

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

STARRED QUESTION NO:468  
ANSWERED ON:06.09.2011  
CONTRACT FARMING BY FOREIGN FIRMS  
Singh Shri Ravneet

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

- (a) whether the Government has received reports that certain foreign firms are engaged in contract farming in collaboration with Indian firms;
- (b) if so, the details thereof;
- (c) whether such foreign firms are permitted to export all their produce unhindered;
- (d) if so, the quantity of foodgrains exported by such firms during each of the last three years and the current year; and
- (e) the steps taken by the Government to regulate their working, considering the food security scenario of the country?

**Answer**

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 468 DUE FOR REPLY ON 6TH SEPTEMBER, 2011.

(a) to (e): As 'Agriculture Marketing' is a State subject, the State Governments are competent to make provisions for contract farming in their laws. As per information collected from States and Union Territories, the status of contract farming is given in Annexure I.

According to Foreign Trade Policy, export of various agricultural items are prohibited, namely non-basmati rice, wheat, pulses and edible oils. Similarly, many items like various seeds, etc. are also restricted for exports. These policies are applicable to all exporters. The export of agriculture commodities is regulated taking into consideration their requirement and availability in the country. Company wise export figures are not disseminated on account of commercial confidentiality. The export of foodgrains in last three years is given at Annexure II.

In order to regulate the working of contract farming, the Ministry of Agriculture has framed a Model State Agricultural Produce Marketing (Development and Regulation) Act, 2003 and Model State Agricultural Produce Marketing (Development and Regulation) Rules, 2007 for adoption by States/Union Territories. The Model Act, inter-alia, provides provisions for the registration of contract farming sponsors, recording of contract farming agreements with the Agricultural Produce Marketing Committee (APMC) or a prescribed authority under the Act and a dispute settlement mechanism. It also provides for protection of title or rights of the farmers over the land under such contracts. These are intended to protect the interest of farmer.