11/09/2021

1) The Approval of a production - Linked Incentive (PLI) scheme for the textile sector show that the Government of the Indian has relentlessly shifted towards global textiles trade. Explain.

Production - Linked Incentive (PLI):

✓ PLI Scheme aim to promote the production of high-valued man-made ~~Fabrics~~ Fibre (MMF) fabrics, garments and technica textiles.

✓ The scheme aim to attract fresh investment of ₹ 19,000 crore on the sector of production of in-demand textiles and in addition turn-over of ₹ 3 lakh crore over 5 yrs.

✓ On September 8, 2021 the decision focuse on the PLI scheme with the outlay of ₹ 10,683 crore for the second time in 11 months the cabinet has approved it.

AIM OF PLI Scheme:

✓ Focus Investment Attention on 40 MMF appear Product Lines

✓ The ~~Fabric Lin~~ 14 MMF Fabric lines and Segment or product lines of technical textile.

The Incentives have been categorized into two investment Levels.

✓ Firms investments atleast ₹ 300 lakh crore into the plant and machinery over 2 yrs for making the specified products would need to hit the turnover of ₹600 crore for the beneficial of getting the incentives over the 5-yrs period.

✓ At the second level of investment of ₹ 100 crore with a pre-set minimum turn over of ₹ 200 crore would enable the qualification of incentive.

Conclusion:

The scheme appears designed to be a fair thought, but its operation success likely to hinge on.