Telecom Technology Development Fund (TTDF) Scheme

Why in News?

Recently, the Universal Service Obligation Fund (USOF) launched the Telecom Technology Development Fund (TTDF) Scheme.

- Universal Service Obligation Fund (USOF) is a body under the **Department of Telecommunications (DoT)** to fund rural and remote digital connectivity.
- The Centre in the **draft telecom bill, 2022** has said that the USOF, created under the **Indian Telegraph Act of 1885**, shall be referred to as the "Telecommunication Development Fund".

What is the Telecom Technology Development Fund (TTDF) Scheme?

- TTDF **aims to fund R&D in rural-specific communication technology applications** and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- The scheme aims to **promote technology ownership and indigenous manufacturing**, create a culture of technology co-innovation, reduce imports, boost export opportunities and creation of Intellectual Property.
- Under the scheme, **USOF is also targeting to develop standards to meet countrywide requirements** and create the ecosystem for research, design, prototyping, use cases, pilots, and proof of concept testing, among others.
- The scheme **entails grants to Indian entities to encourage and induct indigenous technologies** tailor-made to meet domestic needs.

What is the Present Status of the Telecom Sector of India?

- The Telecom industry in India is the **second largest in the world** with a subscriber base of 1.17 billion as of 2022. India has an overall teledensity of 85.11%.
- The **industry's exponential growth over the last few years is primarily driven by affordable tariffs**, wider availability, the roll-out of Mobile Number Portability (MNP), expanding 3G and 4G coverage, and evolving consumption patterns of subscribers.
- The Telecom sector is the 3rd largest sector in terms of Foreign Direct Investment (FDI) **inflows**, contributing 6.44% of total FDI inflow, and contributes directly to 2.2 million employment and indirectly to 1.8 million jobs.
- Between 2014 and 2021, the FDI inflows in the Telecom sector rose by 150% to USD 20.72 billion from USD 8.32 billion during 2002-2014.
- 100% Foreign Direct Investment (FDI) has now been allowed in the Telecom sector under the automatic route.
- India is on its way to **becoming the second-largest smartphone market globally by 2025** with around 1 billion installed devices and is expected to have 920 million unique mobile subscribers by 2025 which will include 88 million 5G connections.

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Q. In India, which of the following review the independent regulators in sectors l ike telecommunications, insurance, electricity, etc.? (2019)

1. Ad Hoc Committees set up by the Parliament
2. Parliamentary Department Related Standing Committees
3. Finance Commission
4. Financial Sector Legislative Reforms Commission
5. NITI Aayog

Select the correct answer using the code given below:

(a) 1 and 2
(b) 1, 3 and 4
(c) 3, 4 and 5
(d) 2 and 5

Ans: (a)

Exp:

- Parliamentary Committees are of two kinds – **Standing Committees and Ad Hoc Committees.** The former are elected or appointed every year or periodically and their work goes on, more or less, on a continuous basis. The latter are appointed on an adhoc basis as the need arises and they cease to exist as soon as they complete the task assigned to them.
- In India, there are 24 Department Related Standing Committees that comprise members from both Houses of Parliament. These committees are Ministry specific, and may review the working of regulators within their respective departments. For example, in August 2012, the **Standing Committee on Energy presented a report on the functioning of the 'Central Electricity Regulatory Commission'. Hence, 2 is correct.**
- **Ad Hoc Committees set up by the Parliament** may examine the working of regulators. For instance, the terms of reference of the **Joint Parliamentary Committee (JPC)** on the allocation of 2G spectrum include **the review of the policy on spectrum pricing and grant of telecom licences. Hence, 1 is correct.**
- Role of Finance Commission and NITI Aayog is advisory in nature and they do not review independent regulators. **Hence, 3 and 5 are not correct.**
- The Financial Sector Legislative Reforms Commission (FSLRC) was constituted by the Ministry of Finance in March, 2011 to comprehensively review and redraw the legislations governing India's financial system. It has no role in reviewing the independent regulators. **Hence, 4 is not correct.**
- **Therefore, option (a) is the correct answer.**

Source: PIB