling ecosystem to strengthen the FPOs.

- The Government has issued the National Policy and Process Guidelines for Farmer Producer Organizations in March 2013, laying the framework for mobilization of FPOs with a dedicated source of funding from the RKVY programmes.

- It also launched the "Equity Grant and Credit Guarantee Fund Scheme" for FPOs in January, 2014, enabling the FPOs to access a grant up to INR 10.00 lakh to double members' equity and seek collateral-free loan up to INR 1.00 crore from banks, which in turn can seek 85 percent cover from the Credit Guarantee Fund.

- All major centrally sponsored schemes of the Department of Agriculture and Cooperation (DAC) have incorporated special provisions for promotion and development of FPOs during the 12th Plan.

- SFAC has been designated as a central procurement agency to undertake price support operations under the Minimum Support Price (MSP) programmes for pulses and oilseeds and it will operate only through FPOs at the farm gate.

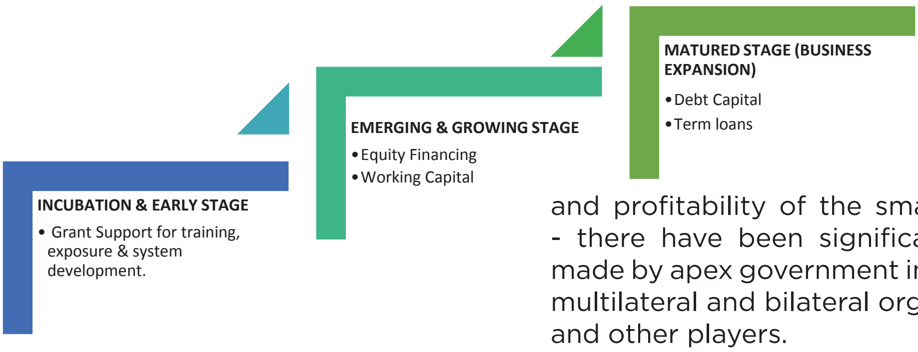
- The Union Budget, 2014-15 proposed to supplement NABARD's Producers Organisation Development Fund with a sum of INR 200 crore which will be utilised for building 2,000 FPOs across the country over the next two years.

- Accordingly, NABARD launched its INR 2,000 crore Food Processing Fund in November 2014 where FPOs will be one of the recipients.

In line with these initiatives, the DAC announced 2014 as the "Year of the Farmer Producer Organizations". Till October 2014, SFAC organized 238,139 farmers into Farmer Interest Groups (FIGs), in turn, to federate into 218 registered FPOs and 19 more are in the pipeline. To add to this, SFAC is promoting 150 new FPOs in West Bengal and Madhya Pradesh.

III FINANCING THE FPOS

Given this rapid growth of the FPOs, the issue of access to credit - linking the FPOs to reliable and affordable sources of financing to meet their working capital, infrastructure development and other needs - has assumed center stage. As the FPOs strive to achieve sustainability, there is an urgent need to reorient the funding ecosystem to support the newly formed FPOs based on the stages in their life-cycles. The life-cycle stages are broadly categorized into three phases and in each of these phases, the needs are found to be very different as showed in the figure below.



A. Incubation and Early Stage

At this stage, the financial need of the FPOs revolves around the cost of mobilizing farmers, registration cost, cost of operations and management, training, exposure visits etc. Accordingly, the agencies engaged in promotion of FPOs require grant support to set up FPOs, take them through the various systems and processes, including most importantly governance, for self- management.

In the past a few NGOs were promoting FPOs to leverage scattered donor funding. In the recent years, after SFAC's push - to address the challenges facing the small farmers in terms of access to investment, technology and markets and to act as a nodal agency to coordinate with the State Governments, civil society, private sector, financial institutions, resource persons and with a range of other stakeholders to enhance production, productivity and profitability of the small farmers - there have been significant efforts made by apex government institutions, multilateral and bilateral organizations and other players.

NABARD has been financing FPOs since 2011 under the Producer Organisation Development Fund (PODF). Prior to the setting up of PODF, NABARD was funding producer collectives under the Umbrella Program for Natural Resources Management (UPNRM), bilaterally funded by KfW/GIZ and NABARD. The other donors in this space were the World Bank to support the District Poverty Initiative Program (DPIP), Rabobank Foundation, Sir Ratan Tata Trust, Ford Foundation and HIVOS and many others

Despite the above said initiatives in terms of grant support to incubate FPOs, many promoting institutions face the challenges in strengthening the FPOs already set up. Some of the challenges faced by both the promoting institutions and the FPOs include:

- Most projects funded by donors are limited to 24 to 36 months life cycle. The experience of most promoting institutions supports that there is a need to provide handholding support to FPOs for a minimum period of 5 to 7 years so as to initiate their business operations.

