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**STANDING COMMITTEE ON
COMMUNICATIONS
(1998-99)**

TWELFTH LOK SABHA

standing
**MINISTER OF COMMUNICATIONS
(DEPARTMENT OF TELECOMMUNICATIONS)**

**DEMANDS FOR GRANTS
(1998-99)**

FIRST REPORT



सत्यमेव जयते

**LOK SABHA SECRETARIAT
NEW DELHI**

July, 1998/Asadha, 1920 (Saka)

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(1998-99)**

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**MINISTRY OF COMMUNICATIONS
(DEPARTMENT OF TELECOMMUNICATIONS)**

DEMANDS FOR GRANTS (1998-99)

Presented to Lok Sabha on 14.7.98

Laid in Rajya Sabha on 14.7.98



**LOK SABHA SECRETARIAT
NEW DELHI**

July, 1998/Asadha, 1920 (Saka)

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COMPOSITION OF STANDING COMMITTEE
ON COMMUNICATIONS
(1998-99)

Shri Somnath Chatterjee—*Chairman*

MEMBERS

Lok Sabha

2. Shri Jay Krishna Mandal
3. Shri K.L. Sharma
4. Shri Mahesh Kumar Mithabhai Kanodia
5. Shri Chandrashekhar Sahu
6. Dr. Chhatrapal Singh
7. Shri Nakli Singh
8. Shri Rajveer Singh
9. Shri Baijnath Rawat
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12. Shri Somjibhai Punjabhai Damor
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16. Shri Dowarka Parashad Bairwa
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18. Smt. Nishaben Amarsinhbhai Chaudhari
19. Shri Santilal Parshotamdas Patel
20. Shri T. Govindan
- *21. Shri Rizwan Zaheer Khan

*Nominated to the Committee *w.e.f.* 25 June, 1998 in place of Shri Beni Prasad Verma, who has been nominated as Member Standing Committee on Finance *vide* Bulletin Part-II No. 338 dated 25 June, 1998.

22. Shri P. Rajarethinam
23. Shri Surendra Prasad Yadav (Jhanjharpur)
24. Shri Mahendra Baitha
25. Shri Braja Kishore Tripathy
26. Shri Balasaheb Vikhe Patil
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42. Shri R.N. Arya
43. Shri Kuldip Nayyar
44. Shri Mrinal Sen
45. Shri Kartar Singh Duggal

SECRETARIAT

1. Dr. A.K. Pandey — *Additional Secretary*
2. Shri P.D.T. Achari — *Joint Secretary*
3. Shri S.K. Sharma — *Deputy Secretary*

INTRODUCTION

I, the Chairman, Standing Committee on Communications (1998-99) having been authorised by the Committee to submit the Report on its behalf, present this First Report on the Demands for Grants (1998-99) relating to the Ministry of Communications (Department of Telecommunications).

2. The Standing Committee on Communications (1998-99) was constituted on 5 June, 1998. One of the functions of the Standing Committee as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha is to consider the Demands for Grants of the concerned Ministry/Department and make a Report on the same to the House.

3. The Committee considered the Demands for Grants pertaining to the Ministry of Communications (Department of Telecommunications) for the current year *i.e.* 1998-99 which were laid on the Table of the House on 11 June, 1998. Thereafter the Committee took evidence of the representatives of the Ministry of Communications (Department of Telecommunications) on 17 June, 1998.

4. The Committee wishes to express its thanks to the Officers of the Department of Telecommunications for placing before it detailed written notes on the subject and for furnishing the information, that the Committee desired in connection with the examination of the subject.

5. The Report was considered and adopted by the Committee at its sitting held on 13.7.1998.

NEW DELHI;
July 13, 1998
Asadha 22, 1920 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on Communications.

REPORT

Introductory

In accordance with the recognition given to telecom services all over the world as an important and indispensable instrument in socio-economic development, the Department of Telecommunications (DoT) has formulated developmental activities for accelerated growth of Telecommunication Services and for expansion of services to rural areas as part of infrastructure development. The main functions of DoT include planning, engineering, installation, maintenance, management and operation of voice and non-voice Telecommunication Services all over the country. In addition, the Department is responsible for frequency management in the field of radio communication in close coordination with international bodies. The Department also enforces wireless regulatory measures for wireless transmission by users in the Country.

