GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
STARRED QUESTION NO. *150
TO BE ANSWERED ON: 01.08.2025

INDIA'S LOW PARTICIPATION IN ELECTRONICS GLOBAL VALUE CHAIN

***150. SHRI SANJAY KUMAR JHA:**

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

(a) whether it is a fact that the global electronics trade is estimated at USD three trillion and the electronics Global Value Chain (GVC) is extremely complex, and dominated by a select group of countries such as China, Taiwan, the USA, South Korea, among some others;
(b) whether it is a fact that India's participation in this GVC is rather low at less than 1 percent; and
(c) if so, the measures that have been undertaken to increase India's participation in this electronics GVC?

ANSWER

MINISTER FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI ASHWINI VAISHNAW)

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN THE REPLY TO RAJYA SABHA STARRED QUESTION NO. *150 FOR 01.08.2025 REGARDING INDIA'S LOW PARTICIPATION IN ELECTRONICS GLOBAL VALUE CHAIN

(a) to (c): Global electronics value chain is extremely complex. It involves multiple processes such as design, wafer fabrication, packaging, manufacturing of components, assembly, testing, and high-volume final production. Multiple organizations/companies operating in multiple countries undertake these processes.

From the growth trajectories of various economies, it is evident that nations typically progress within the global value chain in stages. They start with manufacturing of finished goods, then engage in assembly and production of components/sub-assemblies and then advancing towards product development and research associated with it.

Electronics manufacturing in India has expanded significantly in the last 11 years, driven by Make in India and Atmanirbhar Bharat program. Value addition by the electronics manufacturing units in India has also increased considerably in recent years. It can be seen from the following statistics:

#	2014-15	2024-25	Remarks
Production of electronics goods (Rs.)	1.9 Lakh Cr	11.3 Lakh Cr	Increased 6 times
Export of electronics goods	0.38 Lakh Cr	3.3 Lakh Cr	Increased 8 times
Mobile manufacturing units	2 units	300 units	Increased 150 times
Production of mobile phones (Rs.)	0.18 Lakh Cr	5.5 Lakh Cr	Increased 28 times
Export of mobile phones (Rs.)	0.01 Lakh Cr	2 Lakh Cr	Increased 127 times
Mobile phones imported (% of total units)	75% of the demand	0.02% of the demand	

Some of the initiatives undertaken in last 11 years are as follows:
- Production linked incentives (PLI) for Large Scale Electronics Manufacturing
- Production linked incentives (PLI) for IT hardware
- Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS)
- Electronics Manufacturing Clusters (EMC and EMC 2.0) Scheme
- Public Procurement (Preference to Make in India) Order 2017 to prioritize domestically manufactured products in public procurement
- Reforms in taxation including rationalization of tariff structure, exemption on basic custom duty on capital goods, etc.
- Allowing 100% FDI in electronics manufacturing, subject to applicable laws / regulations

To further deepen electronics manufacturing, Government has launched Electronics Components Manufacturing Scheme. It promotes manufacturing of components such as resistors, capacitors, inductors, printed circuit boards, sub-assemblies, electro-mechanicals, etc.

Government has also launched Semicon India program to develop semiconductor manufacturing in India. It builds on the success of electronics manufacturing. In a short span of three years, six units have been approved and construction is going on rapidly.

The world recognizes India's strength in design and deep talent pipeline. Government programmes mentioned above build upon these two strengths. With these initiatives, and the performance so far, Bharat is today emerging as a key player in global electronics value chain with many GVCs building their supply chain in India leading to deepening of manufacturing and higher domestic value addition.

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