

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

UNSTARRED QUESTION NO:2268

ANSWERED ON:18.12.2013

IMPORT OF TELECOM EQUIPMENT .

Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Dharmshi Shri Babar Gajanan;Yadav Shri Dharmendra

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

- (a) the steps taken/proposed to be taken by the Government to promote indigenous production of telecom equipment;
- (b) whether the Government has formulated any guidelines for importing telecom equipment in the country;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) the steps taken by the Government to frame norms and guidelines for importing telecom equipment; and
- (e) the time by which the final decision is likely to be taken by the Government in this regard?

**Answer**

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

(a) The steps taken by the Government to promote indigenous production of telecom equipment are as under:

National Telecom Policy-2012 (NTP-2012) has been approved by the Government, which, inter-alia, has following objectives to promote telecom equipment manufacturing in the country:

- i. Promote innovation, indigenous R&D and manufacturing to serve domestic and global markets, by increasing skills and competencies.
- ii. Create a corpus to promote indigenous R&D, Intellectual Property Rights (IPR) creation, entrepreneurship, manufacturing, commercialisation and deployment of state-of-the-art telecom products and services during the 12th five year plan period.
- iii. 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.
- iv. Provide preference to domestically manufactured telecommunication products, in procurement of those telecommunication products which have security implications for the country and in Government procurement for its own use, consistent with our World Trade Organization (WTO) commitments.
- v. 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.

2. NTP-2012 has also outlined various strategies to promote R&D, Manufacturing and Standardization of telecom equipment. For the implementation of outlined strategies of NTP-2012, among others, Department of Telecommunications has constituted Telecom Equipment Manufacturing Council to give recommendations periodically.

3. With a view to provide ecosystem for development of complete value chain for manufacturing of telecom equipments including piece parts and components, schemes such as Electronics Manufacturing Clusters (EMC), Modified Special Incentive Package Scheme (M-SIPS) and policy for providing preference to domestically manufactured electronic products (includes telecom equipment also) have been notified by Department of Electronics and Information Technology (DeitY). Department of Telecommunications has also notified telecom products to be procured by the Government specifying percentage market access as well as value addition for each product to qualify as domestically manufactured.

4. Further, for the manufacture of telecom equipment no industrial license is required and 100% foreign direct investment is allowed under automatic route. The payment of royalty, lump sum fee for transfer of technology and payments for use of trademark/brand name are on the automatic route.

(b)to(e) The Foreign Trade Policy incorporating provisions relating to export and import of goods and services is periodically reviewed by the Government. Currently, the import of telecom equipment is governed by Foreign Trade Policy 2009-2014.

