

Operational Guidelines For Production Linked Incentive (PLI) Scheme For Textiles Finalized

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Government approved the Production Linked Incentive (PLI) Scheme for Textiles, with an approved outlay of Rs. 10683 crore over a five year period, to promote production of MMF Apparel, MMF Fabrics and Products of Technical Textiles in the country. In this regard, the Operational Guidelines has been finalised and uploaded at <http://texmin.nic.in/services/operational-guidelines-production-linked-incentive-pli-scheme-textiles-promoting-mmf-and>

Ministry of Textiles will accept online applications under the PLI Scheme for Textiles w.e.f. 01st January, 2022, through PLI portal <https://pli.texmin.gov.in/mainapp/Default>. The application window will remain open from 01-01-2022 to 31-01-2022.

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Government of India
Ministry of Textiles

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Operational Guidelines for Production Linked Incentive (PLI) Scheme for Textiles for Promoting MMF and Technical Textiles segments in terms of Para 8 of the Notification dated 24.09.2021.

1. Introduction

- 1.1. **Objective:** The PLI Scheme is intended to promote production of MMF Apparel & Fabrics and Technical Textiles products in the country to enable textile industry to achieve size and scale; to become globally competitive and a creator of employment opportunities for people. The scheme is to support creation of a viable enterprise and competitive textile industry.
- 1.2. Production Linked Incentive (PLI) Scheme for Textiles has been Notified vide Notification No. 12015/03/2020-IT dated 24.09.2021 and published on 27.09.2021 in the Gazette of India. This scheme envisages incentive for production of MMF Apparel, MMF Fabrics and Technical Textiles Products manufactured in India. The list of Notified Product(s) is at **Appendix-IA, IB and IC**. The Scheme has come into effect from the date of its Gazette Notification.
- 1.3. After having due consultations with all stakeholders including DPIIT, NITI Aayog, Department of Commerce, Department of Expenditure, Department of Revenue, Export Promotion Councils and Trade bodies, these Scheme Guidelines are being issued for effective operation and smooth implementation in pursuance of Para 8 of the said Notification.
- 1.4. Empowered Group of Secretaries (EGoS), as constituted and Notified vide gazette Notification No. P 36017/144/2020-Investment & Promotion dated 10.06.2020 by the DPIIT will monitor the implementation of the scheme. The composition of the EGoS for monitoring of PLI for Textiles will be as under:
 1. Cabinet Secretary, Chairperson
 2. CEO, NITI Aayog, Member
 3. Secretary, Department for Promotion of Industry and Internal Trade, Member Convenor
 4. Secretary, Department of Commerce, Member

5. Secretary, Department of Revenue, Member
6. Secretary, Department of Economic Affairs, Member
7. Secretary, Ministry of Textiles, Member

The EGoS chaired by the Cabinet Secretary will monitor the progress of this PLI scheme; undertake periodic review of the outgo under the Scheme; ensure uniformity with other PLIs and take appropriate action to ensure that the expenditure is within the prescribed outlay. EGoS is also empowered to make any changes in the modalities of the scheme, and address any issue related to genuine hardship that may arise during the course of implementation, within the overall financial outlay of ₹10,683 crore.

2. Definitions

- 2.1. **Applicant:** Means any person including a company/firm/LLP/trust incorporated in India and interested in operating under the Scheme. The Applicant once selected under the scheme shall be required to form a new/separate company under Companies Act, 2013, and the new entity will be known as **Participant**.
- 2.2. **Application:** Means an application submitted by an applicant on the Ministry's PLI portal developed for this purpose in the prescribed format.
- 2.3. **Application Approval:** Means the approval by the Ministry of Textiles(MoT) selecting the eligible entity under the scheme.
- 2.4. **Auditor's Certificate:** Means the certificate issued by Statutory Auditor to verify the correctness of turnover declared, products manufactured, taxes paid, refund claimed and input tax credit availed, and to assess all required compliances.
- 2.5. **Consumption and inventory Register:** Means register for maintaining inventory and consumption of inputs and output records by the Participant;
- 2.6. **Capital Goods:** Mean, Goods the value of which is capitalised in the books of account of the Participant and which are used or intended to be used in the course or furtherance of business;
- 2.7. **Chartered Accountant (CA):** Means CA as defined in clause (b) of sub-section (1) of section 2 of the Chartered Accountants Act, 1949;
- 2.8. **Cost Accountant:** Means cost accountant as defined in clause (b) of sub-section (1) of section 2 of the Cost and Works Accountants Act, 1959;
- 2.9. **Company Secretary:** Means Company Secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries

Act, 1980;

- 2.10. **Date of Commercial production:** Means the date on which the Participant raises the first GST invoice for the sale of Notified Product(s) manufactured by the participant under the Scheme.
- 2.11. **Financial Year:** Means a year that begins on 1st April of a year and ends on 31st March of the following year.
- 2.12. **Gestation Period:** Means period allowed to the participating company for establishing the manufacturing and for commencement of production of Notified Products by investing minimum prescribed investment as declared in the application. Under the Scheme FY: 2022-23 to FY: 2023-24 will be the gestation period for Part-1 and Part-2.
- 2.13. **Group Companies:** As defined Companies Act, 2013.
- 2.14. **Incentive:** Means incentive to be provided to Participants under the Scheme as per the notified rates.
- 2.15. **Input: Means** any goods other than capital goods used or intended to be used for manufacturing of resultant notified products;
- 2.16. **Investment:** Means an amount of total investment in plant, machinery, equipment and civil works excluding land and administrative building cost, to be made by participant for setting up factory for manufacturing of Notified Products.
- 2.17. **Letter of Approval:** Means a letter issued by MoT for authorizing investment and commencement of production under the Scheme.
- 2.18. **Manufacturing:** In accordance with Central Goods and Services Tax (CGST) Act, 2017, manufacturing shall mean processing of raw material or inputs in any manner that results in emergence of a new product having a distinct name, character and use and the term "manufacturer" shall be construed accordingly. Trading/job-working shall not fall under the definition of manufacturing.
- 2.19. **Notified Product(s):** Specified HS lines of Manmade Fibre (MMF) Apparel and MMF Fabrics at 8 digits and products of Technical Textiles as detailed in **Appendix-IA, IB and IC which are eligible for incentive under the scheme.**
- 2.20 **Person:** Both natural and legal and includes an individual, firm, LLP, society, company, corporation or any other legal person;
- 2.21 **Performance Year:** Means the year in which minimum/threshold turnover or incremental turnover is achieved. 1st Performance year is FY 2024-2025; 2nd is 2025-2026; 3rd is 2026-2027, 4th is 2027-2028; and 5th is 2028-2029.
- 2.22 **Project Management Agency (PMA):** Means an agency appointed by Ministry of Textiles for assistance/support in implementation of the

scheme.

