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**Shri Arvind Kumar**  
**Advisor (Broadband and Policy Analysis)**  
Telecom Regulatory Authority of India  
Mahanagar Doorsanchar Bhawan  
Jawaharlal Nehru Marg (Old Minto Road)  
New Delhi – 110002

**Subject: COAI submission on TRAI Consultation Paper On Promoting Local  
Telecom Equipment Manufacturing**

Dear Sir

This is with reference to the Consultation Paper “Promoting Local Telecom Equipment Manufacturing” issued by TRAI on September 18, 2017.

In this regard, please find enclosed COAI submission on the Consultation Paper.

We hope that our submission will merit your kind consideration.

Regards

**Rajan S. Mathews**  
**Director General**

**CC: Shri R. S. Sharma, Chairman, TRAI**



**COAI comments on TRAI Consultation Paper  
On  
Promoting Local Telecom Equipment Manufacturing  
Released on September 18, 2017**

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**Preamble**

1. Making India a manufacturing hub and in particular communications equipment manufacturing, has been a national priority, and one which the industry is fully cognizant and supportive of. Measures taken by the Government in furtherance of this goal have drawn interest and engagement from a cross-section of the industry.
2. For India to become a center for telecom equipment manufacturing, there are certain issues that need to be tackled realistically with the intention to make their goals translate to a pragmatic and actionable roadmap. The Government may look at holistically promoting the overall manufacturing eco-system within the country which can be plugged into the global supply chain.
3. The first step in this regard would be to do a thorough analysis of the trend of telecom manufacturing in India. Even though it was one of the first sectors to be opened up for private competition (as early as 1984), equipment manufacturing in telecommunications never really took off. Even when the Indian telecom services market began to show huge potential and thereafter witness exponential growth, manufacturing was not seen as India's forte.
4. At the time when fixed line telephony was introduced in the country, there was no local manufacturing of telecom equipment, even then switches and other equipment were imported by Alcatel and Ericsson. For many years, there was no spur in local manufacturing.
5. C-DoT at a later date did invest in R&D and allowed their IP to be used by some domestic manufacturers. However, C-DoT and other R & D institutions were not able to develop the competitive edge to match the growth of the services sector and hence could not develop new technologies, resulting into closure of units' setup for manufacture of their earlier.
6. Even at the time when mobility was adopted by the country in 1994, the Government mandated GSM standards, there was no local manufacturer with required equipment in the country. The domestic telecom equipment manufacturing segment was not able to meet the demand, as per the Government standards, hence, forcing the telecom operators to import most of the equipment required for their network.

