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Dr. Guruprasad Mohapatra  
Secretary  
DPIIT

**Subject: Criticality of Ensuring Smooth Supply Chain and Manufacturing Operations for Electronic Manufacturing in India**

Respected Sir,

Greetings from **MAIT**, the apex body of the Electronic Hardware Manufacturing in India!

This bears reference to the recent Geopolitical developments and its potential impact on the trade between the two countries. Of Specific concern is the supply chain for electronic components and sub-assemblies imported and exported by the Indian electronic manufacturing industry.

As you are aware that the Indian Electronic Manufacturing Industry is just restarting operations after a disruption of three months on account of the Covid Pandemic. As a result, many of the companies in this sector are highly stressed and struggling to keep afloat.

At the same time, the country is witnessing the paradox of despite having Domestic manufacturing capacity, the Industry is unable to ramp up to cater to the pent up demand for Mobiles and ICT products, and these are today being fulfilled by China, either directly or through the ASEAN countries.

At this juncture, the appeal from the Industry to the Government is to ensure a smooth and uninterrupted supply chain so that domestic electronic manufacturing can recover to 100% capacity.

We wish to highlight that globally, every electronic manufacturing economy is dependent on China for some component or conversion process. What this means is that there is no global electronics manufacturing economy that run without sourcing something from China. In this scenario, in the short term there are no immediate alternate options for sourcing of raw material.

I wish to first assure you that as Indian citizens and Indian Industry the electronic industry will totally back any decision the GOI will take to safeguard the interest of our nation. However, steps that hurt India more than China should be smartly avoided.

We get to understand that there are unconfirmed inputs that India will be imposing 100% inspection of imports. In an AEO regime, any such step will result in delays in clearance at the ports and in turn further be a setback for the Electronics Manufacturing Industry and the country.

India as the fifth largest economy of the world should drive this critical transition of reducing dependency on China on our terms, under a well thought out and executed strategy. We should not take reactive steps, and that is key to retaining the confidence of existing investments in manufacturing and attracting additional investments.

We, therefore, urge you to take measures for continued smoothness of Indian manufacturing business operations and supply chain that support it.

We wish to assure you of the total support of the Industry to the nation at this hour of crisis.

With regards,



George Paul  
Chief Executive Officer

CC: Shri Amitabh Kant, CEO, NITI Aayog

CC: Shri Ajay Prakash Sawhney, Secretary, Ministry of Electronics & IT

CC: Dr Anup Wadhawan, Secretary, Ministry of Commerce & Industry

CC: Shri Amit Yadav, Director General, Directorate General of Foreign Trade

CC: Shri Saurabh Gaur, Jt. Secretary, Ministry of Electronics & IT

CC: Shri Deepak Bagla, Managing Director & CEO, Invest India

CC: Shri S K Marwaha, Sr. Director, Ministry of Electronics & IT