

PLI spurred ₹1.03 trillion investments till November

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The government's production-linked incentive (PLI) scheme led to an investment of ₹1.03 trillion till November, with exports surpassing ₹3.20 trillion since the scheme's implementation.

This investment resulted in production worth ₹8.61 trillion and direct and indirect employment generation of over 678,000, according to Rajeev Singh Thakur, additional secretary, Department for Promotion of Industry and Internal Trade (DPIIT).

While the incentive disbursement to firms participating in the scheme was ₹4,415 crore as of now, the payout as of September was ₹1,541 crore.

The incentive has been disbursed under eight PLI schemes — Large-Scale Electronics Manufacturing (LSEM), IT Hardware, Bulk Drugs, Medical Devices, Pharmaceuticals, Telecom & Networking Products, Food Processing, and Drones.

However, the disbursement has fallen substantially short of the government's estimate of ₹11,000 crore for the current financial year.

The scheme's total incentive outlay is ₹1.97 trillion.

During the last financial year, the first set of payouts worth ₹2,874 crore was made.

Officials believe more clarity on the incentives claimed will emerge by March, as most of the claims were filed by December-end, and are expected to be verified and paid by March.

Individual ministries responsible for the scheme's implementation, along with Project Monitoring Agencies (PMAs), scrutinise the claim applications and sometimes visit the plants.

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According to Thakur, there has been delay in processing due to back-and-forth communication between PMAs and companies.

"It has been directed to ministries and PMAs to create a Standard Operating Procedure (SOP) and reduce the processing time," he said, adding that PMAs and departments have been asked to approve the claim and not raise unnecessary objections.

Thakur further stated that the government is hopeful that disbursements will pick up, as investment is on track.

While progress in some schemes has been slower than expected, the most progress has been seen in mobile phone and pharmaceutical PLI schemes.