



# Investment Targeting and Facilitation Desk

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Indian food processing industry is widely recognized as a 'sunrise industry' having huge potential for uplifting agricultural economy. The importance of the sector is further enhanced by the fact that over 60 percent of the population depends upon agricultural activities for livelihood while contribution of agriculture to Gross Value Added is around 17 percent.

The Finance Minister in his Budget Speech in Parliament announced permitting 100% FDI under FIPB Route for marketing including through e-commerce of food products manufactured and/or produced in India.

100% FDI under automatic route is permitted in manufacturing activity of food processing industry. Similarly whole/cash and carry business which includes food products is also open to 100% FDI under automatic route. These activities require more back-end infrastructure than the retail trading activity.

To promote FDI and investment into India, Food Processing Industries Minister Smt. Harsimrat Kaur Badal is leading official ministerial delegations to all over the world. The initial response has been tremendously encouraging. And a large number of foreign companies have expressed interests to come into India to reliable local partner. Therefore Ministry of Food Processing Industries has created an Investment Targeting and Facilitation Desk within the ministry which shall help them collaborate, associate, network and source from India. The Cell shall also prepare a list of Indian companies also for their foreign partners.

Liberalization of FDI policy on Food Products retail trading sector would be more infrastructure development friendly and also bring in significant improvement in Indian agriculture sector. This would lead to faster creation of cold storages, supply chains and would lead to seamless integration of rural and urban economy and benefit Indian farmers with reduced wastages and better price realization. This will benefit farmers give impetus to food processing industry and create vast employment opportunities

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