PRODUCTION LINKED INCENTIVE (PLI) SCHEMES

A progressive step towards “Atmanirbhar Bharat”
PRODUCTION LINKED INCENTIVES (PLI) WORTH ~ USD 26.7 BILLION FOR 10 KEY SECTORS

Approved financial outlay over a five-year period (in USD billion, USD 1 = INR 74)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Financial Outlay (USD billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobiles &amp; Auto Components</td>
<td>7.7</td>
</tr>
<tr>
<td>Electronic/Technology Products</td>
<td>6.21</td>
</tr>
<tr>
<td>Pharmaceuticals Drugs and Medical Devices</td>
<td>2.96 0.46</td>
</tr>
<tr>
<td>Advance Chemistry Cell (ACC) Battery</td>
<td>2.5</td>
</tr>
<tr>
<td>Telecom &amp; Networking Products</td>
<td>1.65</td>
</tr>
<tr>
<td>Food Products</td>
<td>1.5</td>
</tr>
<tr>
<td>Textile Products</td>
<td>1.44</td>
</tr>
<tr>
<td>Speciality Steel</td>
<td>0.85</td>
</tr>
<tr>
<td>White Goods (ACs &amp; LED)</td>
<td>0.84</td>
</tr>
<tr>
<td>High Efficiency Solar PV Modules</td>
<td>0.61</td>
</tr>
</tbody>
</table>

Source: PIB Press Release,
$118 bn Automobile industry. Expected to reach $300 bn by 2026.

- World’s #1 tractor manufacturer, #1 two-wheeler and three-wheeler manufacturer, #2 bus manufacturer, #3 largest heavy truck manufacturer and #4 car manufacturer.
- The $57 bn Auto Components industry in India is expected to grow to $200 bn by 2026.
- Automotive aftermarket segment in India is expected to reach $32 bn by 2026.
- Emerging global sourcing hub - Proximity to markets such as ASEAN, Europe, Japan and Korea is an added advantage.

Source: PIB Press Release, Invest India and other secondary sources
One of the largest and growing electronics markets in the world.

Expected to reach around $400 bn by 2025

- The Indian electronics market is estimated at around $120 billion in 2018-19 – Mobile Phones (24%), Consumer Electronics (22%), Strategic Electronics (12%), Computer Hardware (7%), LEDs (2%) and Industrial Electronics (34%) comprising of Auto, Medical and other industrial electronic products.

- 5G rollout, smart city initiatives, IoT, industry 4.0, increasing disposable income will continue to drive double digit growth in the Indian electronics sector.

Source: PIB Press Release, Invest India and other secondary sources
$41 bn industry with potential to become $75+ bn in next five years

- Largest vaccine producer in the world - supplies 62% of global demand for vaccines
- 20% Generic export medicine share globally
- 3rd largest market for APIs
- 12% of all global manufacturing sites catering to US market
- Exports in 180+ countries

Approved financial outlay over a five-year period

USD ~2.96 billion
(including earlier notified PLI scheme of USD ~0.94 billion)

Product Line

Biopharmaceuticals, Complex generic drugs, Repurposed Drugs, etc. (Refer Annexure for complete list)

Implementing Ministry/Department

Department of Pharmaceuticals

Source: PIB Press Release, Invest India and other secondary sources
**MEDICAL DEVICES**

- Approved financial outlay over a five-year period
  - USD ~0.46 billion (earlier notified PLI scheme)

**Product Line**
- Cancer care / Radiotherapy, Radiology, Implants, etc. *(Refer Annexure for complete list)*

**Implementing Ministry/Department**
- Department of Pharmaceuticals

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**4th largest medical device market in Asia. Expected to reach $50 bn by 2025**

- Current market size is estimated to be ~11 billion
- Highly dependent on imports – around 90% of sophisticated devices are imported
- Socio-economic changes such as rapid urbanization, lifestyle changes, aging population.
- Increasing disposable income will drive medical device market in coming years.

*Source: PIB Press Release, Invest India and other secondary sources*
Battery manufacturing has an enormous growth potential to meet India’s clean energy goals.

India has imported $1.2 billion worth of batteries in 2019-20 – making this industry highly dependent on import. With growing demand of consumer electronics, focus on renewable energy mix and electric vehicles, the demand for batteries will further increase. As per the India Energy Storage Alliance (IESA), India would have an estimated demand of 300 GWh till 2025 taking into consideration the EV and energy storage system opportunities.

