

Nineteen companies filed their applications under the PLI scheme for IT Hardware

The has been huge success in terms of applications received from Global as well as Domestic companies - says Shri Ravi Shanakr Prasad at conclusion of application window under scheme

Production of Rs. 1.60 lakh crore and Exports of Rs. 60 thousand crore expected over next 4 years

Major boost to Prime Minister Narendra Modi's Make in India and AtmaNirbhar Bharat

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A total of **19** companies have filed their application under the Production Linked Incentive Scheme (PLI) for IT Hardware which was notified on 03.03.2021. The scheme was open for filing applications till 30.04.2021. Incentives are applicable under the scheme from 01.04.2021.

The electronics hardware manufacturing companies that have applied under category **IT Hardware Companies** are **Dell, ICT (Wistron), Flextronics, Rising Stars Hi-Tech (Foxconn) and Lava.**

14 companies have filed applications under the category **Domestic Companies** which include Dixon, Infopower (JV of Sahasra and MiTAC), Bhagwati (Micromax), Syrma, Orbic, Neolync, Optiemus, Netweb, VVDN, Smile Electronics, Panache Digilife, HLBS, RDP Workstations and Coconics. These companies are expected to expand their manufacturing operations in a significant manner and grow into national champion companies in IT Hardware production.

Production Linked Incentive Scheme (PLI) for IT Hardware was notified on 03.03.2021. The PLI Scheme extends an incentive of 4% to 2%/ 1% on net incremental sales (over base year of FY 2019-20) of goods under target segments that are manufactured in India to eligible companies, for a period of four years (FY 2021-22 to FY 2024-25).

In his address marking the conclusion of application window under the scheme, Shri Ravi Shankar Prasad, Union Minister for Electronics & IT, Communications, Law and Justice said that PLI scheme for IT Hardware has been huge success in terms of the applications received from Global as well as Domestic companies engaged in manufacturing electronics hardware products. Industry has reposed its faith in India's stellar progress as a world class manufacturing destination and this resonates strongly with Prime Minister's clarion call of AtmaNirbhar Bharat - **a self-reliant India**. The Minister further said that "we are optimistic and looking forward to building a

strong ecosystem across the value chain and integrating with the global value chains, thereby strengthening electronics manufacturing ecosystem in the country”.

Under the leadership of Prime Minister Shri Narendra Modi and his visionary initiatives like the “Digital India” and “Make in India” programmes, India has witnessed an unprecedented growth in electronics manufacturing in the last five years. The National Policy on Electronics 2019 envisions positioning India as a global hub for Electronics System Design and Manufacturing (ESDM) by focusing on size and scale, promoting exports and enhancing domestic value addition by creating an enabling environment for the industry to compete globally.

After the success of the Production Linked Incentive Scheme in bringing investments in mobile phone (handsets and components) manufacturing, the Union Cabinet chaired by the Prime Minister, Shri Narendra Modi has approved the Production Linked Incentive (PLI) Scheme for IT hardware products. The target IT hardware segments under the proposed Scheme include **Laptops, Tablets, All-in-One Personal Computers (PCs) and Servers**. The scheme proposes production linked incentives to boost domestic manufacturing and attract large investments in the value chain of these IT Hardware products.

Over the next 4 years, the Scheme is expected to lead to total production of **about INR 1,60,000 crore**. Out of the total production, IT Hardware companies have proposed a production of over **INR 1,35,000 crore**, and **Domestic Companies** have proposed a production of over **INR 25,000 crore**.

The scheme is expected to promote exports significantly. Out of the total production of **INR 1,60,000 crore** in the next 4 years, more than **37% will be contributed by exports** of the order of **INR 60,000 crore**.

The scheme will bring additional investment in electronics manufacturing to the tune of **INR 2,350 crore**.

The scheme will generate approximately **37,500 direct employment opportunities** in next 4 years along with creation of additional indirect employment of nearly 3 times the direct employment.

Domestic Value Addition is expected to grow from the current **5-12% to 16-35%**.

With the demand for electronics in India expected to grow manifold by 2025, the Union Minister expressed confidence that the PLI scheme and other initiatives to promote electronics manufacturing will help in making India a competitive destination for electronics manufacturing and give boost to **AtmaNirbhar Bharat**. Creation of domestic champion companies in electronics manufacturing under the Scheme will give fillip to **vocal for local while aiming for global scale**.

RKJ/M

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