

Apple likely to produce 30% of iPhones in India in a few years

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The government expects Apple Inc to undertake 30 per cent of its global iPhone production from India in the next few years, and does not see any impact or change in its growth plan due to the US Supreme Court verdict, declaring the 10 per cent fentanyl duty imposed on China and other countries as illegal. As a result, both India and China will be able to export iPhones to the US at zero duty, and the tariff differential in favour of India is now not available.

A top government official said: “We do not expect any change in Apple Inc’s strategy in India due to the US Supreme Court order. The company is committed to India and sees us as a trusted source. We hope the company will assemble 30 per cent of its global iPhone production in India in a few years.”



As of 2024-25 (FY25), Apple Inc assembled around 20 per cent of its global iPhone production in India. And according to many analysts, it is expected to touch around 25 per cent by the end of the production-linked incentive (PLI) scheme in FY26.

India had a cost disability of 10-14 per cent for making iPhones, which was partly met by the 4-6 per cent PLI incentive scheme. However, the 20 per cent fentanyl duty on China made India cost-effective, as it exported at zero duty to the US. The fentanyl duty was slashed to 10 per cent, reducing the advantage for India. However, there are worries that with zero duty on China, India might become unattractive for exports of iPhones to the US, which have grown by 200 per cent between April and November last year.