- 2.23 Related Party(ies):** Means as defined u/s 2(84) of the GST Act.
- 2.24 Minimum Investment:** Means a threshold prescribed investment as per the Scheme.
- 2.25 Minimum Turnover:** Means a threshold prescribed turnover for Performance Year 1.
- 2.26 Minimum Incremental turnover:** Means a prescribed 25% incremental turnover over immediate preceding year from Performance Year 2 onwards. in the subsequent year.
- 2.27 Value-Addition formula:**
- $$VA = \frac{A-B}{B} \times 100$$
- A= Products sale value declared in GST Invoice excluding GST
B= Purchase value of Inputs/raw materials excluding Duties/Tax/Cess
- 2.28 Raw material:** Means input(s) required/used for manufacturing of Notified finished Products. These inputs may either be in a raw/ natural / unrefined/ unmanufactured or manufactured state;
- 2.29 Signatory:** Means a person authorized to sign an application.
- 2.30 Minimum Value Addition:** For the purpose of this Scheme, minimum value addition means 60% value addition in India for integrated or fibre/ yarn to fabric or fabric to garment; and technical textiles. However, for independent fabrics processing industry (dyeing and printing etc.) the required minimum value addition is 30%.
- 2.31 Turnover:** Means sale turnover of a Company certified by the Statutory Auditor net of taxes. Value of products cleared under GST Invoices through normal banking channel from the sale of Notified Products would be taken into account for the purpose of this scheme. The Auditor certified turnover will have to be reconciled with audited balance sheet before end of 12 months for the year under audit.

3. Duration of the Scheme:

- 3.1 The Scheme is in operation from 24.09.2021 (Date of Notification) to 31st March 2030 and the incentive under the Scheme will be payable for a period of 5 years only.

Table1: Scheme Part-1 & Part - 2

Year	Gestation Period	Performance year	Incentives claim year
*	FY 2022-2023		
*	FY 2023-2024	Optional*	Optional*
1		FY 2024-2025	FY 2025-2026
2		FY 2025-2026	FY 2026-2027
3		FY 2026-2027	FY 2027-2028
4		FY 2027-2028	FY 2028-2029
5		FY 2028-2029	FY 2029-2030

- 3.2 In case of fast paced investment when threshold investment and threshold turnover is achieved by FY 2023-24, incentive may be payable in FY 2024-25 itself. However, in such cases, benefits of the Scheme shall be available upto FY 2027-28 only i.e. a total of 5 years only.

4 Scheme Details

- 4.1 **Scheme Part- 1:** Any person including Company/Firm/LLP/Trust willing to create a separate manufacturing company under Companies Act 2013, and invest minimum ₹300 Crore (excluding land and administrative building cost) to manufacture Notified Products. Such company will be eligible to get incentive when they achieve a minimum of ₹600 Crore turnover by manufacturing and selling the Notified products by the first Performance Year.
- 4.2 **Scheme Part- 2:** Any person including Company/Firm/LLP/Trust willing to create separate manufacturing company under Companies Act 2013, and invest minimum ₹100 Crore (excluding land and administrative building cost) to manufacture Notified Products. Such company will be eligible to get incentive when they achieve a minimum of ₹200 Crore turnover by manufacturing and selling the Notified products by the first Performance Year.
- 4.3 The Participant shall be eligible for the incentives on achieving threshold investment and threshold/incremental turnover.
- 4.4 Incentive shall be calculated on achieving threshold turnover as mentioned above in para 4.1/ 4.2 under the respective scheme in the first Performance Year. In case the prescribed conditions are not met in time, the incentive will be available from the year these are met, for a lesser number of years but rate of incentive applicable will be as prescribed to first year of the scheme and so on for remaining period.

4.5 Manufacture and sale of textile Products will be considered as permitted activities. However, turnover /sale of only Notified Products shall be considered for computation and availing incentive under the scheme. Account for both Notified and non-Notified Products will be maintained separately.

5. Incremental turnover and Incentive Rate:

5.1 Incentive under the Scheme will accrue on fulfilling conditions of minimum investment and minimum turnover

5.2 Rate of Incentives for a particular performance year are as indicated in Table 2.

5.3 Incentives in a particular year will be provided on achieving turnover as prescribed in Table 2 below for that year and, 25% additional incremental turnover over the immediate preceding year's turnover, subject to a cap of maximum 35% admissible incremental turnover.

5.4 In case the participant company fails to achieve the prescribed turnover or 25% increase in turnover over immediate preceding year's turnover, they will not get any incentive under this scheme for that year.

5.5 Such participants will get incentive only when they achieve both, i.e. the prescribed turnover target for the year and 25% increase in turnover over immediate preceding year's turnover, in subsequent year for reduced number of years.

Table 2: Prescribed Turnover and Rate of incentive

Year	Gestation Period	Performance year	Incentives claim year	Scheme Part 1		Scheme Part 2	
				Minimum Prescribed Turnover	Rate of incentive	Minimum Prescribed Turnover	Rate of incentive
*	FY 2022-2023						
*	FY 2023-2024	Optional*	Optional*				
1	Year 1	FY 2024-2025	FY 2025-2026	600 Cr	15%	200 Cr	11%
2	Year 2	FY 2025-2026	FY 2026-2027	750 Cr	14%	250 Cr	10%
3	Year 3	FY 2026-2027	FY 2027-2028	937.5 Cr	13%	312.5 Cr	9%

4	Year 4	FY 2027-2028	FY 2028-2029	1171.87 Cr	12%	390.63 Cr	8%
5	Year 5	FY 2028-2029	FY 2029-2030	1464.84 Cr	11%	488.2 Cr	7%

5.6 Illustrative but not exhaustive, examples are at Appendix III for ease of understanding and implementation.

6 Maximum Cap on incentive:

6.1 There will be a provision of cap of 10% over and above the prescribed minimum incremental turnover growth of 25% 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 the cap of 10% will be applied over and above turnover of two times of the investment made under the Scheme up to 2024-25. 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.

6.2 Indicative illustrations are at Appendix III:

7. General conditions

7.1 The Applicant once selected under the Scheme shall form a new company under the Companies Act, 2013 before commencement of investment. This new company will be called "Participant" under the Scheme.

7.2 Investment made in anticipation from the date of Scheme Notification shall also be accounted for calculation of threshold investment provided their proposal is approved for participation under the Scheme. In case the required investment is not completed in gestation period then, balance committed investment can be made during first performance year, provided the required turnover is achieved simultaneously in the same year.

7.3 There will be no restriction for making higher investment for enhancing manufacturing capabilities and achieving growth target.

7.4 If multiple applications are filed by the same group companies, the entity will have to indicate their preference for proposal to be taken forward at the time of selection. Only one project under PLI will be approved for any group of companies.

7.5 The Applicant should have PAN/GST/DIN.

7.6 Participating company shall have to do minimum value addition as required under the scheme, in their own registered factory premises.

7.7 The Applicant shall declare the Notified ITC HS lines/ Technical

Textiles Products as applicable they shall manufacture in the new participant company. Lines/Products once selected should be adhered to till Scheme duration. In case of any changes, prior approval of MoT will be required.

- 7.8** Turnover achieved from trading and job work will not be accounted for incentives under the Scheme.
- 7.9** Notified goods/Products manufactured by the registered company under the Scheme shall be eligible for the incentives. In other words, goods/Products manufactured by a company other than registered one, even of same group shall not be accounted for calculation of incremental turnover.
- 7.10** Notified Products sold under GST Invoice indicating 8 digit HS code shall only be taken into account for calculation of threshold/incremental turnover.
- 7.11** Participants are eligible to apply for other applicable Schemes administered by Government of India or the State Governments for example, duty remission, duty exemptions, duty drawback etc..
- 7.12** Foreign (non-resident) investment in the Participant's Company shall be in compliance with the norms delineated under the Consolidated FDI Policy 2020, as amended from time to time.
- 7.13** Participant should commit for setting up of manufacturing facilities to manufacture Notified Product(s) along with appropriate quality and testing facilities having conformity to prescribed BIS Standards or any other International Standard.
- 7.14** The Participant, while dispatching Notified Products out of factory, shall ensure to put "Made in India" tag on each product.
- 7.15** The Applicant and its group company(ies) should neither have been declared as bankrupt or defaulter or reported any fraud by any bank or financial institution or non-banking financial company or placed under black list/denied entity list by any state or central Government department/agencies.
- 7.16** The sample scrutiny of claims of accounts and cost audit of companies (if required) shall be done by Ministry of Textiles through cost auditor. The Consent for audit of their manufacturing site/offices has to be submitted by the company.
- 7.17** The Participant shall maintain consumption and inventory register for inputs and use of raw materials for manufacturing Notified Products. The records shall be preserved for five years after availing incentive for each year or till audit is completed by Ministry, whichever is later.

