

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:1121
ANSWERED ON:29.11.2006
SOFTWARE PIRACY
Ahir Shri Hansraj Gangaram

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

: -

- (a) Whether the software piracy in the country has caused losses to the information technology industries to the tune of crores of rupees;
- (b) If so, the details thereof alongwith the estimated loss ;
- (c) Whether the sale and purchase of assembled computers also cause revenue losses to the Government ;
- (d) If so, the details thereof; and
- (e) The steps taken by the Government to control piracy in the software field ?

Answer

MINISTER OF STATE FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY(DR. SHAKEEL AHMAD)

(a) and (b) : Yes, Sir. The level of Personal Computer (PC) software piracy in India, according to Business Software Alliance, the international association of the world's leading software developers, was 72% in year 2005 resulting in estimated loss of US \$566 million, (Rs.2547 crores). However, the figures are not substantiable since the organisation does not reveal its methodology of assessing the extent of the said piracy.

(c) and (d) : Manufacturing of computers essentially involves assembly of parts. If the assembly of computers takes place in the unorganized sector, it is likely to cause revenue loss to the Government.

(e): The Steps taken by the Government to control software piracy include the followings.

i) In India the Intellectual Property Rights (IPR) of software is covered under Copyright Law, violation of which attracts both fine and imprisonment on a mandatory basis. A Police Officer of the rank of Sub-Inspector is empowered to seize infringing copies, duplicating and other equipments used for making infringing copies, without a warrant. The Copyright Act also prohibits the sale or to give on hire, or offer for sale or hire, any copy of the computer programme without specific authorization of the Copyright holder.

ii) Government has also set up a Copyright Enforcement Advisory Council

(under MHRD); the nodal Administrative Ministry, which reviews the progress of enforcement of Copyright Act and also advises on measures - both on the policy front as well as on the implementation front for its better enforcement. Special Cells for monitoring the enforcement of copyright have been set at Police Headquarters in the States/UTs.

iii) Computer Software is exempted from Customs Duty.

iv) Instructions have been issued to various Government Departments to only use legal copies of software. Ministry of Human Resource Development and Department of Information Technology, Government of India, as well as NASSCOM

(National Association of Software and Service Companies), sponsor Software Management Seminars to enhance awareness.

v) Government has been supporting Anti-Piracy Campaign of NASSCOM. Other initiatives of NASSCOM include

i) Strict implementation of Code of Conduct for member companies of NASSCOM,

ii) Distribution of brochures and stickers explaining about 'Software Piracy and the Law',

iii) Anti-Piracy Billboards, Hotline for piracy complaints.

(vi) Department of Information Technology is also setting up a National Resource Centre for Free/Open Source Software to explore effectiveness of such softwares to bring down piracy in the country by way of identifying, evaluating and popularizing a set of proven F/OSS packages in the Education and SMEs (Small and Medium Enterprises) sector as an alternative to counterpart proprietary ones.

