

**"FINANCE MINISTER MAKES PROVISIONS FOR FPOs IN UNION BUDGET".**

Quote from para 52 of the Finance Minister's Union Budget Speech....

*.....“Farmer Producer Organizations (FPO), including Farmer Producer Companies (FPC), have emerged as aggregators of farm produce and link farmers directly to markets. To signal our support to them, I intend to provide matching equity grants to registered FPOs up to a maximum of Rs 10 lakh per FPO to enable them to leverage working capital from financial institutions. I propose to provide Rs 50 crore for this purpose. Besides, a Credit Guarantee Fund will also be created in the Small Farmers' Agri Business Corporation with an initial corpus of Rs 100 crore. I urge State Governments to support such FPOs through necessary amendments to the APMC Act and in other ways”.*

SFAC is working on detailed guidelines to operationalize the announcements made by the Finance Minister and these are likely to be approved by Govt. of India for launch in FY 2013-14.