7.18 The Participant shall indicate proper value of the product in the GST invoice on the basis of prevailing market value of the same products. Over-invoicing of products for gaining undue advantage of the Scheme would be viewed seriously and appropriate penalty will be imposed.

7.19 The Participant shall submit an undertaking duly Affirmed and Notarized while making application for incentives that statement and documents submitted are true and genuine.

8 Selection Criteria:

8.1 Ministry of Textiles shall invite applications from industry for selecting Participants for the Scheme. After screening of the applications, MoT shall publish the list of selected entities on the basis of recommendation of a Selection Committee under the Chairmanship of Secretary Textiles.

8.2 For examination of the application for selection, following grading system will be adopted by the Selection Committee:

Table-3

SL No	Criteria	Grading		Marks for Preference
1.	Financial Capacity of the Applicant	Based on Turnover and Reserves & Surplus in the balance sheet (50:50%)		0 to 10
2.	Relevant Experience & Technical Capacity of the Applicant	Based on Experience in MMF, Technical Textiles, Weaving/Processing/Garmenting etc and General Technical Capacity (50:50%)		0 to 10
3.	Location of the Manufacturing Activity. (#)	Preference to Investment in Aspirational Districts and Category "C" cities, as Notified by Ministry of Housing & Urban Affairs, (*)		0 to 15
		Category A		05
		Category B		10
		Category C & Aspirational District		15
4.	Investment	Part-1	Part-2	
		300-400	100-200	10
		401 and above	201 and above	20
5.	Additional Direct Employment in 1 st Performance Year	500 – 2500		5
		2501-5000		10
		5001-7500		15
		7501 – 10000		20

	onward	Above 10000	25
6.	Product line	Single segment investment only (such as only MMF Apparel or only MMF Fabrics or only Technical Textiles)	10
		investment in Integrated Weaving & Processing or Fabrics to garmenting	20
	Total Maximum		100

Change in location from Category A will be allowed to Category B or C and applicant in Category B will be allowed to change to Category C only and not vice-versa. However, if any proposed unit desires to shift the location of their investment in upcoming PM-MITRA Park, then that will be permitted under this Scheme without any change in time period under the Scheme. The participant is required to seek prior permission of MoT before changing the location.

* Category of Cities are as under:

Group 'A' cities	Group 'B' cities	Group 'C' cities
1. Greater Mumbai	1. Ahmedabad	All other cities in India except Group A & B Cities
2. Delhi NCR	2. Bhubaneswar	
3. Kolkata	3. Chandigarh	
4. Chennai	4. Coimbatore	
5. Bengaluru	5. Indore	
6. Hyderabad	6. Jaipur	
7. Pune	7. Kochi	
	8. Lucknow	
	9. Madurai	
	10. Mangalore	
	11. Nagpur	
	12. Thiruvananthapuram	
	13. Tiruchirappalli	
	14. Vadodara	
	15. Vishakhapatnam	

8.3 "Letter of Approval" will be issued to the participant only after forming new company, as prescribed in para 7.1. and it is not transferable.

9. Selection Committee:

The Selection Committee will have the authority to select the applicants eligible to be the participants under the scheme. The Selection Committee will have the final authority in taking a decision on admissible turnover and

eligibility for incentives or any other issue arising during the implementation of the Scheme

The composition of Selection Committee shall be as under:

1. Secretary Textiles-Chairman
2. Additional Secretary, Ministry of Textiles - Member
3. Additional Secretary and Financial Advisor-Member
4. Representative from NITI Aayog - Member
5. Representative DPIIT at the level of JS - Member
6. Trade Advisor-Member Secretary
7. Economic Advisor-Member

10 Condition of Investment

- 10.1 Plant, Machinery and Equipment:** Investment in Plant, Machinery and Equipment under these guidelines shall include Investment on new plant, machinery, equipment and associated utilities as well as tools, dies, molds, jigs, fixtures (including parts, accessories, components, and spares thereof) of the same, used in the design, manufacturing, assembly, testing, packaging or processing of any of the manufactured Notified Product(s). It shall also include expenditure on packaging, freight / transport, insurance, and erection and commissioning of plant, machinery, equipment, and associated utilities. Associated utilities would include captive power and effluent treatment plants, essential equipment required in operations areas such as Water & Power supply and control systems. Associated utilities would also include Information Technology (IT) and Information Technology enabled Services (ITeS) infrastructure related to manufacturing including servers, software and ERP solutions. Such investments shall be used for determining eligibility under the Scheme.
- 10.2** The Plant, Machinery and Equipment should be purchased or leased in the name of the Participant. In cases where these are being leased, the lease should be in the nature of a financial lease within the meaning of Accounting Standard 19 - Leases or Indian Accounting Standard (Ind-AS)-116 Leases, as may be applicable to the Participant, as Notified by Ministry of Corporate Affairs or any other appropriate authority from time to time.
- 10.3** The Plant, Machinery and Equipment should be procured or leased through legally valid documents after payment of applicable taxes and duties.
- 10.4** The Plant, Machinery and Equipment of the Project approved under the Scheme shall be used in regular course for manufacturing of the Notified Product(s) that are approved in the "Letter of Approval" issued by MoT. This does not preclude the usage of such machinery for manufacturing of other goods.

- 10.5 Building and Civil Construction:** Investment made in construction of factory building (except Administrative building and residential building) connecting road inside factory etc. shall be taken into account for calculation of investment threshold.
- 10.6** Participant Company can set up more than one manufacturing unit for production of Notified Products under this Scheme. They will have to declare intent in the application.
- 10.7 Investment in R&D and Testing Laboratory:** Investment upto 10% of total project cost in R&D and Testing laboratory for development of Notified Products and maintaining quality shall be allowed and accounted for threshold investment. The software associated with R&D should have been procured or licensed through legally valid document after payment of applicable taxes and duties.

11. Associated Utilities

- 11.1** Use of existing associated utilities is permitted. However, investment already made in such existing utilities shall not be counted under the Scheme for threshold investment.
- 11.2** Fresh investment in associated utilities commensurate with the manufacturing of Notified Product(s) shall be considered as investment for determining eligibility under the Scheme.

12. Ineligible investment:

Investments in land and administrative building e.g. office and guest house building will not be covered under the Scheme.

13. Time schedule for Application for selection procedure

- 13.1** Application window for registration under the Scheme shall be opened for the period from 1st January, 2022 to 31st January, 2022 (inclusive) on on-line portal. No application shall be accepted after the closure of the application window. However, in case of insufficient number of eligible applications, application window for selecting new applicants will be re-opened.
- 13.2** The applicant, in its application, shall declare and inform the PMA/MoT regarding their Annual Investment Plan, expected Sales Turnover & expected Employment Generation and Exports during the tenure of the Scheme.
- 13.3** An Application shall be made through the on-line portal <http://PLI.texmin.gov.in> and in the format provided therein. The Applicant has to submit the Undertaking as prescribed.

