Production Linked Incentive (PLI) Scheme (MSME-Relevant Sectors)

Ministry: Ministry of Commerce & Industry (varies by sector)

1. Eligibility Criteria

- Must be a **company registered under the Companies Act, 2013**
- Manufacturing operations must be **located in India**

a) Business Requirements:

- Applicable to both:
  - MSMEs
  - Large enterprises (with different thresholds/benefits)
- Must meet **sector-specific minimum investment criteria**
- Must achieve **incremental sales growth** over a defined base year

b) Financial & Compliance Conditions:

- Availability of **audited financial statements**
- Minimum revenue/turnover track record (as per sector norms)
- Compliance with statutory requirements (GST, etc.)

2. Benefits

a) Financial Incentives:

- Incentives based on **incremental production/sales**
- Typically ranges between **4% to 10%** (sector-specific)
- Defined incentive period (generally up to **5 years**)

b) Business Impact:

- Encourages **large-scale manufacturing and expansion**
- Reduces **operational costs** and improves margins
- Enhances **global competitiveness**

c) Strategic Advantages:

- Promotes:
    - **Technology upgradation and automation**
    - **Export growth and international market access**
    - Integration into **global and domestic value chains**

d) Sector Coverage:

- Electronics
- Pharmaceuticals
- Medical devices
- Auto components
- Textiles
- Food processing

3. How to Apply

- Apply through **sector-specific PLI portals**

Process:

- Identify relevant sector and scheme guidelines
- Prepare:
    - Investment plan
    - Production and sales projections
- Submit application through designated portal/authority
- Evaluation based on:
    - Investment commitment
    - Growth potential
- Approval and onboarding into the scheme

4. Documents Required

a) Business & Registration Documents:

- Certificate of incorporation
- Memorandum & Articles of Association (MoA, AoA)
- PAN, TAN, GST registration

b) Financial Documents:

- Audited financial statements
- Bank statements / proof of funds
- Loan sanction letters / equity commitments

c) Project Documents:

- Detailed Project Report (DPR) with projections
- Investment and production plan

d) Compliance & Authorization:

- Statutory auditor certification (investment, sales, net worth)
- Board resolution / authorization letter
- MSME proof (Udyam Registration, if applicable)

e) Additional Requirements:

- Sector-specific documents (fees, employment proof, revenue thresholds, etc.)

Official Website

https://dpiit.gov.in