

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

STARRED QUESTION NO:144
ANSWERED ON:02.08.2006
SETTING UP OF WORKING GROUP IN I.T. TELECOM SECTOR
Rao Shri Kavuru Samba Siva

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

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- (a) whether the Government has set up a working group to bring about restructuring and reforms in Information Technology/Telecom Sector and drop some of the existing schemes and programmes;
- (b) if so, the details thereof;
- (c) whether the Government has identified the constraints and problems of indigenous telecom equipment manufacturing industry in the country;
- (d) if so, the details thereof; and
- (e) the steps taken in this regard?

Answer

MINISTER OF COMMUNICATIONS & INFORMATION TECHNOLOGY (DAYANIDHI MARAN)

(a) to (e): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 144 FOR 02.08.2006 REGARDING SETTING UP OF WORKING GROUP IN I.T./TELECOM SECTOR

(a) & (b) : The Planning Commission has set-up Working Groups in various sectors including Information Technology and Telecom sectors to make recommendations on various policy matters relevant to the formulation of the Eleventh Five Year Plan.

(c), (d) & (e): The Telecom Equipment Manufacturers Association (TEMA) and other industry Associations have indicated some constraints and problems being faced by the indigenous telecom equipment manufacturing industry in the country. Some of these issues like inadequate infrastructure, higher cost of capital, higher transaction costs etc., are general in nature and not specific to indigenous telecom equipment manufacturing industry. Specific problems of this sector, mainly pertaining to inverted duty structure have been addressed by allowing the import of inputs/raw materials at zero custom duty.