

Response to white goods PLI muted

Centre pins hopes on ongoing round of bids

MUKESH JAGOTA
New Delhi, September 30

THE GOVERNMENT ON Monday said that industry's response to the production-linked incentive (PLI) scheme for white goods remained muted and exhorted it to apply for the sops in the ongoing third round of applications for setting up manufacturing units.

In the previous two rounds, the number of applications was below expectations due to various reasons, additional secretary in the department for promotion of industry and internal trade Rajiv Singh Thakur said. "Response to the PLI in white goods has been muted," he said.

The window for applying for setting up manufacturing units under the PLI scheme for white goods (air conditioners and LED lights) opened for the third time on July 15 and will close on October 12. The government invited the first round of applications in 2021 and the second round in 2022. The scheme was notified in 2021 with a total outlay of ₹6,238 crore to provide 4-6% of the incremental production value as incentive. It will run for seven years till 2028-29.

In the first two rounds, 66 applicants with committed investments of ₹6,962 crore have been selected as beneficiaries under the scheme for manufacturing components of air conditioners and LED lights. According to available data, till December

2024, ₹2,721 crore of investments in the sector have materialised.

For manufacturing components of ACs companies like Daikin, Voltas, Hindalco, Blue Star, Hitachi, LG, Panasonic, Haier, Havells, IFB and Lucas are among the selected applicants. For LED lights component manufacturing, Dixon, Surya, Orient, Crompton Greaves and Halonix are among the companies that are setting up manufacturing units. Some units have already started production and in 2023-24, ₹65 crore was given as incentives. As production is expected to pick up as more units become operational, ₹298 crore has been set aside for incentives to the companies.

The mandate of Invest India has been expanded to include promotion of domestic investments

Thakur, speaking at the CII's Consumer Electronics & Durables Summit, said that overall private sector investments have not been growing as per expectations. Thakur said the mandate of Invest India has been expanded to include promotion of domestic investments too. Earlier, Invest India was discharging the role of an overseas investment promotion and facilitation agency. "The idea is to promote more and more domestic investments. Whether you are facing any challenges at the level of state governments, municipal corporations regarding land, land use changes, electricity related issues or any other state laws, those issues can be taken care of by Invest India in a more structured manner," he added.

Earlier speaking at the event, DPIIT secretary Amardeep Singh Bhatia said industry should not just look at current domestic demand to commit investments, they should look at future demand and export markets.