

## Issues for Consultation

4.1 Stakeholders are requested to provide their answers/comments on the following issues: Q1. Is the PLI scheme in its current form effective enough to address the needs of promoting NATEM in India? Are any amendments or extensions required to the current PLI scheme to make it more effective? Please provide details. Q2. Whether going beyond PLI scheme, a range of financial and fiscal incentives needs to be put in place to promote NATEM in India? Please elaborate your response. Q3. Does the Electronic Development Fund (EDF) meet the requirements of promoting NATEM in India? What are the limitations in EDF for the NATEM sector and how can its scope be enhanced? Q4. Is there a need for creation of separate funds on lines of EDF or those earlier recommended by TRAI (like TEPF and TMPF) for promoting NATEM in India? What institutional mechanisms should be put in place to govern the fund(s)? Give justification and elaborate on its possible impact on the sector. Q5. What additional measures are suggested for promoting and supporting the Start-up ecosystem in the telecom sector in India. Q6.a. Which of the financial instruments related to project financing, contract financing and credit default insurance currently available in India are being used by the stakeholders and to what extent? Q6.b. Are these financing instruments able to cater to the needs of NATEM in India? Q6.c. Are there any suggestions to further improve these financial instruments or are there any new proposed financial instruments that 101 can cater to the needs of NATEM in India? Please provide full details along with justification. Q7. Whether the existing schemes relating on CAPEX and interest subvention are meeting the requirement of finance for NATEM in India.? Suggest modifications/ new schemes needed if any with details. Q8. Whether the existing financial assistance for MSMEs that are into NATEM are sufficiently catering to their requirement or a separate dedicated scheme is required for the sector? Please provide a detailed response along with suggested schemes, if any. Q9: Whether any cost disadvantage is experienced by domestic NATE manufacturers as compared to global counterparts due to various limitations discussed above? If yes, what is percentage cost disadvantage to domestic NATE manufacturers vis a vis other country? The details of calculations and methodology adopted for the same may be provided. Q10. Whether schemes allowing tax holidays/deferment of tax are available for NATE manufacturers? If yes, are they meeting the requirement? If no, what modifications are required? Please justify and provide details. Q11. Is the PMA/PMI scheme in its current form comprehensive for promoting NATEM? Are there any suggestions for modifications? How can the challenges associated with implementation of PMA/PMI be addressed? Please elaborate. Q12. Whether the incentives to Telecom Service Providers to deploy indigenous manufactured products in their network will be helpful in promoting NATEM in India? Please justify with reasons. What incentivization model is suggested? Q13. What should be the incentive structure (fiscal and infrastructural) for Telecom Product Development Clusters (TPDC) set up within the EMCs or separately? 102 Q14. Whether NATEM is facing any limitation affecting competitiveness of Local manufacturers due to misdeclaration of HS codes, inverted duty structures, landed cost differential etc.? Please provide specific details. What are the suggestions for improvement? Please elaborate. Q15. Whether the current schemes/ measures or policy support for exporters of Indian manufactured equipment are sufficiently meeting the requirement to promote the global competitiveness of Indian NATE exporters? Are the Schemes/instruments in India consistent with the international schemes for exporters in leading manufacturing countries? Please suggest measures to bridge the gap if any. Q16. Whether the existing incentives/policies issued by DoT and MeitY do meet the requirements for the growth of telecom software products? What additional policy initiatives and enabling regulatory measures are suggested to facilitate integration of telecom equipment and software products that are made in India? What measures are required to enhance exports of such products? Please justify your response. Q17. Stakeholders are also requested to comment on other relevant issues, if any. 103

## Response

My apologies for not answering the questions as they have been Posed. Frankly, they are all valid and well explained. However, to assume that the success lies in their sheer adoption is misplaced.

Why, unless all the operators, no matter who are forced to adopt induction of these equipment in their networks, the scheme will fail and flop.

By just BSNL to adopt and other companies to go scot free with imports, disadvantaging BSNL would result in quick demise of the scheme, and BSNL no matter whatever incentives the government offers.

Therefore, our response is simple

Let there be a transparent mechanism of who inducts which equipment and from where. Is it Vocal for local or AAtamnirbharta

Honestly, lumping it on BSNL alone will not help. I am not suggesting days of early seventies of DGTD and Department of Electronics control, but to have a mechanism in place to see that if company X is allowed import of an equipment BSNL should also be allowed. Or else, BSNL will slowly disappear from radar schemes. Adoption by all will give volume advantage, bring economies of scale, ring in profitability. This issue has no mention the CP

Best Regards

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