



PHD Research Bureau
PHD Chamber of Commerce and Industry



DPIIT releases Frequently Asked Questions (FAQs) on PLI Scheme for White Goods (ACs and LED Lights)

The Department for Promotion of Industry and Internal Trade (DPIIT) has released a set of frequently asked questions on PLI scheme for white goods - ACs and LED lights.

The Production Linked Incentive (PLI) Scheme for White Goods (PLIWG) as notified on April 16, 2021 shall provide financial incentive to boost domestic manufacturing and attract large investments in the White Goods manufacturing value chain. The PLI Scheme shall extend an incentive of 4% to 6% on net incremental sales (net of taxes) over the base year (FY 2019-20) of goods manufactured in India or net incremental sales of eligible products over the base year or FY 2020-21, whichever is higher, as the case may be and covered under target segments, to eligible companies, for a period of five (5) years subsequent to the base year and gestation period as specified in the scheme guidelines.

DPIIT mentioned that midway exit by a selected applicant without fulfilling investment criteria, will thwart one of the selection criteria of maximizing Gross Value Added to economy, as also deprive selection opportunity to another Eligible Applicant under the scheme. Therefore, if any selected applicant declines the offer of approval under the Scheme at any stage or exits the scheme without making full committed investment for reasons whatsoever; in such case,

- The bank guarantee furnished by the selected applicant shall be invoked as per the provisions of the clause 10.9 of the scheme guidelines and
- The applicant shall have to refund the incentive availed by it under the scheme till such date along with interest calculated at the prevailing 3 year SBI MCLR compounded annually.

The Captive Consumption of eligible products shall form part of Net Sales Turnover, subject to 60% of the captive consumption shall comprise of the Eligible Products used in the manufacturing of ACs and LED Lights.

Please find the attached the detailed document on the same for your kind reference.

Please contact for any query related to this mail to Ms Abhi Tomar, Research Associate at abhi.tomar@phdcci.in with a cc to Dr S P Sharma, Chief Economist | DSG at spsharma@phdcci.in and Ms Kritika Bhasin, Research Officer at kritika.bhasin@phdcci.in, PHD Chamber of Commerce and Industry.



Warm Regards,

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