IPCA e-Newsletter

INDIAN PRINTED CIRCUIT ASSOCIATION * Design * Manufacture * Assembly * Training * ELECTRONICS * WWW.IPCAINDIA.ORG

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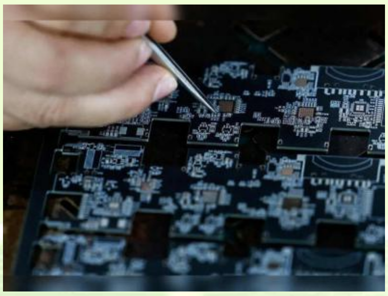
JUNE 2026 INDIA - PCB INDUSTRY NEWS

Indian PCB Industry Seeks Urgent Price Revisions Amid Cost Surges
PCB makers seek 50% price hike as Iran war crushes supply chains



Domestic PCB manufacturers are demanding a 45-50% price increase and duty exemptions for imported components due to escalating production costs driven by the West Asia conflict. The India Printed Circuit Association warns that localization efforts in the $7.27 billion market will stall if manufacturers continue to absorb losses, with input prices soaring up to 150%.

Source: https://economictimes.indiatimes.com/tech/technology/pcb-makers-seek-50-price-hike-as-iran-war-crushes-supply-chains

Electronics exports among top 3 items from India, to grow more in future

Electronics has entered India's top three export categories, supported by strong smartphone shipments and rising component exports. With 71 component manufacturing facilities, expanding semiconductor production and planned micro-LED output, India is strengthening its electronics manufacturing base and global supply-chain position.

Source: https://www.thehindubusinessline.com/economy/

MeitY to revamp IT hardware PLI later this year, say officials

By 2026-27, India's ambitious incentive scheme for IT hardware production may undergo significant revisions. With discussions underway to potentially include AI servers and their hardware counterparts, the program looks poised for expansion. Anticipation rises as incentive payouts are projected to soar, with government officials poised to evaluate the scheme's effectiveness before making any alterations.

Source: https://economictimes.indiatimes.com/

High-value electronics emerge as the new battleground for India's manufacturers

India's electronics manufacturing services (EMS) companies are increasingly shifting their focus from high-volume consumer electronics assembly to higher-margin sectors such as defence, aerospace, automotive, healthcare, industrial automation and telecom equipment, as they seek new growth engines and stronger profitability.

Industry leaders, including Dixon Technologies, Syrma SGS Technology, Amber Enterprises India, and Kaynes Technology India, are expanding into areas ranging from defence electronics and medical devices to industrial automation, power electronics, and electric vehicles.

Dixon Technologies has identified specialty EMS as a key pillar of its next growth phase. The company recently hired a specialist to lead efforts in high-margin businesses and is also looking to improve profitability from its display and camera module manufacturing operations.

"High-end specialty EMS business is a part of our next phase of transformational growth," chairman and managing director Atul Lall told analysts during the company's fourth-quarter earnings call.

Source: https://www.moneycontrol.com/technology/high-value-electronics

India's electronics manufacturing boom faces 'scale without depth' hurdle: KPMG

India's electronic manufacturing services market is set for substantial growth, projected to reach over $150 billion by FY30. This expansion hinges on moving beyond high-volume assembly to embrace design and component manufacturing. Strategic focus on automotive, industrial, and aerospace sectors will drive long-term value.

Mumbai, the electronic manufacturing services (EMS) market in India is expected to exceed $150 billion by FY30, driven by domestic demand, policy support and China+1 strategies, from $40-45 billion in 2025.

However, this growth reflects a "scale without depth" paradox, for while India leads in high-volume assembly, particularly in mobile and consumer electronics, its presence in higher-value areas such as design, components and IP ownership remains limited, KPMG India said in its report.

Source: https://economictimes.indiatimes.com/industry/

How a tiny electronic component is slowly driving up inflation in India

Fridges, washing machines, air conditioners, electric batteries, smartphones, laptops, televisions, earphones, and… pen-drives — over the last few months, each of these items have seen their prices rise from one month to the next, to varying degrees, all because of one minuscule component that is common to them all: memory chips. Together, these nine items make up just 1% of India's entire Consumer Price Index (CPI) basket of goods and services. But they are increasingly exerting upward pressure on headline retail inflation and may continue to do so for years.

The global investment boom in artificial intelligence (AI) has led to key chip suppliers such as TSMC, Samsung, and SK Hynix experiencing unprecedented growth over the last year. What it has also done is pushed these manufacturers to make the more in-demand and advanced chips used in data centres sprouting up all over the world. What is being sacrificed are DRAM (Dynamic Random Access Memory) and other chips used in everyday electronics goods such as refrigerators, washing machines, ACs, smartphones, laptops, TVs, and earphones.