- 13.4** A non-refundable application processing fee Rs 50,000/= shall be paid electronically by the applicant.
- 13.5** Upon successful submission of an application, acknowledgement with a unique Application ID number shall be communicated to the applicant over email as well as through SMS. This acknowledgement shall not be construed as approval under the Scheme. In case documents are found to be incomplete or deficient, MoT/PMA will issue query letter within 10 days from the date of online application and the applicant must submit required information/documents within 10 days from the date of receipt of such queries. In case the applicant fails to provide such information/documents in time, the application may be liable to be treated as rejected.

Table-4 Schedule for receipt of application

Opening of PLI Application window	Last date for application	Last date for raising query	Last date for compliance
01.01.2022	31.01.2022	10 days from the date of on line submission of application	10 days from the date of receipt of queries through email

14. Procedure for selection under the Scheme

- 14.1 The applications will be appraised as per the provisions of the Scheme guidelines.
- 14.2 Selection Committee constituted by MoT for this purpose will consider applications for approval as per the criteria and budgetary limitations.
- 14.3 Selection of applicants will be finalized within 60 days from the date of closure of application window.
- 14.4 After receiving approval, MoT will issue communication with necessary details to the selected and waitlisted applicants within 5 working days from the date of finalization of the list of selected applicants.
- 14.5 Only the selected Participants will be issued a “Letter of Approval” as per **Appendix-II** and other eligible applicants will be waitlisted.
- 14.6 If a selected applicant is found to be ineligible at any stage, or if it has not complied with provisions of notifications, orders, guidelines or their own commitments made during application process of the Scheme, or declines the offer under the Scheme at any stage for

any reason, the envisaged incentive claim of such selected applicant shall be withdrawn, and the approval issued to the applicant shall be liable to be cancelled. In such a case, the offer may be extended to the waitlisted applicants.

15 Application fee:

- 15.1 Applicant shall pay Rs. 50,000/- (Rupees Fifty Thousand) for registration under the Scheme.
- 15.2 Application fee once paid shall be non-refundable.
- 15.3 Fee shall be paid through NEFT/RTGS/Credit Card/Debit Card/UPI in the head of Account of MoT. The details of Bank Account for fee payment shall be provided on the PLI portal <http://PLI.texmin.gov.in>.

16. Eligibility criteria and conditions for claiming incentive

- 16.1 Selected participants meeting the criteria of threshold investment and threshold/ incremental turnover, as prescribed, shall be eligible to claim incentive. The Application Form for disbursement of Incentives is specified on the portal <http://PLI.texmin.gov.in>. The participant shall also furnish all prescribed information.
- 16.2 In case any Participant fails to achieve threshold incremental turnover for any given year, the Participant shall not be eligible for claiming incentive for that particular financial year. However, the Participant will not be restricted from claiming incentive for subsequent years up to Performance Year 5 and for performance up to FY: 2028-29, provided prescribed and incremental turnover targets are achieved in subsequent financial years.
- 16.3 The incremental turnover of Notified Product(s) should be commensurate with created production capacity under the Scheme.

17 Criteria for Calculation of Incentive

17.1 The incentive shall be computed as follows:

Net Incremental Sales within cap of Notified Product(s) excluding taxes x Rate of Incentive in percentage for the Performance Year

Where,

- (i) Notified Product(s) shall be as defined in this Scheme and stated in the "Letter of Approval" issued to the selected Participant.
- (ii) Net Incremental Sales shall be Turnover of the Participant in the Notified Product(s) manufactured by the Participant company minus the Turnover for Notified Products of the Participant in the

immediate preceding year during Scheme period.

- (iii) In case of captive consumption of Notified Product(s) or sale of Notified Product (s) by the applicant to group companies, the gross turnover of Notified Product(s) shall be computed as under:
 - (a) Notified Products invoiced as per GST rules for sale shall only be considered for incremental turnover. In case of captive consumption of upstream products manufactured by the Participant, no incentive will be payable.
 - (b) In case a Participant is selling the Notified Products to a group company and also to a non-group company, sale price offered to group or non-group company, whichever is lower, shall be considered for determining total value of transaction between the related parties.
- iv. Invoices generated from 1st April to 31st March of Performance Years shall be taken into account for the calculation of incentives for that Financial Year.
- v. The onus of realization of sales' proceeds through normal banking channels shall be with the Participant. Ministry of Textiles reserves the right to verify the documents evidencing realization of sale proceeds which will be counted for computing Participant's turnover and incentives, and take suitable recovery and penal action in case of any default on realization of sale proceeds.

18. Procedure and time schedule for Disbursement of Incentives

- 18.1** An Application for claiming incentives complete in all respect shall be filed online by the applicant by 31st December of immediate subsequent financial year of the Performance Year. The Participant shall file its claim along with account details audited by Statutory Auditor of the Company. For example: For Performance Year 2024-2025, application for claim of incentive shall be made by 31.12.2025.
- 18.2** The applicant shall submit a claim for disbursement of incentive on annual basis for the sales made in a performing financial year along with its audited financial statements.
- 18.3** The PMA shall process claim for disbursement of incentive within 45 days from the date of receipt of such claim along with all supporting documents and will make appropriate recommendations to MoT.
- 18.4** Upon approval of claims by Sanctioning Authority, the disbursement of incentive shall be done by way of Direct Bank Transfer through PFMS or through any other mechanism of adjustment in the account of Participant Company only by Pay and Account Officer (PAO) within 15

days from the date of approval of the competent authority.

18.5 In case of excess claims disbursed inadvertently, the applicant shall suo-moto refund the same to MoT immediately. In case the Participant fails to refund the excess amount then he will be liable for refund along with 15% simple interest per annum to be calculated from the date of disbursement of incentive and up to actual date of refund by the Participant. The payment shall be made in the head of account of MoT. The details of Bank Account shall be provided on the PLI portal.

18.6 The company shall furnish the Output-Outcome details as per prescribed format on the PLI portal <http://PLI.texmin.gov.in>.

19. Project Management Agency (PMA)

The Scheme will be implemented with the assistance of a Project Management Agency (PMA) which will be responsible for providing secretarial, managerial and implementation support and carrying out responsibilities as assigned by MoT from time to time.

20. General Terms and Conditions of investment

20.1 Expenditure and Investment:

- (I) Expenditure on consumables and raw material used for manufacturing shall not be considered as Investment.
- (II) The date of capitalization of the investment in the audited financial statement of the selected applicant shall be considered as the date of investment under the Scheme.
- (III) The heads of Investment, based on which eligibility is being determined, should be capitalized in the audited financial statement of the applicants as certified by the Statutory Auditor.
- (IV) No second hand/ used/ refurbished plant, machinery, equipment, utilities shall be allowed under threshold investment.

20.2 Insurance: The Participants are advised to secure adequate insurance cover on all movable and immovable assets against natural or man-made disasters like floods, cyclones, earthquakes, tsunamis etc. MoT will not be liable to compensate for any losses in such situation.

20.3 Conformity to Quality Standards: All Notified Products manufactured by the Participants shall be in conformity with applicable regulatory norms, quality standards and guidelines issued by the concerned authorities from time to time. If Ministry of Textiles may deem necessary, it may ask for quality reports from the internationally accredited laboratories and testing centers.