- Currently, start-up risks are not covered in FPO promotion programmes. Unlike the traditional livelihood projects, the FPOs are business entities and so, are vulnerable to market factors/fluctuations.

- FPOs cannot access international fund as they do not have FCRA exemption, thereby making promoting institutions play a critical role for fund support.

B. Emerging and Growing Stage

Once FPOs are incubated with grant support from promoting institutions, there are 3 ways to raise fund to meet their working capital and investment need. They include - Equity Financing, Credit Capital and Debt Financing.

Equity Financing – Given the limited investment capacity of the small and marginal farmers, limited contributions are made by individual farmers to raise the FPOs' equity which often cannot sustain the operations of the FPOs. In order to augment the equity base of the FPOs, the Union Budget, 2013-14 announced major initiatives by providing matching equity grants and INR 50 crore was sanctioned and implemented since 2013-14 onwards. The scheme is known as the Equity Grant Fund and is managed by SFAC. Currently, the scheme qualifies Famer Producer Companies (FPCs). The Equity Grant Fund enables eligible FPCs to receive a grant equivalent in amount to the equity contribution of their shareholder members in the FPC, thus enhancing the overall capital base of the FPC. The Scheme supports the nascent and emerging FPCs, which have paid up capital not exceeding INR 30 lakh as on the date of application.

Working Capital – As soon as promotional grant support ends, promoting institutions face challenges to meet up the operational expenses of the FPOs. In most cases it is found that the FPOs hardly reach the breakeven point to achieve commercial viability. As the FPOs begin early stage business activities such as bulk purchase of inputs, they need working capital. Though the FPOs, at this stage, are expected to generate their own funds, it takes anywhere between four to five years for them to stabilise their activities so as to be able to raise funds to continue with their activities. The FPOs dealing with commodities such as pulses and oilseeds - which can be stored - stabilise faster as compared to those that deal with perishables such as fresh vegetables and fruits. It is said that credit capital can also be obtained from potential buyers who give a grace period before the amount is due or interest is charged. Even, the producers who sell their produce to the FPCs do not hesitate in giving credit period to the FPC if convinced about the soundness of the business idea. In practice, most FPOs struggle to get such credit facilities.

It is no wonder that without access to credit, the FPOs cannot realize their full potential. To meet credit requirement of the FPOs, the Livelihood and Micro finance Promotion Fund (LAMP FUND) was established in 2001 with contribution of INR 20 lakhs from Indian Grameen Services, a BASIX group of company. Currently there are a few other players who are active in this space such as the ProCIF program of Hivos that tries to collaborate by focusing on credit as a critical intervention. The programme implementation is managed by creating an ecosystem to make the producer companies credit ready. As the FPO progresses from being a start-up entity to a more mature organisation, they build themselves trade-ready and have a track record to attract finance from formal financial institutions and commercial banks. The other examples to provide working capital are FWWB, Maanviya Holding (Oikocredit), NABFINS, Ananya Finance etc. Some commercial banks who offer similar financial assistance to FPOs are ICICI Bank, Union Bank of India, Canara Bank, Vijaya Bank, Ratnakar Bank etc. These are very few and exceptional cases where financing has happened on the merit of the case.

C. Matured Stage (Business Expansion)

As the FPOs move towards expanding their businesses, they need finance for quality improvement in products/ services. Here, finance is required for quality improvement along the value chain of the produce. For example, the FPOs dealing with pulses would require loan for small dal mill, cotton ginning units for the FPOs in cotton growing areas, decorticators in ground nut and so on. This will also serve to incentivize innovation in the value chain from the FPOs and their farmer-members

Term loans are required to build infrastructure that the FPOs want to develop, when they feel the need to create the facilities of their own in order to move up the value chain. Term loans are typically needed to set up processing units, processing/grading/ sorting yards, storage godowns, cold storage, transport facilities, etc.

At present, most formal financial institutions provide short-term loans in the form of crop loans to the farmers and working capital limits for marketing of crops. In addition, a few banks have been providing term loans for investment in agriculture. In the case of the FPOs, it is necessary that the banks recognise the need for mixture of short term working capital and term loans to enable FPOs plan their business development activities. A few commercial banks have been funding agribusiness companies for procurement of raw material but rarely do they include FPOs.

