

Apple's revenue from India up 50% but the bite only 1.5% of global returns

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Notwithstanding a 50 per cent increase in its revenues from India, the country still accounts for only 1.5 per cent of its total revenues. Apple Inc has reached around \$6 billion (₹50,000 crores) in revenues in India in 2022-23 (FY23), according to reliable sources. This marks a nearly 50 per cent increase over the previous year (2021-22), when it ended with \$4.03 billion (₹33,381 crore) in revenues.

In the past year, Apple's net profit in India rose by 3 per cent to \$150 million (₹1,263 crore), according to the company's filings with the Registrar of Companies.

Apple sells its entire range of products — iPhones, iPads, laptops, wearables, and many of its services like Apple TV — in India.

Despite its significant growth in the country, Apple's revenues in India

accounted for only about 1.5 per cent of its global revenues in 2022, totalling \$394.32 billion, according to analysts' estimates. A spokesperson for Apple did not respond to an email query regarding this matter.

There is another key difference in India. Globally, iPhone sales contribute around 52 per cent of its total revenues, but in India, according to analysts, they contribute to more than 60 per cent of Apple's total sales.

The sales of iPhones in India have increased dramatically after Apple started manufacturing locally at scale through its three vendors under the production-linked incentive scheme. Even so, they will contribute less than 5 percent of Apple's global iPhone revenue.

In FY23, Apple produced over \$7.5 billion worth of iPhones at factory value in India, of which nearly 66 per cent, or \$5 billion worth, were exported.

The total domestic sales of mobile

APPLE'S SHARE OF THE INDIA MARKET

- Achieved 50% revenue growth in FY23 compared to the previous year
- Holds 59% share of the ultra-premium mobile market
- Experienced double-digit growth in the April-June quarter of this year
- India contributes to 1.5% of its total global revenues
- Made a profit of \$150 million in India in FY22



devices across all brands in the country in FY23, according to the India Cellular and Electronics Association, were \$32 billion.

Taking a global perspective on Apple's presence in India, Greater China recorded a revenue of \$74.2 billion (19 per

cent of Apple's total revenue); the Americas' revenues stood at \$169.6 billion, constituting 43 per cent of Apple's total revenues; Europe accounted for nearly a quarter of Apple's revenues at \$95.1 billion; and Japan over

6 per cent, with over \$25.9 billion.

The Asia Pacific region as a whole, including India, contributed \$29.3 billion to Apple's global turnover in 2022.

Apple's financial year runs from October to September.

At the end of its third quarter in June 2023, Apple's turnover was approximately \$10 billion lower compared to the same period last year. However, it performed better in India.

The revenues of Apple's competitors in India, for which data is available for 2021-22, include Samsung India (₹82,400 crore), Xiaomi India (₹39,099 crore), and Vivo India (₹24,725 crore in 2020-21).

The growth of Apple Inc's Indian market is evident from the fact that Chief Executive Officer Tim Cook mentioned in early August that the company achieved strong double-digit growth in the April-June quarter of 2023.

Cook stated in an after-earnings call with investors: "We also opened our first two retail stores during the quarter. And although it's early days, they are currently surpassing our expectations in terms of performance. We continue to focus on expanding our channel and investing more in our direct-to-consumer offerings."