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India Becomes Leading Smartphone Supplier to U.S. as Domestic Manufacturing Surges

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India has emerged as the top supplier of smartphones to the United States, marking a significant milestone in the country's expanding electronics manufacturing sector. Union Minister for Electronics and Information Technology Ashwini Vaishnaw announced the development while highlighting the rapid growth of domestic production capacity.

According to Vaishnaw, India's electronics manufacturing industry has now reached a scale of ₹12 lakh crore, driven largely by government incentives, private sector investment, and increasing global demand. "We have achieved a remarkable level of self-reliance in mobile phone production," the minister said, noting that 99.2% of mobile phones sold in the Indian market are now manufactured domestically.

The shift is the result of sustained efforts over the past decade to develop India's manufacturing base. Policies such as the Production-Linked Incentive (PLI) scheme, simplified compliance processes, and infrastructure upgrades have attracted both domestic and international manufacturers to set up or expand operations in India. Major global brands, including Apple, Samsung, and Xiaomi, have increased their manufacturing footprint in the country, using India both as a domestic supply base and as an export hub.

Industry analysts say India's position as the top smartphone supplier to the U.S. reflects the success of this export-oriented strategy. With rising labor costs in other manufacturing hubs and geopolitical shifts affecting supply chains, India has become a competitive alternative for global electronics production. "This is not just about replacing imports, it's about integrating India into the high-value segments of the global supply chain," said a senior industry executive familiar with the export data.

The milestone also shows India's progress in reducing its dependence on imported electronics, a long-standing objective for policymakers concerned about trade imbalances and technology security. In 2014, the majority of mobile phones sold in India were imported, mainly from China. Over the past decade, however, local assembly and component manufacturing have expanded rapidly, cutting imports to a fraction of earlier levels.

Government officials point to this transformation as an example of the broader "Make in India" initiative's success. "When we talk about Atmanirbhar Bharat (self-reliant India), this is a concrete example," Vaishnaw said. "From being a net importer of mobile phones, we are now not only meeting domestic demand but also becoming a key supplier to the world's most advanced markets."

While the achievement has been widely praised, challenges remain. The domestic electronics industry still relies heavily on imported components such as semiconductors and certain high-end modules. Analysts warn that sustaining export growth will require continued investment in the entire electronics value chain, including chip manufacturing, design capabilities, and advanced R&D.

There are also competitive pressures from other emerging manufacturing hubs, particularly Vietnam and Mexico, which are also vying for a larger share of the U.S. electronics import market. Maintaining India's lead will depend on factors such as consistent policy support, infrastructure improvements, and the ability to scale production quickly.

Despite these challenges, industry leaders believe India is well-positioned to expand its role in global electronics trade. With growing partnerships between Indian firms and multinational companies, and with export markets continuing to diversify, the sector's contribution to the economy is expected to increase significantly in the coming years. For now, the designation as the top smartphone supplier to the U.S. serves as a clear indicator of India's rising stature in global manufacturing, a position achieved through a combination of policy vision, industrial investment, and an increasingly skilled workforce.