Department for Promotion of Industry & Internal Trade

Ministry of Commerce & Industry

Press Note

16 September, 2021

Fifty two companies file applications for PLI Scheme for White Goods (ACs and LED Lights)

Major Global and Domestic companies commit investments of Rs 5,866 Crore.

Production worth Rs 2,71,000 crore of components expected over next 5 years.

Major boost to AtmaNirbhar Bharat

A total of 52 companies have filed their application with committed investment of Rs 5,866 crore under the PLI scheme to incentivize the domestic manufacturing of components of White Goods (Air conditioners and LED lights), applications for which closed on 15 September, 2021. The PLI Scheme was notified on 16.04.2021.


Applications have been filed for production of components which are not manufactured in India presently with sufficient capacity. For Air Conditioners, several companies will be
manufacturing compressors, copper tubing, aluminium stock for foils, control assemblies for IDU or ODU, Display units, BLDC motors among other components. Similarly, for LED Lights LED Chip packaging, LED Drivers, LED Engines, LED Light Management Systems, PCBs including metal clad PCBsand Wire wound inductors etc. will be manufactured in India.

The Union Cabinet chaired by Hon’ble Prime Minister had given approval to the Production-Linked Incentive (PLI) Scheme for White Goods (Air Conditioners and LED lights) to be implemented over FY 2021-22 to FY 2028-29 with an outlay of Rs. 6238 Crore on 7th April 2021. The Scheme was notified by DPIIT on 16.04.2021. The Scheme Guidelines were published on 4th June 2021. Online applications have been received from 15th June 2021 till 15th September 2021. The selection of applicants will be done within 60 days from the date of closure of application window i.e. by 15.11.2021.

The PLI Scheme on White Goods is designed to create complete component ecosystem for Air Conditioners and LED Lights Industry in India and make India an integral part of the global supply chains. The Scheme shall extend an incentive of 4% to 6% on incremental sales for a period of five (5) years subsequent to the base year and one year of gestation period. Only manufacturing of components of ACs and LED Lights will be incentivized under the Scheme.

The Scheme will incentivize manufacturing of components of ACs and LED Lights. 90% Bill of Material (BoM) of ACs and 87% of BoM of LED Lights are covered under PLI Scheme. It will lead to increase in value addition in Country from 20% to 80-85% and developing a robust component eco-system for AC Industry and LED Lights Industry.

Over the next 5 years, the Scheme is expected to lead to total production of about INR 2,71,000 crore of components of ACs and LEDs. The scheme will bring additional investment in component manufacturing eco-system of ACs and LED Lights industry to the tune of INR 5,886 crore. 31 Companies have committed investments of about Rs 4995 cr for AC Components and 21 Companies have committed investments of Rs 871 cr for LED components.

The scheme will generate approx. 2 lakh direct and indirect employment opportunities in next 5 years.

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