

Economic Diplomacy Division Ministry of External Affairs

Weekly Newsletter
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Insights

According to government data, India's mobile phone exports surged 35% to a record US\$15 billion in FY24 from US\$11.1 billion in FY23.

Tech giant Apple played a pivotal role in this growth - contributing 65%, or about \$10 billion, double the \$5 billion of phone exports from India in FY23 when the US major became the first smartphone brand to achieve this feat.

No wonder India's fledgling mobile electronics manufacturing ecosystem helped create over 1.2 million jobs while producing goods worth US\$ 50 billion in FY24.

The pace of growth in manufacturing and exports is set to accelerate as more companies start to set up their entire component ecosystem locally.

Mobile phone exports have received a major fillip with the start of the production-linked incentive (PLI) scheme in FY22. Apple's three Taiwanese contract manufacturers - Foxconn Hon Hai, Pegatron and Wistron (now owned by Tatas) - and Korea's Samsung and Bharat FIH (a Foxconn company that makes devices other than iPhones) were selected.

Indian manufacturers like Dixon, Lava and others also qualified for the PLI scheme. Overall, electronics exports jumped nearly 24% to \$29.12 billion in FY24, from \$23.55 billion in the previous year, provisional data released by the commerce ministry showed. Experts say extreme competitiveness via tariffs, taxation and industrial infrastructure is key to reaching the \$50-billion export mark by 2026-27.

"We've had great success in mobile phone production. Local value addition has increased, as a lot of components have started being manufactured in India. The domestic value addition is increasing steadily, quarter by quarter."
Electronics & IT Minister Ashwini Vaishnaw

National

India's mobile phone exports reach US\$ 15 billion in FY23

Electronics and IT Minister Ashwini Vaishnaw highlighted the increase in local value addition, with more components being manufactured within India, generating over 1.2 million jobs, leading to steady growth in domestic value addition.

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India's economy to grow at 8 to 8.3%: PHD Chamber of Commerce and Industry

India's economy is poised to grow between 8 to 8.3% in the current fiscal year. During a press conference, Chief Economist SP Sharma emphasised the country's robust growth fundamentals, projecting an average GDP growth rate of 6.7% over the next 23 years.

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Unemployment rate to decline 97 basis points by 2028: ORF

The service sector is anticipated to lead in job creation, with every unit rise in services output contributing to a substantial 0.12% increase in employment. Ten high-opportunity sub-sectors within services are identified as engines of growth.

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Indian overall exports reach a record US\$ 776.68 bn in FY24

The increase, while marginal over the previous year's US\$ 776.40 billion, a record at the time, was driven by strong services exports; India's exporters demonstrated preparedness for the fiscal year 2024-25, focusing on new markets and products.

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Bilateral

India's pharma exports to US surge despite challenges

According to estimates provided by the Pharmaceutical Export Promotion Council (Pharmexcil), the export growth rate has more than doubled compared to the 6.18% increase in the fiscal year 2022-23.

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Jaipur becomes major contributor as India-UAE trade sees a significant spike

Jaipur contributed approximately half a billion dollars to trade between the UAE and India. The UAE officials intended to engage with local businesses to explore partnership opportunities.

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USDA Under Secretary Taylor Launches Trade Mission in India

U.S. Department of Agriculture Under Secretary for Trade and Foreign Agricultural Affairs Alexis M. Taylor arrived in New Delhi today to launch a USDA-sponsored agribusiness trade mission.

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India and Israel trade more than doubled in the last five years

In FY23, India's total exports grew 6.9% over the previous fiscal year, but exports to Israel jumped 76.2%. During the same period, imports from the Mediterranean contracted by 24.4%, balancing the trade balance in India's favour.

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Multilateral

Indian banks among Asia's top 50 banks: S&P Report

Indian banks have demonstrated strong performance compared to their Asian counterparts, driven by improved financial metrics and robust credit growth in a thriving economic environment.

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IMF expects India to rev up global growth as China falters, backs govt's economic policies

Institutions such as the IMF and UNCTAD view India as a potential driver of global economic growth in the future, as the country has become the fastest-growing emerging economy.

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India's growth dependent on global interdependence: Ex-US trade official

As India becomes the third largest economy in nominal GDP and as the Indian middle class grows to become larger and with higher incomes, it will emerge as a significant market for US and global businesses.

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UN chief keen on continuing momentum of MDB reforms initiated during India's G20 Presidency

According to N. K. Singh, chairman of the 15th Finance Commission, UN Secretary-General Antonio Guterres aims to sustain the momentum of MDB reforms initiated during India's G20 presidency.

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Editorial

India's Northeast: Partnerships for economic prosperity

A strategic approach is imperative to catalyse holistic progress, focusing on bolstering human resources and fostering seamless integration with the Bay of Bengal economies. Collaborative endeavours with global partners in education, vocational training, healthcare, infrastructure, and digital advancements offer avenues for nurturing a skilled workforce, improving connectivity and Foreign Direct Investments (FDI), and fostering an entrepreneurial ecosystem. These efforts not only aspire to uplift the socio-economic landscape of the Northeast but also aim to amplify its significance within the broader Indo-Pacific narrative.

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