

After iPhone, Apple to make AirPods in India

SHIFTING BASE



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▶ iPhone exports from India crossed \$1 billion in five months since April. Set to reach \$2.5 billion in the 12 months through March 2023

▶ Last week, Apple announced plans to manufacture the latest iPhone 14 in India

▶ Luxshare focusing more on its Vietnamese AirPods operations for now. It could be slower than its competitors in starting meaningful production of Apple products in India

▶ A Bloomberg analysis estimates it would take 8 years to move 10% of Apple's production out of China

Foxconn is also preparing to manufacture Beats headphones

Apple is asking its suppliers to move some AirPods and Beats headphone production to India for the first time, Nikkei reported on Wednesday, in what could be another win for India in its push for local manufacturing.

Apple iPhone assembler Foxconn is preparing to make Beats headphones in India and hopes to eventually produce AirPods in the country as well, the report said, citing sources.

Luxshare Precision Industry, a Chinese supplier to the iPhone maker, and its units also plan to help Apple make AirPods in India, according to the report.

However, Luxshare is focusing more on its Vietnamese AirPods operations for now, and could be slower than its competitors in starting meaningful production of Apple products in India, the Nikkei newspaper said.

Apple did not immediately respond to a *Reuters'* request for comment. The tech giant has been shifting some areas of iPhone production from China to other markets, including India, where it started manufacturing iPhone 13 earlier this year, and is also planning to assemble iPad.

The company announced last week its plans to manufacture the

latest iPhone 14 in India.

A *Bloomberg News* report from Tuesday said iPhone exports from India crossed \$1 billion in five months since April and are set to reach \$2.5 billion in the 12 months through March 2023. Apple's latest move is part of its gradual diversification from China, the Nikkei report said. India and other countries such as Mexico and Vietnam are increasingly turning important to contract manufacturers supplying to American brands amid Covid-related lockdowns in China and simmering tensions between Washington and Beijing. **REUTERS**