21. Certifications:

- 21.1 During the application and claim process, PMA will rely on, *inter alia*, various certificates to be submitted by the Participants from Statutory Auditors, Chartered Engineers, valuer, Chartered Accountant etc. as defined under the Scheme guidelines. The cost of such certificates as stipulated and to be submitted along with the application and claim process will be borne by the Participants.
- 21.2 Apart from the above, any costs / expenses in respect of any professional expertise or obtaining documents / certificates / information for the purpose of appraisal or verification of an application, including but not limited to, costs of any Chartered Engineer, Chartered Accountant, Cost Accountant, Company Secretary, Lawyer, or any other professional, or due diligence through Ministry of Corporate Affairs (MCA) or equivalent or reports from CIBIL and/or Dun and Bradstreet and/or equivalent, and cost of inspections / site visit etc., shall be borne by the Participant. In case any such costs are incurred by the PMA, then the same shall be reimbursed by the Participant to the PMA along with the applicable taxes.
- 21.3 The Participant shall furnish the following certificate from Chartered Engineer in respect of:
- i. Investment relating to plant & machinery
 - ii. Investment relating to Transfer of Technology Agreements.
 - iii. Cost of technology, Intellectual Property Rights (IPRs), patents and copyrights along with purchase agreements
 - iv. Investment related to associated utilities.
- 21.4 The Participant shall submit the following certificates from Institution of Engineers India (IEI) registered Chartered Engineer (CE):
- (i) Confirming utilization of the Plant, Machinery and Equipment for manufacturing of Notified Product(s) under target segment for each financial year for which the applicant is claiming incentive under the Scheme.
 - (ii) Committed Investment made by the applicant- after carrying out the physical inspection of the manufacturing facilities
- 21.5 The selected Applicants shall be required to furnish self-certified Quarterly Review Reports (QRRs), within 30 days from the end of

each quarter in the specified format provided on the PLI portal <http://PLI.texmin.gov.in>. Incentive claims for a particular financial year shall be considered only if all QRRs for the period have been submitted by the Applicants within the prescribed timelines.

22. Undertakings:

The Applicant/ Participant shall furnish undertakings as prescribed alongwith the application for selection as well as for claiming benefits duly signed by its authorised signatory.

23. Change in Ownership:

- 23.1 A Participant shall intimate the PMA of any change in the shareholding pattern during the tenure of the Scheme, after updating with the Registrar of Companies (RoC) and the resultant change in Successor-in Interest, if any shall be intimated by PMA for approval of MoT to consider disbursal of incentives.
- 23.2 In case of change in successor-in-interest, all Investments undertaken by the Participant shall be considered for determining eligibility of the successor-in-interest, subject to approval and compliance with any other condition stipulated by the MoT, as may be deemed appropriate. Achievement of prescribed incremental turnover after completion of benchmark investment will determine the eligibility under the Scheme for the successor company.

24 Risk Management System (RMS) and Internal Audit Mechanism

- 24.1 **Risk Management System:** A Risk Management System shall be put in place by MoT. MoT will create a team of officers for inspection of Participant companies as and when required. The teams will conduct inspection on random basis as per computer generated list of the Participants.
- 24.2 **Recovery mechanism and penal provision:**

An internal Audit mechanism shall be put in place. On scrutiny of documents under post audit mechanism, if it is found that excess claim has been made and/ or excess payments has been made to the Participant, MoT will raise demand on the Participant for the recovery. The Participant shall be liable to refund the same within 30 days from the date of receipt of the demand Notice failing which 15% simple interest per annum will be charged from date of disbursement.

If it is established at later stage that claim under the Scheme has been availed by mis-declaration or by submitting fabricated documents, Joint Secretary/Trade

Advisor will adjudicate such cases after issuing Show Cause Notice to the Participant company following the Principles of Natural Justice. The Participant in such cases shall be liable for penal action and amount of penalty shall not be less than the excess payment made and may go up to 5 times of excess claim value. Other action as deemed appropriate under laws of the land will also be taken in such cases.

Penalty amount shall be deposited in the Consolidated Fund of India account. In case the penalty amount is not paid, the same shall be recovered as an arrear of land revenue through respective District Collector and Magistrate under whose jurisdiction the entity falls.

- 25 Appellate Authority and dispute redressal:** An appeal against the order passed by Joint Secretary/Trade Advisor shall be placed before the Appellate Committee to be constituted under the Chairmanship of Secretary Textiles with Additional Secretary, Additional Secretary & Financial Adviser as members.

(Vijoy Kumar Singh)

Additional Secretary to the Government of India

Tel No. 011-23010494

Email: vk.singh90@ias.gov.in

New Delhi

Dated:

Copy to:

1. All concerned Ministries / Departments of Government of India
2. All States/ Union Territories

Product List of MMF Apparels (Products will be primarily identified at 8 digits HS code)				
Sl No	6 digit HS code	Product description	8 digit HS code	Product description
1	611030	Jerseys, pullovers, cardigans, waistcoats and similar articles, of man-made fibres, knitted ...	61103010	JERSEYS ETC OF SYN FIBRES
			61103020	JERSEYS ETC OF ARTIFICIAL FIBRES
2	620193	Men's or boys' anoraks, windcheaters, wind jackets and similar articles, of man-made fibres ...	62019300	OTHER SMLR ARTCLS OF MAN-MDE FBRS
3	620293	Women's or girls' anoraks, windcheaters, wind jackets and similar articles, of man-made fibres ...	62029310	WIND AND SKI-JACKETS, WIND CHEATERS
4	620343	Men's or boys' trousers, bib and brace overalls, breeches and shorts of synthetic fibres (excluding ...	62034300	TROUSERS,BIB AND BRACE OVERALLS,BREECHES AND SHORTS OF SYNTHETIC FIBRS,MENS OR BOYS
5	610463	Women's or girls' trousers, bib and brace overalls, breeches and shorts of synthetic fibres, ...	61046300	TROUSERS,BIB AND BRACE OVERALLS,BREECHES AND SHORTS OF SYNTHETIC FIBRES
6	620463	Women's or girls' trousers, bib and brace overalls, breeches and shorts of synthetic fibres ...	62046300	TROUSERS,BIB AND BRACE OVERALLS, BREECHES AND SHORTS OF SYNTHETIC FIBRES
7	620213	Women's or girls' overcoats, raincoats, car	62021300	OVERCOATS,RAINCOATS,CAR COATS,CAPES,CLOAKS AND

		coats, capes, cloaks and similar articles, of man-made ...		SIMILAR ARTICLES OF MAN MADE FIBRES
8	610443	Women's or girls' dresses of synthetic fibres, knitted or crocheted (excluding petticoats)	61044300	DRESSES OF SYNTHETIC FIBRES
9	611596	Full-length or knee-length stockings, socks and other hosiery, incl. footwear without applied ...	61159600	OTHER HOSIERY GOODS OF SYNTHETIC FIBRES
10	620433	Women's or girls' jackets and blazers of synthetic fibres (excluding knitted or crocheted, ...	62043300	JACKETS OF SYNTHETIC FIBRES
11	610343	Men's or boys' trousers, bib and brace overalls, breeches and shorts of synthetic fibres, knitted ...	61034300	TROUSERS, SHORTS ETC OF SYNTHETIC FIBRES
12	611241	Women's or girls' swimwear of synthetic fibres, knitted or crocheted	61124100	WOMENS/GIRLS SWIMWEAR OF SYNTHETIC FIBRES
13	611430	Special garments for professional, sporting or other purposes, n.e.s., of man-made fibres, ...	61143010	OTHER GARMENTS OF SYNTHETIC FIBRES
			61143020	OTHER GARMENTS OF ARTIFICIAL FIBRES
14	610822	Women's or girls' briefs and panties of man-made fibres, knitted or crocheted	61082210	BRIEFS AND PANTIES OF SYNTHETIC FIBRES
			61082220	BRIEFS AND PANTIES OF ARTIFICIAL FIBRES
15	620333	Men's or boys' jackets and blazers of synthetic fibres (excluding knitted or crocheted, and ...	62033300	JACKETS AND BLAZERS OF SYNTHETIC FIBRES

