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## Voltas, Blue Star, Panasonic, other AC companies to apply for PLI scheme

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PLI scheme for AC components to fetch Rs 3,000 crore

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AC manufacturers Voltas, **Blue Star**, Dixon, Amber Enterprises, Panasonic, Lloyd, Hindalco and China's GMCC are set to apply for the government's production-linked incentive (PLI) scheme for air-conditioner components. This could garner investments of Rs 3,000 crore. However, companies like Samsung, LG, Godrej Appliances and Daikin are still mulling over whether they should apply considering the PLI scheme is for components and not finished goods.

Unlike the PLI scheme for mobile phones, where the finished goods as well as components are covered, the scheme for ACs only focus on the production of the components. Many companies have backed out since they were expecting the scheme to cover finished goods too, as mentioned in a report in The Economic Times.

The application deadline for the PLI scheme for air conditioner components is September 15.

**Contract manufacturer Amber Enterprises will make a Rs 400-crore investment proposal while Blue Star will have a Rs 250-crore investment.**

GMCC, owned by China's Midea Group, is setting up a compressor plant in Pune at an investment of Rs 700 crore.

After the government banned import of ACs with refrigerants, more than 95 per cent of ACs are locally manufactured. On the other hand, 75-80 per cent of components are imported.

Some companies such as Carrier Midea and Haier are, according to the daily, completing existing manufacturing investment plans and not likely to make any fresh investment in AC component manufacturing. Lloyd has postponed its plans to set up a new plant for AC manufacturing but will now apply for smaller investment in heat exchanger manufacturing.

<https://www.businesstoday.in/latest/economy/story/voltas-blue-star-panasonic-other-ac-companies-to-apply-for-pli-scheme-306182-2021-09-08>