

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 2682
TO BE ANSWERED ON 10.03.2021

PRODUCTION LINKED INCENTIVE SCHEME

2682. SHRI NIHAL CHAND:

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

- (a) the salient features of the Production Linked Incentive (PLI) Scheme and the manner in which the said scheme will be implemented by the Government in the country;
- (b) the estimated amount allocated by the Government for this scheme and the details of the projected targets set thereunder;
- (c) whether the Union Government is contemplating the spread of Atmanirbhar Bharat Abhiyan in the country under this scheme and if so, the details thereof; and
- (d) the time by which this scheme is likely to be started across the country and the details thereof?

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. The Scheme shall extend an incentive of 4% to 6% to eligible companies on incremental sales (over base year) involved in mobile phone manufacturing and manufacturing of specified electronic components, including Assembly, Testing, Marking and Packaging (ATMP) units. The scheme guidelines were released on 01.06.2020 and the Scheme was open to receive applications till 31.07.2020. A total of 16 applications have been approved under the aforesaid PLI Scheme.

The Production Linked Incentive Scheme (PLI) for IT Hardware was notified on March 03, 2021. The scheme is applicable for manufacturing of Laptops, Tablets, All-in-One PCs, and Servers.

(b): A total budget of INR 40,995 has been allocated by the Government for the Production Linked Incentive Scheme (PLI) for Large Scale Electronics Manufacturing. Under the PLI Scheme over a period of five (5) years, the the projected outcomes include production of about INR 10.5 lakh crore and additional investment to the tune of INR 11,000 crore. Domestic Value Addition is expected to grow to 35-40% for mobile phones and 45-50% for electronic components.

The total budget outlay of PLI Scheme for IT Hardware is INR 7,350 crore over four (4) years. The Scheme shall extend incentive of 4% to 2%/ 1% on net incremental sales (over base year, i.e. 2019-20) of goods manufactured in India and covered under the target segment, to eligible companies, for a period of 4 years.

(c): The PLI Schemes will significantly contribute towards making India a competitive destination for electronics manufacturing and creating domestic champions to achieve the vision of Atmanirbhar Bharat (Self-Reliant India). The PLI Scheme for Large Scale Electronics Manufacturing shall promote 5 domestic champions in mobile phone manufacturing and the PLI Scheme for IT Hardware is expected to promote 10 domestic champions in IT Hardware manufacturing.

(d): The PLI Scheme for Large Scale Electronics Manufacturing is under implementation. A total of 16 applications have been approved as under:

Mobile Phones (Category - Invoice Value INR 15,000 and above): 5; Mobile Phones (Category: Domestic Companies): 5; Specified Electronic Components: 6.

The PLI Scheme for IT Hardware has been notified on March 03, 2021 and is open to receive applications till March 31, 2021.