Source: https://indianexpress.com/article/explained/explained-economics/

CBIC Issues Guidelines for Seeking FTP Clarifications

CBIC has streamlined the process for seeking clarifications on Foreign Trade Policy (FTP) provisions by directing Customs field formations to route interpretational issues through Commissionerate's, National Assessment Centres, and the Board, rather than directly approaching DGFT. The measure aims to ensure uniform implementation, avoid delays in customs clearances, and minimize disruption to trade through facilitative mechanisms where permissible.

Ministry of Finance, Department of Revenue, CBIC, Drawback Division | 07/2026-Customs | 02 June 2026

Source: https://worldtradescanner.com/cs-ins-07-2026.pdf

Revised Telecom Equipment Standards Notified

The Telecommunication Engineering Centre (TEC) has notified revised standards for various telecom equipment, including solar power systems, routers, power backup systems, lightning protection, media converters, cellular network testing tools, and video streaming platforms. The revised standards take effect from the date of publication in the Official Gazette.

Ministry of Communications, Telecommunication Engineering Centre | CG-DL-E-12062026-273413 | 12 June 2026

Source: https://egazette.gov.in/WriteReadData/2026/273413.pdf

Export Testing Process Simplified Through Acceptance of Accredited Lab Reports

CBIC has clarified that test reports from NABL-accredited laboratories, EPC-recognised laboratories, and other recognised agencies may be accepted for export consignments without mandatory referral to Customs Revenue Control Laboratory (CRCL), provided there are no risk-based interventions or intelligence inputs. The move aims to reduce delays, avoid duplicate testing, and facilitate smoother export clearances, while existing testing procedures for imports remain unchanged.

Ministry of Finance, Department of Revenue, CBIC | Circular No. 28/2026-Customs | 15 June 2026

Source: https://worldtradescanner.com/Circular-No-28-15.06.2026.pdf

Govt reviews measures to protect Indian MSMEs from potential impact of West Asia crisis

Union Minister Jitan Ram Manjhi held a review meeting on measures to protect the country's MSMEs from the potential impact of the West Asia crisis, directing officials to closely monitor the evolving situation and develop timely strategies to address any challenges arising from the global developments.

The minister for Micro, Small and Medium Enterprises (MSME) held the meeting on Tuesday to assess any impact of geopolitical developments in West Asia on India's MSME sector.

The meeting involved a comprehensive review of availability and prices of raw materials due to disruption of global supply chains, exports and imports, and gas-related issues, transportation and logistics, and working capital concerns of the MSME sector, an official statement said.

The minister directed close monitoring of the evolving situation and developing strategies to address potential challenges arising out of the global developments, it said.

Source: https://www.moneycontrol.com/news/business/

Govt approves ₹1.25 trillion outlay for India Semiconductor Mission 2.0

The Union finance ministry has approved an outlay of ₹1.25 trillion for the India Semiconductor Mission (ISM) 2.0, which will now be sent to the Union Cabinet for approval, NDTV Profit reported on Tuesday. The ministry's Expenditure Finance Committee (EFC) reportedly approved the scheme's outlay last week. The proposed outlay of ₹1.25 trillion marks a significant increase from the ₹76,000 crore allocated under ISM 1.0, offering fiscal support of up to 50 per cent for silicon fabs, compound semiconductor facilities, assembly and testing units, and chip design.

Source: https://www.business-standard.com/finance/news/

Indian electronics manufacturers forge more partnerships with companies from South Korea, Taiwan, Japan

Indian electronics manufacturers are forging alliances with firms from South Korea, Taiwan and Japan, alongside exploring standalone initiatives. This proactive strategy, championed by industry leaders like Dixon Technologies and Amber Enterprises, is designed to align with government objectives for self-reliance in electronics production, targeting both local and global markets.

Indian electronics manufacturers are increasingly partnering with South Korean, Taiwanese, and Japanese firms or pursuing solo projects to reduce reliance on China amid prolonged regulatory approvals and geopolitical uncertainties. Companies like Dixon, Amber Enterprises, PG Electroplast, Epack Durable, and Syrma SGS have launched at least eight collaborations in recent months for electronics components and products. These ventures align with the government's push for self-reliance, though executives acknowledge China's cost and technology edge. Some firms, like PG Electroplast, are independently building plants after stalled Chinese partnerships.

