



ICEA
INDIA CELLULAR
& ELECTRONICS
ASSOCIATION
Inspire.Enable.Lead

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Enable
Lead

India Cellular & Electronics Association (ICEA)

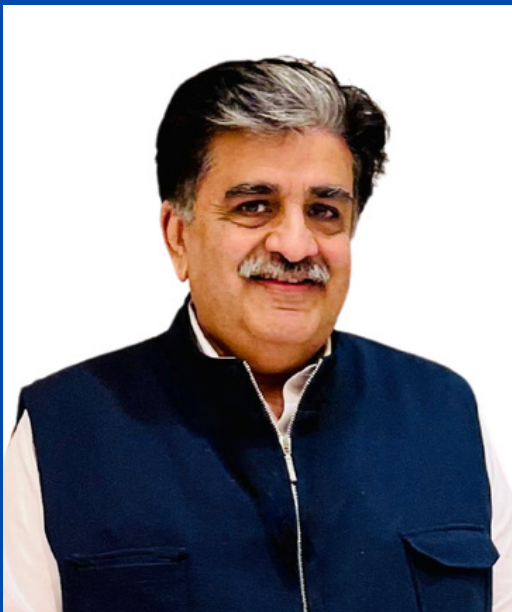
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ABOUT US

ICEA is the apex industry association representing the entire electronics and digital ecosystem including products, components, sub-assemblies and EMS across various ESDM verticals such as mobile phones, IT Hardware, consumer electronics, etc.

Our vision is to establish India as a Global Electronics Manufacturing and export hub by creating a vibrant and competitive ecosystem of innovation, excellence, and sustainability for the mobile and electronics industry thereby becoming the leading global manufacturer and designer over the next decade.

The true growth potential lies in the global market. As we strive to increase our electronics production by 3-4x in the next few years, integrating with GVCs will be key to boosting production and exports from India.



Pankaj Mohindroo

Chairman,
India Cellular &
Electronics Association
(ICEA)

We work closely with the Union and the State Governments to design and implement innovative policies and schemes that have transformed the electronics manufacturing landscape in India.

Some of our notable achievements are the Phased Manufacturing Program (PMP), the Production-Linked Incentive (PLI) scheme, the Modified Electronics Manufacturing Clusters (EMC 3.0) Scheme, and the Scheme for Promotion of Electronic Components Manufacturing and Semiconductors (SPECS). These initiatives have resulted in a massive increase in mobile phone manufacturing, enhanced design and R&D capabilities, and attracted global investments in the electronics sector.

We also collaborate with all relevant stakeholders in domain of electronics manufacturing to promote investments through outreach activities in various nations such as USA, Europe, Taiwan, Korea, Japan, Israel, and others.

INDIA'S JOURNEY IN ELECTRONICS MANUFACTURING

Indian economy has witnessed remarkable growth, surging from a GDP of USD 1 trillion to USD 3.6 trillion, in just over a decade. The electronics industry has been a key driver of this expansion, with mobile phone exports playing a pivotal role. Mobile exports have grown by more than 60x between 2014-15 and 2023-24 and accounted for 54% of total electronic goods exports, reaching USD 15.6 billion in FY 23-24.

The government's strategic initiatives have propelled the domestic electronics manufacturing ecosystem. Policies like PMP and PLI have attracted foreign investors to set up manufacturing units in India, leading to a surge in mobile and component manufacturing units, from only two a few years ago to now more than 250.

India's electronics industry has made impressive strides, transitioning from importing 78% of mobile phones in 2014 to less than 3% in 2023-24, securing its position as the world's second-largest mobile manufacturer. The government's focus on moving up the value chain has spurred the establishment of domestic semiconductor units, further augmenting the electronics sector's growth. The focus on deepening the component and sub-assemblies ecosystem will significantly enhance DVA in the coming years.

India Cellular and Electronics Association (ICEA) has played a crucial role in advocating for the industry's needs and fostering its development. The electronics industry's future appears promising, and its significance on the global stage cannot be overlooked.

