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Sub-Component

**Operational Guidelines for
Production Linked Incentive (PLI)**

Support on JDPs

Operational Guidelines for Production Linked Incentive (PLI) Scheme

1. Background:

Indian Jute Diversified Products (JDPs) are facing very stiff competition from synthetic products in domestic markets and from Bangladesh in International markets due to heavy cash subsidy (10%) being extended by Bangladesh to its Jute goods exporters. As a result, Indian JDPs are finding it very difficult to increase share of export in the global markets at the desired rate. There is immense potential for increasing export of JDPs on account of global consciousness for sustainable natural products and rising concern for threat and menace posed by synthetic and poly bags to the environment. Accordingly, the Government has approved Production Linked Incentive/Support Component of the Jute Diversification Scheme (JDS) with direct link to production cost such as raw material cost of sales/exported Jute Diversified Products which will support cost competitiveness of Indian JDPs in the global markets. The scheme envisages providing financial support to the Jute Mill Companies and MSME units producing & exporting JDPs, by way of reimbursing a part of their production cost to incentivize them for undertaking more and more diversification efforts.

2. Definition of Jute Diversified Products (JDP) :

Jute Diversified Products (JDP) – JDP can be termed as all the jute products excluding sacking of any weave & geometry and excluding yarn for sale. In case of binary blend, JDP can be termed as a product with more than 50% jute content by weight or more than 33% by weight in case of multifibres and where jute is the dominant fibre. In other products, the product will be considered as JDP, only where the content of jute is 50% or more by weight.

3. Objectives: The objectives of the Production Linked Incentive/Support component of the JDS Scheme are:

- To make Jute Diversified Products cost competitive globally;
- To help JDPs manufacturers' exporters to fetch more business orders;
- To help develop markets and increase market share of JDPs globally;
- To attract more entrepreneurs in JDPs production, sales and exports;
- To help increase consumption of jute through increased businesses thereby supporting farmers to increase more jute cultivation;
- To help achieving 10% CAGR growth in sales of JDPs globally;
- To help increase export of JDPs to Rs. 1600 Cr. by 2026 against Rs. 963 Cr. presently, in combination with the support of other concurrent market and export promotion interventions.

4. **Operating Agency:** The National Jute Board with its Head Quarters at Kolkata and Regional Offices at New Delhi, Hyderabad and Chennai will operate the PLI Component of JDS Scheme as per the following functional/geographical jurisdictions of the NJB offices:

Head Office, Kolkata: Assam, Andaman & Nicobar, Arunachal Pradesh, Bihar, Meghalaya, Manipur, Mizoram, Nagaland, Orissa, Sikkim, Tripura, Chhattisgarh, Jharkhand and West Bengal;

Regional Office, New Delhi: Delhi, Uttar Pradesh, Uttarakhand, Rajasthan, Gujarat, Madhya Pradesh, Haryana, Punjab, Chandigarh, Himachal Pradesh and Jammu & Kashmir;

Regional Office, Hyderabad: Dadra & Nagar Haveli, Daman & Diu, Goa, Maharashtra, Telangana and Andhra Pradesh;

Regional Office, Chennai: Tamilnadu, Karnataka, Kerala, Lakshadweep, and Pudhucherry.

For making communications (letters, telephones, email, fax) and submitting physical applications, claims, documents, seeking clarifications, advice & help, the applicants/claimants/stakeholders may contact to the Offices of NJB in their regions as per the above geographical distributions. The communication details of the NJB Offices are given hereunder:

Head Office, Kolkata

Col. R.B.S. Titus,
Director (Market Promotion & Scheme Implementation),
National Jute Board, Govt. of India, Ministry of Textiles,
3A & 3B, Park Plaza, Park Street, Kolkata – 700069
Tel: 033 22172107, 22493825, Fax: 22172456
Email: jute@njbindia.in, director.mkt@njbindia.in
Web: www.jute.com

Regional Office – New Delhi:

Shri Kishan Singh Ghughthyal,
Joint Director (Market Promotion & Scheme Implementation),
National Jute Board, Govt. of India, Ministry of Textiles,
508 & 509, Prakash Deep Building, 7 Tolstoy Marg,
C.P., New Delhi -110001
Tel: 011 2335 2652, 23310884, Fax: 011 23353519
Email: njbdel@gmail.com, kishan870@gmail.com
Web: www.jute.com

Regional Office – Chennai:

