

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2792
ANSWERED ON:19.03.2007
PROBLEMS OF CONTRACT FARMING
Nayak Shri Ananta

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has received any representation regarding the problems being faced by the contract farmers and contract farming agencies;
- (b) if so, the details thereof and the reaction of the Government thereto; and
- (c) the steps taken to resolve their problems?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a) to (c): No, Sir. No representation regarding the problems being faced by the contract farmers and contract farming agencies has been received. However, in order to make contract farming arrangements beneficial for the farmer and the sponsoring companies, a Model law on marketing has been formulated by the Government keeping various requirements in view and circulated to State Governments for considering suitable amendments in their concerned Acts to bring in the required agricultural market reforms. This model law inter-alia provides for an institutional arrangement for registration of sponsoring companies, recording of Contract Farming Agreements, indemnity to farmers' land and lays down a time bound dispute resolution mechanism.