

Production Linked Incentive (PLI) scheme



About the Scheme

In April last year, the central government had for the first time notified the Production Linked Incentive (PLI) scheme for **mobile phones and allied component manufacturing.**

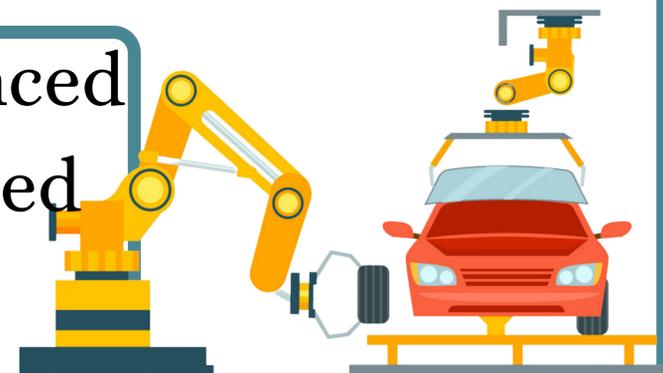


As a part of the scheme, companies which set up new mobile and specified equipment manufacturing units or expanded their present units would get **incentives of 4 to 6 per cent**, after they achieve their investment and production value target for each year.



It aimed at making India a hub for manufacturing and exports.

In November, the government announced that the PLI scheme would be expanded to include 12 more sectors such as automobile and automobile components,



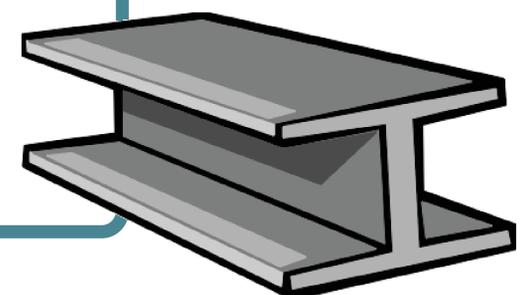
pharmaceutical drugs, textile products, food products,



high efficiency solar photo-voltaic modules,



white goods such as air conditioners and LED bulbs, and speciality steel products.



Why in News?

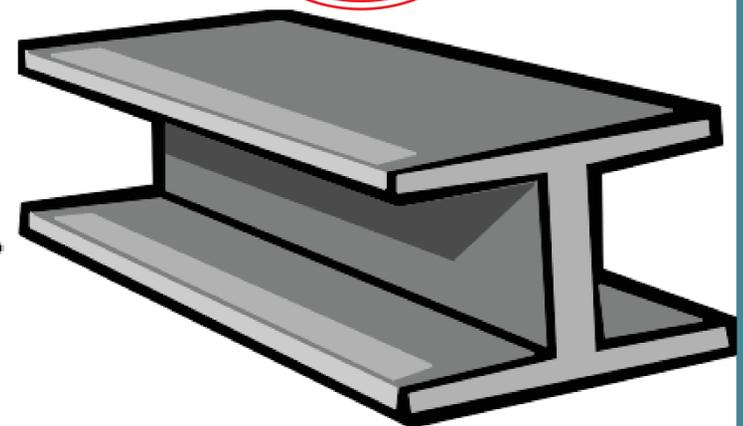
The Union Cabinet has approved the Production-linked Incentive (PLI) Scheme for **Specialty Steel** with incentives of Rs. 6,322 crore. This will be provided over a period of **five years**. This scheme will boost production of high grade specialty steel in the country.



Union Cabinet
Government of India

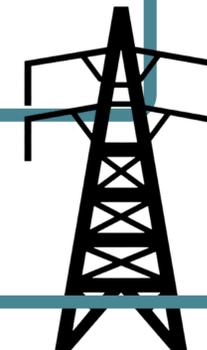
INCENTIVES OF
Rs.6.322 Crore

5 YRS





The scheme will cover coated or plated steel products, high strength or wear resistant steel, specialty rails, alloy steel products, steel wires and electrical steel.



Any company registered in India and engaged in manufacturing of the identified specialty steel grades is eligible to participate in this scheme. The decision will **boost exports and minimise dependence on imports for high end steel.**



This will also bring in investment of approximately 40 thousand crore rupees and has a potential of generating over five lakh 25 thousand jobs.

**40 thousands
crore rupees**



**5 lakh
25 thousand**

J  **bs**

The Scheme proposes to **incentivize eligible manufacturers by paying between 4 percent to 12 percent incentive on incremental production.**



Reference:

<https://newsonair.gov.in/News?title=Union-Cabinet-approves-PLI-Scheme-for-Specialty-Steel-with-incentives-of-Rs.-6%2c322-crore&id=422444>