

Electronics exports grew a whopping 50% in FY23

Smartphones alone accounted for 23% of the rise

SURAJEET DAS GUPTA

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A surge in electronics exports, including smartphones, accounted for a massive 31 per cent of the rise in India's merchandising exports in FY23 over the previous year, in value terms based on the Commerce Ministry's latest figures.

Merchandise exports increased by \$25 billion, hitting \$447 billion in FY23 over \$422 billion in the previous year. Of this, the increase in smartphones and Apple iPhone exports alone contributed 23 per cent and 15 per cent respectively.

The growing importance of electronics exports can also be reflected in the fact that it has now overtaken readymade garments (RMG) of all textiles, occupying sixth position among the top 10 merchandising exports.

Electronics exports grew over 50 per cent in FY23, reaching \$23.5 billion in the current fiscal year. RMG of all textiles grew merely by 1.1 per cent to reach \$16.1 billion in FY23.

If the trend continues, many experts believe that electronics exports could overtake drugs and pharmaceuticals which were the fifth largest export at \$25 billion in FY23, a growth of over 3 per cent.

Electronics could even over-

DIALLING UP

■ Increase in smartphone exports accounts for 23% of the total increase in merchandising exports of \$25 bn in FY23 over FY22

■ Increase in India's smartphone exports by \$5.8 bn accounts for 73% of the increase in electronics exports by \$7.9 bn in FY23 over previous year

■ Electronics has become the 6th-largest merchandising export segment for India, ahead of readymade garments in FY23

■ Many expect it to become the 4th-largest export segment by FY24



take organic and inorganic chemicals by FY24. The latter are the fourth largest with exports of \$30 billion and growing at only 3.2 per cent in FY23.

The growing importance of electronics has been fueled by the gigantic increase in mobile exports, thanks in large measure to the production-linked incentive scheme to encourage manufacturing in India, as well as Apple Inc's aggressive strategy to shift production for exports from China to India.

Indian smartphone exports doubled to touch \$11.5 billion in FY23, accounting for half the export value of electronics exports.

Smartphone exports added \$55.8 billion in the current fiscal year over the previous year and this growth accounts for 73 per cent of the overall increase in electronics exports over last year.

The government has, of course, set up a stiff target for electronics production and exports by FY26. This entails achieving a production value of \$300 billion out of which exports would be \$120 billion.

More importantly, in mobile devices, the projection is to export between \$52-58 billion worth of phones from the country by FY26. The production value expected is to the tune of \$120 billion.