

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION
LOK SABHA**

**UNSTARRED QUESTION NO. 2377.
TO BE ANSWERED ON MONDAY, THE 1ST AUGUST, 2016.**

LICENCING UNDER IDRA ACT

2377. SHRI MAHEISH GIRRI:

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

वाणिज्य एवं उद्योग मंत्री

- (a) whether certain food items have been exempted from the purview of licensing under the Industries (Development and Regulation) Act, 1951, if so, the details thereof;
- (b) whether there are a few small-scale items and alcoholic beverages have been reserved and not exempted, if so, the details thereof and the reasons therefor;
- (c) whether automatic approval for foreign equity up to 100% is available for processed food items, if so, the details thereof; and
- (d) the amount of FDI that has come till now in the processed food industry in the country?

ANSWER

**वाणिज्य एवं उद्योग राज्यमंत्री (स्वतंत्र प्रभार)(श्रीमती निर्मला सीतारमण)
THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)**

- (a): Yes Madam, all food items are exempted from the purview of licensing under the Industries (Development and Regulation) Act, 1951.
- (b): At present no item is exclusively reserved for the manufacture in the small scale sector. Hence, food processing activities stands exempted from licensing provision under IDR Act, 1951. For alcoholic beverages, manufacturing licence is to be issued by the concerned State Government in view of the Industries (Development and Regulation) Amendment Act, 2016.
- (c): Foreign Direct Investment (FDI) up to 100% is allowed in food processing industries under automatic route. Further, 100% FDI is permitted under Government approval route for trading, including through e-commerce, in respect of food products manufactured and/or produced in India.

- (d) Statement on FDI Equity inflows (Financial Year Wise) from April 2000 to May 2016 in Food Processing Industries Sector is as follows:

Sl.No.	Year	FDI (In US\$ Million)
1.	2000-01	45.75
2.	2001-02	219.39
3.	2002-03	36.88
4.	2003-04	109.22
5.	2004-05	43.98
6.	2005-06	41.74
7.	2006-07	102.00
8.	2007-08	70.17
9.	2008-09	102.71
10.	2009-10	278.89
11.	2010-11	188.67
12.	2011-12	170.21
13.	2012-13	401.46
14.	2013-14	3982.89
15.	2014-15	515.86
16.	2015-16	505.88
17.	2016-17 (April to May)	121.19
Total		6936.88