I. Financial Provision and Utilisation

Demand No. 14

2. The Budget Estimates (BE) for the Department of Telecommunications (DoT) for 1998-99 showing plan and non-plan expenditure separately as follows:

(Rs. in thousand)

		Revenue	Capital	Total
Voted	Plan	156,80,00	10867,00,00	11023,80,00
	Non-Plan	17987,56,00	21999,00	18207,55,00
	Total	18144,36,00	11086,99,00	29231,35,00
Charged	Plan	—	—	—
	Non-Plan	5,00	1,00	6,00
	Grand total	18144,41,00	11087,00,00	29231,41,000

3. After scrutinising the Demands for Grants (1998-99) the Committee pointed out that under the sub-head BB. 2(1)(2)-Telephone Exchanges automatic (Tribal area) the Budget Estimate for 1998-99 had been curtailed to Rs. 338809 crore from the Revised Estimate (RE) 1997-98 amount of Rs. 426.86 crores. The Committee wanted to be apprised of the reasons therefor.

4. The Department stated that the BE 1998-99 provision of Rs. 338.809 crores under BB. 2(1)(2) sub-head was made on the basis of demand from the field units. This may be stepped up at RE 1998-99 stage depending upon the demand under RE 1998-99 from the field units.

5. Similarly, the reason for reduction in the 1998-99 provision of Rs. 827.40 crores from the 1997-98 RE provision of Rs. 1154.85 crores in case of Telephone Exchange Automatic—Rural Area was stated to be based upon the demand from the field units and it might be stepped up at RE 1998-99 stage depending upon the demand under RE 1998-99 from the field units.

6. The Committee then asked why under the sub-head BB 3(2)(2)-STD and other Trunk Dialling Systems-Tribal Area the BE 1998-99 had been reduced to Rs. 250.2 lakh from the RE 1997-98 amount of Rs. 250.5 lakh. In reply, it was stated that the provision was made on the basis of demand from the field units.

7. The Committee thereafter pointed out that under the sub-head BB. 4(6)(2)-H.F. Radio Systems Tribal Area, the BE 1998-99 had been reduced to Rs. 1.23 crore from Rs. 6.44 crore in 1997-98. The reason for this reduction was stated to be the same i.e. less demand from field units.

8. Another vital area where less allocation was made in 1998-99 BE is for Village Panchayat Telephones—Tribal Area where the BE 1998-99 has been reduced to Rs. 8189.50 lakh from the 1997-98 RE of Rs. 10000 lakh. In view of the fact that there were shortfalls in meeting the target of VPTs, the Committee desired to know why the provision was reduced for that category in the 1998-99 BE.

9. In reply, it was stated that in the BE 1998-99, provision of Rs. 8189.50 lakh for VPTs-Tribal Area was made on the basis of BE 1998-99 demand from the field units. It was further stated that the same would be stepped up at the RE 1998-99 stage if the RE 1998-99 demand from the field units would be more.

10. After a perusal of the Performance Budget, the Committee asked whether it would be possible for the DoT to achieve 80,500 VPTs during 1998-99 with a provision of Rs. 483 crores keeping in view the fact that Rs. 539 crore was spent in 1997-98 for 42855 villages and these VPTs would be installed comparatively in distant and remote villages as the villages in the periphery of towns/cities and near highways have already been covered.

11. It was stated in replying that a large number of MARR equipment and accessories were received in the month of March, 1998. These equipments would be used in 1998-99 and hence the requirement of fund shown was less for 1998-99.

12. However, according to DoT, if more funds are required the same will be provided in RE depending upon the requirement. As enough funds are available in the budget, whatever amount is required for VPTs during 1998-99 will be arranged in RE by reappropriation within the budget.

