(a) 100 percent FDI is allowed under automatic route in Floriculture, Horticulture, Development of Seeds, and Cultivation of Vegetables and Mushrooms under controlled conditions and services related to agro and allied sectors.
(b) 100 percent FDI is allowed in the Tea sector including tea plantations under Government route subject to the conditions of :
  (i) Compulsory divestment of 26 percent equity of the company in favour of an Indian partner/Indian public within a period of 5 years
  (ii) Prior approval of the State Government concerned in case of any future land use change.

2. For companies dealing with development of transgenic seeds/vegetables, the following conditions apply:

(a) 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.
(b) 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.
(c) The company shall comply with any other Law, Regulation or Policy governing genetically modified material in force from time to time.
(d) 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).
(e) Import of materials shall be in accordance with National Seeds Policy.
(f) The term "under controlled conditions" covers the following:
  ❖ '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.
  ❖ Development of seeds will be considered to be 'under controlled conditions' when seed farms/laboratories use tissue culture or any other micro-propagation techniques for development and multiplication of seeds/planting material. Seed development in the case of anthuriums, orchids and other ornamental crops in green houses/net houses/poly houses is also included in this category.