Source: **https://economictimes.indiatimes.com/industry/**

India removes local-sourcing rules for satellite internet, but ambiguity remains

India has notified the Telecommunications (Authorisation) Rules, 2026, shifting from licensing to an authorisation regime. The final rules drop the proposed 20% local sourcing and prohibited investor clauses but add strict security and monitoring requirements for satellite internet operators. Operators cannot route Indian traffic through foreign gateways, must prevent location spoofing, and link terminals to registered premises. Corporate insolvency must be reported within 48 hours. The framework introduces five service authorisations, anti-fraud measures, SIM hoarding checks, and mandatory systems to block spoofed or tampered calls.

Source: **https://www.livemint.com/industry/telecom/**

Domestic PCB manufacturing to save Rs 40,000 crore imports annually: Ashwini Vaishnaw

India is poised to drastically cut down its dependency on imported Printed Circuit Boards (PCBs), creating an annual savings of around ₹40,000 crore. Union Minister Ashwini Vaishnaw highlighted that Jewar, Uttar Pradesh, is on track to evolve into a key electronics manufacturing center.

Source: **https://economictimes.indiatimes.com/news/economy/**

Jewar set to become India's leading electronics, semiconductor hub: Ashwini Vaishnaw

Union Minister Ashwani Vaishnaw speaks during the groundbreaking ceremony of Amber Enterprises and Ascent-K Circuit's manufacturing facility, in Jewar, Uttar Pradesh.

New Manufacturing Plants in Greater Noida: Alongside the PCB announcement, Union Minister Ashwini Vaishnaw and UP Chief Minister Yogi Adityanath laid the foundation stones for two joint-venture electronics plants worth ₹6,750 crore. These facilities (by Amber Enterprises and ASCENT-K Circuit) will produce advanced high-density, multi-layer PCBs.

Two electronics manufacturing projects worth about Rs 6,750 crore will generate around 3,000 jobs and help transform Jewar into one of India's leading electronics and semiconductor manufacturing hubs, Union Electronics and Information Technology Minister Ashwini Vaishnaw said on Saturday.

Vaishnaw made the remarks after jointly laying the foundation stones for the projects with Uttar Pradesh Chief Minister Yogi Adityanath in Yamuna City, Jewar.

The projects include a Rs 3,250-crore advanced printed circuit board (PCB) manufacturing facility by ASCENT-K Circuit, a joint venture with South Korea's KCC, which will produce high-density and multi-layer PCBs. Amber Enterprises will invest Rs 3,500 crore to set up a facility for manufacturing HVAC components and PCB assemblies.

Highlighting India's growing domestic manufacturing capabilities, the Union minister said the country was moving beyond assembling electronic products to manufacturing their core components.

Source: https://www.moneycontrol.com/news/business/

India’s MSME Credit Gap Widens as Only 14% Businesses Can Access Formal Loans: Deloitte Report

India’s rapid expansion of digital financial services has not yet translated into wider access to formal credit for small businesses, with only 14 per cent of micro, small, and medium enterprises (MSMEs) able to access formal loans, according to Deloitte’s State of Financial Services in India report.

The report highlighted that despite major gains in financial inclusion through digital infrastructure and payment systems, a large share of MSMEs continue to rely on informal lenders for financing. Deloitte said the limited availability of formal credit remains a key challenge for deeper financial inclusion and broader economic participation.

MSMEs Struggle for Formal Credit

India's MSME credit gap was estimated at around Rs 25 lakh crore as of March 2025, according to the report. Deloitte added that the unmet credit requirement could potentially be much larger, exceeding Rs 50 lakh crore when assessed against the sector's contribution to GDP and an appropriate credit-to-GDP ratio.

The findings come despite significant progress in India's financial ecosystem. Around 89 per cent of Indian adults now have access to a financial account. At the same time, the Unified Payments Interface (UPI) has emerged as one of the world's largest real-time payment systems, processing more than 18 billion transactions every month.

However, Deloitte noted that financial access has not always translated into financial usage or borrowing opportunities. Around 16 per cent of bank accounts remain inactive, while only 15 per cent of Indian adults access formal credit compared with the global average of 24 per cent. Insurance penetration also remains low at 3.7 per cent of GDP, about half the global average.

The report pointed out that traditional collateral-based lending models have restricted credit access for MSMEs, despite the sector's contribution to economic activity and employment. Deloitte said expanding cash-flow-based lending could help bridge this gap by using digital data sources such as GST records, bank statements, and other financial information to improve credit assessment.

It recommended strengthening digital lending infrastructure, including the Account Aggregator framework, to make credit more accessible for small business owners such as suppliers, shopkeepers, contractors, and artisans.

