

# 2020 Best Year for Biz on Pandemic-led Demand: HP India

MD Patel says co is looking to increase its investment in India through PLI scheme

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**Kolkata:** HP India has reported its best ever business in calendar 2020 due to a huge spike in demand after the Covid-19 lockdown, with work and education becoming home-based, said its managing director, Ketan Patel. The US-based computer maker expects the growth momentum to continue in 2021.

HP is keen to grow investment in India through the production-linked incentive (PLI) scheme covering products such as laptops and servers. At present, it manufactures only desktop computers in India.

Patel, who moved to the role of India chief last August, from his earlier role as head of personal computers (PC) business for HP's greater Asia markets, said the sudden demand increase globally last year created supply challenges for the entire industry, leading to shortage.

However, HP has anticipated the demand better this year, and scaled up production and component supplies. The company expects supply issues will be eased soon, hopefully in a quarter.

"The market saw great growth in the last two quarters at over 16%. There were some very large deals in 2019 funded by the government and if we remove that, growth is even more than 16%," said Patel.

Patel said the business in 2021 will be similar to 2020 given the trends of how the future of work would look like with digitisation of small and medium business, e-learning, entertainment and gaming.

"HP's mantra will be to move from a PC per household to a PC per person... From a consumer perspective, the growth is pretty solid and is consistent for the last three quarters," he said.

As per the latest report by re-

**Chipping In**

HP makes only desktops in India but is interested in PLI scheme that covers laptops, servers

Co has scaled up production and component supplies to meet enhanced demand this year

HP India MD Ketan Patel expects business in 2021 to be like 2020, given future of work trends

**HP is market leader for PCs in India, with 28.2% share in July-September: IDC India**

archer IDC India, HP is the leader in Indian PC market with 28.2% share in July-September followed by Lenovo (21.7%) and Dell (21.3%). The researcher has said the quarter was the biggest for the PC market in the last seven

years with year-on-year growth of 9.2%, while it was the biggest ever for the consumer segment growing 41.7%.

Patel said HP is waiting for the detailed PLI scheme. He said the key considerations such as cost and ease of doing business and long term incentives should be factored in the PLI scheme.

"Brands like us and component manufacturers have to get convinced about the potential opportunity India has versus other manufacturing-based countries. The government is certainly looking at all the aspects since it's an ecosystem which you need to really develop for manufacturing," said Patel.

The government has announced a PLI scheme for IT products such as laptops desktops and servers with an outlay of ₹5,000 crore over five-year period to be passed on as financial incentive to companies who are investing in local production.