

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

**LOK SABHA**  
**UNSTARRED QUESTION NO. 534**  
TO BE ANSWERED ON THE 6<sup>TH</sup> FEBRUARY, 2018

**INVESTMENT IN CONTRACT FARMING**

534. DR. P. VENUGOPAL:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether the Government is considering to encourage private sector investment in contract farming and if so, the details thereof;
- (b) whether the Government has received any proposals in this regard and if so, the details thereof; and
- (c) whether the contract farming is helpful in utilisation of the land remained unutilised for a long time and if so, the details thereof?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI GAJENDRA SINGH SHEKHAWAT)

(a): Twenty States have made provisions for Contract Farming in their State Agricultural Produce Marketing Committee (APMC) Acts following the provision in model APMC Act, 2003 circulated by the Government of India for adoption. Under model APMC Act, 2003, Market Committee or a prescribed officer has been designated as registering, agreement recording and dispute settlement authority. Apart from 20 States, Punjab has formulated a separate Contract Farming Act. Contract Farming is being implemented by States as per the provisions of the respective State's APMC Act. Contract Farming is already operational in States such as Maharashtra, Karnataka, Madhya Pradesh and Haryana.

(b): In view of above, no proposal has been received by the Government of India.

(c): Yes. Under the contract farming, Horticulture, Apiculture, Sericulture and animal husbandry etc. defined as agricultural produce under the APMC Act are covered under contract farming activities. The land remained unutilised for a long time can be utilised under contract farming through cultivating the crop/ rearing the live stock on such land unsuitable for growing staple crops.

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