

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:5101  
ANSWERED ON:27.04.2010  
CONTRACT FARMING OF POTATO  
Kumar Shri Vishwa Mohan;Pandey Shri Ravindra Kumar

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether certain multinational companies have entered into a contract with farmers across the country for cultivation of contract farming of potato;
- (b) if so, the details thereof alongwith the roles of the State Government and the Union Government in terms of monitoring such contracts;
- (c) whether the Government proposes to get the produce of the farmers sold directly to the official agencies and the respective companies; and
- (d) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a)&(b): Yes, Madam. PepsiCo has entered into contract farming in Maharashtra for cultivation of potatoes. In West Bengal, the PepsiCo has a business arrangement with some primary agricultural societies, cold storages and potato traders for cultivation of potato. However, these contracts are on mutual basis and are not so far registered with the respective State Governments. Central Government has circulated model Agricultural Produce Marketing (Development & Regulation) Act 2003 to all the States and Union Territories for their adoption which has provisions related to contract farming. The status of reform by the States is at Annexure. It is for the State Governments to monitor the contract farming which are registered under the State law.

(c)&(d): The Model Agricultural Produce Marketing (Development & Regulation) Act 2003 has the provision relating to direct marketing. In Maharashtra 82 licenses for direct marketing have been given for direct marketing for different crops.