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G En bref

NUMÉRIQUE :

- Le directeur d'HP Inde, Ketan Patel, présidera le comité sur la production électronique de l'association professionnelle ICEA.
- La présentation du rapport de la commission parlementaire sur le projet de loi sur la protection des données personnelles est reportée à la session d'hiver.
- Thales s'associe au IIIT-Delhi pour la recherche et le développement de hardware open source.
- Un rapport d'IBM indique que les piratages de données ont coûté à l'Inde 1,9 million d'euros en 2021, en augmentation de 18 % par rapport à 2020.
- Intel lance "AI For All", un programme de vulgarisation de l'intelligence artificielle avec le Central Board of Secondary Education (CBSE).
- Google répercute l'« equalisation levy » à ses clients non-indiens dont les publicités sont diffusées en Inde.

TÉLÉCOMMUNICATIONS:

- L'entité Nelco du groupe Tata et la société canadienne de satellites, Telesat, prévoient **de lancer un offre d'accès** à internet par satellite en Inde.
- L'Inde se positionne en faveur de la sécurisation dès la conception des composants du réseau O-RAN.

Revue de presse

1. NUMÉRIQUE

HP India MD to head ICEA panel to boost IT hardware manufacturing

/ANS, 21/07/2021

As the government doubles down on IT hardware manufacturing in the country, the India Cellular & Electronics Association (ICEA) on Wednesday announced a high-level committee to boost manufacturing and exports of the IT hardware (laptop/tablet) sector.

The panel, chaired by HP India Managing Director Ketan Patel, will create a roadmap to ensure significant investments for the creation of a globally competitive IT hardware component, parts, and design ecosystem in India by 2026.

According to Patel, the PC and tablet market is approximately \$230 billion globally and it is essential to create economies of scale to build a sustainable manufacturing base in India.

"I wish to prepare a concrete IT manufacturing roadmap for the next five years with desired outcomes regarding employment, contribution to GDP, and possible value additions," he said, adding that their interactions with the government have been highly encouraging in this direction.

Earlier this month, the Electronics and IT Ministry selected 14 applicants under the Production-Linked Incentive (PLI) scheme for IT hardware manufacturing in the country. The major international players selected under the incentive scheme are Dell, Wistron, Rising Stars Hi-Tech (Foxconn) and Flextronics.

The domestic companies selected under the scheme are Lava International Ltd, Dixon Technologies (India) Ltd, Infopower Technologies (JV of Sahasra and MiTAC), Bhagwati (Micromax) Neolync, Optimus, Netweb, Smile Electronics, VVDN and Panache Digilife.

The ICEA has been in deep discussions with the global brands such as HP, Dell, Apple, Wistron, Flex, Foxconn and their Electronics Manufacturing Services (EMS) companies to find ways to recast the IT manufacturing vision to unlock its full potential.

"The world's top EMS companies are already in India and Indian companies are also learning to build electronics products for leading global OEMs. At ICEA, we are determined to make India the next global hub for electronics manufacturing in partnership with the government," said Pankaj Mohindroo, Chairman, ICEA.

The PLI scheme for IT hardware, notified on March 3, extends an incentive of 4 per cent to 2 per cent/1 per cent on net incremental sales (over base year of FY20) of goods under target segments that are manufactured in India to eligible companies, for a period of four years (FY22 to FY25).

The IT Hardware committee by the ICEA includes powerful brands and EMS companies such as HP, Dell, Lava, Foxconn, Wistron and Flex.

"Lava is tying up with a significantly large global EMS company, which would bring the desired skills and scale" Mohindroo added.

JPC given extension till winter session for presenting report on Personal Data Protection (PDP) Bill, new Chair appointed

Medianama, 23/07/2021

The Lok Sabha on Friday approved a motion to extend the time given to the Joint Parliamentary Committee (JPC) to present its report on the Personal Data Protection (PDP) Bill, 2019. The committee has now been given time till the Winter Session 2021.

