

training. Canadian telecom consulting firms or service companies which offer training will find many opportunities to establish themselves in India.

Regulatory Environment

The Department of Telecommunications (DoT) was established in 1986 and in May 1989 the Telecom Commission was set up to provide policy direction. Telecommunications services are governed by the new National Telecom Policy (May 1994) which replaced the century old Telegraph Act. The Government of India has recently announced that it will use the Canadian model in establishing and operating these new regulatory bodies.

The telegraph network in India, owned and operated by DoT, is still underdeveloped.

The Department of Space implements all space communications and remote sensing programs to establish national networks using space technology for television, telecommunications, meteorology, and remote sensing for the survey, monitoring and management of India's natural resources and environment.

The Department of Electronics (DoE) has been entrusted with the development of electronics, control instrumentation, robotics and artificial intelligence. All imports in these sectors are regulated by the DoE. The operation of public telecommunications services is the responsibility of the DoT. Mahanagar Telephone Nigam Ltd. (MNTL) provides telecommunications services for Delhi and Bombay. Other major metropolitan centres will eventually be covered under MNTL. Attempts to partially privatize Videsh Sanchar Nigam Limited (VSNL), the overseas carrier, have been unsuccessful to date.

Competition

The new trade policy has created business opportunities for large multinationals to establish reliable and efficient communication networks. Several multinational corporations are in the race to manufacture telecom switching equipment while others will provide value-added telecom services such as paging, cellular mobile telephones and voice mail systems. Many foreign companies are already establishing strategic alliances that will make it more difficult for Canadian companies to enter this market unless they act quickly.

Major suppliers of telecommunication equipment are NEC, OKI, Fujitsu, Mitsubishi, CIT-Alcatel, STC, Farinon and Ericsson. DoT has issued letters of intent for joint ventures proposed by Fujitsu, Ericsson, and Siemens for each to set up one telephone exchange with 100 000 subscriber lines. Communication equipment suppliers have traditionally been GEC-Marconi, Motorola, NEC, Redifon, REPCO and Racal. Communication system equipment suppliers include GTE, SCF, Thompson, Olivetti, Nexdorf and Racal Milgo.