

- * Payment of Rs. 500 as tariff to the Service Provider in case the telemarketer makes the unsolicited commercial communications for the first time.
- * Payment of Rs. 1000 as tariff to the Service Provider in case the telemarketer makes the unsolicited commercial communications for second (subsequent) time.
- * Disconnection of the telecom facilities of the telemarketer by the Service Provider if unsolicited commercial communication is not stopped even after imposition of the prescribed Rs. 500 and Rs. 1000 tariff by the Service Provider.

(ii) In case Service Providers do not take action as per the above Regulations and a complaint is made to the Authority, an amount by way of financial disincentive is imposable on the Service Providers. (An amount not exceeding five thousand rupees for the first non-compliance and in case of second or subsequent non-compliance an amount not exceeding twenty thousand rupees for each such non-compliance).

(c) In regard to penalization of telemarketers, as per information available with TRAI as on 29.02.2008, the service providers have taken action against the telemarketers as per TRAI's Telecom Tariff Order. In regard to financial disincentive for Service Provider, the amendment will come into force from the date of its publication in the official gazette. The amendment to the Regulation has been published in the gazette only on 09.04.2008.

(d) Details of action taken by Service Providers against telemarketers for violation of the Telecom Unsolicited Commercial Communication Regulations, 2007:—

(i) Number of warning letters issued to registered telemarketers	= 5064
(ii) Number of registered telemarketers charged with Rs. 500/-	= 157
(iii) Number of registered telemarketers lines disconnected	= 98
(iv) Number of unregistered telemarketers line disconnected	= 435

Export of computer/IT hardware

2650. SHRI RAJNITI PRASAD: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) the steps taken to encourage the export of computer/IT hardware from the country; and

(b) the destination-wise details of the computer hardware export during last three years?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA):

(a) The steps taken by the Government to encourage the export of computer/IT hardware from the country are given at Statement-I (See below).

(b) The destination-wise details of the computer hardware export during last three years, as per information made available by the Electronics and Computer Software Export Promotion Council (ESC) is given at Statement-II.

Statement-I

Details of steps taken by the Government to encourage export of computer/IT hardware from the country

1. Foreign Direct Investment:

- Approvals for all foreign direct investment upto 100% in the computer/IT hardware manufacturing sector are under the automatic route.

2. Customs Duty:

Customs duty on 217 Information Technology Agreement (ITA-1) items has been abolished from 1.3.2005.

- All goods required in the manufacture of ITA-1 items have been exempted from customs duty subject to Actual user condition.
- Customs Duty on specified raw materials/inputs used for manufacture of electronic components and optical fibres/cables is 0%.
- Customs duty on specified capital goods used for manufacture of electronic goods in 0%.

3. Excise duty:

- Excise duty on computers is 12%.
- Microprocessors, Hard Disc Drives, Floppy Disc Drives, CD ROM Drives, DVD Drives/DVD Writers, Flash Memory and Combo-Drives have been exempted from excise duty.
- Parts, components and accessories of mobile handsets including cellular phones are exempted from excise duty.

4. Special Incentive Package Scheme (SIPS):

- A Special Incentive Package Scheme (SIPS) to encourage investments for setting up Semiconductor Fabrication and other micro and nano technology manufacture industries in India, has been announced by the Government *vide* Gazette Notification dated 21st March, 2007. An Appraisal Committee has been constituted by the Department of Information Technology (DIT). A set of guidelines have also been issued on 14.9.2007.

5. Export Promotion Capital Goods scheme (EPCG):

- Export Promotion Capital Goods scheme (EPCG) allows import of capital goods on payment of 5% customs duty.
- The export obligation under EPCG scheme can also be fulfilled by the supply of Information Technology Agreement (ITA-1) items to the DTA provided the realization is in free foreign exchange.

