

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

**RAJYA SABHA  
UNSTARRED QUESTION NO. 483  
TO BE ANSWERED ON 17<sup>TH</sup> SEPTEMBER, 2020**

**SHARE OF HUAWEI AND ZTE IN TELECOM MARKET**

**483. Shri V. Vijayasai Reddy:**

Will the Minister of **Communications** be pleased to state:

- (a) whether India has banned purchasing telecom gears from Chinese companies;
- (b) whether it is a fact that Government has issued an order in this regard;
- (c) if so, the details thereof;
- (d) what is the share held by Huawei and ZTE companies in the telecom market of the country; and
- (e) whether it is also a fact that DoT has issued an order mandating to provide source code as far as telecom equipment is concerned for renewed focus on network security?

ANSWER

**MINISTER OF STATE FOR COMMUNICATIONS, EDUCATION AND  
ELECTRONICS & INFORMATION TECHNOLOGY  
(SHRI SANJAY DHOTRE)**

- (a) No Sir. Licensed Telecom Service Providers deploy network equipment procured from various manufacturers, subject to compliance to stipulated terms and conditions of license agreement including security conditions. To address security concerns, there are comprehensive security conditions as part of existing License Agreement for telecom service providers.
- (b) Department of Telecommunications has not issued any order in this regard. However, Rule 144 of the General Financial Rules 2017 titled 'Fundamental principles of public buying', has been amended by inserting sub-rule (xi) by the Department of Expenditure.
- (c) The details of the amendment are as indicated below:

*Notwithstanding anything contained in these Rules, Department of Expenditure may, by order in writing, impose restrictions, including prior registration and/or screening, on procurement from bidders from a country or countries, or a class of countries, on grounds of defence of India, or matters directly or indirectly related thereto including national security; no procurement shall be made in violation of such restrictions.*

In accordance with amendment referred above, requirement of registration as below has been ordered:

*Any bidder from a country which shares a land border with India will be eligible to bid in any procurement whether of goods, services (including consultancy services and non-consultancy services) or works (including turnkey projects) only if the bidder is registered with the Competent Authority.*

Apart from Ministries/ Departments, attached and subordinate bodies, notwithstanding anything contained in Rule 1 of the GFR 2017, this Order shall also be applicable

- (i) to all Autonomous Bodies;
- (ii) to public sector banks and public sector financial institutions; and
- (iii) subject to any orders of the Department of Public Enterprises, to all Central Public Sector Enterprises; and
- (iv) to procurement in Public Private Partnership projects receiving financial support from the Government or public sector enterprises/ undertakings.
- (v) Union Territories, National Capital Territory of Delhi and all agencies/ undertakings thereof.

(d) The Telecom Service Providers (TSPs) procure and deploy telecom equipment from vendors based on their techno-commercial interests provided they adhere to the security provisions given in the license. Hence, no such data is maintained by Department of Telecommunications (DoT). However, the information received from TSPs in this regard is submitted below:

- (i) Reliance Jio Infocomm Limited (RJIL), as a telecom service provider has not deployed any telecom equipment from ZTE and Huawei in its network, for providing various telecom services under its Unified License.
- (ii) Vodafone Idea Limited (VIL), follows a multi-vendor strategy for procuring equipment for different requirements in its network and has always been compliant to the various security related requirements placed upon it by the DoT notifications.
- (iii) Bharti Airtel Limited (BAL), uses telecom equipment of several vendors partners including Indian, American, European, Chinese across the different network domains-radio, core and transport and follow a multi-vendor approach for its networks to build robust and secure networks.
- (iv) Bharat Sanchar Nigam Limited (BSNL), has 44.4 % of its mobile network equipment from M/s ZTE and 9.0 % from M/s Huawei.
- (v) Mahanagar Telephone Nigam Limited (MTNL), has 10 % of its mobile network equipment from Chinese equipment manufacturers.

(e) Department of Telecommunications has not issued any order regarding providing source code for security testing. Security testing framework is under the overall framework of Mandatory Testing and Certification of Telecom Equipment (MTCTE) mandated through Indian Telegraph (amendment) Rules (Gazette notification dated 5th Sep 2017). The National Centre for Communication Security (NCCS) has been established and entrusted with the responsibility to develop Indian Security Assurance Requirements (ITSARs) under the framework of MTCTE for telecom equipment for Security testing and certification to ensure security in digital communications. The testing by NCCS/recognized labs under MTCTE framework involves the testing of telecom product comprising of the hardware and software together.

\*\*\*\*\*