



MAC[®]
Ancillary Services Pvt. Ltd.

MAC ANCILLARY SERVICES PVT. LTD.

Specialized In State & Central
Government Subsidy Policies

Satish Singh: 97123-11383

CA Kishan Mundhra: 93251-08745

CA Chirag Porwal: 96896-86489

PRODUCTION LINKED INCENTIVE (PLI) SCHEME FOR TEXTILE

Policy implemented from 24-09-2021 & scheme shall be valid upto FY 2029-30

Eligible Product:

Manmade Apparel, Manmade Fabrics and Technical Textiles. (Manmade fabric means a type of fabric that is made artificially, such as polyester or rayon, rather than occurring naturally, like cotton or wool)

Eligible Entity:

A company, Firm, LLP and Trust is eligible to apply under this scheme. An existing entity can make an application under the scheme, provided the entity maintains distinct books of accounts to determine the threshold limit of turnover and investment.

Eligible Investment:

Investment in plant, machinery, equipment and civil works, excluding land and administrative building costs, will be considered in calculating project cost

Value Addition:

For this Scheme, minimum value addition means a 60% value addition in India for integrated processes, such as fibre to yarn, yarn to fabric, or fabric to garment, as well as technical textiles. However, for the independent fabrics processing industry (including dyeing and printing), the required minimum value addition is 30%. Product sale value declared in the GST Invoice, excluding GST. Purchase value of Inputs/raw materials excluding Duties/Taxes/Cess.

Incremental Turnover:

It means a prescribed 10% incremental turnover over the immediate preceding year from Performance year 2 onwards in the subsequent years.

Benefits:

	Scheme - 1 (Investment Minimum 150.00 Cr)			Scheme - 2 (Investment Minimum 50.00 Cr)		
	Turnover	Benefit	Benefit In Rs	Turnover	Benefit	Benefit In Rs
Year 1	300.00 Cr	15%	45.00 Cr	100.00 Cr	11%	11.00 Cr
Year 2	330.00 Cr	14%	4.20 Cr	110.00 Cr	10%	1.00 Cr
Year 3	363.00 Cr	13%	4.29 Cr	121.00 Cr	9%	0.99 Cr
Year 4	399.30 Cr	12%	4.35 Cr	133.10 Cr	8%	0.97 Cr
Year 5	439.23 Cr	11%	4.39 Cr	146.41 Cr	7%	0.93 Cr
Total			62.23 Cr			14.89 Cr



MAC ANCILLARY SERVICES PVT. LTD.

Specialized In State & Central
Government Subsidy Policies

Satish Singh: 97123-11383 CA Kishan Mundhra: 93251-08745 CA Chirag Porwal: 96896-86489

Maximum Benefits:

There will be a provision of cap of 10% over and above the prescribed minimum incremental turnover growth of 10% for the purpose of calculation of incentives from Year 2 onward. Turnover achieved beyond that cap will not be taken into account for calculation of incentive. However, for Year 1 this cap of 10% will be applied over and above turnover of two times of investment made under the scheme. Turnover achieved beyond two times of investment + 10% shall not be accounted for calculation of incentives in Year 1. This shall apply to both Schemes Part 1 & 2.

1st Year Cap – 330 Cr (150 * 2.2) and 110 Cr (50 * 2.2)

DISCLAIMER:

We have made all the efforts to avoid errors or omission in the above content. In spite of this, there may be chances for its occurrence. So it is suggested that to avoid any doubt reader should cross-check all the facts, law and contents with the Original Government Publications, Guidelines or Notifications issued time to time.

LINK FOR GOVERNMENT RESOLUTION:

[https://pli.texmin.gov.in/frontend/images/Documents/1.%20PLI%20Textiles%20Notification 24.09.2021.pdf](https://pli.texmin.gov.in/frontend/images/Documents/1.%20PLI%20Textiles%20Notification%2024.09.2021.pdf)

MAC[®]
Ancillary Services Pvt. Ltd.