The motion for extension was submitted by Bharatiya Janata Party MP PP Chaudhary, the newly appointed Chairperson of the JPC, and Lok Sabha MP Bhartruhari Mahtab.

This news comes despite Lok Sabha speaker Om Birla saying on July 13 that the JPC will not get any **extensions to submit its report**. **"Most of the work of the Committee is over. Now, a new chairperson has to be nominated. I hope this will not affect submission of report. No further time will be given," Birla reportedly said.** These comments were made even though the PDP Bill **wasn't in the bulletin** issued by the Lok Sabha.

Earlier this year during the Budget Session, the JPC had sought an extension until the current Monsoon Session to submit its report. The bill was first introduced in the Winter Session of 2019.

Why it matters? Since the Puttaswamy judgement in 2017 at the Supreme Court of India, the government has been under an **obligation to pass legislation to protect Indians' personal data**. Steps like a data protection regulator, localisation requirements for data, and other aspects of the bill have been closely watched by the industry for years. Even as uncertainty looms over the current contours of the bill, data breaches continue to be regularly reported, with companies facing little to no consequences for such incidents. The pending PDP Bill has become even more relevant amidst the Pegasus Project revelations, which alleges that the government might have been targeting journalists, activists, opposition politicians among others, for surveillance

PDP Bill report submitted to the speaker: Meenakshi Lekhi

Strangely, the former chairperson of the JPC, BJP MP Meenakshi Lekhi, said yesterday that the report on the PDP Bill has been submitted to the speaker.

Here is what she said in a press conference:

"There is a Joint Parliamentary Committee, which I was chairing, a task assigned to me by the **Hon'ble speaker. All the members of the opposition worked on it in a most transparent manner. The report was ready but the whole country was moving from one crisis to another, specially in view of corona, elections, parliamentary session, reshuffle. All those things led to the report not being brought before the parliament for adoption. But that report is submitted to the speaker. And data protection is going to become the law of the land."** – Meenakshi Lekhi (emphasis ours)

If the report is ready as per Lekhi's statements, it is not clear why it could not be presented in this session. Following Lekhi's comments, Congress MP Manish Tewari tweeted asking how Lekhi can claim the report has been submitted to the speaker when it has not been circulated to the members.

How can @M_Lekhi claim Personal Data Protection Bill (PDP) Bill report has been submitted to Speaker @ombirlakota when report has not been circulated to members much less adopted.

Either misreporting or @M_Lekhi must clarify@ombirlakota please note.<https://t.co/jjj89d5sqe>.

— Manish Tewari (@ManishTewari) July 23, 2021

Timeline of Events

- July 2018: The PDP Bill is first drafted by an expert committee headed by Justice BN Srikrishna.

- October 2018: Subsequently, the Ministry of Electronics & Information Technology says that it will be drafting the bill.
- December 2019: The bill is referred to a Joint Parliamentary Committee and BJP MP Meenakshi Lekhi is appointed chairperson.
- September 2020: The committee requests and obtains an extension of time for the presentation of their report.
- December 2020: The committee undertakes a clause-by-clause review of the bill.
- March 2021: Once again, the committee requests and obtains an extension of time for the presentation of their report
- July 2021: The committee has once more been given an extension

Members of JPC

Five members of the JPC have become ministers — Meenakashi Lekhi, Ajay Bhatt, Bhupender Yadav, Ashwini Vaishnaw, and Rajeev Chandrasekhar. Lekhi was the chair of the committee. On top of the vacant seat that was **already there in the committee, these members'** seats on the JPC now stand empty as well.

