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APPLE'S INDIA MANUFACTURING CHALLENGES

Worker Deaths at Tata's Hosur Plant

Apple's India Manufacturing Challenges: Latest News

Recently, three contract workers died at a Tata Electronics factory in Hosur, Tamil Nadu, while performing maintenance at an effluent treatment plant.

The incident has renewed scrutiny of safety and operational standards in Apple's rapidly expanding Indian manufacturing ecosystem, which now produces roughly 25% of global iPhones.

This is not an isolated event — it is the latest in a pattern of fires, protests, environmental violations and security breaches affecting Apple's Indian supply chain.

1. What Happened at Hosur

- Three workers inhaled suspected toxic gases while inspecting a nano-filtration tank at an effluent treatment plant operated by Nalco Water, a subsidiary of US-based Ecolab, within Tata's facility.
- The Tamil Nadu government has ordered an investigation; Apple and Tata are conducting their own inquiries.
- The incident raises questions about industrial safety standards at facilities increasingly critical to Apple's global supply chain, especially as India moves from assembly towards manufacturing sophisticated components.

2. How India Became Central to Apple's Supply Chain

Apple began iPhone assembly in India in 2017, initially with older models.

Factors Behind the Expansion

- Efforts to reduce dependence on China amid geopolitical tensions and supply-chain disruptions.
- India's Production Linked Incentive (PLI) scheme for smartphone manufacturing.
- India now contributes approximately 25% of global iPhone production.

Key Manufacturing Partners

- Tata Group: approximately 40% of domestic iPhone assembly.
- Foxconn (Taiwan): handles the remainder of assembly operations.
- Tata's rise was driven by acquiring Wistron's Indian operations in 2023 and later taking over Pegatron's Indian iPhone business.

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Tata's Hosur facility is strategically significant: it manufactures precision-engineered metal casings and back panels, reflecting India's shift towards deeper local value addition rather than merely assembling imported components.

3. A Pattern of Recurring Problems

A. Cybersecurity Breach — June 2026

- A ransomware attack on Tata's Hosur iPhone assembly facility leaked over 200,000 files on the dark web, including confidential supplier details, component specifications and images of the then-unreleased iPhone 18 Pro.
- This was particularly damaging given Apple's strict confidentiality protocols around unreleased products.
- Tata responded by restricting internal system access and hiring a global forensic consultant.

B. Environmental Allegations — 2026

- The Tamil Nadu Pollution Control Board (TNPCB) warned of possible factory closure over alleged groundwater contamination from wastewater discharge affecting nearby farmland and wells.
- Tata disputed the findings, claiming freshwater sample analyses showed no contamination; the regulator eventually accepted Tata's explanation and dropped action.

C. Employment Discrimination — 2024–25

- Foxconn faced allegations of systematically excluding married women from assembly-line jobs at its Sriperumbudur (Tamil Nadu) plant, exposed through a Reuters investigation.
- This triggered scrutiny from the Union Labour Ministry and the National Human Rights Commission (NHRC).
- The NHRC criticised labour officials in January 2025 for inadequate investigation, but a subsequent government probe cleared Foxconn of wrongdoing.
- Foxconn later removed age, gender and marital-status criteria from job advertisements.

D. Fires and Production Disruptions

- September 2024: A major fire at Tata's Hosur facility, in the chemical storage area, temporarily halted iPhone back-panel component manufacturing — then a crucial domestic supply source.
- September 2023: Pegatron suspended iPhone assembly at its Chennai facility after a fire.
- Earlier in 2023: Foxlink, an iPhone charger manufacturer, halted production in Andhra Pradesh after a fire caused a partial building collapse.

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E. Worker Unrest

- December 2021: Foxconn's Chennai-area factory shut for over three weeks after approximately 250 workers fell ill, triggering protests over living conditions and food safety. Apple later found that the facility did not meet its standards.
- December 2020: Workers at Wistron's Narsapura (Karnataka) plant vandalised property while protesting alleged non-payment of wages, forcing a three-month shutdown.

4. Conclusion

As India cements its position as a critical node in Apple's global supply chain, the recurring pattern of fires, worker unrest, environmental concerns and fatal industrial accidents signals that manufacturing scale may have outpaced safety and governance systems.

For India's electronics manufacturing ambitions to be sustainable, stronger enforcement of industrial safety, labour rights and environmental compliance must keep pace with its growing share of global production.