The report also suggested better tracking of MSME credit outcomes through indicators such as formal credit penetration, credit demand-supply gaps, and adoption of digital credit platforms to improve policy targeting.

As India aims for sustained economic expansion, Deloitte said improving credit access for underserved businesses will remain critical to ensuring that financial inclusion moves beyond account ownership and digital transactions towards wider economic participation.

Source: https://www.businessworld.in/article/india-s-msme-credit-gap-widens

India's PCB industry faces price surge as West Asia conflict strains global supply chains

India's PCB makers are demanding sharp price hikes and duty relief as supply chain disruptions from the Iran conflict inflate input costs, threatening electronics manufacturing. The government is accelerating efforts to boost domestic component production, but industry faces immediate margin pressure and import competition.

The Indian electronics manufacturing sector is bracing for a seismic shift as supply chain disruptions triggered by the ongoing conflict in West Asia drive up input costs for printed circuit board (PCB) makers. Industry leaders are warning that a prolonged squeeze could force significant price increases, with downstream effects on the prices of consumer electronics across the country.

Supply chain crisis deepens for PCB manufacturers

The West Asia conflict, which has now stretched on for over three months, is sending shockwaves through the global electronics supply chain. According to the India Printed Circuit Association (IPCA), domestic PCB producers have been absorbing steep cost hikes on essential raw materials, including copper-clad laminates (CCL), glass fibre, and copper foil. This has prompted urgent calls for a 45-50 per cent price hike on PCBs, as well as requests for duty exemptions on critical imported inputs.

In a letter to industry stakeholders reviewed by ET, IPCA cautioned that if the current situation persists, efforts to localise production in India's $7.27 billion PCB market could stall. The association highlighted that the prices of certain key inputs have soared as much as 150 per cent within just six months. PCB makers are now pushing their customers—including original equipment manufacturers (OEMs) and electronics manufacturing services (EMS) providers—to accept a minimum 45-50 per cent upward revision in pricing to offset these unprecedented increases. Raw material shortages and logistics bottlenecks drive up costs.

Much of the turmoil stems from the disruption in the supply of petrochemicals and metals. The shutdown of Saudi Arabia's Jubail petrochemical complex in March—responsible for 70 per cent of global high-purity polyphenylene ether (PPE) resin—after drone attacks, has dramatically tightened supply. This resin is a foundational ingredient in CCL production. Simultaneously, major shipments of glass fibre and copper foil have been diverted to high-end PCB production for artificial intelligence servers and next generation 6G telecom equipment, exacerbating shortages for mainstream manufacturers.

Logistical challenges have compounded the crisis. Air freight costs for materials out of West Asia have climbed by 40-50 per cent due to surging jet fuel prices, while delivery lead times for CCL have stretched from four weeks to as long as 20 weeks, according to IPCA estimates.

Manufacturers forced into tough pricing decisions

With the cost burden becoming unsustainable, PCB makers have had little choice but to begin passing on some of these increases to their customers. However, the process has been fraught with challenges. As highlighted in the IPCA's communication, most manufacturers have only managed to implement price hikes for new product orders, while still absorbing losses on existing contracts. This has created a precarious situation, placing industry-wide profitability at risk and threatening the viability of several domestic manufacturers.

Jasbir Singh Gujral, managing director at Syrma SGS, an EMS provider, told ET that while certain price increases have been granted after detailed negotiations, these have not reached the 45-50 per cent benchmark sought by PCB makers. Gujral underscored the legitimacy of the price hike demands, citing both the appreciation of the US dollar and the rise in global metal prices as key drivers. He also disclosed that Syrma SGS plans to commence multi-layer PCB manufacturing at a new facility in Andhra Pradesh within the next nine months.

India's import dependence and official response

Despite the headwinds, Indian PCB suppliers continue to face stiff competition from imports, particularly from China and Hong Kong. IPCA officials have indicated that the association may appeal to the ministries of commerce, industry, and electronics and information technology to tighten restrictions on PCB imports. Concerns have been raised that some importers may be circumventing the 30 per cent anti-dumping duty imposed on Chinese and Hong Kong-origin PCBs. Inbound shipments of PCBs have already risen by 11 per cent to $1.67 billion in FY26, according to industry data.

In response to the crisis, IPCA is preparing to lobby for duty exemptions or reductions on imported input materials, arguing that these measures are critical to ensure the survival of domestic manufacturers. Officials from the Ministry of Electronics and Information Technology (MeitY) told ET that the government is closely monitoring the situation and is coordinating with the commerce department to address the supply chain disruptions.

