GOVERNMENT OF INDIA MINISTRY OF FOOD PROCESSING INDUSTRIES

LOK SABHA

UNSTARRED QUESTION NO. 2354

TO BE ANSWERED ON 13TH MARCH, 2025

DELAY IN DISBURSAL OF INCENTIVES UNDER PLISFPI

2354. SHRI HIBI EDEN

Will the Minister of *FOOD PROCESSING INDUSTRIES* be pleased to state:

- (a) whether the Government is aware that the disbursal of incentives under the Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) has been delayed since May 2024, despite regular disbursals in other PLI schemes like Pharma, if so, the details thereof;
- (b) whether the Government will clarify that incentives for international branding and marketing under PLISFPI have not been disbursed for two consecutive years, despite commitments to support Indian brands in global markets and if so, the steps taken/being taken by the Government in this regard;
- (c) whether the Government acknowledges that many MSMEs and startups under PLISFPI have invested internationally for three years without receiving any incentive and if so, the steps are being taken to resolve this issue;
- (d) whether the Government recognizes that further delays in disbursing committed incentives under PLISFPI may negatively impact the investor confidence; and
- (e) if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (SHRI RAVNEET SINGH)

(a) to (e): Under Production Linked Incentive Scheme for Food Processing Industry (PLISFPI), the Applicants submit claim for incentive only in the very last week of the closing dated i.e. between 25th to 31st December, as 31st December is last date for submitting claims online. This leaves only 3 months for the claim verification and disbursement. Further, as per GST Act, time till 31st December is given to submit reconciliation of GST Sales with audited sales. So, Applicant take time to provide the reconciliation. Further, applicants are required to meet key conditions to become eligible for incentive – CAGR in Sales, Investment completion by 31.03.2024 and condition regarding non-usage of imported raw materials in the products. In such cases, release of incentive amount is delayed. On scrutiny of incentive claims filed by the applicants, sometime key documents for the purpose of verification are missing which causes further delay in release of incentive.
