

**GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:5022
ANSWERED ON:26.08.2010
CONTRACT FARMING
Panda Shri Baijayant;Pradhan Shri Nityananda

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

- (a) the status of contract farming in food processing sector;
- (b) the details of food processing sectors where it is proposed to be implemented;
- (c) whether the third party investment in contract farming in Food Processing Sector ensure better technology, raise productivity and bring maximum benefits to the farmers; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHA)

- (a) & (b): The Ministry of Food Processing Industries does not maintain data on the Contract Farming in Food Processing Sector.
- (c) & (d): Ministry of Food Processing Industries has not undertaken any survey to assess the impact of contract farming in the sector. However, a recent survey (2010) by FICCI on challenges in food processing sector, indicated that to overcome the long and fragmented supply chain, contract farming can emerge as a significant opportunity for companies whereby they can create direct farm linkages to source appropriate quality, quantity and varieties of inputs.