

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:985
ANSWERED ON:20.08.2007
CONTRACT FARMING OF COTTON
Ahir Shri Hansraj Gangaram

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether there is any proposal to start contract farming of cotton in cotton producing areas of Vidarbha;
- (b) whether such an experiment has been made in the country earlier also;
- (c) if so, whether any review of success of this experiment has been conducted; and
- (d) if so, the details and outcome thereof?

Answer

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

(a): There is no proposal before the Government for contract farming of cotton in cotton producing areas of Vidarbha. However, farmers in Yavatmal District of Vidarbha Region of Maharashtra are reportedly engaged in the contract farming of organic cotton under an arrangement between M/s Eco Farms and Vidarbha Organic Farming Association. The Government of Maharashtra has amended the Maharashtra Agricultural Produce Marketing (Development and Regulation) Act, 1963 and notified Rules thereunder recently for facilitating contract farming in the State.

(b) to (d): Farmers have engaged themselves in contract farming of cotton in Tamil Nadu under an agreement with Super Spinning Mills Limited. A study has been conducted in this regard by the faculty of Tamil Nadu University, Coimbatore and in this study it has been reported that the total cost of cultivation was higher in case of non-contract farming. The cost benefit ratio and cost of production per quintal were found remunerative under contract farming and there was an increase in the yield of cotton also. The Cotton Corporation of India has also taken up projects for contract farming of cotton in various areas of Andhra Pradesh, Gujarat, Madhya Pradesh and Orissa but there are no reports available regarding the review of success of these projects.