Source: PIB Press Release, analysis of secondary sources
5G introduction, IoT and Industry 4.0 will make India an attractive investment destination for telecom equipment manufacturers

- India telecom equipment industry is around USD 25+ billion in 2020 with high dependence on imports.
- To develop a secured telecom infrastructure, the Indian government is promoting local manufacturing and aspires to make India a major original equipment manufacturer of telecom and networking products.

Source: PIB Press Release, analysis of secondary sources
FOOD PRODUCTS

Approved financial outlay over a five-year period

USD ~1.5 billion

Product Line

Ready to Eat / Ready to Cook, Fruits & Vegetables, Honey, etc.
(Refer Annexure for complete list)

Implementing Ministry/Department

Ministry of Food Processing Industries

One of the leading food processing market in the world with expected output to reach ~ $535 bn by 2025-26

- 1.3 billion consumer base with growing middle-class population will drive demand for branded products.
- Globally Ranked #2 in total food production.
- Globally Ranked #1 in milk production, livestock population, and several agri commodities.
- Globally Ranked #2 in production of fish, aquaculture, fruits and vegetables.

Source: PIB Press Release, Invest India and other secondary sources
Ministry of Textiles

Implementing Ministry/Department

Approved financial outlay over a five-year period

USD ~1.44 billion

Product Line

Man-Made Fiber Segment & Technical Textiles

Implementing Ministry/Department

Ministry of Textiles

2nd largest manufacturer of textiles and clothing in the world. Expected to reach $223 bn by 2021.

- Abundance of raw material.
- Competitive manufacturing costs.
- Rising per capita income, higher disposable incomes and preferences for brands.
- Increased focus on technical textiles due to growth of end-user industries such as automotive, healthcare, and oil and petroleum.

Source: PIB Press Release, Invest India and other secondary sources
2nd largest steel producer in the world and among the leaders in certain grades of steels.

- India’s per capita steel consumption (~75 kg) is only one third of global average, i.e., The same is anticipated to rise to 160 kg by 2030-31.
- As per the national steel policy 2017, India would require crude steel capacity of 300 million tonnes per annum (MTPA) to meet projected demand, against current capacity of ~140 MTPA.
With one-tenth of Chinese room AC market, India market offers a huge potential to grow in the coming years.

At estimated ~7 million units demand for room AC in 2020, India is highly underpenetrated market. With growing middle class and increasing disposable income, the market size is projected to grow at ~13.7% during 2019-25.
HIGH EFFICIENCY SOLAR PV MODULES

Approved financial outlay over a five-year period

USD ~ .61 billion

Product Line

Solar PVs

Implementing Ministry/Department

Ministry of New and Renewable Energy

Among the fastest-growing solar markets in the world with 13 times increment of solar power capacity in the last six years – 2.6 GW in 2014 to 34.6 GW in 2020

- 5th largest installed capacity of solar power in the world.
- Abundant availability of solar irradiance and receives solar energy throughout the year.
- Expected to add additional 50+ GW of solar power capacity in next three years.

Source: PIB Press Release, Invest India and other secondary sources
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<th>Sector</th>
<th>Product Lines</th>
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<tr>
<td><strong>Automobiles &amp; Auto Components</strong></td>
<td>a. Automobile and Auto Components</td>
</tr>
<tr>
<td><strong>Advance Chemistry Cell (ACC) Battery</strong></td>
<td>a. ACC Batteries</td>
</tr>
<tr>
<td><strong>Telecom &amp; Networking Products</strong></td>
<td>a. Core Transmission Equipment</td>
</tr>
<tr>
<td></td>
<td>b. 4G/5G, Next Generation Radio Access Network and Wireless Equipment</td>
</tr>
<tr>
<td></td>
<td>c. Access &amp; Customer Premises Equipment (CPE), Internet of Things (IoT) Access Devices and Other Wireless Equipment</td>
</tr>
<tr>
<td></td>
<td>d. Enterprise equipment: Switches, Router</td>
</tr>
<tr>
<td><strong>Electronic/Technology Products</strong></td>
<td>a. Mobile Manufacturing and Specified Electronic Components</td>
</tr>
<tr>
<td></td>
<td>b. Semiconductor Fab</td>
</tr>
<tr>
<td></td>
<td>c. Display Fab</td>
</tr>
<tr>
<td></td>
<td>d. Laptop/ Notebooks</td>
</tr>
<tr>
<td></td>
<td>e. Servers</td>
</tr>
<tr>
<td></td>
<td>f. IoT Devices</td>
</tr>
<tr>
<td></td>
<td>g. Specified Computer Hardware</td>
</tr>
</tbody>
</table>