Accordingly, the RBI included financing to FPOs up to INR 2 crore under Direct Agriculture finance under the Priority Sector Lending (PSL) and loans up to 5 crore to FPCs were considered to be included under Indirect Agriculture finance. The Credit Guarantee Fund, set up as per 2013-14 Union budget announcement, is expected to provide Credit Guarantee Cover to eligible lending institutions to enable them to provide collateral free credit to FPCs by minimizing their lending risks in respect of loans not exceeding INR 1 crore.

To promote agro-processing, NABARD set up a fund of INR 2000 crore to make credit available to designated Food Parks. Among other entities, the FPOs are also entitled to avail loans from this fund for establishing designated Food Parks and setting up of individual food/agro processing units in the designated Food Parks[6].

Other initiatives include the debt fund component of ProCIF which provides loans to mature FPOs at market rates to cover both operation and working capital requirements. In this initiative, Caspian Debt Fund, a part of Caspian Impact Investments partnered with ProCIF. The ticket size of loan ranged from INR 50 lakh to INR 3 crore per FPO. The FPOs can also avail warehouse receipt finance. As part of the revised PSL guidelines, loans to farmers up to INR 50 lakh against pledge/ hypothecation of agricultural produce (including warehouse receipts) for a period not exceeding 12 months, is included as direct lending under the PSL. However, not many FPOs are able to benefit from the scheme due to varied reasons.

[6] https://www.nabard.org/pdf/Food_Processing_Fund_guidelines_11_Nov_2014_MOFPI.pdf

IV RECOMMENDATIONS

There have been many discussions and working groups with select group of experts to who are actively engaged in addressing the issues in financing the FPOs[7]. Based on their suggestions, the following recommendations are being made.

1. **FPOs Advocacy by SFAC & NABARD:** As has been discussed earlier, there is need to promote FPOs on a scale like the SHG movement. The SHGs got prominence because of NABARD's continuous support of the concept and coordinating with Government agencies to create an enabling policy environment. Similarly for FPOs, it will be necessary to take up advocacy not only with different government agencies but also with banks and other financial institutions. SFAC and NABARD are already engaged with SFAC taking the lead particularly in working with the State Governments but the work with the banking sector needs momentum and hence, NABARD has a much bigger role to play.

2. **Advocacy with Banks:** Despite RBI's directive to banks on financing of FPOs, their response can best be described as lukewarm in meeting credit needs of the FPOs. Many branches of banks are unaware of the policies regarding FPOs and they need to be educated. It is recommended that NABARD and SFAC may take lead in educating the banks for financing the FPOs. The awareness should start at state level and district level forums such as State Level Bankers Committee (SLBC) and District Consultative Committee (DCC) meetings held by banks. Applications from FPOs to the banks could be reviewed at these meetings to assess progress in implementation.

3. **Role of Regional Rural Banks (RRBs) on financing FPOs:** As most FPOs are located in rural areas and bulk of financing requirements are going to be for working capital, the RRBs could play a pivotal role in financing the FPOs. The RRBs could provide working capital such as cash credit facility, crop loans to farmers, SHGs loans to FIGs/SHGs

---

[7] Working group discussions of the erstwhile National Advisory Council; Roundtable discussions held by SFAC and FWWB on 12th July 2012 (The Hindu, 2013); First FPO Working Group Meeting held at IIM Bangalore organized by IIM-B, NABARD and Access Development Services on 5th April 2014 and Second FPO Working Group Meeting organized by ACCESS Development Services on 26 September 2014 at Delhi.

for raising crops and such other agricultural needs directly as they have location advantage being close to the FPOs. It will be good if NABARD makes appropriate policies for RRBs to extend working capital finance as well as term loans to FPOs.

4. **Interest subvention for FPOs:** Presently crop loans are available for farmers at 7 percent for loans up to INR 3 lakhs. With the interest subvention scheme the interest gets even lower for the farmers who repay the loan promptly. Since the FPOs are owned by small and marginal farmers, the scheme could be extended to the FPOs as well, especially for the start-up FPOs who need such support.

