

Apple exceeds ₹1 trn iPhone production milestone in FY24

Beats PLI goal 2 years early, targets ₹1.1 trn FOB by FY24-end

SURAJEET DAS GUPTA

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Three years after it started assembling in the country, Apple Inc, through its three contract manufacturers, has hit a milestone by producing iPhones of over ₹1 trillion in free-on-board (FOB) value in the first 11 months of the current financial year (2023-24, or FY24).

With this, the Cupertino-headquartered company has surpassed its target of producing ₹1 trillion worth of iPhones by the fifth year of the production-linked incentive (PLI) scheme two years ahead of schedule.

It has also exceeded its target for the third year, in which the eligibility for incentives was fixed at a maximum of ₹75,000 crore for the three vendors. Apple has surpassed that target by 33 per cent with a month to go in FY24.

A spokesperson for Apple Inc did not respond to queries.

According to estimates, Apple vendors are expected to end FY24 with iPhone production worth ₹1.1 trillion based on FOB value, which makes India account for 12 per cent of the company's iPhone production globally.

According to the PLI scheme, each of Apple's suppliers was required to produce phones worth a minimum of ₹15,000 crore each in the third year to claim PLI.

Figures at the end of the first 11 months of the current financial year suggest that not only will all three companies exceed the qualifying mark, but they will also cumulatively far exceed the ₹75,000 crore production limit for which PLI can be granted to the three suppliers. Each company can claim PLI for up to a maximum production of ₹25,000 crore in the third year.

This ramp-up is also a near 100 per cent growth over what Apple had achieved in the first 11 months of the previous financial year. The acceleration in manufacturing by Apple's three suppliers makes the iPhone the fastest-growing Made-in-India product. Apple now finds a place among India's top 10 manufacturing companies in terms of revenue.

According to commitments under the PLI scheme, the revenue gener-

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■ Apple has achieved its target of producing ₹1 trillion free-on-board (FOB) value of iPhones two years ahead of its commitment under the PLI scheme

■ Expected to complete FY24 with iPhone production of ₹1.1 trillion in FOB value

■ Apple has already surpassed its committed target of producing iPhones worth ₹75,000 cr in FY24 by 33%

■ 68% of the iPhones produced in India are exported

■ India is expected to account for 12% of iPhone production globally by the end of FY24



ated from the sale of the ₹1 trillion FOB production of iPhones is close to ₹1.6 trillion. To put this in perspective, the turnover of Maruti Suzuki India, which was set up in 1982 and has been in operation for 42 years, was ₹1.19 trillion in 2022-23. In contrast, this is only the third year since Apple's three suppliers started manufacturing iPhones in India.

According to the data available with the Ministry of Electronics and Information Technology, nearly 70 per cent of the production has been contributed by Foxconn, with Wistron and Pegatron contributing about 15 per cent each. All three suppliers manufacture multiple models, including iPhones 12, 13, 14, and 15. The latest model was launched in India in September 2023.