

# Apple seeds growth via supply chain in India

## There are 15 Indian suppliers; further expansion on the cards

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With Karnataka-based contract manufacturer Aequus Group now part of the Apple Inc supply chain, the American tech giant's Indian footprint is growing rapidly. According to data intelligence firm The Trade Vision (TTV), India has already emerged as the third-largest supplier for iPhones, while also ranking among the top three buyers globally.

Apple has 15 suppliers operating in India, 11 of which are based

in the south, including Aequus. Reports suggest 14 more Chinese suppliers are undergoing the necessary clearances and seeking domestic partnerships — potentially signalling further expansion of Apple's Indian ecosystem.

According to TTV, the top three iPhone suppliers currently are China, Vietnam, and India. With the addition of new players, India is poised to climb Apple's overall supplier rankings across products, potentially overtaking Thailand, which is projected to host 24 suppliers in 2024. Turn to Page 8 ▶



**187:** Number of suppliers of Apple globally

**14:** Apple suppliers in India, according to the latest list

■ China, Vietnam, and India: Top 3 iPhone suppliers

**\$12.1 bn:** Apple iPhone exports from India in FY24, up from \$6.27 bn last year

**\$5 bn:** iPhone exports from India from April to August, versus \$3.2 bn last year

# 7 of Apple's Indian suppliers operate in Tamil Nadu



**Apple's iPhone exports from India totalled \$5 billion in the first five months of FY25**

Despite a supply-chain pivot toward Southeast Asia amid the US-China tech tensions, Apple's ties with China are far from waning. Last year, the number of Apple suppliers in China rose from 48 to 52, followed by 35 in Vietnam, with the company's global supplier network now including 187 companies.

Last week, Apple reportedly onboarded its second Indian-born supplier, Aequs, on a trial basis for producing MacBook computers and Apple Watches. A representative from Aequs declined to comment on this when contacted by *Business Standard*.

"Homegrown companies need to be patient and commit

in-depth investment, in addition to enhancing their skill sets," Jayanth Kolla, co-founder of the market research firm Convergence Catalyst. "To work with a player like Apple Inc, they should have a multi-year strategy. Except for large conglomerates like the Tata group, Indian companies are not known for long-term, in-depth investments."

Currently, seven of Apple's Indian suppliers operate in Tamil Nadu, including Tata Electronics, Flex, and Hon Hai Precision (Foxconn). Karnataka hosts three suppliers: Wistron, Aequs, and Shenzhen YUTO Packaging Technology, while Andhra Pradesh, Maharashtra, and

Uttar Pradesh each host one — Cheng Uei Precision, Jabil, and Sunwoda Electronic, respectively.

Apple's strategy appears twofold: Strengthen local partnerships to tap into India's market while integrating India into its global supply chain. "Apple's strategy is to increase its partners to cater to the Indian market and to use India as part of its global supply chain. This is also due to manufacturing and supply chain issues between the US and China after the Covid pandemic," Kolla said. "India is poised to serve as both market and export hub for Apple, with significant growth potential."

Export figures echo this

potential. Apple's iPhone exports from India totalled \$5 billion in the first five months of FY25, marking a 54 per cent increase from \$3.2 billion in the same period last year, following a record \$12.1 billion in exports for 2023-24, more than doubling from \$6.27 billion in 2022-23.

Meanwhile, the government's initial clearance for 14 Chinese Apple suppliers to form joint ventures with Indian firms further underscores the potential for growth. Prospective new entrants include Luxshare, Sunny Optical, Han's Laser Technology, YUTO Packaging Technology, and Boson, among others.