The current constitution of the JPC is:

Lok Sabha

1. Meenakashi Lekhi (former Chair)
2. SS Ahluwalia
3. Ajay Bhatt (to be replaced)
4. PP Chaudhary (New Chair)
5. Arvind Dharmapuri
6. Dr. Heena Vijaykumar Gavit
7. Gaurav Gogoi
8. Dr. Sanjay Jaiswal
9. Bhartruhari Mahtab
10. Mahua Moitra
11. Ritesh Pandey
12. Col. Rajyavardhan Singh Rathore
13. Midhun Reddy
14. Dr. Shrikant Eknath Shinde

15. Rajiv Ranjan (Lalan) Singh
16. Uday Pratap Singh
17. Dr. (Prof.) Kirit Premjibhai Solanki
18. LS Tejasvi Surya
19. Manish Tewari

Rajya Sabha

1. Rajeev Chandrasekhar (to be replaced)
2. A. Navaneethakrishnan
3. **Derek O' Brien**
4. Dr. Amar Patnaik
5. Suresh Prabhu
6. Jairam Ramesh
7. Vivek K. Tankha
8. Ashwini Vaishnaw (to be replaced)
9. Bhupender Yadav (to be replaced)

Past members of the JPC include:

1. Ram Gopal Yadav
2. S. Jothi Mani
3. Prof. Saugata Roy
4. Kanimozhi

Thales Partners with IIIT-Delhi on Open Hardware Research and Development

TechPlus CXOTV.news, 27/07/2021

Thales and IIIT-Delhi has signed an agreement for collaborative research and development in the field of Open Hardware and other allied subjects. The collaboration will enable co-development of complex microprocessor architectures and multi-core processing systems using configurations available with the RISC-V open ISA specification. These systems will bring value to applications in areas such as edge computing, smart manufacturing, defense and space.

Through this association, Thales and IIIT-Delhi will collaboratively address safety issues in designing processors and embedded software for critical applications using open source hardware approach. The activities will

commence from August 2021 and will be carried out in phases.

"We are delighted to join hands with an esteemed institution like IIIT-Delhi. This partnership comes at an opportune time when technological advancements are fast shaping the world around us. It will draw on the expertise of Thales and scientific talent of IIIT-Delhi to enhance research and development in the area of open hardware and related subjects, and contribute to the rich innovation eco-system in India," said Ashish Saraf, VP and Country Director, Thales in India.

While wishing success to the implementation of the MoU, Prof. Ranjan Bose, Director, IIIT-Delhi, **said, "I am both happy and excited about the signing of the MoU today and the potential it holds for a very productive collaboration between IIITD and Thales. This collaboration is unique because of the problem-first approach and will leverage complementary skill sets from both sides. This is a long-term strategic partnership and also a step towards strengthening Indo-French collaboration and cooperation."**

Thales seeks to foster innovation and develop an ecosystem for scientific and industrial research by partnering with world-leading universities. In India, Thales has formed partnerships with the Indian Institute of Science Bangalore, the Indian Institute of Technology (IIT) Madras, Bombay and Delhi. Each year Thales invests around 4 billion of euros in R&D including 1 billion of self-funded R&D to develop cutting-edge technologies to best serve its customers across the world.

Data breaches cost Indian companies Rs 165 mn, rising 18% from 2020: Report

BusinessStandard, 28/07/2021

Data breaches cost companies \$4.24 million per incident on average, said an IBM global study on

Wednesday, marking the highest such expense in the 17-year history of the report.

For India, the average total cost of a data breach was Rs 165 million in the 2021: an increase of 17.85 per cent from last year. The findings were part of the annual Cost of a Data Breach Report, conducted by Ponemon Institute and sponsored and analyzed by IBM Security.

Based on an analysis of data breaches experienced by over 500 organizations, the study said security incidents are becoming harder to contain due to drastic operational shifts during the pandemic. It said with costs due to security breaches increased 10 per cent compared to 2020.

"The rapid shift to remote work witnessed a tremendous disruption of security programs. Organizations were focused on getting online and security became an afterthought. India witnessed a record high in data breach during the Pandemic leading to many organizations evaluating their security posture," said Prashant Bhatkal, Security Software Sales Leader, IBM Technology Sales, India/South Asia,

The study identified the following trends among organisations:

Remote work impact: The rapid shift to remote operations during the pandemic appears to have led to more expensive data breaches. Breaches cost over \$1 million more on average when remote work was indicated as a factor in the event, compared to those in this group without this factor (\$4.96 vs. \$3.89 million.)

