

Consider India, Compare India

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Editor's note: This article is based on Vivek Khanna's electronica presentation in Munich Germany in November 2024 and comprises an overview of global EMS industry shifts amid rising demand for diversified supply chains. INDIC EMS Electronics has been a leading name in the electronics manufacturing industry since 2007, driven by a commitment to quality, innovation, and customer satisfaction. They specialize in providing electronic printed circuit board (PCB) assemblies and electronic products and accessories. Their cutting-edge facilities, located in the IT hub of Bangalore, India, ensures top-notch production and delivery.



Amid recent geopolitical shifts, India has emerged as a global [electronics manufacturing](#) powerhouse through a unique combination of cost efficiency, quality and global standards compliance. These factors, combined with strong government support, and geopolitical neutrality have enabled India to compete effectively with Southeast Asia (Malaysia and Thailand) and China. Currently, major EMS contenders in India are turning their attention to international customers for growth, offering the highest quality standards and comprehensive certifications across the market sectors. These efforts have been rewarded by global OEMs who are moving electronics manufacturing programs to India.

Geopolitical Neutrality and Government Initiatives

India's strategic neutrality offers a stable option for companies navigating global uncertainties. Indian EMS supply chains have less direct dependency on China, making India a good option for a 'China Plus One' strategy for OEMs seeking to regionalize and balance their manufacturing footprints.

The government's Production Linked Incentive (PLI) program offers up to 25% subsidy on large-scale expansion of EMS and semiconductor sectors under its 'Make in India' scheme. This is an advantage over other geographies since China's high volume manufacturing prowess is challenging to replace. Both these government incentive schemes have substantially reduced initial barriers and operational costs, enabling India to overcome historical barriers to manufacturing, and making it an attractive EMS hub.

India's Skilled Workforce, Infrastructure, Technological Leadership and Global Reach

The skilled workforce and engineering backbone is a major advantage based on India's large labor pool and strong educational system. Initiatives have been implemented across the industry, including encouraging women to enter training programs. Some EMS firms, like INDIC, maintain a majority-women workforce. The EMS talent pipeline is well supported by reputable engineering and technical institutions that graduate 10 million people a year, including 1.5 million engineers.

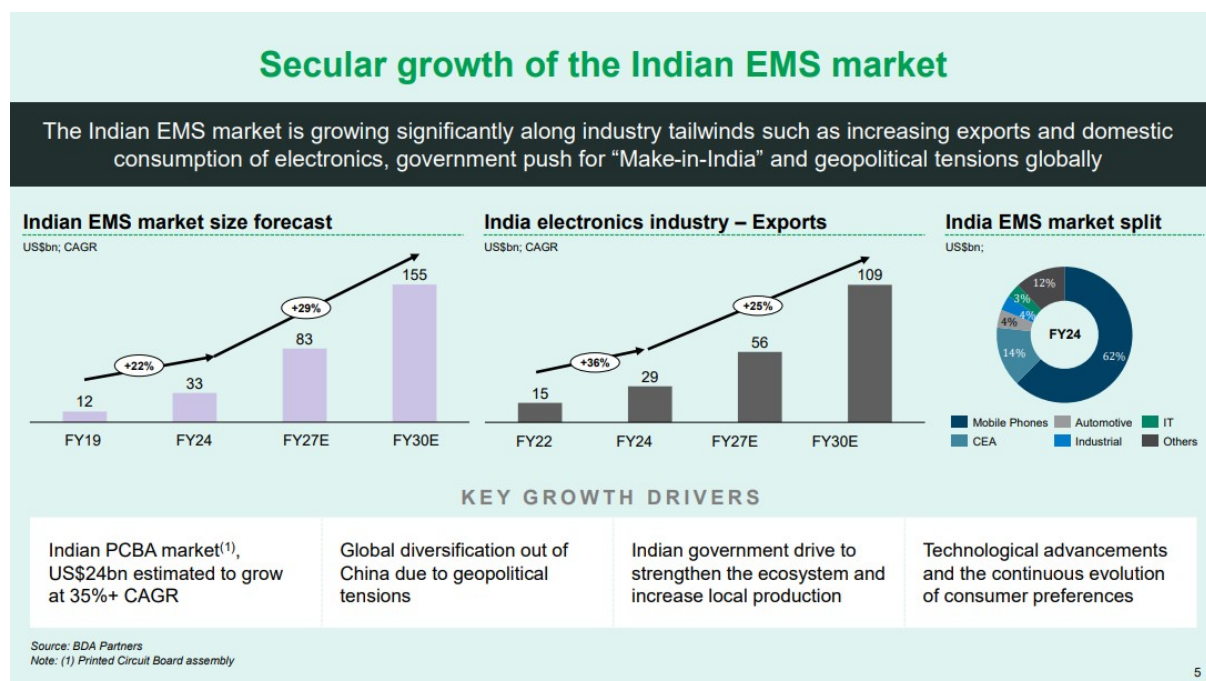
A growing number of state-of-the-art manufacturing facilities with equipment that meet strict modern global standards are up and running. Recent projects from global leaders, including the most advanced Japanese and German equipment are setting new standards for electronics manufacturing infrastructure. Capacity from renewables has grown 400 times in the last 10 years.

India's history in software engineering jumpstarts the push for digital manufacturing with platforms like SAP S/4HANA. These solutions enable EMS firms to maintain efficiency, quality and agility, and are supported by skilled implementations. India is a leader in digital e-commerce within the EMS space, helping clients achieve faster time-to-market. India accounts for nearly 46% of the world's digital transactions!

Indian EMS firms are establishing a strong presence across the U.S., Europe, and APAC, enabling them to meet diverse global customer demands. Leveraging India's rising momentum and purchasing power, these firms are well-positioned to strengthen influence in international markets.

Projected Growth and Confidence in India's EMS Future

India's positive growth projections (see chart) are well supported by both government initiatives and industry investments. It is very well-positioned and determined to become a key EMS geography in the global market. The PCBA market is estimated to grow at a 35% + CAGR.



The market currently is heavily dominated by mobile phone manufacturing, which accounts for 62% of the market, signaling a strong focus on consumer electronics. With Foxconn securing an iPhone production contract in India, the country's position as a key player in this space is further solidified. However sectors like automotive, IoT, and industrial highlight a gradual diversification and growth potential beyond mobile phones.

Conclusion: India is the EMS Industry's Future

To summarize, India is a cost-effective high-quality, and geopolitically neutral choice for electronics manufacturing. Its skilled workforce, advanced infrastructure and digital manufacturing at scale is an attractive value set. Added to those attributes are solid government support and a favorable business environment. I encourage global OEMs to 'consider India, compare India.' They won't be disappointed.

Learn more about Indic EMS Electronics:

[Electronics Manufacturing Services from Indic](#)