13. The Committee is concerned to note that for Telephone Exchanges (Automatic), STD and other Trunk Dialling System and H.F systems for tribal areas; the B.E. 1998-99 has been reduced *vis-a-vis* the revised estimate 1997-98. Similarly, for Telephone Exchange (Automatic) Rural areas the BE 1998-99 has been reduced. Another vital area where less allocation has been made in the 1998-99 BE is Village Panchayat Telephones (VPTs) (Tribal Areas). The Committee is not convinced with the reassign advanced by the Department that these reductions were made due to less demands from field units and if necessary the allocations might be stepped up at the RE 1998-99 stage. In view of the emphasis being given to Automatic Telephone Exchanges and other Telecom facilities in the tribal areas, the BE 1998-99 should have normally provided for higher allocation in direct relation to the target set by the Department. The Committee will like the DoT to ascertain the reasons for lower demands from the concerned circles/field units. The priorities in the case of the VPTs is a matter of greater Concern as the Department is lagging far behind in achieving the targets. The Committee, therefore, urges the DoT to consider allocation of more funds towards the Tribal areas for important schemes where less allocation has been made.

14. The Committee is surprised to note that during 1998-99 an amount of Rs. 483 crores has been earmarked for achieving the target

of 80,500 VPTs whereas during 1997-98 Rs. 539 crores were spent to provide 42,855 VPTs, DoT's plea that MARR equipments were received late in March, 1998 and hence the reduction in Budget Allocation is not convincing. The other plea that enough funds are available with the Department and therefore whatever further amount is required for VPTs during 1998-99 will be arranged in RE is quite unacceptable to the Committee. Keeping in mind the fact that these VPTs would be installed in comparatively difficult and remote villages, the Committee wonders how DoT would be able to provide 80,500 VPTs with much lesser amount. The fact that DoT has enough funds does not necessarily mean that it can not provide adequate funds at the BE stage and wait for reappropriation at the RE stage. In fact, the Committee is inclined to believe that lower allocation has been made keeping in view the fact that target of 80500 VPTs in unrealistic considering the performance of DoT in this regard so far and is not going to be achieved as even after a lapse of 3 months of the current year, DoT has not yet been able to decide the appropriate technology for future VPTs as has been mentioned in the succeeding paragraphs.

II. Physical Target and Achievement

15. As regards the physical targets set and achievement made during 1997-98 for various programmes as well as the target specified for the year 1998-99, the following information was furnished to the Committee.

	1997-98		1998-99
	Target	Achievement	Target
(i) VPTs	83000	42855	80500
(ii) Net Switching capacity	36	35.19	41 (DoT-35.7) (MTNL 5.3)
(iii) DELs (lakh lines)	29	32.59	36 (DoT-31.5) (MTNL 4.5)
(iv) Tax (capacity lines)	325000	314300	450000 (DoT-395000) (MTNL-5500)
(v) Microwave System (RKMs)	18000	17995	19500
(vi) Optical Fibre Systems (RKMs)	22000	23822	35000

Village Public Telephones (VPTs)

16. As would be seen from the above statement, the achievement of VPTs was 42,855 out of a target of 83,000 during 1997-98. The Committee desired to know the reasons for such a huge shortfall in the achievement of VPTs during the aforesaid year.

17. In reply, it was stated that due to the following three main reasons the target of VPTs could not be achieved during 1997-98. First of all, the manufacturer did not supply the 15 M Mast equipments on account of specifications which was issued to them subsequent to a call of bids as a consequence of which the type approval for the 15 M Mast could not be obtained by them in time. Special efforts were made to solve the problem and to expedite the supplies. Vendor-meets were called and they were requested to accelerate the supplies. However, the equipment could be supplied only towards the end of the year giving insufficient time for installation of the equipment.

18. Secondly, some difficulties were encountered in getting the location of VPTs cleared by the latest procedure in use since 18th September, 1997 in which it was envisaged to get the location and custodian approved by a resolution of the concerned Gram Panchayat.

19. Thirdly, late supply of MARR equipments also contributed towards non-achievement of the target. In this connection, the Department stated that the target could be met only when all infrastructure required like telephone exchange, power plant, MARR equipment, transmission media, power supply, tower and other infrastructure requirements are available in one place at the same time. While efforts were made at all levels to coordinate and monitor the availability and match the requirement to achieve the target, sometimes delay occurred due to unforeseen circumstances.

20. Elaborating the point further in reply to a query by the Committee in this regard, the Secretary, DoT stated in evidence that there were procedural and technological constraints which were faced by the Department in providing the required number of VPTs. As the procedure envisages the views of the concerned Village Panchayat's the Taluka Samiti's, the local MPs, MLAs, the process has become time-consuming and occasioned delay. However, the Department is going to streamline the procedure without sacrificing the principle of democratic participation of the people, specially at the village level.