16	621133	Men's or boys' tracksuits and other garments, n.e.s. of man-made fibres (excluding knitted ...	62113300	OTHR GRMNTS OF MAN-MDE FBRS FR MENS/BOYS
17	620113	Men's or boys' overcoats, raincoats, car coats, capes, cloaks and similar articles, of man-made ...	62011310	RAINCOATS OF MAN-MADE FIBRES
18	620453	Women's or girls' skirts and divided skirts of synthetic fibres (excluding knitted or crocheted ...	62045300	SKIRTS AND DIVIDED SKIRTS OF SYNTHETIC FIBRS
19	610230	Women's or girls' overcoats, car coats, capes, cloaks, anoraks, incl. ski jackets, windcheaters, ...	61023010	OVRCOAT ETC OF SYNTHETIC FIBRES
			61023020	OVRCOT ETC OF ARTIFICIAL FIBRES
20	620530	Men's or boys' shirts of man-made fibres (excluding knitted or crocheted, nightshirts, singlets ...	62053000	MENS OR BOYS SHIRTS OF MAN-MADE FIBRES
21	610832	Women's or girls' nightdresses and pyjamas of man-made fibres, knitted or crocheted (excluding ...	61083210	NIGHTDRESSES AND PYJAMAS OF SYN FIBRES
			61083220	NIGHTDRESSES AND PYAJAMAS OF ARTIFICIAL FIBRES
22	610620	Women's or girls' blouses, shirts and shirt-blouses of man-made fibres, knitted or crocheted ...	61062010	BLOUSE ETC OF SYNTHETIC FIBRES
			61062020	BLOUSE ETC OF REGNRTD FBRS(RAYON ETC)

23	610444	Women's or girls' dresses of artificial fibres, knitted or crocheted (excluding petticoats)	61044400	DRESSES OF ARTIFICIAL FIBRES
24	610433	Women's or girls' jackets and blazers of synthetic fibres, knitted or crocheted (excluding ...	61043300	JACKETS OF SYNTHETIC FIBRES
25	621430	Shawls, scarves, mufflers, mantillas, veils and similar articles of synthetic fibres (excluding ...	62143000	SHWLS,SCRVS,MUFFLERS ETC OF SYNTHTC FBRS
26	610892	Women's or girls' négligés, bathrobes, dressing gowns, house jackets and similar articles of ...	61089210	NEGLIGES ETC OF SYNTHETIC FIBRES
			61089220	NEGLIGES, BATHROBES ETC OF ARTIFICIAL FIBRES
27	611521	Pantyhose and tights of synthetic fibres, knitted or crocheted, measuring per single yarn <...	61152100	PANTY HOSE AND TIGHTS OF SYNTHTC FIBRES MSRNG PER SINGLE YRN LESS THN 67 DECITEX
28	610130	Overcoats, car coats, capes, cloaks, anoraks, incl. ski jackets, windcheaters, wind-jackets ...	61013010	OVRCOAT ETC OF SYNTHETIC FIBRES
			61013020	OVRCOT ETC OF ARTIFICIAL FIBRES
29	610712	Men's or boys' underpants and briefs of man-made fibres, knitted or crocheted	61071210	UNDERPANTS AND BRIEFS OF SYN FIBRES
			61071220	UNDERPANTS AND BRIEFS OF ARTIFICIAL FIBRES
30	611693	Gloves, mittens and mitts, of synthetic fibres,	61169300	OTHER GLOVES ETC OF SYNTHETIC FIBRES

		knitted or crocheted (excluding impregnated, ...		
31	610453	Women's or girls' skirts and divided skirts of synthetic fibres, knitted or crocheted (excluding ...	61045300	SKIRTS AND DIVIDED SKIRTS OF SYNTHETIC FIBRES
32	621111	Men's or boys' swimwear (excluding knitted or crocheted)	62111100	SWIMWEAR FOR MENS OR BOYS
33	620312	Men's or boys' suits of synthetic fibres (excluding knitted or crocheted, tracksuits, ski suits ...	62031200	SUITS OF SYNTHETIC FIBRES
34	611212	Track-suits of synthetic fibres, knitted or crocheted	61121200	TRACK SUITS OF SYNTHETIC FIBRES
35	620930	Babies' garments and clothing accessories of synthetic fibres (excluding knitted or crocheted ...	62093000	BABIES GARMENTS AND CLOTHING ACCESSORIES OF SYN FIBRES
36	620892	Women's or girls' singlets and other vests, briefs, panties, negligés, bathrobes, dressing ...	62089210	DRESSING GOWNS AND BATHROBES
37	611522	Pantyhose and tights of synthetic fibres, knitted or crocheted, measuring per single yarn >= ...	61152200	PANTY HOSE AND TIGHTS OF SYNTHETIC FIBRES MEASURING PER SINGLE YARN 67 DECITEX OR MORE
38	610722	Men's or boys' nightshirts and pyjamas of man-made fibres, knitted or crocheted (excluding ...	61072210	NIGHTSHIRTS AND PYJAMAS OF SYNTHETIC FIBRES
			61072220	NIGHTSHIRTS AND PYJAMAS OF ARTIFICIAL FIBRES
39	611231	Men's or boys' swimwear of synthetic fibres, knitted or	61123100	MENS/BOYS SWIMWEAR OF SYNTHETIC FIBRES

		crocheted		
40	621112	Women's or girls' swimwear (excluding knitted or crocheted)	62111200	SWIMWEAR FOR WOMENS OR GIRLS

Product List of MMF Fabrics (Products will be primarily identified at 8 digit HS Code)				
SI No.	6 digit HS code	Product Description	8 digit HS Code	Product description
1	540752	Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament ...	54075210	POLYESTER SHIRTINGS
			54075220	POLYESTER SIUTINGS
2	600632	Dyed fabrics, knitted or crocheted, of synthetic fibres, of a width of > 30 cm (excluding warp ...	60063200	OTHR KNITD OR CROCHETD FBRCS OF SYN FIBRS, DYED
3	540761	Woven fabrics of yarn containing >= 85% by weight of non-textured polyester filaments, incl. ...	54076110	POLYESTER SHIRTINGS
			54076120	POLYESTER SUITINGS
4	600192	Pile fabrics of man-made fibres, knitted or crocheted (excluding "long pile" fabrics)	60019200	OTHER PILE FABRICS OF MAN-MADE FIBRES
5	540754	Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament ...	54075420	POLYESTER SHIRTING
6	580632	Narrow woven fabrics of man-made fibres, with a width of <= 30 cm, n.e.s.	58063200	OTHER NARROW WOVEN FBRCS OF MAN-MADE FIBRE
7	551511	Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed ...	55151110	FBRC OF POLSTR,MXD WTH VISCOS RYON,UNBLCHD
			55151120	FBRC OF POLSTR,MXD WTH VISCOS RYON,BLCHD
			55151130	FBRC OF POLSTR,MXD WTH VISCOS RYON,DYED
			55151140	FBRC OF POLSTR,MXD WTH VISCOS RYON,PRINTD

