

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 1186
TO BE ANSWERED ON 11.02.2021

**PRODUCTION LINKED INCENTIVES SCHEME UNDER AATMA
NIRBHAR BHARAT ABHIYAN**

1186. SHRI NARAIN DASS GUPTA:

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) the current status of Production Linked Incentives Scheme under the Aatma Nirbhar Bharat Abhiyan;
- (b) the formula for computation of incentives under the scheme; and
- (c) the expected expenses for the first year?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI SANJAY DHOTRE)

(a): The Production Linked Incentive Scheme (PLI) for Large Scale Electronics Manufacturing has been notified under the aegis of National Policy on Electronics 2019 (NPE 2019) on April 1, 2020. Under, the PLI Scheme for Large Scale Electronics Manufacturing, a total of 16 applications have been approved.

(b) and (c): The PLI Scheme shall extend an incentive of 4% to 6% on incremental sales (over base year) to eligible companies involved in manufacturing of mobile phones and specified electronic components, including Assembly, Testing, Marking and Packaging (ATMP) units. The incentive applicable for an approved applicant shall be computed as per the formula detailed in Para 11 of the Scheme Guidelines. (Refer Annexure).

The expected expenses under the scheme for the first year will be dependent on the incremental sales (over base year) achieved by the approved companies under PLI Scheme.

Annexure

Calculation of Incentive under the Scheme

The incentive applicable for an approved applicant shall be computed as follows:

Net Incremental Sales of Eligible Product x Rate of Incentive

Where

- Eligible Product is as stated in the approval letter
- Net Incremental Sales shall be Net Sales Turnover of Eligible Product for the period to which claim for disbursement of incentive pertains minus the Net Sales Turnover of said Eligible Product as per baseline determined
- In case of return of Sales of Manufactured Goods under target segments, the Gross Sale Turnover shall be reduced by the amount corresponding to such return of sales. If the corresponding sales have been considered for claim processing for the earlier period, the sales return shall be adjusted with Gross Sale Turnover for the period in which the actual sales return takes place.
- The incentive amount payable shall be subject to annual and cumulative ceilings on Net Incremental Sales Turnover on which incentive shall be applicable-
