

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 3020
ANSWERED ON 22ND MARCH, 2022

FDI IN FPIs

3020. SHRI JASWANT SINGH BHABHOR:

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

- (a) the Foreign Direct Investment (FDI) made in Food Processing Industry (FPI) sector after the approval of 100 percent FDI in this sector in Dahod district of Gujarat which has been declared as smart city;
- (b) the share of private investment in the food processing sector of the country; and
- (c) the steps being taken by the Government in Dahod district of Gujarat to increase the said investment?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SHRI PRAHLAD SINGH PATEL)

(a): 100% Foreign Direct Investment (FDI) is permitted under the automatic route for the food processing sector. FDI data is maintained and compiled by Department for Promotion of Industry and Internal Trade (DPIIT). State-wise details of FDI equity inflows are maintained with effect from October, 2019 onwards. Since October 2019, no FDI equity inflow has been reported in the Dahod district of Gujarat. However, USD 10.94 billion of FDI equity inflows have been attracted by the food processing sector since 2000-01 to December, 2021 in the country.

(b) & (c): The Government is encouraging private investment in the food processing sector through enabling policy framework like 100% FDI under automatic route, coverage of agro and food processing activities under priority sector lending etc. Ministry of Food Processing Industries is implementing the Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) for augmenting overall growth of the sector including increase in processing/preservation capacity, creating off-farm employment, leveraging domestic investment and increasing value addition to the economy.

As on 31.1.2022, for 582 completed projects under PMKSY, grant of Rs. 3836.76 crore has been approved and Rs.8562.92 crore of investment leveraged through the support. PMKSY is a demand driven scheme implemented throughout the country including Gujarat. Recently, the Production Linked Incentive (PLI) Scheme has been launched for creating global food champions through incentivizing investment in the food processing sector.