8	600537	Dyed warp knit fabrics of synthetic fibres "incl. those made on galloon knitting machines", ...	60053700	OTHER, DYED
9	551614	Woven fabrics containing >= 85% artificial staple fibres by weight, printed	55161410	SPUN RAYON PRINTED SHANTUNG
			55161420	SPUN RAYON PRINTED LINEN
10	540742	Woven fabrics of filament yarn containing >= 85% nylon or other polyamides by weight, incl. ...	54074210	NYLON BRASSO
			54074220	NYLON GEORGETTE
			54074230	NYLON TAFETTA
11	551219	Woven fabrics containing >= 85% polyester staple fibres by weight, dyed, made of yarn of different ...	55121910	OTHR WOVN FBRCS, DYED CNTNG POLYETR >= 85%
			55121920	OTHR WOVN FBRCS,PRINTD CNTNG POLYETR> =85%
12	540710	Woven fabrics of high-tenacity yarn, nylon, other polyamides or polyesters, incl. monofilament ...	54071013	UNBLECHD NYLON FURNISHG FBRCS
			54071015	UNBLECHD OTHR NYLON/ POLYAMIDE FBRCS (FILAMENT)
			54071016	UNBLECHD POLYESTER SUITINGS
			54071019	UNBLECHD OTHR POLYESTER FABRICS
			54071023	BLECHD NYLON FURNISHN FBRCS
			54071025	BLECHD OTHR NYLON/POLYAMIDE FBRCS (FILAMENT)
			54071026	BLECHD POLYESTER SUITNGS
			54071033	DYED NYLON FURNISHG FBRCS
			54071035	DYED OTHR NYLON/POLYAMIDE FBRCS

				(FILAMENT)
			54071036	DYED POLYESTER SUITNGS
			54071043	PRINTED NYLON FURNISNG FBRCS
			54071045	PRINTED OTHR NYLON/POLYAMIDE FBRCS (FILAMENT)
			54071046	PRINTED POLYESTER SUITNGS
			54071049	PRINTED OTHR POLYESTER FBRCS
			54071093	OTHR NYLON FURNISNS FBRCS
			54071096	OTHR POLYESTER SUITNGS
			54071099	OTHR POLYESTER FBRCS NES
13	540720	Woven fabrics of strip or the like, of synthetic filament, incl. monofilament of ≥ 67 decitex ...	54072010	UNBLECHD WVEN FBRCS FROM STRIP/THE LIKE
			54072020	BLECHD WVEN FBRCS FROM STRIP/THE LIKE
			54072030	DYED WVEN FBRCS FROM STRIP/THE LIKE
			54072040	PRINTED WVEN FBRCS FROM STRIP/THE LIKE
14	540769	Woven fabrics of yarn containing $\geq 85\%$ by weight of mixtures of textured and non-textured ...	54076900	WOVN FBRCS CONTNNG 85% OR MORE BY WT OF OTHR THN NN-TXTRD POLYSTR FLMNTS

Product List of Technical Textiles Products with HSN code

In case of some products HSN Code is under development and, Product Description as indicated will be used for Application and Selection

S.No.	Segment	Name of the product	HSN Code	Description
1	Geotextiles	Geo-grids		To be notified
		Geo-nets		
		Geo-membranes		
		Geo-tubes/Geo-bags		
		Geo-textiles made from natural fibres		
2	Agro-textiles	Shade-nets		To be notified
		Mulch-mats		
		Anti-hail/Anti-bird/Anti-fog protection nets		
		Fishing nets		
		Crop covers		
		Turf protection nets		
3	Medical / Hygiene Textiles	Body Diapers, Adult Diapers, Incontinence Diapers, Sanitary Napkins	96190010	Sanitary towels (pads) or sanitary napkins
			96190020	Sanitary towels (pads) and tampons, napkins and napkin liners for babies and similar articles, of any material : Tampons
			96190030	Sanitary towels (pads) and tampons, napkins and napkin liners for babies and similar articles, of any material : Napkins and Napkin liners for babies
			96190040	Clinical Diapers
			96190090	Sanitary towels (pads) and tampons, napkins and napkin liners for babies and similar articles, of any

				material : Other
		Surgical Dressings, Bandages, wound care products	59061000	Adhesive Tape Of A Width Not Exceeding 20 cm.
			30051010	Adhesive Gauze Bandage
			30051020	Adhesive Tape (Medicinal)
			30059010	Cotton Wool, Medicated
			30059030	Medicated Lint (Lint, medicated)
			30059040	Bandages Without Adhesive Layer
			30059050	Burn Therapy Dressing Soaked In Protective Gel
			56012200	Wadding; Other Articles Of Cotton Wadding: Other (Of man-made fibres)
		Compression stockings for varicose veins	61151000	Panty hose, tights, stockings, socks and other hosiery, including graduated compression hosiery (for example, stockings for varicose veins) and footwear without applied soles, knitted or crocheted : Graduated compression hosiery (for example, stockings for varicose veins)
		Surgical Sutures	30061010	Sterile, surgical catgut and similar sterile suture materials(including sterile absorbable surgical or dental yarns) and sterile tissue adhesives for surgical wound closure
4	Defence Textile	Bullet Proof Jackets, Vests and Uniforms	62104010	Bullet proof jacket, bomb disposal jacket and the like
		Nuclear,		To be notified

		Biological and Chemical Warfare Suits		
		High visibility clothing and Infra-red clothing for military use		
		High Altitude clothing		
		Fighter Aircraft Clothing		
		Sub-marine clothing		
		Tents, Parachutes, collapsible textiles housing for military use.	54071041	Woven Fabrics of synthetic filament yarn, including woven fabrics obtained from materials of heading 5404. 54071041 - Printed Parachute Fabrics 54071042 - Printed Tent Fabrics 54071091 - Other Parachute Fabrics 54071092 - Other Tent Fabrics
			54071042	
			54071091	
			54071092	
		Special masks including Gas masks	90200000	Other Breathing Appliances And Gas Masks, Excluding Protective Masks Having Neither Mechanical Parts Nor Replaceable Filters
		Helmets and safety equipment (textile component) for military use	To be notified	
5	Mobile Textiles:	Safety airbags for automobiles	87089500	Parts and accessories of the motor vehicles of headings 8701 to 8705 - other parts and accessories -- safety airbags with inflater system; parts thereof
		Automobile Tyre cords	56041000	Rubber Thread And Cord, Textile Covered
			56075020	Nylon Tyre Cord

			56075030	Viscose Tyre Cord
			59021010	Tyre Cord Fabric Of High Tenacity Yarn Of Nylon Or Other Polyamides: Impregnated With Rubber
			59021090	Tyre cord fabric Of nylon or other polyamides: Others
			59022010	Tyre Cord Fabric Of Polyester: Impregnated With Rubber
			59022090	Tyre cord fabric Of polyesters: Others
			59029010	Tyre Cord Fabric Of Others: Impregnated With Rubber
			59029090	Tyre cord fabric of high tenacity yarn of nylon or other polyamides, polysters or viscose rayon: Others
		Seat webbing for automobiles and aircrafts	87082100	Parts and accessories of the motor vehicles of headings 8701 to 8705 : Other parts and accessories of bodies (including cabs) : Safety seat belts
		Air and oil filters for automobiles, railways coach, aircraft	84212300	Centrifuges, Including Centrifugal Dryers; Filtering Or Purifying Machinery And Apparatus, For Liquids Or Gases Filtering Or Purifying Machinery And Apparatus For Liquids: Oil Or Petrol- Filters For Internal Combustion Engines
6	Sports Textiles	Parachute fabrics/Balloon ing fabric for sports use	54071011	Unbleached Parachute Fabrics
			54071021	Bleached Parachute Fabrics
			54071031	Dyed Parachute Fabrics

