

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

STARRED QUESTION NO:258  
ANSWERED ON:27.08.2013  
INVESTMENT IN AGRICULTURE AND ALLIED SECTORS  
Mandal Shri Mangani Lal

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether the decision of the Government to allow 100 per cent FDI in certain agricultural activities has yielded the desired result and is likely to provide the much needed boost to the agriculture sector during the 12th Five Year Plan;
- (b) if so, the details thereof;
- (c) whether the Government has received any suggestions from cooperative unions and agriculture experts to allow FDI in agriculture and animal husbandry, dairy farming, fisheries sectors etc. besides the public and private sectors;
- (d) if so, the details thereof including the action taken by the Government thereon; and
- (e) the manner in which capital investment by the public and the private sectors and FDI is beneficial for the farmers of the country?

**Answer**

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 258 DUE FOR REPLY ON 27TH AUGUST, 2013.

(a) to (e): FDI policy aims at attracting and promoting foreign investments to supplement domestic capital, technology and skills for accelerating economic growth.

FDI up to 100% of cap/equity is permitted under the automatic route in the following activities in respect of the agriculture sector:-

- (i) Floriculture, Horticulture, Apiculture and Cultivation of Vegetables & Mushrooms under controlled conditions;
- (ii) Development and production of Seeds and planting material;
- (iii) Animal Husbandry (including breeding of dogs), Pisciculture, Aquaculture, under controlled conditions; and
- (iv) Services related to agro and allied sectors.

Besides, policy for FDI in Multi-Brand Retail Trading (MBRT) provides that at least 50% of the first tranche of US \$ 100 million shall be invested in back-end infrastructure which includes construction of warehousing and cold storages.

During the 11th plan period, FDI inflows into agriculture sector amounted to Rs.6612 crores. The investments were made in development and production of seed and planting material, horticulture and nursery services, agriculture machinery, plant protection services, cattle breeding and livestock rearing, cold storage and warehousing.

In 12th plan, FDI inflows of Rs.875 crores in 2012-13 and Rs.70 crores up to June in current year 2013-14 have been received.