

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:6397

ANSWERED ON:05.05.2015

CONTRACT FARMING

Ajmal Shri Sirajuddin

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

- (a) whether sufficient steps have been taken by the Government to promote contract farming in the country;
- (b) if so, the details thereof;
- (c) whether financial assistance has been given to States or directly to farmers to promote contract farming; and
- (d) if so, the details thereof during the last three years and the current year along with the guidelines issued by the Union Government to the States for this purpose?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE ( SHRI MOHANBHAI KUNDARIA )

(a) & (b): Agricultural marketing is regulated by the States' Agricultural Produce Marketing Regulation (APMR) Acts. In order to regulate and develop practice of contract farming, Government has been actively advocating to the States/Union Territories (UTs) to reform their marketing laws to provide a system of registration of contract farming sponsors, recording of their agreements and proper dispute settlement mechanism for orderly promotion of contract farming in the country. So far, 21 States (Andhra Pradesh, Arunachal Pradesh, Assam, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Maharashtra, Madhya Pradesh, Mizoram, Nagaland, Orissa, Punjab (separate Act), Rajasthan, Sikkim, Telangana, Tripura and Uttarakhand) have amended their Agricultural Produce Market Committee (APMC) Acts to provide contract farming and of them, 13 States (Andhra Pradesh, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Maharashtra, Madhya Pradesh, Orissa, Rajasthan and Telangana) have notified the rules to implement the provision.

(c) & (d): There is no provision for giving financial assistance to States or directly to the farmers to promote contract farming .