GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:3331
ANSWERED ON:25.04.2012
MANUFACTURING OF TELECOM EQUIPMENT
Devi Aswamedh;Haldar Shri Sucharu Ranjan;Singh Shri Ravneet;Vinay Kumar Alias Vinnu Shri

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

(a) the action taken by the Government for Research and Development of indigenous telephone equipment in the country alongwith the targets achieved as a result thereof;

(b) the funds allocated and spent for the purpose during the last three years and the current year;

(c) whether the Telecom Equipment Manufacturing Association (TEMA) has proposed for a detailed accounting of foreign made hardware/software on the service provider`s network;

(d) if so, the details thereof and the reaction of the Government thereto; and

(e) the details of agreement signed by the Government with other countries for the development of indigenous technology?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA)

(a) The action taken by the Department of Telecommunications for Research and Development of indigenous telephone equipment in the country are as follows:
i) Centre for Development of Telematics (C-DoT) has been entrusted with indigenous research and development activities for communication need of the country. Major technologies programs undertaken and developed in the last three years are as follows:
a. Gigabit Passive Optical Network (G-PON) for providing end-to-end broadband delivery over Optical Fibre Cable (OFC).
b. Next Generation Network (NGN) technology, which will help in building a packet switching based IP (Internet Protocol) converged communication networks providing fixed line, mobile and broadband services over a common infrastructure.
c. Shared GSM Radio Access Network (SG-RAN): This helps in setting up a GSM network in such a way that its resources namely, BSC, BTS, etc. can be shared by multiple operators.
d. Broadband Wireless: Technology solution for providing broadband services in rural and remote areas of the country based on WiFi technology.
e. Telecom Security:
Technology for Centralised Monitoring System (CMS) for lawful interception and monitoring by security agencies.
Developing a Secure and Dedicated Communication Network (SDCN) for intra-Government classified communication.
ii) Department of Telecommunications has also set up in 2007-08, seven Telecom Centres of Excellence (TCOE) in PPP mode in seven premier academic institutes of the country viz IIT Kharagpur, IIT Delhi, IIT Kanpur, IIT Bombay, IIM Ahmedabad and IISc Bangalore on different focus areas for R&D with each one being supported by one telecom service operator as under:
The Seven Telecom Centres Of Excellence(TCOE)

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No. Name of TCOE Hosting Institute Sponsor Focus Area
1 IITCOE IIM-A IDEA Cellular  Telecom Policy, Regulation and Customer Care
2 VEICET IIT-KGP Vodafone-Essar  Next Generation Networks & Technology
3 AIIScCET IISc Aircel  Information Security and Disaster Management
4 AICET IIT-D Bharti Airtel  Telecom Technology  Management
5 BITCOE IIT-K BSNL  Multimedia and Telecom Technologies,
     Cognitive Radio and Computational Mathematics
6 TICET IIT-B Tata Teleservices Rural Telecom Technology
7 RITCOE IIT-M Reliance Comm.  Telecom Infrastructure and Energy
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TCOEs have filed 11 patents, proof of concept of 20 products has been developed and 14 Intellectual Property Rights (IPRs)/Contributions have been made to global standards.
iii) The Payment of any technical know-how fee and royalty for technology transfer is under automatic route.
iv) A weighted deduction of 200% of expenditure incurred on in-house R&D in case of a company engaged in the business of electronic equipment, computers and telecommunication equipment is available under clause (1) of sub-section (2AB) of Section 35 of the Income Tax Act.
V) Draft National Telecom Policy − 2012 has, inter-alia, following provisions under objectives related to R&D of telecommunication equipment: 1. Promote innovation, indigenous R&D and manufacturing to serve domestic and global markets by increasing skills and

competencies. 2. Create a corpus to promote indigenous R&D, IPR creation, entrepreneurship, manufacturing, commercialisation and deployment of state-of-the-art telecom products and services during the 12th five year plan period. 3. Promote the ecosystem for design, Research and Development, IPR creation, testing, standardization and manufacturing i.e. complete value chain for domestic production of telecommunication equipment to meet Indian telecom sector demand to the extent of 60% and 80% with a minimum value addition of 45% and 65% by the year 2017 and 2020 respectively. 4. Develop and establish standards to meet national requirements, generate IPRs, and participate in international standardization bodies to contribute in formulation of global standards, thereby making India a leading nation in the area of international telecom standardization. This will be supported by establishing appropriate linkages with industry, R&D institutions, academia, telecom service providers and users. 5. Put in place appropriate fiscal and financial incentives required for indigenous manufacturers of telecom products and R&D institutions.

(b) The funds allocated and spent for the purpose during the last three years and the current year to C-DOT is as under

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S.No. Year Funds' Allocation & Spent ` in Crores
  GBS (RE) allocated GBS Actual spent / given
1. 2008-09 121.82   112.00
2. 2009-10 140.00   100.00
3. 2010-11 152.80   63.71
4. 2011-12 150.00   126.00
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TCOEs has been released Rs. 3.5 crore by Government and Rs. 31.18 crore by sponsoring industries.

(c) No Madam.

(d) Does not arise in view of (c) above.

(e) Department of Telecommunications has not signed any agreement with other countries for the development of indigenous technology.