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Taiwan and Kerala share a lot of geo- political or rather demographic equations. Taiwan is just 90 per cent the size of Kerala and where were they in 1970s, and where are they now. So this point rises to another interesting part - why I believe that Kerala has much to do with fourth industrial revolution? Kerala has a DNA of electronics manufacturing system and also the DNA coupled with something which is suited for hardware manufacturing or assembly. I like to use the word finger dexterity; workers of Kerala are very good at traditional business like cashew, spinning wheels etc. We have a unique skill of the finger dexterity. We do have an ecosystem. We have skilled people. We are going to create skilled people, to create a lot of skilled manpower. Are we going to just use them for human resource export? Are we going to remain as a region with four airports and we are going to export this skill abroad or are we interested to create some industry in this state, whereby these people can get jobs? The answer is, yes. Electronics industry is the answer to this.

We have a few other electronics manufacturing sectors. Why can't all this come under a cluster town or a country of manufacturing clusters. There are huge electronic manufacturing clusters, led by Original Design Manufactures (ODMs); which are those huge companies that use the design or what is known as the master reference design given by big corporations and produce. They are not Original Equipment Manufacturers (OEMs), they are ODMs. Foxconn, the third largest company is not an OEM it is an ODM. So we need to have a concrete steps to attract Foxconns, Restonds and Pegatrons. We could have been somewhat near Taiwan or Malaysia when five or six years back when the multinational companies started the strategy of China plus one. China is no more labor cheap. The industry started moving out of China clearly shows the higher cost of assembly of electronics. Kerala is at par or cheaper than China and we can do quality products better. At least 100 companies have moved out of Taiwan and China. They have moved to countries like Vietnam, Malaysia and Mexico. They moved to Thailand and many of them are moving to India. We

should have a clear cut strategy probably led by K-DISC to attract those companies to Kerala. Kerala has everything, like people who are spending abroad. Lot of people are coming back to Kerala, not only with money, they are coming with skill sets also. These people are willing to work at much affordable sideways in Kerala. So there is a market which we need to tap. The government has to demarcate what the government is going to do, what the private enterprises going to do and what is private- public participation going to do, so that there is no conflict of interest.

Taiwan caters for approximately 60 per cent of the production of electronics equipment and Taiwan has only a population of 24 million. The question is demand aggregation. If an industry has to thrive in Kerala, there has to be demand aggregation. So when you start to crawl, you are in the nascent stage and that is when the government has to pull and don't expose you as the world is not fair. The competition is not fair for the company to have commercially viable operation; you will take at least two to three years. The first two years you need nurturing from the government. If an industry has to come to a state, you need firmly committed nurturing from the government. Secondly, you need to make sure about investment flows. What is not available in this country is working capital. Young entrepreneurs have ideas, they have skills, why they cannot scale is due to unavailability of affordable, or rather easily available working capital. So, I request the government or the policymakers to facilitate finances. When we have a knowledge economy, we should also have an electronics industrial base for which you do not need huge investment, you don't need big area, you are not polluting industry. All you need to have is consensus decision by the people.