6. Supplies of Information Technology Agreement (ITA-1) items and notified zero duty telecom/electronic items in the Domestic Tariff Area (DTA):

- Supplies of Information Technology Agreement (ITA-1) items and notified zero duty telecom/electronic items in the Domestic Tariff Area (DTA) by Electronics

Hardware Technology Park (EHTP)/Export Oriented Unit (EOU) units are counted for the purpose of fulfillment of positive Net Foreign Exchange Earnings (NFEE).

7. Special Economic Zones (SEZs):

- Special Economic Zones (SEZs) are being set up to enable hassle free manufacturing and trading for export purposes.
- Sales from Domestic Tariff Area (DTA) to SEZs are being treated as physical export. This entitles domestic suppliers to Drawback/DEPB benefits, CST exemption and Service Tax exemption.
- 100% Income Tax exemption on export profits available to SEZ units for 5 years, 50% for next 5 years and 50% of ploughed back profits for 5 years thereafter.

8. Second hand capital goods:

- Second hand capital goods are freely importable.

9. The Foreign Trade Policy for Electronics and IT products has been liberalized.

10. Simplification of Procedures:

- Electronic Data Interchange (EDI) has been implemented by customs and is under implementation by central excise. Applications related to Foreign Trade like IEC Code, EPCG, Advance Licence, etc. can be filed electronically with the DGFT.

11. Promotion of Research and Development:

- Weighted deduction of 150% of expenditure incurred on in-house R&D in case of a company engaged in the business of electronic equipment, computers and telecommunication equipment is available under clause (1) of sub-section (2AB) of Section 35 of the Income Tax Act.

Department of Information Technology has put in place the following Schemes:

- **Support International Patent Protection in Electronics and IT (SIP-EIT):** Under this scheme SMEs and Technology Start-up units will be reimbursed costs incurred in filing international patent applications in Electronics and ICT domain for their indigenous inventions to the extent of 50% of the actual cost incurred by the applicant on filing International Patent, subject to a maximum of Rs. 15 lakhs per application.
- **Multiplier Grants Scheme:** The objective of the scheme is to encourage industry to collaborate with premier Academic and Government R&D institutions for development of innovative and commercially viable products/packages. Under this scheme, the Government would provide grants up to the maximum of twice the amount invested by the industry/industry consortium/association towards the innovation at academic/R&D institution.

Statement-II

*Details of the major destinations for computer hardware exports
during 2004-05 to 2006-07*

Destination	Value : Rs. Cr. (US\$ Min.)					
	2006-07		2005-06		2004-05	
	Value	%age of Sectoral Total	Value	%age of Sectoral Total	Value	%age of Sectoral Total
North America	1070.00	71.33	511.50	49.90	370.00	30.83
	(247.40)		(115.54)		(82.41)	
Europe (EU countries)	165.00	11.00	67.00	6.54	99.68	8.31
	(38.15)		(15.13)		(22.20)	
Japan Korea and other far east countries	100.00	6.67	165.00	16.10	131.90	10.99
	(23.12)		(37.27)		(29.38)	
Singapore, Hongkong and other South Asian countries	83.50	5.57	220.00	21.46	430.00	35.83
	(19.31)		(49.70)		(95.77)	
Middle East countries	48.00	3.20	44.00	4.29	110.71	9.23
	(11.10)		(9.94)		(24.66)	
African countries	30.00	2.00	12.00	1.17	40.99	3.42
	(6.94)		(2.71)		(9.13)	
Russia and C.I.S. countries	1.60	0.11	0.50	0.05	1.17	0.10
	(0.37)		(0.11)		(0.26)	
Latin America	1.00	0.07	1.00	0.10	1.60	0.13
	(0.23)		(0.23)		(0.36)	
Australia and other Oceanic countries	0.50	0.03	3.00	0.29	6.95	0.58
	(0.12)		(0.68)		(1.55)	
Europe (Non EU countries)	0.40	0.03	1.00	0.10	7.00	0.58
	(0.09)		(0.23)		(1.56)	
TOTAL:	1500	100	1025	100	1200	100
	(346.82)		(231.53)		(267.26)	