Healthcare breach costs: Industries that faced huge operational changes during the pandemic (healthcare, retail, hospitality, and consumer manufacturing/distribution) experienced a substantial increase in data breach costs year over year. Healthcare breaches cost the most by

far, at \$9.23 million per incident: a \$2 million increase over the previous year.

Compromised credentials: Stolen user credentials were the most common root cause of breaches in the study. Customer personal data (such as name, email, password) was the most common type of information exposed in data breaches – with 44% of breaches including this type of data.

AI helps: The adoption of artificial intelligence (AI), security analytics, and encryption were the top three mitigating factors shown to reduce the cost of a breach, saving companies between \$1.25 million and \$1.49 million compared to those who did not have significant usage of these tools. For cloud-based data breaches studied, organizations that had implemented a hybrid cloud approach had lower data breach costs (\$3.61m) than those who had a primarily public cloud (\$4.80m) or primarily private cloud approach (\$4.55m).

“Higher data breach costs are yet another added expense for businesses in the wake of rapid technology shifts during the pandemic,” said Chris McCurdy, Vice President and General Manager, IBM Security. **“While data breach costs reached a record high over the past year, the report also showed positive signs about the impact of modern security tactics, such as AI, automation and the adoption of a zero-trust approach – which may pay off in reducing the cost of these incidents further down the line.”**

Remote work, shift to cloud: The report found that factors such as remote working had a significant impact on data breach response. Nearly 20% of organizations studied reported that remote work was a factor in the data breach, and these breaches ended up costing companies \$4.96 million (nearly 15% more than the average breach).

Companies that experienced a breach during a cloud migration project had 18.8% higher cost than average. However, the study also found that those who were further along in their overall cloud modernization strategy (“mature” stage) were able to detect and respond to incidents more effectively – 77 days faster on average than those who were in early-stage adoption.

Personal data exposed: Nearly half (44%) of the breaches analyzed exposed customer personal data, such as name, email, password, or even healthcare data – representing the most common type of breached record in the report.

Customer information: The loss of customer personal identifiable information (PII) was also the most expensive compared to other types of data (\$180 per lost or stolen record vs \$161 for overall per record average).

Investments in incident response teams and plans also reduced data breach costs amongst those studied. Companies with an incident response team that also tested their incident response plan had an average breach cost of \$3.25 million, while those that had neither in place experienced an average cost of \$5.71 million (representing a 54.9% difference.)

Chipmaker Intel launches 'AI For All' initiative in partnership with CBSE

Business Standard, 29/07/2021

Chipmaker Intel on Thursday said it has collaborated with the Central Board of Secondary Education (CBSE) to launch the 'AI For All' initiative, aimed at creating a basic understanding of artificial intelligence (AI) for people in India.

Based on Intel's 'AI For Citizens' programme, 'AI For All' is a 4-hour, self-paced learning programme that demystifies AI in an inclusive manner, a statement said.

The programme aims to introduce AI to one million citizens in its first year, it added.

"AI has the power to drive faster economic growth, address population-scale challenges and benefit the lives and livelihoods of people. The AI For All initiative based on Intel's AI For Citizens program aims to make India AI-ready by building awareness and appreciation of AI among everyone," Shweta Khurana, Director - the Asia Pacific and Japan, Global Partnerships and Initiatives at Intel, said.

The programme further strengthens Intel's commitment to collaborating with the Government of India to reach the full potential of AI and further the vision of a digitally-empowered India, she added.

The four-hour open content resource, which is available in 11 vernacular languages, is divided into two sections AI Awareness (1.5 hours) and AI Appreciation (2.5 hours).

The segment on AI Awareness provides an elementary understanding of AI, misconceptions around AI, and its application potential. The AI Appreciation segment helps learners understand the key domains of AI, its impact across industries, and gets them started on building personal learning plans.

At the end of each stage, participants will be given personalised digital badges that can be shared on social media.

