

Press Release:

PLI Scheme for Food Processing to thrust India global responsibility to assume a credible player in global value chain: TPCI

- *Share of value added food products including organic food to dent China's global market share*
- *Scheme to help India brands reach global shelves, boost F&B exports*
- *About 3 lakh people to be employed in next 6 years*

New Delhi, 1st April 2021: Applauding the union cabinet nod to Production Linked Incentive Scheme for Food Processing Industry, Mohit Singla, Founder Chairman TPCI, in his statement said, "The scheme will go a long way and prove to be a milestone in Indian brands reaching global shelves quickly and be the world food supermarket for F&B products. It will boost the manufacturing activity and boost exports in the Food and Beverage (F&B) Sector and lead the country to be a credible player in the global value chain soon. "The PLI Scheme along with the farm bill is a defining moment for India to make a paradigm shift in the F&B sector by leapfrogging to capture new markets, he added.

Additionally, China's global supremacy in the global food value chain will be finally challenged with India assuming global responsibility in time to come. China's food-processing industry had more than \$2 trillion in revenues and has more than 40,000 processing and manufacturing plants churned out food products. The PLI Scheme will be a game changer for India as it will incite a large number of younger entrepreneurs and experts to join the food processing domain, giving India an edge. India will surely replicate the China and Taiwan model in the F & B sector and emerge to be a global leader, as they did for the electronics sector.

Additionally, this scheme will also create huge employment opportunities for nearly 3 lakh people in the next six year.

Singla observed that, “India’s agri- produce conversion into value added products is less than 10% and its price realization grows by at least 200%; besides reducing our perishable crop losses which is currently amounting to more than 92,000 cr.”

Further Singla observed “The first four major food product segments selected for the scheme will help farmers get remunerative prices and reduce wastage considerably. The value added exports will get a leg up with expansion of processing capacity and branding abroad to incentivise emergence of strong Indian brands.” The SME sector along with allied industries including innovative/ organic products in the food processing sector will also get a major push by enhancing the manufacturing capabilities and enhanced exports, he added.

Food Processing Industry (FPI) contributed Rs. 2.08 lakh crore to India’s total Gross Value Added (GVA) in 2018-19. India's share of organic products in the world is less than 1%, while the exports is only 700 million USD currently. Export of processed vegetables grew by 39.22% and Processed Fruits and Juices grew by 7.5% during April- January 2020-21. Ready to eat registered export growth of more than 21% and ready to cook grew by 46.61% during April- December 2020-21.

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