

# 'China is turning screws on India': Devina Mehra links Foxconn exit to larger strategy, warns of more pressure from Beijing

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July 3, 2025



China curbing exports, withdrawing engineers: Devina Mehra warns of rising pressure on India

Foxconn's decision to withdraw over 300 Chinese engineers from its iPhone manufacturing operations in India has triggered concerns about a broader strategic shift by Beijing. Devina Mehra, Chairperson and Managing Director at First Global, has described the move as part of a calculated effort by China to curb India's manufacturing ambitions and tighten control over critical exports.

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**Devina Mehra** ✓  
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"China is turning the screws on India, from stopping rare earth minerals and magnets to withdrawing their people from the Foxconn factory in India," Mehra said. "India's trade deficit with China has tripled to over \$100 billion over the last 15 years even as India's exports to China have not grown at ZERO."

The comment comes amid Bloomberg's report that more than 300 Chinese engineers and technicians have been sent back from Foxconn's Indian plants in the past two months, just as Apple ramps up iPhone production in India. The move raises questions over the sustainability of Apple's efforts to diversify its supply chain away from China.

Mehra warned that India's dependence on Chinese inputs is deeply embedded across sectors. "In industries from automobiles, chemicals & pharma to even critical ones like telecom & hi-tech trains, our dependence on China's raw materials, equipment and technologies has only been growing," she said.

"China is a long-term strategizer about its own good. It would be foolish to think that they will roll over and allow industries to shift to India and actually help with that," Mehra added.

The pressure isn't limited to electronics or manufacturing. The Economic Times recently reported that China has halted exports of specialty fertilisers to India over the past two months — a critical disruption, given that India sources nearly 80% of these high-efficiency fertilisers from China. These fertilisers are used extensively for enhancing crop yield and soil quality in the June–December cycle.

Rajib Chakraborty, President of the Soluble Fertilizer Industry Association, told ET that China had been restricting these supplies for years, but "this time it is a complete halt." While there's no formal export ban, procedural delays and clearance issues from Chinese authorities have effectively blocked shipments.

Foxconn, Apple's largest iPhone assembler, more than doubled its India revenue to over \$20 billion in FY25 and expanded its workforce to around 80,000, according to PTI. Apple plans to produce most US-bound iPhones in India by the end of 2026. However, the return of skilled Chinese workers may pose serious logistical challenges.