

## Scheme 1

# Production Linked Incentive Scheme (PLI) for Large Scale Electronics Manufacturing

## Overview

The Production Linked Incentive Scheme (PLI) for Large Scale Electronics Manufacturing proposes a financial incentive to boost domestic manufacturing and attract large investments in the electronics value chain including mobile phones, electronic components and ATMP units. Production Linked Incentives of up to INR 40,951 crores will be awarded over a period of 5 years.

[View scheme in other languages](#)

English



SCHEME



GUIDELINES



APPLY HERE

## Highlights



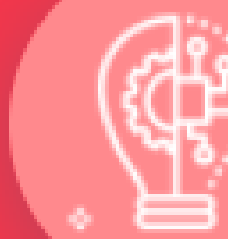
### Tenure of the Scheme

Five years subsequent to the base year as defined (FY 19-20)



### Incentive

Incentive of 4% to 6% on incremental sales (over base year) of goods manufactured in India



### Target Segments

Mobile Phones and Specified Electronic Components



### Eligibility

Eligibility shall be subject to thresholds of incremental investment and incremental sales of manufactured goods

## Target Segments Eligible under PLI Scheme

- Mobile Phones
- Specified Electronic Components
  - SMT components
  - Discrete semiconductor devices including transistors, diodes, thyristors, etc.
  - Passive components including resistors, capacitors, etc. for electronic applications
  - Printed Circuit Boards (PCB), PCB laminates, prepregs, photopolymer films, PCB printing inks
  - Sensors, transducers, actuators, crystals for electronic applications
  - System in Package (SIP)
  - Micro / Nano-electronic components such as Micro Electromechanical Systems (MEMS) and Nano Electromechanical Systems (NEMS)
  - Assembly, Testing, Marking and Packaging (ATMP) units

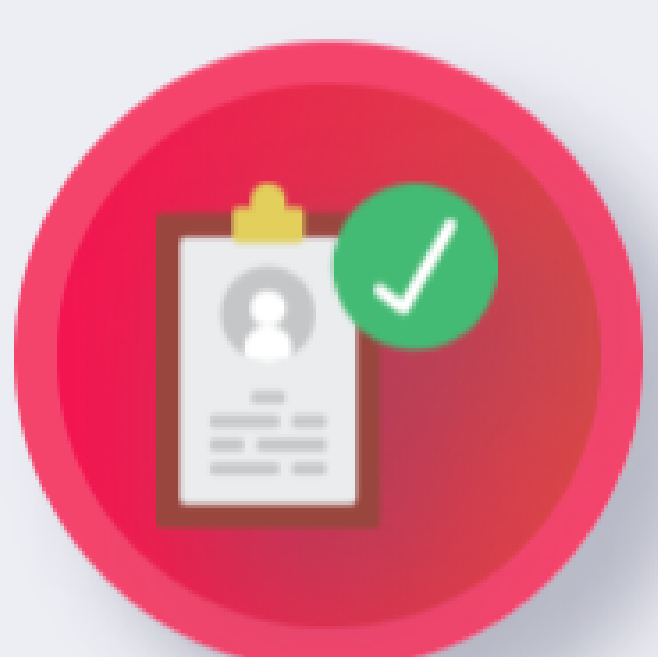
## Eligibility

SEGMENT	PROPOSED INCENTIVE RATE	INCREMENTAL INVESTMENT OVER BASE YEAR	INCREMENTAL SALES OF MANUFACTURED GOODS OVER BASE YEAR
Mobile Phones (Invoice value of INR 15,000 and above) *	Year 1: 6% Year 2: 6% Year 3: 5% Year 4: 5% Year 5: 4%	INR 1,000 Crore over 4 Years Cumulative Minimum (Crore): Year 1: 250 Year 2: 500 Year 3: 750 Year 4: 1,000	Year 1: INR 4,000 Crore Year 2: INR 8,000 Crore Year 3: INR 15,000 Crore Year 4: INR 20,000 Crore Year 5: INR 25,000 Crore
Mobile Phones (Domestic Companies) **		INR 200 Crore over 4 Years Cumulative Minimum (Crore): Year 1: 50 Year 2: 100 Year 3: 150 Year 4: 200	Year 1: INR 500 Crore Year 2: INR 1,000 Crore Year 3: INR 2,000 Crore Year 4: INR 3,500 Crore Year 5: INR 5,000 Crore
Specified Electronic Components		INR 100 Crore over 4 Years Cumulative Minimum (Crore): Year 1: 25 Year 2: 50 Year 3: 75 Year 4: 100	Year 1: INR 100 Crore Year 2: INR 200 Crore Year 3: INR 300 Crore Year 4: INR 450 Crore Year 5: INR 600 Crore

\*For eligibility all Incremental Sales of Manufactured Goods (covered under target segments) irrespective of Invoice Value shall be considered.

