

Business Standard

Vivo begins manufacturing in Rs 3,500 cr facility in Greater Noida

Once fully operational, this capacity can be doubled to 120 million units, said the company in its annual India Impact Report 2023

Aryaman Gupta | **New Delhi**



Representative Picture

Following a strong start to the year, Chinese smartphone maker Vivo is bullish about its strategy in India and will soon start manufacturing at its new facility in Greater Noida, the company said.

The new plant is spread across approximately 169 acres and currently has an annual production capacity of 60 million units. Once fully operational, this capacity can be doubled to 120 million units, the company said in its annual India Impact Report 2023, which was launched on Tuesday.

Vivo did not disclose when it plans to scale up the plant to full capacity.

In the first quarter of calendar year 2024, Vivo emerged as the largest smartphone manufacturer in India in terms of volume, overtaking Samsung, with a market share of 16.2 per cent, according to data from the International Data Corporation (IDC).

The company's new facility is part of a two-pronged approach in India, where it is ramping up domestic manufacturing, and focusing on "India-centric" products by localising design, camera effects and overall product experience.

“We have started designing phones that meet our consumers' local tastes and preferences under our 'Design for India' initiative. Our manufacturing facility in Greater Noida reached the milestone of producing over 150 million smartphones till now,” said Jerome Chen, CEO, Vivo India, in the company’s annual India Impact report.

These ramp-ups are part of the Rs 7,500 crore investment announced by Vivo last year. The company has cumulatively invested Rs 3,500 crore in India until now, primarily towards building its manufacturing footprint.

“This facility, once fully operational, will give us the option of doubling our manufacturing capacity, while reinforcing our commitment to Atmanirbhar Bharat,” Chen added.

Over 99 per cent of Vivo smartphones shipped in India in 2023 were locally manufactured, representing a significant leap from the 26 per cent recorded in 2014, the company said.

Vivo recently moved out of its previously leased manufacturing facility, also in Greater Noida, that had an annual capacity of 40 million devices and employed around 10,000 workers. The plant was acquired by Bhagwati Enterprises, the manufacturing unit of Micromax Informatics.

According to the company, over 15,000 Indians have benefitted through Vivo's manufacturing facility over the past nine years, and the firm claims to have created 200,000 direct and indirect job opportunities in the country.

Vivo plans to increase localisation of critical components such as OIS, camera modules, memory, and OLED displays, and will “empower Indian leaders to spearhead Indian operations.”

“In alignment with the Prime Minister’s vision of establishing India as a primary export hub, we have witnessed the progress and growth of the nation and have contributed by exporting smartphones worth around Rs 400 crore,” Chen said.

The firm currently has six Vivo flagship stores in India, located in Delhi, Ahmedabad, Bengaluru, and Coimbatore, and has plans to increase this number to 10 in 2024. Vivo claims to have over 1,000 distribution partners, as many as 30,000 Vivo brand associates, and around 70,000 retail touchpoints across the country.

First Published: Jul 30 2024 | 7:08 PM IST

Page URL :https://www.business-standard.com/companies/news/vivo-begins-manufacturing-in-rs-3-500-cr-facility-in-greater-noida-124073001320_1.html