

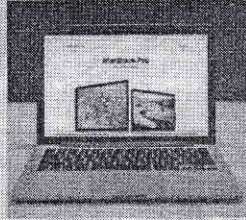
Apple may pass up PLI 2.0 for IT hardware

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Apple will not apply for the Production-Linked Incentive (PLI) scheme for laptops.

The Ministry of Electronics and IT recently notified the second version of the scheme, with an outlay of ₹17,000 crore, in the hope of convincing global players such as Apple, Dell and Samsung to shift their IT hardware production facilities to India.

However, sources close to the matter told *businessline* that Apple will skip the subsidy scheme for laptops and computer hardware, and focus only on using the subsidies provided by the Centre to localise mobile and accessories manufacture in the country.



The government notified the PLI scheme 2.0 for IT hardware Tuesday, after it was held up for more than two years.

PLI 2.0

The government has made modifications to PLI scheme 2.0, including doubling the outlay to ₹17,000 crore or almost \$2 billion, as well as reducing investment requirements for certain categories of global companies.

However, it remains to be seen whether global

laptop makers will participate in the scheme. Global players that *businessline* spoke to said they are still evaluating the scheme.

Sources also told *businessline* that Apple would not participate in the scheme, indeed never had plans to do so. The sources added that MeitY is aware of this.

This comes at a time when the Centre is betting heavily on global giants to make the PLI scheme for IT hardware a success.

On the eve of the launch of the scheme, Rajeev Chandrasekhar, Minister of State for Technology, told *Bloomberg* that global giants like Apple and Samsung are interested in increasing electronics production in India.

But, for now, it appears that Apple will solely focus

on localising production for iPhones and Apple accessories.

Apple's contract manufacturers have benefited significantly from MeitY's PLI for smartphones, where they have received thousands of crores in subsidies aiming to localise a significant portion of their supply chain.

LAPTOPS IN VIETNAM

The same will not apply to MacBooks because the American tech giant is looking to produce them in Vietnam instead.

According to experts, Vietnam is well placed to step in if supply chains for laptop manufacturing shift out of China.

Moreover, the India-Vietnam free trade agreement allows laptops assembled in Vietnam to be sold in India without import duties.