Strategic push for self-reliance in PCB manufacturing

Amid these ongoing challenges, the Indian government is pressing ahead with its electronic component manufacturing scheme (ECMS), which aims to build resilience in the domestic supply chain. Investment proposals under the ECMS are expected to cover the entirety of India's future demand for copper-clad laminates and supply half of the country's PCB requirements. Construction is underway for advanced manufacturing units capable of producing multi-layer, high-density interconnect, and flexible PCBs.

This strategic push for greater self-reliance is seen as crucial for shielding the country's burgeoning electronics sector from future global shocks. However, industry insiders warn that unless immediate relief is provided on input costs and import duties, many Indian PCB manufacturers could be forced to scale back or shut down operations, undermining these long-term goals.
<u>Source:</u> https://supplychain.economictimes.indiatimes.com/news/


IMPORTANT EVENT UPDATE!
IPCA Electronics Expo India has been rescheduled.
Previous Dates
~~5–7 AUGUST, 2026~~
New Dates
COMING SOON
Official event dates will be announced soon. Stay tuned!
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GLOBAL PCB SUPPLY CHAIN DISRUPTIONS

The global PCB market is currently facing significant challenges due to supply disruptions, particularly from the West Asia conflict and geopolitical tensions. This has led to a 40% price surge in PCBs, with nearly 40% increase recorded in April 2026. The surge is attributed to the disruption of critical raw materials like high-purity PPE resin, which is essential for laminate production. The geopolitical impact has also affected production hubs and trade routes, highlighting the vulnerability of global supply chains to regional conflicts. The market is projected to reach $95.8 billion by 2026, driven by expanding demand in electronics, cloud computing, and AI infrastructure.

The PCB industry is experiencing a seismic reset, not just a temporary disruption. The supply chain is evolving in ways we have never seen before.

AI technology requirements, such as high-layer multilayers, HDI, low-loss/low-Df materials, and high-speed PCBs, have pushed factory utilization to unprecedented levels. This surge has created spillover effects: even factories not directly producing AI-grade products are feeling the strain as upstream capacity is fully absorbed.

The strain isn’t limited to core AI-related PCB technologies.

Demand is also surging for:

- Power supplies
- Thermal management modules
- Supporting hardware

The immediate outlook does not indicate any improvement or relief. Allocations are tightening, lead times are extending, and factories no longer have the material availability they once relied on. The point where annual pricing frameworks or stable lead-time assumptions are viable. Logistic supply chains from Asia remain functional, but impact from possible oncoming fuel shortages.

70% of Global PPE Resin at Risk of Disruption, PCB Prices Surge 40%

Saudi PPE Resin Plants Halted, Global Supply Chain at Risk

In late March this year, PPE (polyphenylene ether) resin factories in Saudi Arabia's Jubail Industrial City halted production due to the Strait of Hormuz shipping disruption. The Jubail complex previously supplied approximately 70% of global PPE resin. PPE resin is a critical material for PCB (printed circuit board) manufacturing, and the supply interruption has profound implications for the electronics supply chain.

PCB Prices Surge 40%

A recent Goldman Sachs report shows PCB prices surged up to 40% in April compared to March. US PCB manufacturer TTM Technologies' stock has risen over 400% in the past year. The impact of PPE resin disruption is accelerating from upstream raw materials to downstream electronic products.

International Events

JPCA	JPCA Show 2026, 10-12 June 2026 The Tokyo Big Sight convention center in Tokyo, Japan.
THPCA	THECA SHOW 2026 26-28 August 2026 BITEC EH 98-99, Bangkok Thailand
KPCA Korea Electronics Packaging and Circuits Association 한국PCB&반도체패키징산업협회	KPCA SHOW 2026 9-11 September 2026 Songdo Convensia Convention Center, Incheon, South Korea
TPCA 台灣電路板協會 Taiwan Printed Circuit Association	TPCA SHOW 2026 Oct 20 - Oct 22, 2026 Taipei Nangang Exhibition Center, Taipei, Taiwan
CPCA SHOWPLUS	CPCA SHOW PLUS October 28 – 30, 2026 Shenzhen World Exhibition & Convention Center
HKPCA SHOW INTERNATIONAL ELECTRONICS CIRCUIT EXHIBITION (SHENZHEN) 国际电子电路(深圳)展览会	HKPCA SHOW 2026 2-4 Dec 2026 Shenzhen World Exhibition & Convention Center (Bao'an)

Domestic Events

	SEMICON India 2026 will be held from September 17–19, 2026, in Yashobhoomi, New Delhi
New postponed dates to be announced	IPCA Electronics Expo India Bharat Mandapam, Hall No. 1, Pragati Maidan, New Delhi

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