5. **Agri-Business Bank in India:** The expert committee at the IIM-B (Indian Institute of Management, Bangalore) roundtable[8] felt that there is no bank dedicated to do agriculture lending in India, while such specialised banks exist in other countries in the world (including other Asian countries like China, Philippines etc). Agriculture lending by banks is seen as a part of the priority sector lending to be met as a statutory obligation rather than a business opportunity. This is because the opportunity in contrast to manufacturing and services sector, agriculture is characterised by high seasonality, price volatility, long lead times and complex value chains. As a consequence, loan products for this sector needs to be designed appropriately otherwise the agribusiness sector will not take off (which justifies why some countries have specialised banks catering to the sector). RBI and NABARD could jointly take a view on the creation of new banking entity in the light of the Nachiket Mor committee recommendations.

6. **Early stage funding:** NABARD/ SFAC may earmark separate fund for early stage nurturing of FPOs to meet both capacity building and mentoring needs which are grant based and operational expenses as well as other business needs such as value chain studies and business plans which could be met out of soft loans.

7. **Guarantee Fund:** The current Credit Guarantee Fund is set up to guarantee loans provided by Banks and RRBs up to 75 percent to 85 percent of loans sanctioned to the FPOs. This is especially meant to encourage banks to provide collateral free loans up to INR 1 crore. There should however be a Guarantee Fund to cover lending to other legal forms of FPOs and producer companies beyond INR 1 crore.

8. **Research & Development Fund:** There is need for a number of research/studies relating to FPOs in respect of their operations, market access and finance. The need for ratings of FPOs on the lines of SHG rating would improve credit worthiness of the FPOs. There are a number of such initiatives around the globe and it will be useful to document such work and build knowledge.

9. **Price risk cushion fund**: Price risk is a major impediment and a high risk that FPOs will face especially when they purchase from farmers, store and sell. This happens when there is a glut in the market and

[8] Held on April 5th, 2014: http://www.iimb.ernet.in/node/4438

sometimes the price falls even lower than the purchase price. In such situation there needs to be a mechanism to cover price risk so that the FPOs do not bear such shocks in the early stages of their development.

10. **Taxation** – Currently agri-processing VAT is paid on the entire value. There is need to put forth an argument for such tax to be paid on "True Value Added", so on 10% (or for the purchaser to pay purchase tax) with the Ministry of Finance.

11. **Corporate Social Responsibility** – To work with Ministry of Corporate Affairs to include funding of FPOs as a legitimate CSR activity.

12. **Development of FPO Rating Tool**– Amidst the spur in promotion of the FPOs over the last decade, there is a need to differentiate the well-functioning and credit worthy business entities/FPOs. On the lines of the rating tool for the microfinance institutions, it is suggested to develop a rating tool for the FPOs and rate the functioning of the FPOs on activities such as governance, management, risks mitigation, and sustainability. Based on the score received by the FPO, credibility with investors and formal financial institutions could be established.

13. **Boosting Warehouse Receipt Financing** - It is important to highlight the role of the collateral managers in ensuring the quality of the farm produce is market standard because quality is an issue that makes dealing in agricultural produce so cumbersome. They also have an important role to play in finding buyers/market players at right price from the FPOs.

With the above changes, it would be possible that the FPOs will have a better ecosystem to grow – transforming the rural areas, creating more jobs and making the growth of the country more inclusive.

BIBLIOGRAPHY

Government of India (2013a): *State of Indian Agriculture 2012-13.* (New Delhi: Ministry of Agriculture, Department of Agriculture and Cooperation, Directorate of Economics and Statistics).

Government of India (2013b): *Policy and Process Guidelines for Farmer Producer Organisations,* (New Delhi: Department of Agriculture and Cooperation, Ministry of Agriculture).

Government of India (2014): Budget Speech by Honourable Finance Minister, July 10 2014 Ministry of Finance, Government of India. Viewed on 10 Sept 2014 (http://indiabudget.nic.in/ub2014-15/bs/bs.pdf).

The Hindu (2013). "Advisory Council Urges Govt To Promote Farmer Producer Organisation", Jan 30, 2013. Accessed on 13 Nov, 2014 (http://www.thehindubusinessline.com/industry-and-economy/advisory-council-urges-govt-to-promote-farmer-producer-organisation/article4361525.ece)

SFAC (2014): "Detailed List of Farmer Producer Organizations (FPOs-Statewise)", 2013, Small Farmers' Agribusiness Consortium, Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India, Viewed on 13 Nov 2014 (http://sfacindia.com/List-of-FPO-Statewise.html)

ACCESS Development Services

28, Hauz Khas Village, 1st Floor
New Delhi–110016, India

Tel :26510915, 26536435-36 Extn.:203
Fax :+91-11-26850821

e-mail : info@accessdev.org
Website:www.accessdev.org