



Sub-Assemblies and Components

Making India an “end-to-end” manufacturer of Electronics.

India’s domestic electronics manufacturing has scaled to exceptional heights – growing 266% from \$31.4 bn in 2014 to almost \$115 bn in 2023-24. This scale, bolstered by policies like MSIPS, SPECS, EMC, PPP-MII and Production Linked Incentive (PLI) Schemes, have brought along some of the largest factories in India, generating employment for approximately 15 lakh people.

As the scale continues to increase, the Hon’ble Prime Minister Shri Narendra Modi has envisioned a \$500 bn of electronics manufacturing ecosystem in India by 2030.

It is now opportune for India to shift gears and start focusing on increasing the domestic value addition (DVA). The need of the hour is to create a globally competitive sub-assemblies and components ecosystem in the country, which will increase the DVA bring investments, technology and skill capabilities, and generate large-scale employment opportunities.

Our goal is to increase the value addition from the current 18% to 30-35% by 2030.

This demands a united effort – overcoming disabilities in domestic manufacturing, establishing long-term policy and investment certainty, driving technology transfer, building workforce capacities, creating strong Indian brands, and seamlessly integrating into global value chains.

A strategic and targeted focus can enable companies to manufacture products efficiently at a global scale to make India “Net Forex Positive” in electronics manufacturing by 2030.

The shift from assembly operations to manufacturing sub-assemblies and components transcends business as usual; the strategies that propelled India to success in mobile manufacturing need a new and more precise approach. The component manufacturing sector presents a unique opportunity to address unpredictability and volatility in the global supply chain ecosystem. Navigating this new terrain requires a fundamental recalibration of our approach and expectations.

ICEA’s intensive efforts through industry consultations and continuous coordination with the Ministry of Electronics & Information Technology (MeitY) are resulting in an upcoming new policy to incentivize components & subassemblies manufacturing, ICEA envisions that India can become a significant global player in this domain by 2030.

India is ready to fire on all cylinders to build a globally competitive sub-assemblies and components manufacturing ecosystem.