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## NABARD to set up 250 FPOs in Gujarat



AHMEDABAD: National
Bank for Agricultural and
Rural Development
(Nabard) aims to set up
250 Farm Producers
Organizations (FPOs) in
Gujarat over the next
three years.

The announcement was

made during a media briefing by senior officials of NABARD on Tuesday - a day ahead of its annual state credit seminar which will be held in Gandhinagar on Wednesday.

Setting up of the FPOs - which are farmers' collectives that help reduce cost of production by encouraging common cultivation and bulk transport - is a NABARD initiative to help boost the income of small and marginalized farmers in the state.

## राष्ट्रीय कृषि और ग्रामीण विकास बैंक National Bank for Agriculture and Rural Development

कापरिट सचार विभाग

प्लॉट क्र सी-24, 'जी' ब्लॉक, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400 051. टेली: +91 22 2652 4693 • फ़ैक्स: +91 22 2653 0071 • ई मेल: ccd@nabard.org

Corporate Communications Department

Plot No. C-24, 'G' Block, Bandra-Kurla Complex, Bandra (É), Mumbai - 400 051 • Tel.: +91 22 2652 4693 • Fax: +91 22 2653 0071 • E-mail: ccd@nabard.org



Currently, there are 168 FPOs operational in Gujarat, spread across Banaskantha, Bhavnagar, Dahod, Narmada, Sabarkantha, Bharuch, Bhavnagar and Panchmahal districts.

Explaining how FPOs help boost farmers' incomes, Sunil Chawla, chief general manager, Nabard- Gujarat Regional office, said, "About 66% of farmers in Gujarat are small and marginal farmers, who barely have 30% of the total land holding by farmers. Smaller land parcels will not help boost farmer incomes. Therefore, by setting up FPOs, we are not just encouraging collective cultivation but also helping farmers through financial assistance as well as skill development. This way they can reduce cost of production and also adopt better farming practices to help boost individual incomes."

So far, Nabard has provided financial assistance to some 31 FPOs, with an average credit of more than Rs 3 lakh per FPO, Chawla added.

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According to Nabard data, small and marginal farmers in Gujarat have an average land holding of less than two hectare. However, after being part of the FPOs, individual income of farmers have increased significantly.

Mahendra Makwana, CEO of a Nabard-promoted FPO in Gokulpura village in Palanpur taluka of Banaskantha, said, "We are an FPO comprising some 150 small and marginal farmers who cultivate fennel crops. Three years ago, before we started out, the individual earning of each farmer was roughly Rs 1 lakh. However, through collective production, our individual earnings have gone up by at least 25% over a 3-year period."

"Instead of individual transportation, we have taken to bulk transportation which aids in significant cost savings. That apart, we were able to market products directly to the export clients which helped us get better price for our organic produce. Going forward, we plan to rope in more farmers and also diversify into other crops, which could boost our incomes," he added.

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