

GOVERNMENT OF INDIA  
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 2136**  
TO BE ANSWERED ON 09.08.2024

**TARIFF RATIONALISATION FOR SMART PHONE MANUFACTURING**

**2136. SHRI K.R.N. RAJESHKUMAR:**

Will the Minister of Electronics and Information Technology be pleased to state:

- (a) whether Government is considering tariff rationalization on components and sub-assemblies imported for smartphone manufacturing to improve the ease of doing business in the country, the details thereof;
- (b) whether it is a fact that high tariffs on components and sub-assemblies imported for smartphone manufacturing are hindering the country's ability to join the global value chain, the details thereof;
- (c) whether India's Most Favored Nation (MFN) tariff for inputs is higher than that of competing economies like China and Vietnam in the electronics manufacturing sector; and
- (d) if so, whether it will affect the country's manufacturing sector competitiveness in the global market?

**ANSWER**

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY  
(SHRI JITIN PRASADA)

(a) to (d): Driven by the PLI Scheme for Large Scale Electronics Manufacturing, and other policy initiatives by Government of India, the mobile phone production has grown significantly in the last one decade. The production of mobile phones has grown from INR 18,900 crore in FY 2014-15 to INR 4,20,000 crore in FY 2023-24 (industry estimates).

As per industry estimates, 99.2% of the domestic demand is being met by domestic production. Due to increase in Production, the export of mobile phones has also increased significantly from INR 1,566 crore in FY 2014-15 to INR 1,29,000 crore in FY 2023-24 (industry estimates).

Rationalization of tariff structure is an ongoing process. The tariff structure has been rationalized to improve the ease of doing business and promote the domestic manufacturing of electronic goods, *inter-alia*, including Mobile Phones and components and sub-assemblies imported for use in the manufacturing of Mobile Phones in the country.

\*\*\*\*\*