			54071041	Printed Parachute Fabrics
			54071091	Other Parachute Fabrics
		Sailing cloth	63061990	Other Tarpaulins, Awnings And Sunblinds; Tents; Sails For Boats, Sailboards Or Landcraft; Camping Goods
		Protective equipment for cricket, boxing and other sports (Leg guard, Batting gloves, Thigh pad)	95069110	Articles And Equipment For General Physical Exercise, Gymnastics Or Athletics: Boxing Equipment
			95069920	Articles And Equipment For General Physical Exercise, Gymnastics, Athletics, Other Sports: Other : Leg Pads And Bats For Cricket
			95069990	Articles and equipment for general physical exercise, gymnastics, athletics, other sports (including table- tennis) or Out-door games, not specified or included elsewhere in this chapter; swimming pools and paddling pools - other : - other : other
7	Protective Textiles (other than defence textiles):	Personal Protective Equipment for medical use	To be notified	
		Fire retardant/Fire protection clothing		
		Chemical/ Petrochemical protection clothing		
		Electric Arc protection clothing		
		Fire retardant fabrics		
		Industrial gloves, Industrial		

		protection clothing including high visibility clothing for non-military use		
		N-95 and N-99 Masks (FFP-2 and FFP-3 masks).		N-95 and N-99 masks (FFP-2 & FFP-3) masks To be notified.
		Gas Masks	90200000	Apparatus: Other breathing appliances and gas masks, excluding protective masks having neither mechanical parts nor replaceable filters.
8	Building/ Construction on Textiles:	Architectural Membranes		To be notified
		Wall coverings	59050090	Textile Wall Coverings: Other
			59050010	Textile Wall Coverings: Fixed On The Backing Of Any Material
		Awnings & canopy	63061200	Tarpaulins, Awnings and Sunblinds etc.: Of Synthetic Fibres
			63061920	Tarpaulins, awnings and sunblinds; tents; sails for boats, sailboards or landcraft; camping goods tarpaulins, awnings and sunblinds :of other textile materials: blinds or awnings of coir
		Floor coverings for special purposes such as fire retardant, fire resistant, chemical resistant, anti -static and dust resistant/and composite board for train coaches.		To be notified
9	Specialty Fibres &	Carbon Fibre		To be notified
		Aramids, Meta		

	Composites	Aramids, Para-Aramids, Kevlar	
		Nylon 66	
		Glass Fibres, Basalt Fibres	
		Ultra High Molecular Weight Polyethylene	
		Composites made out of all above fibres (i) to (v)	
10	Smart Textiles embedded with active devices for medical, defence and special uses.		To be notified

Appendix -II

Ministry of Textiles
Udyog Bhawan, New Delhi
Note: Please refer Clause 8.3 of the Guidelines

Letter of Approval

This is certified that the Participant namely, M/s.....is eligible for participation in 'PLI Scheme for Textiles" Notified vide Notification No 12015/03/2020/-IT dated 24.09.2021 for producing Notified Product(s), as per the list attached. Investment made from the date of Notification of the Scheme, shall be accounted for calculating threshold investment. However, eligibility for incentive will depend upon meeting the required level of performance both in terms of threshold investment and threshold turnover/incremental turnover as prescribed in the Scheme guidelines.

This certificate is issued on the basis of prescribed documents submitted by the applicant. This Approval shall be liable to be cancelled, if any information furnished by the applicant is found to be incorrect or misleading.

The Participant shall submit quarterly investment/progress/production report positively by end of the immediate next month of relevant quarter (April-June, July-September, Oct-December and January- March) by uploading the same on portal of MoT in prescribed format.

List of Notified Products to be manufactured by the Participant is attached.

Date:

Name and designation

Place:

Office seal

Appendix III

These are some of the case scenarios for computing incentives. These are only illustrative and not exhaustive.

Principle Applicable to both Part 1 and Part 2(with applicable rates of incentive)

Case Scenario 1: Unit of turnover is ₹ in crore

Performance Year	Scheme Part-1		Scheme Part-2		
	Threshold/ incremental turnover (In crores)	25% Rs. Incentive eligible turnover* rate	=	Prescribed threshold/ 25% incremental turnover (in Rs. Crores)	Incentive =eligible turnover* rates
Year 1	600	600*15%		200	200*11%
Year 2	750	150*14%		250	50*10%
Year 3	937.5	187.5*13%		312.5	62.5*9%
Year 4	1171.875	234.4*12%		390.63	78.13*8%
Year 5	1464.84	292.97*11%		488.28	97.65*7%

Case Scenario 2: Unit of turnover is ₹ in crore

Performance Year	Scheme Part-1 Investment of ₹ 350 crore		Scheme Part-2 Investment of ₹ 150 crore	
	Prescribed Turnover with cap of 10%	Incentive=admissible turnover*rate	Admissible Turnover with cap of 10%	Incentive=admissible turnover*rate
Year 1	770	770*15%	330	330*11%
Year 2	1039.50	269.50*14%	445.5	115.5*10%
Year 3	1403.33	363.83*13%	601.42	155.93*9%
Year 4	1894.49	491.16*12%	811.92	210.50*11%
Year 5	2557.56	663.07*11%	1096.09	284.17*7%

Case Scenario 3: Unit of turnover is ₹ in crore

Investment of ₹ 300 crore			
Performance Year	Minimum Prescribed Turnover	Actual turnover (₹ crore)	Admissible Incentive (₹ crore)
Year 1	600	660 (600-660)	660*15%= 99
Year 2	750	750 (825-891)	No incentive will be paid for the year as 25% incremental growth over the immediate preceding year turnover is not met.
Year 3	937.50	937.5 (937.5-1012.5)	(937.5-750)*14%=26.25 Incentive will be paid for the year as both the incremental target of 25% over immediate preceding year turnover and prescribed turnover for the year i.e. 937.50 are met.
Year 4	1171.88	800 (1171.88-1265.63)	No incentive will be paid for the year as both the targets are not met.
Year 5	1464.84	1200 (1000-1080)	No incentive will be paid for the year as minimum prescribed turnover for the year is not met.

Case Scenario 4: Unit of turnover is ₹ in crore

Investment of ₹ 400 crore			
Performance Year	Minimum Prescribed Turnover	Actual turnover (₹ crore)	Admissible Incentive (₹ crore)
Year 1	600.00	700 (600-880)	$700 \times 15\% = 105$
Year 2	750.00	891 (875-945)	$(891-700) \times 14\% = 26.74$
Year 3	937.50	1202.85 (1113.75-1202.85)	$(1202.85-891) \times 13\% = 40.54$
Year 4	1171.88	1700 (1503.56-1623.85)	$(1623.85-1202.85) \times 12\% = 50.52$
Year 5	1464.84	2300 (2125-2295)	$(2295-1700) \times 11\% = 65.45$

Case scenario 5 : Unit of turnover is ₹ in crore

Investment of ₹ 500 crore			
Performance Year	Minimum Prescribed Turnover	Actual turnover (₹ crore)	Admissible Incentive (₹ crore)
Year 1	600.00	900 (600-1100)	$900 \times 15\% = 135$
Year 2	750.00	800 (1125-1215)	No incentive will be paid for the year as the incremental target of 25% over the immediate preceding year turnover i.e. 1125 is not met.
Year 3	937.50	1050 (1000-1080)	$(1050-800) \times 14\% = 35$ Incentive will be paid for the year as both the targets are met.
Year 4	1171.88	1100 (1312.5-1417.50)	No incentive will be paid as both the targets are not met.
Year 5	1464.84	1500 (1375-1485)	$(1485-1100) \times 13\% = 50.05$ Incentive will be paid as both the targets are met and cap of 35% is invoked.