



Ministry of Civil Aviation



## GOVERNMENT INVITES APPLICATIONS FROM DRONE INDUSTRY FOR PRODUCTION LINKED INCENTIVE

### DEADLINE FOR SUBMISSION OF APPLICATION IS 31ST MARCH 2022

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The Government has invited applications from drone industry for Production Linked Incentive (PLI).

PLI scheme was notified on 30<sup>th</sup> September 2021. The total incentive is INR 120 crore spread over three financial years, which is nearly double the combined turnover of all domestic drone manufacturers in FY 2020-21. The PLI rate is 20% of the value addition, one of the highest among PLI schemes. The value addition shall be calculated as the annual sales revenue from drones and drone components (net of GST) minus the purchase cost (net of GST) of drone and drone components. PLI rate has been kept constant at 20% for all three years, an exceptional treatment for drones

As per the scheme, Minimum value addition norm is at 40% of net sales for drones and drone components instead of 50%, an exceptional treatment for drones. Eligibility norm for MSME and startups is at nominal levels.

Coverage of the scheme includes developers of drone-related software also. PLI for a manufacturer shall be capped at 25% of total annual outlay. This will allow widening the number of beneficiaries. In case a manufacturer fails to meet the threshold for the eligible value addition for a particular financial year, she will be allowed to claim the lost incentive in the subsequent year if she makes up the shortfall in the subsequent year.

The application form is of one page only, along with the certificate from the head of organisation and the statutory auditor. More than one company within a Group of Companies may file separate applications under this PLI scheme and the same shall be evaluated independently. However, the total PLI payable to such applicants shall be capped at 25% of the total financial outlay under this PLI scheme. Deadline for submission of application form is 2359 hours on 31<sup>st</sup> March 2022.

Government order for PLI application is at -  
[https://www.civilaviation.gov.in/sites/default/files/Application\\_for\\_PLI\\_scheme\\_for\\_drones\\_and\\_drone\\_components.pdf](https://www.civilaviation.gov.in/sites/default/files/Application_for_PLI_scheme_for_drones_and_drone_components.pdf).  
PLI application form is at - <https://www.civilaviation.gov.in/application-pli-scheme>

The Central Government has undertaken a series of measures to promote India's upcoming drone industry, such as:

- Liberalised Drone Rules, 2021 has been notified on 25<sup>th</sup> August 2021
- Drone Airspace Map has been published on 24<sup>th</sup> September 2021, opening up nearly 90% of Indian airspace as a green zone for drone flying up to 400 feet
- Production-Linked Incentive (PLI) scheme for drones has been notified on 30<sup>th</sup> September 2021
- UAS Traffic Management (UTM) Policy Framework has been published on 24<sup>th</sup> October 2021

- Monetary grant program for purchase of agricultural drones was announced by the Union Agriculture Ministry on 22<sup>nd</sup> January 2022.
- All five application forms under Drone Rules, 2021 have been made online on the DigitalSky Platform on 26<sup>th</sup> January 2022
- Drone certification scheme has been notified on 26<sup>th</sup> January 2022, making it easier to obtain type certificate by drone manufacturers
- Mission 'Drone Shakti' has been announced for supporting drone startups and promoting Drone-as-a-Service (DrAAS) as part of the Union Budget on 1<sup>st</sup> February 2022
- Drone import policy has been notified on 9<sup>th</sup> February 2022, banning import of foreign drones and freeing up import of drone components
- Drone (Amendment) Rules, 2022 has been notified on 11<sup>th</sup> February 2022, abolishing the requirement of a drone pilot licence.
- 15 drone schools across the country have been approved by DGCA as on 28<sup>th</sup> February 2022. More are on the anvil.

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