Source: PIB Press Release
### ANNEXURE – SECTOR WISE PRODUCT LINES

<table>
<thead>
<tr>
<th>Sector</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Food Processing</strong></td>
<td>a. Ready to Eat / Ready to Cook (RTE/ RTC)</td>
</tr>
<tr>
<td></td>
<td>b. Marine Products</td>
</tr>
<tr>
<td></td>
<td>c. Fruits &amp; Vegetables</td>
</tr>
<tr>
<td></td>
<td>d. Honey</td>
</tr>
<tr>
<td></td>
<td>e. Desi Ghee</td>
</tr>
<tr>
<td></td>
<td>f. Mozzarella Cheese</td>
</tr>
<tr>
<td></td>
<td>g. Organic eggs and poultry meat</td>
</tr>
<tr>
<td><strong>White Goods</strong></td>
<td>a. Air conditioners</td>
</tr>
<tr>
<td></td>
<td>b. LED</td>
</tr>
<tr>
<td><strong>Steel Products</strong></td>
<td>a. Coated Steel</td>
</tr>
<tr>
<td></td>
<td>b. High Strength Steel</td>
</tr>
<tr>
<td></td>
<td>c. Steel Rails</td>
</tr>
<tr>
<td></td>
<td>d. Ally Steel Bars &amp; Rod</td>
</tr>
<tr>
<td><strong>Textile Products</strong></td>
<td>a. Man-Made Fiber Segment</td>
</tr>
<tr>
<td></td>
<td>b. Technical Textiles</td>
</tr>
<tr>
<td><strong>Solar PV manufacturing</strong></td>
<td>a. Solar PVs</td>
</tr>
</tbody>
</table>

*Source: PIB Press Release*
<table>
<thead>
<tr>
<th>Sector</th>
<th>Product Lines</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pharmaceuticals</strong></td>
<td><strong>Category 1</strong>&lt;br&gt;a. Biopharmaceuticals&lt;br&gt;b. Complex generic drugs&lt;br&gt;c. Patented drugs or drugs nearing patent expiry&lt;br&gt;d. Cell based or gene therapy products&lt;br&gt;e. Orphan drugs&lt;br&gt;f. Special empty capsules&lt;br&gt;g. Complex excipients</td>
</tr>
<tr>
<td></td>
<td><strong>Category 3</strong>&lt;br&gt;a. Repurposed Drugs&lt;br&gt;b. Auto-immune drugs, Anti-cancer drugs, Anti diabetic drugs, Anti Infective drugs, Cardiovascular drugs, Psychotropic drugs and Anti-Retroviral drugs&lt;br&gt;c. In-vitro Diagnostic Devices (IVDs)&lt;br&gt;d. Phytopharmaceuticals&lt;br&gt;e. Other drugs not manufactured in India&lt;br&gt;f. Other drugs as approved</td>
</tr>
</tbody>
</table>

**Note** – Click [here](#) to get target products for APIs, KSMs and DIs

Source: PIB Press Release
### Medical Devices

<table>
<thead>
<tr>
<th>Sector</th>
<th>Product Lines</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target Segment-1</strong></td>
<td>Cancer care/Radiotherapy medical devices</td>
</tr>
<tr>
<td><strong>Target Segment-2</strong></td>
<td>Radiology &amp; Imaging medical devices (both ionizing &amp; non-ionizing radiation products) and Nuclear Imaging Devices</td>
</tr>
<tr>
<td><strong>Target Segment-3</strong></td>
<td>Anesthetics &amp; Cardio-Respiratory medical devices including Catheters of Cardio Respiratory Category &amp; Renal Care Medical Devices</td>
</tr>
<tr>
<td><strong>Target Segment-4</strong></td>
<td>All Implants including implantable electronic devices like Cochlear Implants and Pacemakers</td>
</tr>
</tbody>
</table>

**Note:** A key component which constitutes major part of a finished medical device (such as Rotating Anode Tube, Stationary Anode Tube, MRI Magnet, Flat Panel Detector and similar components), and has a distinct HS code for itself, will be considered as included in the corresponding target segment.
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