\*\*Domestic Companies shall be defined as those which are owned by resident Indian citizens as defined in the FDI Policy Circular of 2017. A company is considered as 'Owned' by resident Indian citizens if more than 50% of the capital in it is beneficially owned by resident Indian citizens and/or Indian companies, which are ultimately owned and controlled by resident Indian citizens.

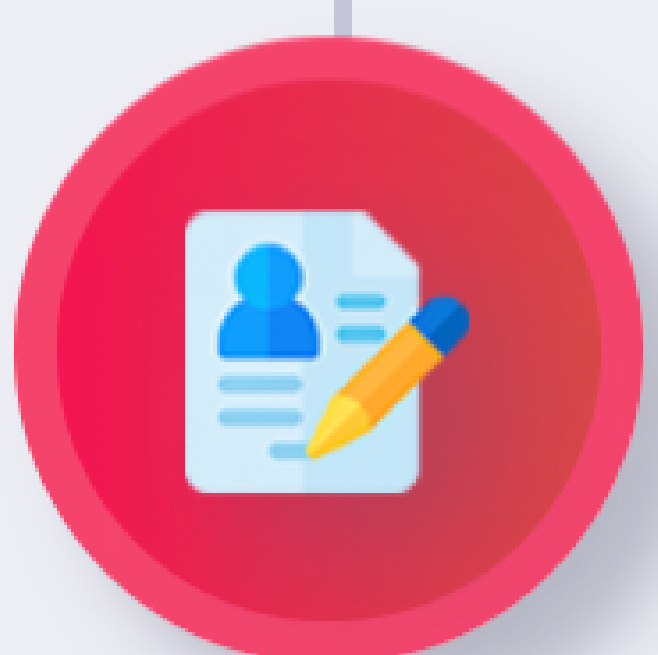
## Process Flow



### STEP ONE

## APPLICATION PROCESS

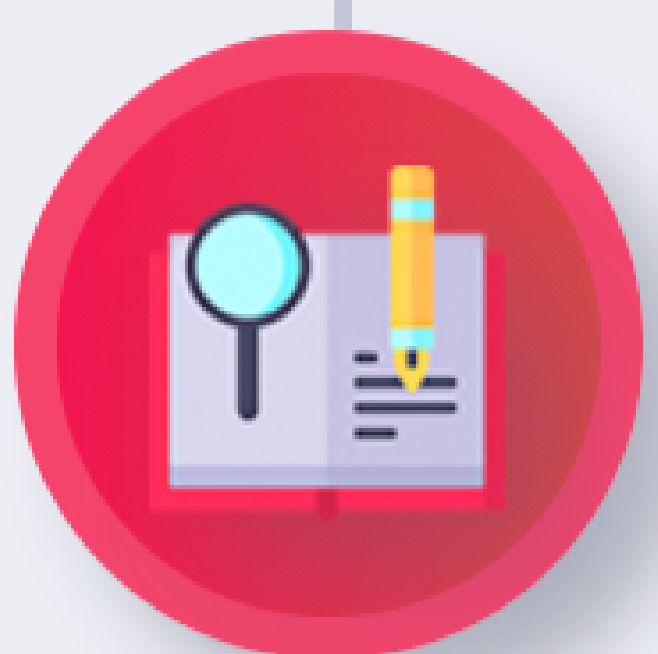
- Submission of Application – Applicant
- Prima Facie Examination – Project Management Agency (PMA)
- Letter of Acknowledgement issued – PMA
  - Letter of Acknowledgement to be issued within 15 working days post completion of examination
- Application Appraisal – PMA
- Application Approval (based on decision of Empowered Committee and Competent Authority) – PMA
  - Letter of Approval to be issued within 5 working days of approval from Competent Authority



### STEP TWO

## BASELINE DETERMINATION PROCESS

- Submission of Documents to PMA – Applicant
- Determination of Baseline (within 30 working days from submission) – PMA



### STEP THREE

## DISBURSEMENT PROCESS

- Submission of Claim for Disbursement of Incentive – Applicant
- Verification of Eligibility and Assessment of Incentive – PMA
- Approval of Disbursement Claim (based on decision of Empowered Committee and Competent Authority) – PMA
- Disbursement of Funds – PMA