

Pli Scheme: Preparation of PLI for foreign electronic companies, emphasis on bringing Taiwan-Korean companies to India – Emphasis On Bringing Companies From Taiwan Korea And Japan To India



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The government may come out with a Rs 10,000-12,000 crore production-linked incentive (PLI) scheme to attract foreign electronics companies making high-end products such as smartphones, servers and computers. A report says that this move of the government may attract global giants like Apple to increase production in the country.

Along with this, plans are also being made to develop a complete ecosystem for electronic manufacturing in India. The move will help companies from Taiwan, Korea and Japan to come to India or set up new units here.

Under the scheme, companies can be given financial assistance for setting up production facilities in the country. Also, incentives can be given for the production of their spare parts. The outline of the scheme is yet to be finalised. However, its full policy can be released after the next financial year i.e. April 1.

Government may announce to bring PLI scheme up to Rs 12,000 crore

The matter has come under discussion at a time when the Rs 3,285-crore scheme for the Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) is about to expire in March 2023. It was launched in April 2020 with a PLI plan for smartphones for three years. SPECS was intended to promote the manufacture of expensive products such as electronic components such as touch panels and camera modules.

SPECS to be extended for five years

Industry says that SPECS should be extended for another five years with an expenditure of at least Rs 10,000 crore. Significantly, Apple's suppliers Wistron, Pegatron and Foxconn are already manufacturing their products in India. Due to this, China's share in manufacturing is decreasing. Foxconn is setting up its manufacturing capacity in India on a large scale.

iPhone exports can reach 20,000 crores

Apple's iPhone exports from India could touch Rs 20,000 crore in April-December this year. Three companies in the country, Foxconn, Wistron and Pegatron, are making iPhones for Apple on contract and are being exported to other countries. The PLI scheme was implemented 16 months ago and the three iPhone contract makers have achieved the fastest export target.

Detailed

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