

Response to TRAI Consultation Paper on National Telecom Policy 2018

Q.1 Stakeholders are requested to give their comments on structure and contents of the proposed inputs for National Telecom Policy, 2018, clearly outlining the specifics along with justification.

<u>S.No</u>	<u>Section</u>	<u>Comments</u>
<u>1.</u>	B. Mission	<p>We recommend that the last mission statement be expanded beyond attaining “self-sufficiency in telecom equipment manufacturing” to also include become a global leader in telecom equipment sector from both a manufacturing and intellectual property standpoint. This is also important from Thus we suggest the following amendment-</p> <p>“To aim for self-sufficiency and global leadership in telecom equipment manufacturing and intellectual property ownership”</p> <p>In addition please add the following IPR and related mission statement.</p> <p>“Make India a global IPR and standards leader in emerging technology areas such as Industrial IoT, 5G/6G, next-generation optical, high-capacity data networking and cybersecurity.”</p>
<u>2.</u>	C. Objectives	<p>It is recommended that we add specific objectives and targets related to job creation, IPR, standard essential patents, market share for Indian telecom products and nurturing of a healthy domestic component ecosystem in the telecom sector.</p> <ul style="list-style-type: none"> - Become a dominant player in the global telecom sector by serving at least 10% of the global domestic telecom equipment demand and 90% of the domestic telecom equipment demand with indigenously designed, developed and manufactured products by 2022, - Ensure that Indian companies take standards leadership in emerging technology areas such as Industrial IoT, 5G/6G, next-generation optical, high-capacity data networking and cybersecurity by targeting ownership of least 10% of the standard-essential patents (SEPs) in each of these areas - Set a high benchmark in the area of telecom innovation by producing at least 100,000 patent filings, 100 locally designed products and 10 “country champions” in the next 5 years - Develop a large manufacturing base in the country for at least three key telecom components (e.g., printed circuit boards, passive components such as resistors/capacitors, transformers) that have wide usage across the ESDM sector and develop a flourishing local ecosystem around

		<p>it,</p> <ul style="list-style-type: none"> - Generate at least 10 million new skilled and manufacturing jobs in the telecom sector in next 5 years
<u>5</u>	<p>Strategy I: Recommended Strategies to achieve the following objectives.</p> <ul style="list-style-type: none"> a. To become net positive in international trade of communication systems and service b. Ensure at least 90% of domestic demand for telecom equipment is served by Indian products that are designed, developed and manufactured in India by 2022 	<ul style="list-style-type: none"> i. Effective implementation of PMA without restrictive conditions that bar Indian companies from participating in GoI procurement tenders on frivolous grounds ii. Setting up of a monitoring cell under DoT to eliminate PMA-related anomalies before tendering date iii. Telecom procurements in all security-sensitive applications such as power, rail, oil/gas and defence should only be from Indian companies if products are available iv. Incentivizing private sector buyers who are currently outside the ambit of PMA to procure from Indian companies through partial reimbursement of license fees v. Stricter implementation of Anti-dumping and Anti-circumvention rules. vi. Using security carve-outs for restricting import of equipment in telecom and other sensitive sectors. vii. Indian product companies in telecom face up to 29% fiscal disability (as per CII/E&Y/IESA report) as compared to their global peers. To enable them to compete effectively, they may be given a post-performance incentive equal up to 10% of their sales based on the quantum of value-addition done in the country.
<u>6</u>	<p>Strategy D: Recommended Strategies to achieve the following objectives.</p> <ul style="list-style-type: none"> a. To leapfrog India among Top-50 nations in the telecom sector b. Ensure at least 10% of global demand for 	<ul style="list-style-type: none"> i. Designate three to five "COUNTRY CHAMPIONS" in the telecom sector who will emerge as companies of global size/scale and can nurture the domestic MSME eco-system. Other countries like USA, China, South Korea too have a few global giants (e.g., Cisco, Huawei, Samsung) and India should aspire to create such country champions. ii. Promote branding of India as a "Product Nation" in the technology sector- we are currently well known globally for IT services exports. iii. Encourage participation of Indian companies in global standards bodies such as ITU/IEEE.

	<p>telecom equipment is served by Indian products that are designed, developed and manufactured in India by 2022</p> <p>c. Set a high benchmark in the area of telecom innovation by producing at least 100,000 patent filings, 100 locally designed products and 10 “country champions” in the next 5 years</p>	<p>Government of India should set aggressive IPR goals in new technology areas and fund IPR creation and standardization activities in emerging areas, by providing R&D grants to industry as well as academia.</p> <p>iv. Provide 5% export incentives under MEIS for domestic telecom products that meet minimum of 30% value-addition criteria (earlier it was 5% and it has been currently reduced to 2%) for the next 5 years.</p> <p>v. Establish a country-level Sovereign Patent Fund (SPF) similar to countries like South Korea, France, Japan and China to negotiate licenses for essential/background patents/IPR from global players on an FRANDS basis. Since Indian technology/product eco-system is still at a nascent stage, it will be very difficult for Indian startups/companies to negotiate essential patent licenses from overseas players in any reasonable commercial way.</p> <p>vi. To promote design and development of Indian telecom products, a post-performance cash incentive of up to 10% of the actual investment made in R&D (including manpower costs) should be given to DSIR registered R&D companies.</p>
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