

# Laptop cos need to comply with promises of local mfg

## Govt To Cut Import Quotas If Commitments Aren't Fulfilled

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### AIMS TO REDUCE RELIANCE ON CHINA

“The government is categorical in its insistence that companies either start manufacturing here, or else start respecting ‘trusted source’ norm, which means procuring from regions beyond China – **A source**



➤ At present, over 80% of laptops are sourced from China, with only some supplies coming from countries like Vietnam. On components front, a large part of procurement takes place from China

➤ Companies such as HP, Dell, Asus and Acer have shown eagerness to participate in India's local manufacturing plans, lining up investments and manufacturing partners

restrictions are likely to be placed on their shipments, while their quotas run the risk of being curtailed,” a source said. “There will be routine reviews, where the government will assess the compliance on this front.”

Electronics and IT secre-

tary S Krishnan told reporters that several applications have come under PLI and are under appraisal, and the process will be completed within one-two months.

The reason for the government's insistence on kick-starting domestic production of

laptops is reliance of companies on China for both fully-built units or components. “The government is categorical in its insistence that companies either start manufacturing here, or else start respecting the ‘trusted source’ norm, which means procuring from regions beyond China.”

Currently, more than 80% of laptops are sourced from China, with only some supplies coming from countries like Vietnam. On the components front, a large part of procurement again happens from China, and this causes a lot of unease within the government. Such has been the eagerness on this front that the government raised incentives under the IT hardware PLI scheme from Rs 7,300 crore to Rs 17,000 crore.

**New Delhi:** Laptop makers will need to provide routine updates on their India manufacturing plans to the government or face the risk of cuts in import quotas, sources have told **TOI**. The move comes as government on Thursday rolled out an ‘import management system’ for companies shipping devices into India, with a focus on localisation or sourcing from trusted locations.

“It has been made clear to the companies that they will need to walk the talk on their India manufacturing plans spelt out under the revised production-linked incentive (PLI) scheme. If they delay their investments or continue to rely just on imports,