Shri T. Ayyappan,
Joint Director (Market Promotion & Scheme Implementation),
National Jute Board, Govt. of India, Ministry of Textiles,
TNSCB Complex, 130 (Old-212), R.K.Mutt Road,
Mylapore, Chennai, Tamil Nadu - 600004
Tel: 044 2462 0059 Mob : 9444459448
Email: njbchennai@gmail.com; t_ayyappan@yahoo.com
Web: www.jute.com

Regional Office – Hyderabad:

Shri B. Narsimulu,
Consultant (Market Promotion & Scheme Implementation),
National Jute Board, Govt. of India, Ministry of Textiles,
1st Floor, Shop No. 4, Chenetha Bhavan, Nampally,
Hyderabad, Telangana -500001 Tel: [040 2465 6733](tel:04024656733),
Email: njbhyd@gmail.com, simham1@gmail.com , Web: www.jute.com

4. **Commencement and Duration:** The PLI Component of JDS Scheme will come into effect from the date of notification of the Scheme and to be continued up to the 31st March, 2026. Presently, the Scheme will be implemented for a period of 5 years (15th Finance Commission Period, 2021-2026). Based on the performance of the scheme and the requirement of the jute sector, continuation or otherwise of the scheme will be considered after due evaluation by an independent (Third Party) agency.
5. **Incentive under PLI Component:** Financial Incentive will be provided to the Jute Mill Companies and MSME JDP units by way of reimbursing 5% of the cost of Jute Raw Material used in manufacturing exported JDPs limited to 3% of the sales value of JDPs exports whichever is less, subject to a maximum of Rs. 12.00 Lakh per unit per annum.
6. **Eligibility:** Any Jute Mill Company or MSME unit set up within the geographical boundary of India engaged in manufacturing and export of JDPs will be eligible for the incentive under the Scheme subject to fulfillment of the Operating Guidelines including Procedures and Terms & Conditions laid down herein.
7. **Application Procedures and Terms & Conditions:**
 - (i) The Jute Mills Companies/ MSME units manufacturing and exporting Jute Diversified Products desirous of availing the production linked incentive benefits under the scheme shall register themselves with NJB online in the prescribed Form **titled ‘PLI Beneficiaries Registration’** at www.jute.com with the following documents:

- (a) Status of Jute Mill Company/MSME Unit manufacturing and exporting JDPs;
 - (b) Details product-mix being produced and exported;
 - (c) Payment proof for EPF & ESI of employees with number of employees;
 - (d) Total employees numbers (categories-wise viz; General, SC, ST, OBC) etc.
 - (e) GST No. with copies of GST return filed during preceding year;
 - (f) Other Tax registration/number and Compliances Certifications details;
 - (g) Aadhar No. of the proprietor of the Jute Mills/MSME JDP units availing the Incentive
 - (h) All other information and documents prescribed in the Registration Form.
- (ii) The mills / MSMEs engaged in production and export of JDPs, so registered, will be provided with an online registration password for making online submission of quarterly claims.
- (iii) The Jute Mills / MSME JDP units will submit the claims quarterly online in the prescribed Form **titled ‘PLI Claim Submission’** at www.jute.com on the basis of their quarterly production and exports of JDPs. The Claimants will submit the following information/documents along the claim application:
- (a) Total production of Jute Diversified Products during the Quarter under Claim – product-wise and month-wise;
 - (b) Total JDPs exports during the Quarter under claim – product-wise, country-wise and month-wise with supporting documents viz; self certified copies of Shipping Bill/Bill of Export/Bill of Lading/Airway Bill/Postal Receipt, Excise Gate Pass and Commercial Invoice cum Packing List or any such verifiable documents which can certify the export of JDP to the overseas markets.
 - (c) Certified bank transaction details of proceeds of exported JDPs Or any other related documents which Claimant wishes to submit in support of the export realization.
 - (d) Copies of Monthly/quarterly Export Returns submitted to any Govt. Authorities, if applicable, for the Quarter under Claim;
 - (e) Total jute raw material purchased for making such JDPs during the Quarter under Claim, Product-wise and Vendor-wise – with supporting documents viz; copies of purchase bills/vouchers, certified bank transaction details of raw material purchased for making JDPs.
 - (f) Payment of all Jute Material Purchased and Receipt of Export proceeds should be made only through electronic means/Banks. No cash transactions will be considered for the purpose of Incentive under the PLI.
 - (g) The above documents will be subject to cross verifications, if felt necessary by NJB.