21. According to DoT, the Technological difficulty faced by the Department was that the MARR technology was found to be not an appropriate one nor the Department was in a position to decide which technology was best suited for providing VPTs in the country.

22. To this, the Committee asked whether the Department tried to find out any other technology, MARR analogy being a failure, which could help accelerate VPTs, the DoT representations replied that the Department was working on three Technologies i.e. Wireless in local loop, point & multi point satellite. The Secretary, DoT elaborated that the WILL wireless Loop Technology was being used in urban areas only and it had not been successfully tried in any rural area. As regards the point to multi point technology the Secretary apprised the Committee that the point to multipoint technology which the C-DoT was developing was tried by the Department and it was going to place orders for twenty five such systems. The advantage of this technology is that it requires neither an air conditioner at the base station nor manpower at the subscribers' premises. Moreover it is very ideally suited to Indian conditions, but to be cost effective, the villages should not be scattered over a wide area.

23. The third Technology i.e. the Satellite Technology is also being tried by the Department on a purely experimental measure. But in the case of this technology, the tariff per minute will be higher which will involve policy decision. It appears that Satellite technology would be the only technology that the Department could adopt in the hilly and remote areas.

24. Amidst such uncertainties, the Committee wondered how the Department would be able to provide almost three lakh VPTs during the 9th Plan period and 80,500 VPTs during 1998-99. The Committee asked under these circumstances whether the target fixed for VPTs is realistic and what was the preparedness on the part of DoT. The Secretary, DoT replied that the Department had to work out the financial implications of the Satellite Technology, which seemed to be the only feasible alternative for areas like North-East, hilly and inaccessible regions. The financial implications of the subsidy which might be involved would have to be worked out.

25. Apart from technology, the other measures proposed to be taken by the Department for meeting the target in VPTs includes purchase of maintenance-free batteries so that there would be no

problem connected with maintenance; setting up of more and more exchanges in rural areas so that the distance between the villages where the demand exist and the Exchange is brought down and the transmission becomes reliable; devising the switching systems where control would be possible from a remote place.

26. The Committee asked how without any technological back-up, the Department had promised telephones to all the villages by 1997. In reply, the Secretary, DoT admitted that the performance on VPTs had not been satisfactory and that the projections in the Ninth Five Year plan which were made eighteen months ago might need revision in the light of the Department's experience with regard to applicable technology.

27. As regards the participation of Private Sector in providing VPTs during the 9th plan period, the Secretary, DoT apprised the Committee that the target for the Department of Telecommunications would be 2.39 lakh villages during the course of the entire Ninth Plan period and for the Private operators it would be 68,500.

28. The Committee asked in case of the Private Operators' failure/inability to provide 68,500 VPTs during the 9th plan period what would be the plan of action on the part of DoT. The Secretary, DoT responded that before signing and licence agreement in January, 1995, the private operators were clearly told that they had to provide 10 per cent VPTs and they reciprocated that they would provide 40 percent. But after signing the agreement, all the private parties represented that there should be a relaxation on the ground that when the tender was floated in 1995, the number of villages without public Telephones was on the higher side. Meanwhile the Department on its own went ahead and more or less completed the task in so far as the villages near the highways or in the periphery of towns were concerned. Now only distant and remote villages are left and for that the private parties will have to provide telephone to those villages and the Department would insist upon their reaching the target and not to absolve themselves by paying fine.

29. To a specific query as to how many VPTs were functioning, the Secretary, DoT admitted that there were many complaints about non-functioning of VPTs for which the Department had commissioned a study with the help of an independent agency i.e. National Productivity Council (NPC) which had been asked to go round and

give the Department their report on the actual State of affairs and the report of NPC was expected by the end of June or in the middle of July. That would give a clear picture of the magnitude of the problem and thereafter the Department would take necessary action.

30. In a post evidence information, the Department furnished the following State-wise details showing the number of VPTs faulty and disconnected in each State due to non-payment, separately as on 3.6.1998.

