

iPhone exports under PLI double to \$10 bn in a year

Exports expected to cross 80% of its production

SURAJEET DAS GUPTA
New Delhi, 14 April



Apple has set a new record by exporting \$10 billion worth of iPhones from India during FY24, according to data provided to the government — a 100 per cent increase over the previous financial year under the Production-Linked Incentive (PLI) scheme.

In terms of consumer products, this constitutes the largest-ever export of a single branded product by any company from India.

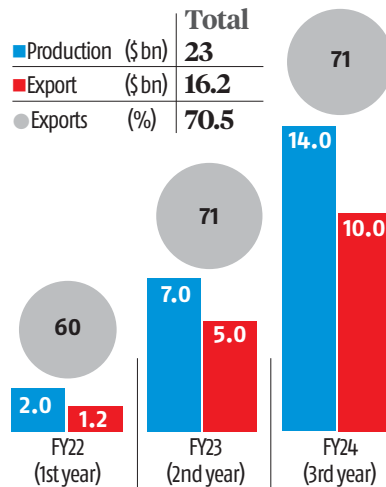
iPhone exports accounted for 70 per cent of Apple's total production in FY24. Of the three suppliers, Foxconn exported 60 per cent of its total iPhone output; Pegatron 74 per cent; and Wistron (now the Tatas) 97 per cent. Apple's total iPhone production by its three suppliers touched \$14 billion during the financial year. A spokesperson of Apple Inc did not comment on the numbers.

In FY24, the cumulative export target under the PLI scheme for the three suppliers was \$7.2 billion, a target they have exceeded by 39 per cent.

In fact, Apple's committed export target under PLI for FY25 was \$10 billion which has been achieved a year earlier, according to this data. In future, as Apple expands capacity in India, it is expected that exports will cross 80 per cent of its total production from India. Apple is the first global value chain lead firm that has

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	Total
■ Production (\$bn)	23
■ Export (\$bn)	16.2
● Exports (%)	70.5



Note: All figures of free-on-board value
Source: Apple vendors' data to government

made India its home, primarily for labour-intensive manufacturing exports, rather than for the domestic market.

The market value of Apple's \$10 billion exports, depending on local taxes etc., will be in the range of \$16 billion.

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Tata Electronics steps up hiring at Hosur iPhone hub

SHINE JACOB

Koothanapalli (Hosur), 14 April

Tata Electronics, which is expanding its iPhone assembly hub at Koothanapalli in Tamil Nadu's Hosur, is set to increase its employee strength by 175 per cent to 55,000 from 20,000 now, two sources said.

The company did not respond to questions from *Business Standard* in this regard.

The hiring push comes amid reports that the Tata group company is in talks with Pegatron to acquire its unit near Chennai. Tata Electronics acquired Wistron's domestic operations in November last year for \$125 million, becoming the first Indian company to manufacture iPhones. Both Wistron and Pegatron are Taiwan-based contract manufacturers for Apple.

Another Taiwanese major, Foxconn, is the largest manufacturer of iPhones in India, contributing to around 67 per cent of such phones produced in India, followed by Pegatron with 17 per cent and Wistron with 16 per cent share. Based on a Bloomberg report, Apple suppliers assembled iPhones worth \$14 billion in India in 2023-24, accounting for 14 per cent, or one in seven iPhones, globally. Apple is producing iPhone 12, 13, 14, and 15 in India. Turn to Page 6 ▶

The Tata group firm is hiring around 35,000 for the plant in Hosur, which is seeing rapid expansion

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iPhone ...

The total exports of mobile phones from India are expected to cross \$15 billion in FY24, making Apple by far the largest contributor with nearly two-thirds of the total.

The Apple ecosystem has generated nearly 150,000 new direct jobs since the launch of the PLI scheme and approximately 300,000 additional indirect jobs.

The ecosystem is also working with multiple private and government construction companies that are building nearly 50,000 new employee housing units near the supplier factories. Most of them will be for women workers in companies, such as Foxconn Hon Hai, Tata Electronics, and Salcomp.

While the domestic market for Apple products in general and the iPhone in particular is growing fast, the company's revenue of ₹49,321 crore for FY23 merely constituted 1.5 per cent of Apple's global turnover of \$383.29 billion. Its FY24, revenue is expected to increase over the previous fiscal by over 30 per cent.

The Indian Cellular and Electronics Association, of which Apple and several mobile companies are members, recently argued that the domestic market for mobiles in India, except high-end phones, is plateauing and, therefore, export is the only way forward to meet the \$100 billion mobile production objective by 2026-27.