

FOREIGN INVESTMENT POLICY OF INDIA

ON

AGRICULTURE

	Sector Activity	% of FDI allowed	Entry Route
1	Agriculture & Animal Husbandry		
	Floriculture, Horticulture, Apiculture and Cultivation of Vegetables & Mushrooms under controlled conditions; Development and production of Seeds and planting material; Animal Husbandry (including breeding of dogs), Pisciculture, Aquaculture, under controlled conditions; and services related to agro and allied sectors	100%	Automatic Route

Note: Besides the above, FDI is not allowed in any other agricultural sector / activity

1.1 Other Conditions

- I. For companies dealing with development of transgenic seeds/vegetables, the following conditions apply:
 - (i) When dealing with genetically modified seeds or planting material the company shall comply with safety requirements in accordance with laws enacted under the Environment (Protection) Act on the genetically modified organisms.
 - (ii) Any import of genetically modified materials if required shall be subject to the conditions laid down vide Notifications issued under Foreign Trade (Development and Regulation) Act, 1992
 - (iii) The company shall comply with any other Law, Regulation or Policy governing genetically modified material in force from time to time.
 - (iv) Undertaking of business activities involving the use of genetically engineered cells and material shall be subject to the receipt of approvals from Genetic Engineering Approval Committee (GEAC) and Review Committee on Genetic Manipulation (RCGM).

II. The term ‘under controlled conditions’ covers the following:

- a) ‘Cultivation under controlled conditions’ for the categories of Floriculture, Horticulture, Cultivation of vegetables and Mushrooms is the practice of cultivation wherein rainfall, temperature, solar radiation, air humidity and culture medium are controlled artificially. Control in these parameters may be effected through protected cultivation under green houses, net houses, poly houses or any other improved infrastructure facilities where micro- climatic conditions are regulated anthropogenically.
- b) In case of Animal Husbandry, scope of the term ‘under controlled Conditions’ covers –
 - Rearing of animals under intensive farming systems with stall- feeding. Intensive farming system will require climate systems (ventilation, temperature/humidity management), health care and nutrition, herd registering/pedigree recording, use of machinery, waste management systems.
 - Poultry breeding farms and hatcheries where micro-climate is controlled through advanced technologies like incubators, ventilation systems etc.
- c) In the case of pisciculture and aquaculture, scope of the term ‘under controlled conditions’ covers –
 - Aquariums
 - Hatcheries where eggs are artificially fertilized and fry are hatched and incubated in an enclosed environment with artificial climate control.
- d) In the case of apiculture, scope of the term “‘under controlled conditions’ covers –
 - Production of honey by bee-keeping, except in forest/wild, in designated spaces with control of temperatures and climatic factors like humidity and artificial feeding during lean seasons.

	Sector Activity	% of FDI allowed	Entry Route
2	Tea Plantation		
	Tea sector including tea plantations <i>Note:</i> Besides the above, FDI is not allowed in any other plantation sector/activity	100%	Government Route <i>(means upto 100% FDI is allowed but with prior government approval)</i>

Other Conditions

Prior approval of the State Government concerned in case of any future land use change.