India targets to reach USD 500 Bn by 2030 and increase electronics share in manufacturing from 3% currently to 11-13% by 2030.

Mobile Phone Exports from India (USD Billion)



Source: Department of Commerce

OUR OBJECTIVE IS TO REPLICATE THE MOBILE PHONE SUCCESS IN OTHER ESDM VERTICALS

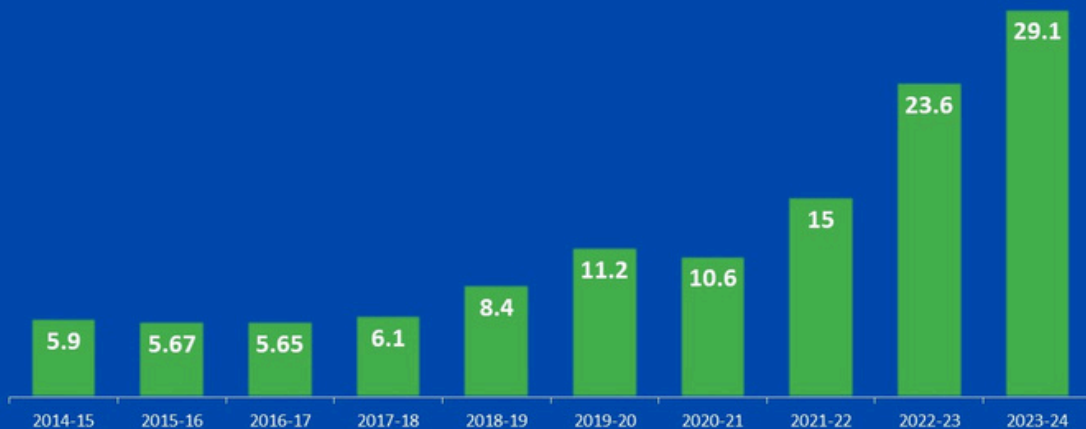
There has been a significant increase in both total electronics exports and mobile phone exports over the years, with mobile phone exports occupying an increasingly larger share of the entire electronics exports. This trend highlights the growing importance of mobile phones in India's electronics export market. It can be attributed to factors such as expanding domestic production capabilities, government incentives like the PLI scheme and PMP, and a favourable market environment for manufacturers facilitated by the collaborative efforts of ICEA and the government's receptiveness to reforms.

The success story of mobile phones in India's export market provides valuable insights that can be applied to replicate growth in other ESDM verticals such as Consumer Electronics, IT Hardware, Wearables and hearables, components and sub-assemblies, strategic electronics, industry electronics etc.

ICEA taking a leading role by engaging in constructive dialogues with the stakeholders intends to leverage its expertise and industry knowledge to identify growth opportunities to create a conducive environment for growth of the sector.

ICEA's collaborative effort ensures that policies and regulations align with the industry needs promoting competitiveness which sets India on the path of USD 500 Billion in electronics manufacturing by 2030, eventually increasing the electronics sector's global market share.

ELECTRONICS GOODS EXPORT FROM INDIA (USD Billion)



Source: Department of Commerce

ICEA'S CONTRIBUTION

ICEA actively works with the Ministry of Electronics & Information Technology (MeitY) to ideate, design and formulate various schemes for the growth of the Electronics Industry in India:



Rationalisation of Tariffs on Components and Inputs of Mobile Phone: Basic Customs Duty (BCD) has been rationalised on inputs of mobile phone for mechanics and die cut parts to 10%, inputs of mechanics and die cut parts has been reduced to 0%, and all others inputs of mobile phones classified as 'Others' under HSN code 85177990 has been adjusted to 10%.



PMP for mobile phones: It was designed by ICEA along with the Government of India and is implemented in a phased manner to expand and improve the components manufacturing ecosystem in stages.



PLI for Large-scale Electronics: It extends an incentive of 4% to 6% on incremental sales (over the base year) of goods manufactured in India and covered under target segments, to eligible companies, with a budget outlay of Rs. 38500 Cr. for a period of 5 years after the base year as defined.



