

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3732
ANSWERED ON:04.09.2012
CONTRACT FARMING
Vijayan Shri A.K.S.

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government proposes to institutionalise contract farming in the country;
- (b) if so, the details thereof;
- (c) the names of the States where this practice is prevalent;
- (d) whether the concept of contract farming protects the interest of land holder farmers; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE, FOOD PROCESSING INDUSTRIES AND PARLIAMENTARY AFFAIRS (SHRI HARISH RAWAT)

(a) to (e): Yes, Madam. The Ministry of Agriculture has circulated Model Agricultural Produce Marketing (Development & Regulation) Act, 2003 and Model Rules, 2007 to the States / Union Territories for their adoption and guidance. The Model Act provides institutional mechanism for registration, recording and dispute settlement mechanism to encourage contract farming by the farmers. Model Act provides that no title, rights, ownership or possession shall be transferred or alienated or vest in the contract farming sponsor or his successor, thus protecting the interest of land holder farmers. The list of the States where institutionalized mechanism of contract farming practice is prevalent is given in Annexure.