

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

**LOK SABHA**  
**UNSTARRED QUESTION NO.618**  
TO BE ANSWERED ON THE 6<sup>TH</sup> FEBRUARY, 2018

**CONTRACT FARMING**

618. SHRI CH. MALLA REDDY:

Will the Minister of AGRICULTURE AND FARMERS WELFARE ऋòŠãäÓã एवं किसान कल्याण ½ãã"ããè be pleased to state:

- (a) whether the Government has come out with a draft model for contract farming to protect farmers from price risks and encourage food processing companies to invest more in infrastructure and farming technology; and
- (b) if so, the details thereof?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

ऋòŠãäÓã एवं किसान कल्याण ½ãã"ããÈ½ã ½ãñã Àã•½ã ½ãã"ããè ( SHRI GAJENDRA SINGH SHEKHAWAT)

(a) & (b): In order to mitigate market and price risk and provide production support through supply of quality inputs and farming technology, Government is formulating a progressive, holistic and facilitative model contract farming Act, which is in the final stage of its drafting. Under the draft model Act, provisions have been made *inter-alia* for integrating food processors with farmers with an aim to ensure better price realization to the farmers for their produce besides reducing post-harvest losses, and incentivizing the private sector processors to invest in processing activities.

Comments of various stakeholders have been solicited on the draft model Contract Farming Act including placing it on the website inviting comments of the public.

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