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

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**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

Appendix-A: Eligibility Criteria for different Categories of Applicants		
<b>Category-I:</b>		
Segments	Minimum Sales of All Food Products in 2019-20 (Rs Crore)	Minimum Investment (Rs Crore)
RTE/ RTC	500	100
Processed Fruits & Vegetables	250	50
Marine	600	75
Mozzarella Cheese	150	10 MTPD Plant-Rs 23 cr
<b>Category-II:</b>		
(i) Udyog Aadhar/ Udyami Registered;		
(ii) Achieved Minimum Sales of Rs 1 crore during 2019-20 for each of the innovative/ organic products proposed to be incentivised;		
(iii) Applicant for Organic Product shall be registered with APEDA for the organic product proposed to be incentivised.		
<b>Category-III:</b>		
(i) Only Indian Brands are covered for selling food products completely manufactured in India;		
(ii) Branding & Marketing shall be undertaken either by the Applicant directly or through its subsidiary or any other Agency.		

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

<b>Appendix-C: Rates of Incentives on Incremental Sales</b>				
<b>Year</b>	<b>RTC/RTE</b>	<b>Processed F &amp; V</b>	<b>Marine Products *</b>	<b>Mozzarella Cheese</b>
<b>2021-22</b>	10%	10%	6%	10%
<b>2022-23</b>	10%	10%	6%	10%
<b>2023-24</b>	10%	10%	6%	10%
<b>2024-25</b>	10%	10%	6%	8%
<b>2025-26</b>	9%	9%	5%	6%
<b>2026-27</b>	8%	8%	4%	4%

**\* 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.**