

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:1961  
ANSWERED ON:08.03.2011  
WORKING GROUP ON CONTRACT FARMING  
Majumdar Shri Prasanta Kumar; Tirkey Shri Manohar

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

- (a) whether the Government has formulated a Working Group on contract farming;
- (b) if so, the details thereof;
- (c) the details of crops and regions associated with contract farming alongwith the benefits likely to accrue therefrom; and
- (d) the details of regulation, intermediation and mechanism put in place for monitoring?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI ARUN YADAV)

(a) & (b): Yes, Madam. The Planning Commission had set up a Working Group of the sub-committee of the National Development Council on Agriculture and related issues relating to marketing reforms, contract farming and agro-processing sector under the Chairmanship of Chief Minister of Punjab. The Working Group submitted its report in May 2007. The Working Group has recommended promotion of contract farming.

(c): The details of region wise crop are not maintained. However, the state-wise illustrative list of crops covered under contract farming is at Annexure-I. The benefits, which are likely to accrue, are assured market, extension and input services to the producer while ensuring assured supply of desired quality produce to contract farming sponsors.

(d): The Model Agricultural Produce Marketing (Development and Regulation) Act (APMC Act) 2003 was circulated by the Ministry of Agriculture to the States/Union Territories for its adoption. The model APMC Act provides for registration, recording and dispute settlement mechanism for contract farming. It also provides for protection of title or rights of the farmers over the land under such contracts. Ministry of Agriculture has also circulated a model APMC Rules in 2007 to the States/Union Territories for adoption.