National Education Policy 2020 acknowledges the importance of AI and emphasizes on preparing everyone for an AI-driven economy. AI For All is one of the largest AI public awareness programmes worldwide and will help demystify AI in an inclusive manner strengthening India's position as a global leader for emerging technologies, Biswajit Saha, Director Skill Education, and Training at CBSE said.

Intel is collaborating with governments and communities globally to build a digital-first mindset and expand access to the AI skills

needed for current and future jobs. In India, the AI For All initiative is part of Intel's corporate social responsibility efforts towards democratising AI for all, the statement said.

Google to pass on 'Google tax' from October

ET Bureau, 29/07/2021

Google is all set to pass on India's 2% equalisation levy introduced in April 2020 to its clients whose advertisements are visible in India from October. The levy is applicable even in cases where both the buyer and the seller are not based in India, if the advertisement is visible in India.

The digital giant recently specified this to its clients and called India's levy a "jurisdiction specific surcharges."

The government in 2020 expanded the scope of the equalisation levy, initially imposed on cross-border digital transactions since 2016, in a bid to tax Internet giants' digital advertising revenues from India to include any purchase by an Indian or India-based entity through an overseas ecommerce platform.

"From 1st October 2021, we'll be adding a surcharge to the invoices we send to non-Indian customers whose ads are viewed in India. The surcharge is to cover part of the costs associated with complying with the Indian Equalisation Levy, which only impacts non-Indian advertisers. We will continue to pay all the taxes due in India and elsewhere," a Google spokesperson said, responding to an ET query.

"There will be various situations where the recipient of service is not an Indian business, but if the advertisement is targeted at a user in India, then equalisation levy will be applicable. Google's interpretation is in line with the provisions of the law which covers certain specified circumstances where the levy would apply. This would add to the collections of the revenue department going forward." said Ajay Rotti, partner, Dhruva Advisors.

The new regulations define online sale of goods or services as any purchase that has been made online, online payment or even an offer that has been accepted online that covers every transaction. The 2% tax can be applied even in cases where only a small part of a transaction was carried out online with the rest happening offline.

As India broadened the scope of equalisation levy without clarifying what exactly it means by e-commerce or online, it was widely seen as creating problems for several Indian subsidiaries of multinationals. Now, many firms fear that all kinds of transactions including hotel bookings, software purchase and even buying certain components from overseas could come under the gamut of the levy, ET first wrote on February 3.

Legal experts said that the way the law is worded, even ERP (enterprise resource planning) systems—the internal software systems several companies use—could technically be considered an online platform and attract the levy.

Google's interpretation is also set to impact several other companies too, tax experts said.

ET had first written on October 31 last year that Apple is passing on the 2% equalisation levy, aside from 18% goods and services tax (GST), to Indian consumers who buy apps or any other product from its iTunes or App store. This was basically on tax on the purchase of any apps from Apple iTunes.

Most large digital players have been collecting this from their customers in the last one year.

What Google is now looking to do is take a step forward. Even in cases where neither the buyer nor the seller is Indian, tax will be applicable if the advertisement is visible in India. Tax experts say that because Google has taken this stand, it is only going to complicate matters further for other MNCs operating in India.

For instance, if an Australian citizen visiting a hotel in New Delhi buys something from Google app store while using hotel wifi, this too would attract the equalisation levy.

"The way the equalisation levy law is worded, almost every transaction that happens on the internet could potentially face the tax. Also, many companies are relooking at their existing structures to see if they can park the India specific activity in a separate domestic entity to **avoid complications around equalisation levy,"** a senior lawyer advising one of the big four tech companies, told ET.

Several companies have created holding entities in tax havens where most profits are accumulated or where intellectual properties are housed because tax rates in these jurisdictions are close to nil, saving taxes on the total income.

2. Télécommunications

Tata group to enter sat broadband market with Canada's Telesat

Hindu BusinessLine, 26/07/2021

Both the entities are in the process of finalising their commercial offerings

The Tata group and Canadian satellite communications services provider Telesat are in the process of finalising their strategy to take a slice of the satellite broadband market as the Centre is set to announce its policy for allowing private players in the segment.

