

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:978
ANSWERED ON:28.07.2003
PROMOTION OF CONTRACT FARMING
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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government have taken a decision to mechanise farming by promoting contract farming;
- (b) if so, whether lesser number of labourers will be required in mechanized farming;
- (c) the social and financial benefits likely to accrue by this method of farming;
- (d) the name of the States where contract farming has been started;
- (e) whether the entry of several multinational companies in agriculture sector has become easy after the promotion of the contract farming in the country;
- (f) if so, the names of the multinational companies entered in this field so far; and
- (g) the areas of land which has been taken under the contract farming so far?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

- (a): No, Sir.
- (b): The labour requirement depends upon the degree of mechanization and the practices adopted in production of different crops.
- (c): Mechanisation entails reduction in the drudgery associated with various agricultural operations and higher return to the farmers besides conservation of resources.
- (d)to(g): Contract farming has been initiated in the States of Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Orissa, Punjab, Tamil Nadu, Kerala and Uttar Pradesh. As no specific programme for promotion of contract farming has been initiated, it is too early to say that it has become easier for multinational companies to enter the agriculture sector. However, some of the companies such as Monsanto, Advanta, Novartis, Pro-Agro, Spic PHI, Global Green, Rellies, HLL, Kuleman India Ltd, Inter-Garden, Pepsi, Nestle have made entry in this field. The available information indicate that about 12630 ha. Areas has been brought under contract farming for various agricultural commodities.