PLI 2.0 scheme for IT Hardware was notified on May 29, 2023. This Scheme increased the cumulative financial outlay from Rs. 7,325 crore to Rs. 16,393 crore with an average incentive of more than 5% over six years. This revised scheme is expected to create 75,000 direct jobs and over 2,00,000 indirect jobs.



Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) offers the financial incentive of 25% of capital expenditure for the manufacturing of goods (list given by the ministry) that constitute the supply chain of an electronic product.



Skill Development: Focus on leveraging skill development initiatives by the Government of India (NSDC, MeitY, MSDE, DoT, etc.) and ensure the availability of skilled labour for both industry and manufacturing operations.

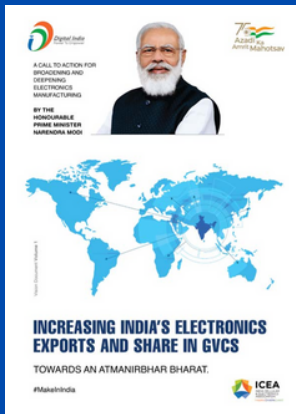


Outreach: Support the Government of India and States on several of its outreach initiatives to major geographies such as the USA, China, Taiwan, Japan, Korea, Israel, Germany etc.



Centres of Excellence (CoEs): Support and facilitate setting up of CoEs and design centres relating to mobile handsets and other electronics products, accessories such as Power Banks etc.

REPORTS



Vision Document – Increasing India’s Electronics Exports and Share in GVC’s

The Vision Document seeks to provide an action plan to increase India’s electronics exports and participation in GVCs. The document is a call to action for broadening and deepening electronics manufacturing in India. It concentrates on the challenges in the electronics sector, strategies to address these challenges and major policy actions to be taken.



Vision Document (Vol. 2) – \$300bn Sustainable Electronics Manufacturing & Exports by 2026

The report provides a five-year roadmap & strategy to reach the US\$300 billion goal, based on an “all of the government” approach that sharply focuses on broadening and deepening electronics manufacturing in India. This roadmap is the second volume of a two-part Vision Document – the first of which titled “Increasing India’s Electronics Exports and Share in GVCs” was released in November, 2021.



Globalise to Localise: Exporting at Scale and Deepening the Ecosystem are Vital to Higher Domestic Value Addition

This report recommends a sequential approach that can put India’s exports on the same trajectory as China and Vietnam. The immediate goal should be to export at scale to global markets (globalise), and the subsequent objective should be to increase the share of local content (localise).



Tariff Report 4.0

A thorough analysis of input tariffs for smartphone manufacturing in India compared to key competing countries reveals a substantial impact on India's competitiveness. This disparity obstructs India's integration into GVCs and limits its export potential. The study underscores the urgent necessity for tariff reforms to enhance India's global manufacturing competitiveness and solidify its position in the global electronics market.

And many more ...

EVENTS



ICEA CONFERENCE ON SUB-ASSEMBLIES AND COMPONENTS:

To drive policy dialogues on strengthening India's sub-assemblies and components ecosystem and fostering investments, we hosted the conference "Sub-Assemblies and Components: The Next Phase of Growth in India's Electronics Manufacturing." With over 100 participants, the event featured Shri S. Krishnan, Secretary of MeitY, as Chief Guest, and Shri Sushil Pal, Joint Secretary of MeitY, as Guest of Honour.



REPORT LAUNCH: PATHWAYS TO CIRCULAR ECONOMY IN THE INDIAN ELECTRONICS

ICEA released a comprehensive report titled "Pathways to Circular Economy in Indian Electronics Sector" on 28th August 2023. The report was released by Shri Alkesh Sharma, Secretary MeitY.



INDO-US TASKFORCE FOR ELECTRONICS

ICEA launched the Indo-US Task Force for Electronics on 25th August 2023, aiming to boost India-US electronics trade to USD 100 billion in the next decade. The inaugural roundtable featured dignitaries such as Joint Secretary MeitY Amitesh Kumar Sinha, US embassy representatives, industry leaders, and investment bankers.

ICEA KEY SERVICE AREAS



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