- (h) The PLI support so applied for will be paid on quarterly basis within two months of the submission of the claims, provided the claims are complete in all respect fulfilling the required documentations. Any shortcoming found in the claims during examinations will be communicated to the claimants through email and compliance of the same may also be communicated through email only for speedy disposal. Postal communication should be avoided except for bulky documents and reports.
- (i) In case, for any hardship, the Claimants could not submit their claims in any particular Quarter, they will submit the same with the immediate next Quarter Claims with a written reasoning as to why the claims could not be submitted during the previous Quarter. Such claims will be processed and cleared together with the next quarter claims.
- (j) The claims of the fourth quarter will have to be supported by audited annual accounts and adjustments of shortfall or excess during previous Quarters, if any, arising out of the reconciliation, will be carried out and settled in the last quarter claim.
- (k) Documents and data listed at point No. (i) above will have to be updated by the Claimant at the beginning of every financial year, wherever applicable.
- (l) All the claims will be submitted/accepted online only. In case of any technical problems with the website/internet/system of NJB for more than 7 working days, the claims can be accepted manually for such intervening period. However, the online submission will be resumed immediately upon resumption of working of the online system.
- (m) **Indemnity Clause:** Any Jute Mill or MSME Unit availing the benefits under the Scheme will be liable to return the amount of subsidy availed with interest (at prevailing Bank interest rate for commercial loans) to NJB if they are found to have claimed the benefits under the Scheme with false or fraudulent documents. If necessitated, the claim documents will be open to checking and verification by NJB or its authorized agencies till 31st March, 2028 (i.e. beyond 2 years of the duration of the scheme).
- (n) The claimants will also give an undertaking to NJB that they have not availed of nor will they avail of any incentive on the JDPs production & Exports on which PLI has been applied to and availed of from NJB.
- (o) The beneficiaries under the Scheme will be Aadhar seeded.
- (p) In case of any dispute, Monitoring Committee constituted herein for the PLI Component will be the final authority to decide as to the acceptance or rejection of the claims based on the documentary evidences. The decision of the MC will be final and binding on both NJB and the claimants.

8. Total Outlay (Component-wise and Year-wise) :

Total outlay for the PLI Component of the JDS Scheme during 2021-26, both Component-wise and Year-wise, is given hereunder:

(Rs. In Lakhs)

Component	Unit Rate (Rs in Lakh.)	Estimated Units 2021-22	Estimated Cost 2021-22	Estimated Units 2022-23	Estimated Cost 2022-23	Estimated Units 2023-24	Estimated Cost 2023-24	Estimated Units 2024-25	Estimated Cost 2024-25	Estimated Units 2025-26	Estimated Cost 2025-26
Production Linked Incentive/Support (PLI) –	5% of the cost of Jute Raw Material used in manufacturing exported JDPs limited to 3% of the sales value of exported JDPs, subject to a maximum of Rs. 12.00 Lakh per unit per annum	100 JDPs Manufacturing Units	1200.00	105 JDPs Manufacturing Units	1260.00	110 JDPs Manufacturing Units	1320.00	115 JDPs Manufacturing Units	1380.00	120 JDPs Manufacturing Units	1440.00

Note: Need based re-appropriation upto 20% for the PLI Component will be considered by the NJB Board. Accordingly, number of beneficiaries/units under the PLI Component can be increased upto 20% or more to achieve higher outputs, maintaining the unit cost of Incentive within the prescribed limit of Rs. 12.00 Lakhs Per Unit Per Annum.

9. Envisaged output/outcomes year-wise:

The envisaged Year-wise outputs/Outcomes for PLI Component of the Jute Diversification Scheme are given hereunder :

Component	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Production Linked Incentive (PLI) on	100 units Incentivized export worth Rs.	105 units Incentivized export worth Rs.	110 units Incentivized export worth Rs.	115 units Incentivized export worth Rs.	120 units Incentivized export worth Rs.	550 Units Incentivized export worth Rs.

JDPs	400.00 Cr.	420.00 Cr.	440.00 Cr.	460.00 Cr.	480.00 Cr.	2200.00 Cr.
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(Note : The Monitoring Committee and Sub-Committee will be COMMON for all the given components under this Jute Diversification Scheme (JDS) and the Committee details are mentioned at the beginning of the Scheme)

PLI Beneficiary Registration Form

1.	Name of the Jute Company Mill/ MSME JDP Unit	
2.	Address of the Jute Company Mill/ MSME JDP Unit	
3.	Name of Proprietor/Owner/Chief Functionary with Caste Category (for the purpose of category-wise funds allocations under Scheme)	Name: Caste : Gen/SC/ST/OBC – Please tick the right one
4.	Aadhar No. of Proprietor/Owner/Chief Functionary	
5.	Telephone & Mobile Nos.	Tel: Mob.
6.	Fax. No.	
7.	Email addresses & web-site of the Applicant Unit	
8.	Registration Status of the Applicant unit (attach copy of valid registration No.) and year of Incorporation	
9.	GST No. of the Applicant Unit (also attach copy of last year's GST Return)	GST No. Copy of GST Return of
10.	Other Tax registration/numbers	

