

PLI scheme boosts exports in auto, medical equipment sectors

FE BUREAU
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THE PRODUCTION LINKED incentive (PLI) scheme has begun to show a significant impact in key sectors such as auto components and medical equipment, with exports rising steadily and imports contracting, according to an analysis by the commerce ministry.

Motorcycle parts and accessories exports jumped to \$709.2 million in April-January FY25, up from \$558 million in the same period of FY22. During the same period, imports fell by 9% to \$371.8 million, down from \$405 million in FY22. **Strong Growth in Auto Parts and Medical Equipment Exports.**

Diagnostic equipment exports grew 11% between April-January FY22 and FY25, reaching \$56.9 million. Meanwhile, imports of diagnostic equipment dropped sharply by 51%, from \$149.4 million to \$68.5 million in the same period.

The PLI scheme for the auto sector was introduced in 2021, while the PLI for medical devices was approved by the Union cabinet in 2020. 95 applications have been approved under the auto and auto components segment and 32 companies have been selected under the medical devices PLI, receiving incentives for new production through greenfield manufacturing.

Given the time required for bidding processes and setting up manufacturing facilities, the PLI scheme has begun delivering results within just two to three years.

The PLI scheme covers 14 sectors, with 764 applications approved so far.