

Production Linked Incentive Scheme 2.0

July 16, 2023 • vajiramandravi.com



About Production Linked Incentive Scheme 2.0:

- The scheme proposes a **financial incentive to boost domestic manufacturing** and attract large investments in the value chain.
- The target segments under PLI 2.0 Scheme shall include Laptops, Tablets ,All-in-One PCs and Servers and Ultra Small Form Factor.
- **Implementation:** Companies, both **global and domestic**, that meet the eligibility criteria specified in the PLI 2.0 Scheme guidelines will receive support for manufacturing goods in India within the specified target segment.
 - The classification of **applicants into the Hybrid** (Global/Domestic) category will be determined by whether the company is domestic or global.
 - A comprehensive ranking of all applicants will be maintained based on the eligibility criteria outlined in the scheme guidelines.
 - Subsequently, the selection of applicants in each category—global, hybrid, and domestic—will be based on their ranking and overall PLI projection, subject to the availability of the budget.
- **Tenure:** The incentives provided under the PLI 2.0 Scheme will be **applicable for a period of 6 years**

- **Base year:** For the calculation of net incremental sales of manufactured goods, the base year **will be the financial year 2022-23**.
 - **Incentives payout:**
 - The incentive granted to each company will be **based on the net incremental sales of manufactured goods** in the target segment, compared to the base year.
 - The maximum incentive amounts will be capped at INR 45 billion for global companies, INR 22.50 billion for hybrid (global/domestic) companies, and INR 5 billion for domestic companies.
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Q1) What is the objective of the Production Linked Incentive Scheme?

The Production Linked Incentive (PLI) Scheme is an initiative launched by the Government of India to boost manufacturing and attract investments in specific sectors. The scheme aims to enhance India's manufacturing capabilities, create job opportunities, and increase exports.

Source: [Guidelines for Operationalisation of Production Linked Incentive Scheme 2.0 for IT Hardware approved](#)

Source: <https://vajiramandravi.com/current-affairs/production-linked-incentive-scheme-20/>

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