

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:1122
ANSWERED ON:30.11.2005
PERFORMANCE OF INDIAN TELEPHONE INDUSTRIES
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether there is any proposal under consideration of the Government to shift the Indian Telephone Industries(ITIs) Corporate Office from Bangalore to Delhi;
- (b) if so, the reasons therefor;
- (c) whether the Government has received any representation in this regard;
- (d) if so, the reaction of the Government thereto;
- (e) the profit/loss of all the units of ITIs during the last three years; and
- (f) the steps taken by the Government to improve the efficiency and profits of ITIs units?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

- (a) No, Sir.
- (b) Does not arise in view of (a) above.
- (c) Yes, Sir. Representations were received from:
- i) ITI Employees Union, Bangalore and ITI Officers' Association, Bangalore.
- ii) President, Karnataka Pradesh Congress Committee.
- iii) Officer on Special Duty, National Advisory Committee.
- (d) Suitable reply has been / being sent.
- (e) Details of the profit/loss incurred by all the units of ITI for the last three years are given below:

(Rs.in Crore)

UNITS	2004-2005	2003-2004	2002-2003
BANGALORE	(49)	(287)	(149)
NAINI	(103)	(136)	(85)
RAE BARELI	(43)	(171)	(109)
SRINAGAR	(8)	(7)	(6)
PALAKKAD	10	8	45
MANKAPUR	(112)	(118)	(92)
NETWORK SYSTEMS	0	2	2
UNITS			
REGIONAL	5	3	19
OFFICES			
TOTAL	(310) #	(709)	(375)

1. () indicates loss

2. # The company received Government Grants for expenses incurred in the current/ previous accounting periods in the revival

package. This amount has been recognized as income in the Profit & Loss Accounts of the Company during the year. It has resulted in reckoning of net income of Rs.234.01 crore during the year and consequent reduction of loss by the same amount.

(f) Salient steps taken by the Government to improve the efficiency and profits of ITIs units are:

1. Revival package of Rs.1025 crore has been sanctioned during 2004-2005.
2. Assisting the company in getting more orders alongwith advances from BSNL/MTNL
3. Coordination for induction of new technologies in the Company.
4. The Company has been advised to take steps to :-
 - i) reduce surplus manpower
 - ii) rationalize business allocation to plants
 - iii) take austerity measures
5. Performance of the company is being closely monitored.