Guidelines on Production Linked Incentive (PLI) Scheme for Food Processing Industry

PLISFPI

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Objective

Support the creation of global food manufacturing champions; promote Indian brands of food products; increase employment opportunities for off-farm jobs, ensure remunerative prices of farm produce and higher income to farmers.

Components

The objectives are sought to be achieved through the introduction of a Production Linked Incentive (PLI) Scheme. The scheme has three broad components.

- Incentivising manufacturing of four major food product segments viz. Ready to Cook/Ready to Eat (RTC/ RTE) including millet-based foods, Processed Fruits & Vegetables, Marine Products & Mozzarella Cheese.
- Incentivising Innovative/ Organic products of SMEs across all the above four food product segments including Free Range - Eggs, Poultry Meat & Egg Products.
- Support for branding and marketing abroad to incentivize the emergence of strong Indian brands

Tenure of the Scheme

- The tenure of the Scheme is six years from Financial Year 2021-22 to Financial Year 2026-27.
• The Incentive payable for a particular year will be due for payment in the following year. The Incentive payable for 2026-27 will be due for payment in 2027-28

Beneficiary Category

**Category-I:** Applicants are large entities who apply for Incentive based on Sales and Investment Criteria. Applicants under this category could undertake Branding & Marketing activities abroad also and apply for Incentives under the scheme.

**Category-II:** SMEs Applicants manufacturing innovative/ organic products who apply for PLI Incentive based on Sales.

**Category-III:** Applicants applying solely for Incentive for undertaking Branding & Marketing activities abroad.
Eligibility

Support under the scheme shall be provided only to the Applicants engaged in manufacturing of food products in India & sales of such products covered under the target Segments. SME Applicants should engage in such activities for innovative/ organic food products

Under the Scheme, the following four Segments of food products are covered:

1. Ready to Eat/ Ready to Cook (RTE/RTC)
2. Fruits and Vegetable Products
3. Marine Products
4. Mozzarella Cheese
## Benefits of Scheme

<table>
<thead>
<tr>
<th>Year</th>
<th>RTC/RTE</th>
<th>Processed F &amp; V</th>
<th>Marine Products *</th>
<th>Mozzarella Cheese</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021-22</td>
<td>10%</td>
<td>10%</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>2022-23</td>
<td>10%</td>
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<tr>
<td>2024-25</td>
<td>10%</td>
<td>10%</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>2025-26</td>
<td>9%</td>
<td>9%</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>2026-27</td>
<td>8%</td>
<td>8%</td>
<td>4%</td>
<td>4%</td>
</tr>
</tbody>
</table>

* 10% Incentive Rate for Value Added Marine products, as specified at Appendix-B for all 6 years.

**Base Year for calculation of Incremental Sales would be 2019-20 for the first 4 years. For 5th & 6th years, the Base year would shift to 2021-22 & 2022-23 respectively.