

SPEECH OF
SHRI GURUDAS KAMAT, HON'BLE MOS (C&IT)

“INFOCOM CMAI NATIONAL TELECOM AWARD 2009”

DATE : 24TH JULY, 2009

TIME : 7.00 PM

VENUE : Le Meridien, New Delhi

- Dr. J.S. Sarma, Chairman, TRAI
- Shri Siddharth Behura, Secretary, DoT
- Shri R. Chandrashekhar, Secretary, I.T.
- Shri N.K. Goyal, President, CMAI
- M.D. & CEO of Anand Bazar Patrika
- Distinguished Guests,
- Ladies and Gentlemen

It gives me great pleasure to be present amongst you today on this prestigious occasion of “INFOCOM CMAI National Telecom Award 2009” Ceremony.

We witness today at this moment, a confluence of the entire Telecom and IT Sector with officials from both the Telecom and IT Departments, all the Operators whether it is public or private sector, Equipment Manufacturers, Enterprise Solutions Providers, Exporters and all Telecom & I.T. Associations. Compliments to CMAI, Anand Bazar Patrika and Star TV for this august gathering.

India is today one of the fastest growing and amongst the ten largest economies of the world. The far-reaching measures introduced by the Government over the past few years to liberalize the Indian market have helped the business and regulatory environment to

successfully move towards greater transparency and efficiency. India has witnessed several revolutions like Green Revolution in the past, that have helped us emerge as a stronger self-reliant nation. Now, the 21st Century belongs to Telecom technology revolution.

There are many indicators of this revolution. Indian Telecom Industry is the 2nd largest wireless market in the world today. Our total wireless subscriber base is touching a new height of 435 million and more than 10 million subscribers are being added every month. By 2013, the subscriber base will reach 771 million. Besides, there are nearly 37.66 million wire line subscribers and around 6.40 million broadband subscriber segment. The national teledensity has reached 39%.

Digital divide is uppermost in our mind. The rural teledensity is very low as compared to the urban as well

as National teledensity. This skewed growth has left the rural and remote areas devoid of fruits of technological innovations. The faster rollout of telecom network and availability of broadband services in rural areas would benefit the society and national economy in innumerable ways. It would create increased employment opportunities and reduce the migration from village to cities. Achieving higher rural teledensity should form the bedrock of our future endeavours and the industry leaders need to play a catalytic role in bringing out innovative solutions to these fundamental challenges.

To do away with the Digital Divide, the Government is taking steps to create Information Super Highways, which will reach the nook and corner of the country. Bandwidth constraint will be an issue of the past once the telecom majors start expanding their infrastructure on new technologies like WiMax. Once villages are armed

with broadband, the poorest of the poor will get the finest of health care, quality education, efficient citizen services etc.

According to CRISIL Research estimates, eight infrastructure sectors, which include the telecom sector, are expected to draw more than US \$ 345.28 billion investment in India by 2012. It is projected that the industry will generate revenues worth US \$ 43 billion in 2009-10.

India's telecom equipment manufacturing sector is set to become one of the largest globally by 2010. The manufacturing facilities, apart from making us self reliant, generate a lot of secondary employment. Sustained Government efforts have yielded results and I am proud to say that we have been able to achieve our objective of making India as a leading manufacturing hub

for electronics, IT and telecom. Many reputed equipment and handset vendors have set up manufacturing facilities in India. I have been told that the Nokia unit in Sriperumbudur, Chennai, has now become the Nokia's largest cellphone manufacturing facility by volume in the world, edging past China. For Motorola, over 50% of its mobile phone software is being developed at its Bangalore and Hyderabad offices. Interestingly, I am given to understand that out of about 8000 strong employee pool in the Chennai unit of Nokia, more than 70% of the workforce are women and they are involved in a mix of running production lines, maintenance and assembly & testing operations. It clearly shows that the days are not far ahead when men will emphasize for their reservation on the basis of gender equality & on protection of rights of men.

Mobile phone production is estimated to grow at a CAGR (Compound Annual Growth Rate) of 28.3% from 2006 to 2011, totalling 107 million handsets by 2010 and revenues are estimated to grow at a CAGR of 26.6% from 2006 to 2011, touching US \$ 13.6 billion.

The target for the 11th Plan Period (2007-2012) is 600 million phone connections with an investment of US \$ 73 billion. Apart from the basic telephone service, there is an enormous potential for various value-added services. In fact, the real potential for telecom service growth is still lying untapped.

Additionally, by 2010, the Government targets:

- 80 million rural connections
- Mobile coverage of 90% geographical area
- Internet Protocol Television (IPTV) in 600 towns
- Quadrupling manufacture

- Two-fold increase in telecom equipment R&D from the current level of 15%.

I am sure, Industry needs to be in tandem with the policies and procedures of the Government so that together we can achieve these targets and technology can not only reach the far-flung rural areas but also benefit rural India. In this regard, Government commits itself in keeping a two-way communication open with the Industry and Association to ensure overall growth in the Telecom Sector.

I, once again, take this opportunity to thank you all and also congratulate wholeheartedly the National Telecom Award Winners.

Thank you.