



KAMARAJ IAS ACADEMY
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Production Linked Incentive Scheme for White Goods

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Why is in news? Changes notified in Production Linked Incentive Scheme for White Goods (ACs and LED Lights)

White goods are **large home appliances** such as, LED Bulbs, refrigerators, freezers, washing machines, tumble driers, dishwashers, and air conditioners.

They are large electrical goods for the house which were **traditionally available only in white**.

The PLI Scheme for White Goods is **designed to create a complete component ecosystem** for Air Conditioners and LED Lights Industry in India and make India an integral part of the global supply chains.

Domestic Value addition is expected to grow from the current 15-20% to 75-80%.

The Production Linked Incentive (PLI) Scheme for White Goods (PLIWG) **provides financial incentives to boost domestic manufacturing and attract large investments** in the White Goods manufacturing value chain.

Objectives:

The objective of the scheme is to **boost domestic manufacturing and facilitate the development** of a robust ecosystem for component manufacturing across the value chain in the country for Air conditioners (ACs) and LED Lights.

The primary objective of the scheme is to **remove sectoral disabilities**

The scheme also aims to create economies of scale and to **enhance exports**

PLI Scheme for White Goods' objective is to create a **robust component ecosystem and employment generation**.

Others:

In pursuance of Prime Minister's clarion **call for "Atmanirbhar Bharat"** to bring manufacturing at the centre stage and emphasize its significance in driving India's growth and creating jobs, PLI Scheme for White Goods for manufacture of components and sub-assemblies of ACs and LED Lights was **approved** by the Union Cabinet chaired by the Prime Minister on **7th April, 2021**.

The scheme is to be implemented **over a seven years period**, from FY 2021-22 to FY 2028-29 and has an outlay of ₹ 6,238 crore.

The scheme was notified by the **Department for Promotion of Industry and Internal Trade (DPIIT)** on 16th April, 2021.

Eligible Applicant for PLI Scheme:

Any **company incorporated in India** and as defined under the provisions of the **Companies Act 2013 and Companies Act, 1956**, to manufacture one or more eligible products under the **specified target segments** are

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eligible for the scheme.

Any company incorporated in India and as defined in the **Companies Act 2013**, proposing to manufacture one or more eligible products under the specified target segment can be an applicant.