	(also attach copies of such registrations)			
11.	IEC Code No. (also attach copy of certificate)			
12.	Valid RCMC No. (also attach copy of certificate)			
13.	Export Compliance Certificates viz; CEN, SA8000, SEDEX, GOTS, OEKOTEX, FAIRTRADE, ISO etc. (attach copies of such certificates)			
14.	No. of existing employees caste category-wise	General:		
		Scheduled Caste:		
		Schedule Tribe:		
		Others:		
		Total:		
15.	No. of existing employees enrolled with PF and ESI	PF:		
		ESI:		
16.	International Fairs & delegation participated under NJB Scheme during last year (Country-wise)			
17.	Source of Jute Raw Purchased during last year for making JDPs as per the audited annual accounts, Quarter-wise.	Quarter-wise	Name, Address & Contact details of Raw Material Source/Vendors	Type of Jute Raw Material purchased with quantity and value

18.	Total Production turnover of Jute Diversified Products during last year as per the audited annual accounts, Quarter-wise and product-wise	Quarter-wise	Product-wise Qty (Ton/Pcs.)	Value (Rs.)	
		Total:			
19.	Total Export turnover of Jute Diversified Products during last year as per the audited annual accounts, Quarter-wise, country wise and product-wise.	Quarter-wise	Country	Product-wise Quantity	Value (Rs.)
		Total:			

Certified that the information given herein is true and correct to the best of my knowledge.

Date:

Place:

.....)

(

Signature

Name:.....

Designation:.....

M/s.....

Mob:

Tel:

Claim for the Quarter:.....

PLI Claim Submission Form

1.	Name of the Jute Company Mill/ MSME JDP Unit	
2.	Address of the Jute Company Mill/ MSME JDP Unit	
3.	Name of Proprietor/Owner/Chief Functionary with Caste Category (for the purpose of category-wise funds allocations under Scheme)	Name: Caste : Gen/SC/ST/OBC – Please tick the right one
4.	Aadhar No. of Proprietor/Owner/ Chief Functionary	
5.	Telephone & Mobile Nos.	Tel: Mob.
6.	Fax. No.	
7.	Email addresses & web-site of the Applicant Unit	
8.	Registration Status of the Applicant unit (attach copy of valid registration No.) and year of Incorporation	
9.	GST No. of the Applicant Unit. Attach copies of GST Return for each month of the Quarter under Claim	GST No. Copies of GST Return of April,2021 May, 2021 June, 2021
10.	Other Tax registration/numbers (also attach copies of such	

	registrations)			
11.	IEC Code No. (also attach copy of certificate)			
12.	Valid RCMC No. (also attach copy of certificate)			
13.	Export Compliance Certificates viz; CEN, SA8000, SEDEX, GOTS, OEKOTEX, FAIRTRADE, ISO etc. (attach copies of such certificates)			
14.	No. of employees during the Quarter under reporting - caste category-wise	General:		
		Scheduled Caste:		
		Schedule Tribe:		
		Others:		
		Total:		
15.	No. of employees stood enrolled with PF and ESI during the Quarter under reporting	PF:		
		ESI:		
16.	International Fairs & delegation participated under NJB Scheme during the Quarter under Claim (Country-wise)			
17.	Source of Jute Raw Purchased during the Quarter under Claim for making JDPs.	Month-wise	Name, Address & Contact details of Raw Material Source/Vendors	Type of Jute Raw Material purchased with quantity and value

18.	Total Production turnover of Jute Diversified Products (Product-wise) for the Quarter under Claim - to be supported by Certified CA Reports	Month	Product	Product-wise Qty (Ton/Pcs.)	Value (Rs.)
		April'21			
		May'21			
		Jute'21			
		Total:			
19.	Total Export turnover of Jute Diversified Products for the Quarter under Claim. To be supported by Certified CA Reports and required export documentations as listed in the Scheme Guidelines	Month	Country	Product-wise Quantity	Value (Rs.)
		April'21			
		May'21			
		Jute'21			
		Total:			
20.	Total PLI Incentive received from NJB during the Year till last Quarter				
21.	Present Claim of PLI Incentive being submitted to NJB for the Quarter Under Claim				

Certified that the information given herein is true and correct to the best of my knowledge and in the event of contrary, Our Company will be liable for punitive action as per the Scheme Guidelines.

Date:

Place:

(Signature

Name:.....

Designation:.....

M/s.....

Mob:

Tel: