

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 1335
ANSWERED ON MONDAY, DECEMBER 11, 2023
AGRAHAYANA 20 ,1945 (SAKA)**

CONTRACT FARMING AGREEMENTS MULTINATIONAL CORPORATIONS

QUESTION

1335. SHRIMATI SUNITA DUGGAL:

**Will the Minister of CORPORATE AFFAIRS
be pleased to state:**

- (a) whether the Government has taken any specific measures to enhance ease of doing business between farmers and Multinational Corporations (MNCs) with aim of doubling farmers' income;**
- (b) if so, the steps taken thereof;**
- (c) whether the Government has taken any measures to safeguard farmers from discriminatory contract farming agreements by corporates and MNCs and if so, the details thereof;**
- (d) whether the Government has issued any guidelines/advisory to industry stakeholders for fair practices while entering into contract farming agreements with farmers; and**
- (e) if so, the details thereof?**

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

[RAO INDERJIT SINGH]

- (a) to (e) :- The subject matter of Contract Farming Agreements does not fall within the domain of Ministry of Corporate Affairs. As informed by the**

Ministry of Agriculture and Farmers Welfare (MA&FW), though Agriculture and Agricultural marketing is a State Subject, the Government has made a provision for Contract Farming in the Model Acts circulated to the States for their adoptions.

With an aim of doubling farmers' income, in line with the Government's commitment, an Inter-ministerial Committee in April, 2016 was constituted to examine issues relating to "Doubling of Farmers Income (DFI)" and recommend a strategy to achieve the same by the year 2022. The DFI Committee under Dr. Ashok Dalwai, CEO, National Rainfed Area Authority (NRAA) with official and non-official members submitted its recommendations in 14 Volume Report in September 2018 to the Government. The report contained comprehensive strategy for doubling of farmers' income through various policies, reforms & programmes. The Government constituted an Empowered Body on 23.01.2019 for implementation and monitoring of the recommendations of the DFI committee.

In line with the strategy for increasing farmers' income, as suggested by the DFI Committee, Government has adopted various reforms and policies that focus on higher income for farmers and implemented various developmental schemes, programmes and initiatives aimed at supplementing the efforts of the State Governments for the welfare of farmers by modernizing and rationalizing use of inputs so as to decrease cost, increasing production, remunerative returns, income support, old age security, etc. These schemes, programmes and initiatives include:

- i. Supplementary income transfers under Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) Scheme**
- ii. Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY) for providing old age pension**
- iii. Crop insurance under Pradhan Mantri Fasal Bima Yojana (PMFBY)**
- iv. Increase in Minimum Support Price (MSPs) for all Kharif & Rabi crops ensuring a minimum of 50 percent of profit margin on the cost of production**

- v. Focus on resource use efficiency through Soil Health Cards for rationalizing use of fertilizers and use of Neem coated Urea**
- vi. Better access to irrigation under Pradhan Mantri Krishi Sinchai Yojana (PMKSY)**
- vii. 'Per drop more crop' initiative through drip/sprinkler irrigation for optimal utilization of water, reducing cost of inputs and increasing productivity**
- viii. Paramparagat Krishi Vikas Yojana (PKVY) for promoting organic farming and Mission Organic Value Chain Development in North East Region (MOVCDNER)**
- ix. Promotion of sustainable Natural Farming systems**
- x. Farm mechanisation under Sub-mission on Agricultural Mechanization (SMAM), providing which subsidy on purchase of tractors and other farm machineries, and promotion of Custom Hiring Centres (CHCs) for supporting small & marginal farmers who cannot buy them**
- xi. e-NAM initiative for transparent and competitive online trading platform, integration of APMCs with eNAM to create a more efficient marketing environment**
- xii. Agro-forestry through 'Har Modh Par Ped' for additional income**
- xiii. National Bamboo Mission to promote bamboo plantation on non-forest government as well as private land and emphasis on value addition, product development and markets**
- xiv. New procurement policy under Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA) for ensuring remunerative prices for produce by robust procurement of pulses & oilseeds and supplementing FCI operation for procurement of paddy, wheat & millets**
- xv. Promotion of Bee-keeping under Mission for Integrated Development of Horticulture (MIDH) to increase productivity of crops through pollination and increase in honey production as an additional source of income**
- xvi. Consistent annual increase in volume of credit with interest subvention, increase in coverage of farmers under Kisan Credit Cards (KCC) and offering production loan to even dairy & fishery farmers besides agricultural crops**

- xvii. Formation and promotion of 10,000 FPOs to bring scales of economy to agricultural operations**
- xviii. Special attention on creation of agricultural infrastructure through Agri Infrastructure Fund (AIF) with a size of Rs. 100,000 crore**
- xix. National Mission for Sustainable Agriculture (NMSA) to evolve and implement strategies to make Indian agriculture more resilient to the changing climate**
- xx. Focus on application of digital technology at all stages of agricultural value chain**
- xxi. Adoption of drone technologies in agriculture with potential to revolutionize the Indian agriculture**
- xxii. Launching of Kisan Rail to exclusively cater to movement of perishable agrihorti commodities**
- xxiii. MIDH - Cluster Development Programme (CDP) designed to leverage geographical specialisation of horticulture clusters and promote integrated and market-led development of pre-production, production, post-harvest, logistics, branding, and marketing activities**
- xxiv. Creation of Start-up Eco system in agriculture and allied sector**
- xxv. Rashtriya Gokul Mission, Blue Revolution, Agro-forestry, Restructured National Bamboo Mission, implementation of New Generation Watershed Guidelines, etc.**
