Govt calls for EOI for Rs 10,900 cr PLI scheme for food processing

By TIOL News Service

NEW DELHI, MAY 04, 2021: THE Ministry of Food Processing Industries (MoFPI) on Monday issued detailed operational scheme guidelines and launched an online portal inviting Expression of Interest (EoI) from food processing companies for availing the Rs. 10,900 crore Production Linked Incentive (PLI) scheme for the sector.

The Centreâ€™s PLI scheme for the food processing industry has been approved for implementation during 2021-22 to 2026-27 with an outlay of Rs. 10,900 crore to â€œ ***support the creation of global food manufacturing champions commensurate with India's natural resource endowment and support Indian brands of food products in the international markets***.â€•

The ministry is inviting applications for availing sales-based from applicants who are large entities who apply for incentive based on sales and investment criteria, Small and Medium Enterprises (SMEs) applicants manufacturing innovative and organic products who apply for PLI based on sales, and those applying solely for undertaking branding and marketing activities in export markets.

Taking 2021-22 as the base year, the government aims at achieving an incremental production of worth Rs. 33,494 crore by 2027-28. It also estimates to add 250,000 jobs by 2026-27.

Sales shall include sales of eligible food products manufactured by the applicants as well its subsidiaries and contract manufactures.

Applicants will be extended grant at 50 per cent of expenditure on branding and marketing abroad subject to a maximum grant of 3 per cent of sales of food products or Rs. 50 crore per year, whichever is less.

Four product segment are proposed to be incentivised under the scheme, such as Ready to Cook (RTC) and Ready to Eat (RTE) including millet-based foods, processed fruits and vegetables, marine products and mozzarella cheese.