

India emerging as manufacturing major, on export-driven course: Vaishnaw

MISLEADING. Minister debunks claims by Raghuram Rajan, others about the country specialising only in assembly

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India has emerged as a manufacturing major and is shaping itself towards export-driven growth with the country on-course to being the "third largest economy" over the next few years, Railways and IT Minister Ashwini Vaishnaw said on Thursday.

The thrust on manufacturing has seen nearly 1.70 - 1.80 crore new jobs being created in the formal sector with a similar number being generated in the informal one.

Vaishnaw debunked statements by Raghuram Rajan about the country specialising in assembly and said, from an importer of mobile phones, India is now the third largest exporter there with 99 per cent of devices used in India, being made locally.

Against \$11-billion worth

of mobile phone exports in FY23, an over 36 per cent jump is expected for FY24, with outbound shipments likely to be around \$15 billion. Similarly, the country has moved beyond assembling and is into precision manufacturing in categories like mobile camera lenses-case making, pre-fab units, among others.

Former RBI Governor Rajan was among the first to say India's mobile phone exports were driven by assembling.

"There are some big leaders in the Opposition who still believe that mobile phones are imported. They forget that today 99.2 per cent of mobile phones used in India are made in India," Vaishnaw said.

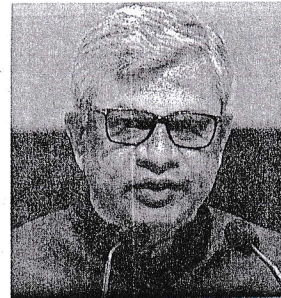
GOODS EXPORTS UP

India's economy grew at a much faster pace than analysts predicted, as manufacturing surged and the government boosted spending



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ASHWINI VAISHNAW
Railways and IT Minister



before elections. The GDP rose 7.6 per cent in the three months to September from a year-ago.

Calling it a success of the Made-in-India campaign and policy push by the Centre, Vaishnaw said, compared with a decade back when the service sector drove exports, more than half of India's FY23 exports were merchandise and manufacturing.

The FY23 exports were around \$762 billion, of which \$453 billion was merchandise and \$309 billion was services. For instance, petro-

leum exports were \$97 billion, followed by pharmaceuticals at \$19 billion, iron and steel at \$13 billion and so on.

Export of toys, from being an importer, is seen as a major success of the Modi-led government at the Centre.

"So we are witnessing exports in categories like pharma, mobile phones, electrical machinery and equipment and so on. From being importers in categories, we are not competing with global players at international platforms, particip-

ating in global supply chains," he said during a press conference.

"We are now into, precision manufacturing, planning for semi-conductor units which is like a foundation industry like iron and steel. This entire argument that we are just assembling and not making specialised products ourselves is completely misdirected and misleading," Vaishnaw added pointing out that despite global headwinds, Indian exports are holding on.

KAVACH EXPORTS SOON
Similarly, Kavach - the indigenously developed train collision protection system - will be ready for exports over the next four to five years, and will compete with the best of the European systems.

In forged wheel making, the country is looking at exports too with the planned unit having an annual capacity of 2,30,000.