

**GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
DEPARTMENT OF TELECOMMUNICATIONS**

**LOK SABHA
UNSTARRED QUESTION NO. 1399
TO BE ANSWERED ON 4TH DECEMBER, 2024**

REDUCE IMPORT DEPENDENCY FOR TELECOM

1399. SMT. POONAMBEN HEMATBHAI MAADAM:

Will the Minister of COMMUNICATION be pleased to state:

- (a) whether the country is taking steps to reduce import dependency for telecom and networking products;
- (b) if so, the details thereof;
- (c) details of the current status of telecom manufacturing in the country; and
- (d) details of the telecom equipment exported during the last ten years?

ANSWER

**MINISTER OF STATE FOR COMMUNICATIONS AND RURAL DEVELOPMENT
(DR. PEMMASANI CHANDRA SEKHAR)**

(a) to (c) Yes, the Government is committed to reduce import dependency of the telecom industry by encouraging telecom equipment manufacturing industry in the country. In order to reduce import dependency, the Production Linked Incentive (PLI) Scheme for telecom and networking products was launched in June, 2021. Salient features of the scheme are as under:

- Total financial outlay of Rs. 12,195 Crore.
- Total of 33 telecom and networking products.
- Incentives ranging from 4 to 7%.
- Additional 1% incentive for MSMEs for first 3 years.
- Additional 1% incentive for products 'Designed in India'.

As on 30.09.2024, sales of Rs. 65,320 Crore including exports of Rs. 12,384 has been achieved for telecom equipments manufactured under PLI.

Further, steps taken by the Government to encourage indigenous telecom equipment manufacturing are as follows:

- i. **Telecom Technology Development Fund (TTDF) Scheme:** The TTDF scheme was launched on 01.10.2022 with the aim at funding research and development of technologies, products and services for providing telecom services in rural and remote areas.
- ii. **Digital Communications Innovation Square (DCIS) Scheme:** The DCIS Scheme was launched in 2021 to support translation of innovative ideas and knowledge in engineering into pilot scale operation, field deployment or viable technology development.

- iii. **Production Linked Incentive Scheme (PLI) for Large Scale Electronics Manufacturing:** The scheme was notified on 1st April, 2020 to provide incentive to eligible companies on incremental sales (over base year) involved in mobile phone manufacturing and manufacturing of specified electronic components, including Assembly, Testing, Marking and Packaging (ATMP) units.
- iv. **Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS):** The scheme was notified on 1st April, 2020 to provide financial incentive of 25% on capital expenditure for the identified list of electronic goods that comprise downstream value chain of electronic products, i.e., electronic components, semiconductor/ display fabrication units, ATMP units, specialized sub-assemblies and capital goods for manufacture of aforesaid goods.
- v. **Modified Electronics Manufacturing Clusters (EMC 2.0) Scheme:** The scheme was notified on 1st April, 2020 to provide support for creation of world class infrastructure along with common facilities and amenities, including Ready Built Factory (RBF) sheds/ Plug and Play facilities for attracting major global electronics manufacturers along with their supply chain to set up units in the country. The scheme provides financial assistance for setting up of both EMC projects and Common Facility Centres (CFCs) across the country.

(d) The export of telecom products has reached Rs. 1,49,563 Crore in the FY2023-2024 as compared to Rs. 9,978 Crore in the FY2014-2015.
