

## **Champions of Aatmanirbhar Bharat**

It has been more than a year since Government of India introduced the “vocal for local” campaign, with a push for self reliance. Since then, we have seen remarkable moves by foreign and local companies in indigenising their value chain and reducing reliance on imports.

Electronics is a major focus sector for indigenous production as India incurs huge trade deficit, second largest after crude oil, in this segment because of sizeable imports of electronic goods.

Among electronics, semiconductor is a highly technology intensive segment, which requires huge investment. India does not have even a single semiconductor manufacturing plant, even though the government has been taking various measures to attract global companies to set up production unit in the country for the last two decades.

In this context, it is reassuring to know that more than 20 semiconductor manufacturing and designing companies have evinced interest to set up plant in India, under the government’s production linked incentive scheme (PLI) recently. These firms are said to be engaged in highend, display and specialty fabrication

Meanwhile, reports suggest that the world’s leading electronics firm Samsung has successfully shifted its display manufacturing facilities from China to India by setting up a new facility in Noida. According to media reports, this new facility will be the hub for display production in the country.

In April 2021, Samsung started manufacturing smartphone displays at its existing facility in Noida.

Hisense, which is a leading Chinese electronics manufacturer, plans to set up a television set production unit with a capacity to produce two million sets in the next two years.

Another Chinese smart television set manufacturer Realme is pursuing with its overseas vendors to set up production units in India.

The company is also planning to expand its local production line to devices powered by Internet of Things (IoT)

Companies are also planning to boost local manufacturing in other sectors to reduce import reliance.

Lithium ion batteries is one segment where India is largely dependent on imports as domestic manufacturing capacity is limited to production of the conventional lead acid batteries.

In this context, India's leading battery manufacturer, Amara Raja, decided to invest in lithium ion battery manufacturing capacity in India.

In the pharmaceutical sector, a few months ago, three Indian firms decided to manufacture key bulk drugs, viz. penicillin G, 7-aminocephalosporanic acid (7-ACA), erythromycin thiocyanate (TIOC) and clavulanic acid. India is largely dependent on import for these bulk drugs. In response to the central government's production linked incentive scheme, drug manufacturers Aurobindo Pharmaceuticals, Karnataka Antibiotics and Pharmaceuticals Ltd (KAPL) and Kinvan Pvt Ltd. decided to set up local manufacturing units for these bulk drugs.

Two months ago, India's fertiliser minister informed that Indian companies are planning to invest Rs. 40,000 crore to boost local manufacturing capacity in this sector. By 2023, India aims to eliminate import dependence in the fertiliser sector.

Defence sector is another focus area for reducing dependence on imports. Government of India is expected to notify a list of 108 defence equipments for domestic manufacturing.

This will be the second list after the government released the first list of 101 military items for domestic production in August 2020.

Even before the Aatmanirbhar Bharat movement, India's domestic manufacturing and export of defence equipments started gaining momentum. India's annual export of defence equipment has grown from Rs. 1500 crore in 2013-14 to Rs. 11,000 crore today.

Government of India has also been trying to reduce reliance on imported scrap for non ferrous metals such as aluminium, copper, zinc and lead. Towards this end, the government is about to release a regulatory framework to develop an organised scrap sector within the country. This regulatory framework will

ensure availability of high quality metal scrap domestically so that local manufacturers need not depend on imports for the same.

Such a regulatory framework envisages scrap collection, segregation and recycling with Quality certification mechanism for recycled secondary metal.

By increasing domestic supply of quality scrap, India can reduce dependence on imports. Currently, import of aluminium scrap accounts for more than 60% of total import of aluminium products in the country.

Policy efforts have also been made for reducing imports of low value consumer goods such as incense sticks, toys, furniture and other household items.

### **Services sector**

India's quest for self-reliance is not restricted to the manufacturing sector as the service industry also has its fair share of local innovation. India has made significant strides in developing local apps to replace apps developed by foreign companies. It is imperative for Indian smartphone users to reduce reliance on foreign apps to prevent their personal data from being stored in foreign countries. One such initiative is the locally developed short video platform Mitron TV to replace the popular Chinese short video app TikTok. Mitron, which is a start-up firm co-founded by an alumnus from IIT Roorkee and an ex-employee of Makmytrip, has developed Aatmanirbhar App to promote apps developed by Indian developers among smartphone users.

Another tech start-up firm Digiboxx developed a cloud based data storage and file sharing platform for small enterprises and individuals.

This is the first Made in India cloud storage platform that acquired over 1 million users within six months of its launch in December 2020. The storage service of this Indian company received impressive response from Indians as Google announced plan to cap its free storage services in India.

Similarly, there are many Indian service providers who rivalled their foreign peers in offering fintech, software as a service (Saas), edutech, online gaming, social commerce and other technology enabled services after the launch of the Aatmanirbhar campaign.

## **Press Information Bureau**

Government seeks comments /suggestions on proposed amendments in Consumer Protection Act by July 6, 2021

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