

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 2148
TO BE ANSWERED ON 13.12.2024

**STEPS TO PROMOTE SUSTAINED EXPORT GROWTH
IN SMARTPHONE INDUSTRY**

2148. SHRI BABUBHAI JESANGBHAI DESAI:

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) the initiatives taken by Government under the Production Linked Incentive (PLI) Scheme to promote sustained export growth in the Indian smartphone industry;
- (b) the details of investments attracted through the PLI Scheme including the number of domestic and international companies participating in the programme;
- (c) whether the Scheme has resulted in increased production capacity and employment generation in the smartphone sector;
- (d) the measures being taken to ensure that the benefits of the PLI Scheme are distributed equitably across States; and
- (e) the details of the long-term strategy to enhance India's competitiveness in the global smartphone market?

ANSWER

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

(a) to (e): As per the industry estimates, over the past five years, mobile phone production in India has grown substantially, increasing from Rs. 2,14,000 Cr in FY 2019-20 to more than Rs. 6 Lakh Cr in FY 2024-25 till Oct'24. This growth has supported employment for approximately 12 lakh individuals, spanning direct and indirect employment in manufacturing, logistics, supply chain management, and allied industries.

To promote sustained growth in Indian smartphone industry, Production Linked Incentive Scheme (PLI) for Large Scale Electronics Manufacturing (LSEM) was notified by Ministry of Electronics & IT (MeitY) on 01.04.2020. The scheme extends an incentive of 4% to 6% on incremental sales (over base year) of mobile phone manufactured in India to companies which meet investment and turnover threshold criteria.

Till Oct'2024, the companies approved under the PLI Scheme for LSEM have made cumulative investment of INR 9,349 Cr, leading to cumulative production of INR 6,14,115 Cr and generated additional employment of 1,28,688 (Direct jobs).

Under the scheme, incentives are given to companies incorporated in India. For mobile phone manufacturing, 5 companies have been selected under category - Mobile Phone (Domestic Companies) and 5 companies under category - Mobile Phones (Invoice value of INR 15,000 and above).

The PLI Scheme for LSEM provides incentive to the companies which meet investment and turnover thresholds irrespective of the state they are located in.

Government of India's long-term strategy is to enhance India's competitiveness in the global smartphone market by broadening and deepening the electronic manufacturing ecosystem as well as by increasing India's share in electronics Global Value Chains (GVCs) by building robust and sustainable component manufacturing ecosystem in the country.