There is a growing interest in this market from other big players including Elon Musk's Starlink, Jeff Bezos's Project Kuiper and Sunil Bharti Mittal-backed One Web.

Tata group entity Nelco had announced a partnership with Telesat in September 2020 with an aim to offer enterprise broadband services based on Telesat's Low Earth Orbit (LEO) satellites. Over the last 10 months, the two sides

have been working on a plan to roll out services in India once the government announces the policy.

"Telesat and Nelco are in the process of finalising their commercial offerings across enterprise market segments, which are subject to the appropriate regulatory approvals. The market requirements are different for various segments and those are being jointly analysed," **PJ Nath**, Managing Director & CEO at Nelco Limited, told **BusinessLine**. **"Together, we await the new Spacecom policy announcement which will help to further fine-tune and finalise our offerings in the country,"** he added.

LEO-satellite concepts

Laura Roberti, Spectrum and Market Access Director at Telesat, said the Canadian company is also exploring other local partnerships with Indian companies for the terrestrial connectivity of its LEO network. Through these partnerships, Telesat aims to explore site locations for gateway landing stations and Points of Presence in India. The new LEO-satellite concepts, which orbit 500-2,000 km from Earth, offer faster communications because they have lower latency and often provide higher bandwidth per user than the current running Geosynchronous Earth Orbit satellites that offer broadband services.

Spectrum auctions?

Weighing in on the ongoing debate regarding whether satellite spectrum should be auctioned like its terrestrial counterparts, Roberti said, **"Spectrum assignment by auction is not suitable for microwave spectrum that will be used for satellite service provision. This would, amongst other things, lead to inefficient spectrum use.**

"There is no precedent for spectrum assignment by auction for satellite services in these frequency bands."

India for implementation of default security features in ORAN telecom networks

PTI, 30/07/2021

India is in favour of implementing default security features in the open radio access network for telecom services at the earliest, a senior government official has said. The official was speaking at a virtual summit organised by Assocham along with Open RAN Policy Coalition, US Chamber of Commerce, Keidanren-Japan Business Federation and BSA - The Software Alliance. The QUAD member countries - the US, India, Japan and Australia - also participated in the event.

All the members during the discussion on Wednesday promised collaboration and support for building secured and trusted 5G networks, and the US representative supported India's suggestion to implement security by design in open radio access network (O-RAN) components.

National Cyber Security Coordinator Rajesh Pant said the Indian government has supported the O-RAN proposal, which is democratising the telecom networks.

"We in the government of India are very clear that open and virtualised RAN are the future of mobile networks. We have also promoted Make in India and also issued a directive for trusted telecom products from trusted sources.... Let us create a time-bound roadmap at the earliest. Please ensure security by design in the various components of O-RAN is implemented so that mistakes of the past are not repeated," Pant said.

The O-RAN concept in the telecom segment is similar to open-source software technologies, where any company can use an open technology to develop its technical solution without claiming a patent for it.

The concept is expected to lower the cost of research and development for companies.

Pant said India is fast-tracking its 5G deployment efforts and is aware of open technologies.

"Indian telecom operators Bharti Airtel, Vodafone Idea, Reliance Jio are increasingly looking to expand their telecom gear suppliers beyond traditional vendors using O-RAN technologies," he added.

US deputy national security advisor of cyber and emerging technologies Anne Neuberger said building security by design in O-RAN (Open Radio Access Network) network elements is the least expensive and most effective way to guarantee security.

QUAD partners and global allies," Neuberger said.

Australia deputy secretary of national resilience and cybersecurity Marc Ablong said that his government is creating a security test lab with an investment of 31.7 million Australian dollars.

Japan Director General of Global Strategy Bureau under the Ministry of Internal Affairs and Communications (MIC) Yasuo Tawara said the government is internationally promoting open and interoperable network technologies.

He also said that Japan has also started a tax incentive programme for the O-RAN project.

"This year MIC will start to extend financial support for 5G openness and virtualisation demonstration experiments by our industry overseas."

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