Name of Circle	No. of VPTs faulty as on Date on MARR+SCVHF	No. of VPTs Disconnected due to Non-Payment
Andaman & Nicobar	3	0
Andhra Pradesh	226	735
Bihar	2688	67
Gujarat	575	2304
Hyderabad	469	328
Himachal Pradesh	248	70
Jammu & Kashmir	20	75
Karnataka	667	413
Kerala	0	0
Madhya Pradesh	3557	1545
Maharashtra	194	3580
North Eastern States (Assam & NE Circles) (542 + 438)	980	3 (NE)
Orissa	1415	231
Punjab	184	1533
Rajasthan	1275	67
Tamil Nadu	269	241
UP (E)	1352	146
UP (W)	877	668
West Bengal	502	18
Total	15501	12078

31. It would be seen from the above statement that as much as 15,501 VPTs were faulty and 12,078 VPTs were disconnected due to non-payment. So far as faulty VPTs are concerned, Madhya Pradesh topped the list with 3557 faulty VPTs followed by Bihar with 2688, Orissa with 1415, UP (E) with 1352, Rajasthan with 1275 and others. So far as VPTs disconnected due to non-payment is concerned, Maharashtra was way ahead with 3580 VPTs disconnected followed by Gujarat with 2304. Madhya Pradesh with 1545 and Punjab with 1533 and others.

32. The Committee expresses its deep concern that DoT could provide only 42,855 VPTs during 1997-98 out of a target of 83,000. The reasons advanced by the Department for non-achievement of the target viz. non-supply of 15M mast equipments, late supply of MARR equipments and difficulties in getting the locations cleared—are not convincing. The Department has been giving the same stale reasons for non-achievement of target in VPTs. The Committee fails to understand when the same problems are being faced every year, why non concrete action is taken by the Department to resolve the same. The Committee, therefore, urges the Department to give a serious thought to resolve these problems. The Committee recommends the Department of Telecom to streamline the procedure as soon as possible without sacrificing the principle of democratic participation by the people in selecting the best location.

33. The Committee is surprised to learn that DoT is yet undecided on choice of technology for VPTs after the failure of MARR technology. Of the three technologies that are being tried to provide VPTs, satellite technology seems to be best suited for Hilly and remote areas. However, as the tariff per minute appears to be high the Committee desires the Department to work out the financial implications of the subsidy which might be involved if this technology is adopted and take an early decision in this regard.

34. The Committee deprecates that the projections of providing VPTs during the Ninth Five Year Plan which were made about 18 months ago now needs downward revision in the light of the technological uncertainties. This is a sad commentary on the lofty objectives of National Telecom Policy of 1994 which promised VPTs in every village by 1997 which has now been extended to 2002 AD. The Committee, therefore, urges upon the Department to put an end to the technological uncertainties and make up their mind soon as

to which technology is best suited for providing VPTs. and provide the VPTs by using the same.

35. The Committee notes that for the Ninth Plan period the private operators have been assigned the task of providing 68,500 VPTs out of a total target of approximately 3 lakh VPTs for the said period. But in the light of the past experience, the Committee would like the Department to work out alternative plan in case the private operators fail to discharge the contractual obligations in time.

36. The Committee is concerned to note that there are a very large number of complaints about the non-functioning of VPTs from many quarters. It is substantiated by the fact that as on 3.6.1998 as many as 15,501 VPTs are not functioning properly and 12,078 VPTs have been disconnected due to non-payment of dues. In the light of the fact that out of 3,10,687 VPTs installed as on 31.3.1998 approximately 28,000 VPTs are faulty or have been disconnected, the actual achievement of the Department in installing VPTs thus comes somewhere near 2,83,000 VPTs. Therefore, the Committee is of the view that the matter may be looked into with utmost urgency. Further on the report of the National Productivity Council, which is expected by the end of June or July, 1998, the Department should take immediate corrective measures keeping in mind the fact that installation of VPTs is of urgent necessity for the rural people. Wherever possible STD facilities should be provided at VPTs.

North-East Region and Tribal Sub-Plan

37. A perusal of the Performance Budget revealed that for North-East Region, the target fixed for Village Public Telephones in 1997-98 was 6,000 and the achievement was only 2,977. For 1998-99, the target has been fixed at 6800. Similarly, under Tribal Sub-Plan (TSP) the target for VPTs in 1997-98 was fixed at 13,500 but the achievement was only 2,239 and for 1998-99 the target has been fixed at 20,000. In this connection, the Committee desired to know the reasons for which the target could not be met in the category of VPTs during 1997-98 both in the North-East region and the Tribal areas and the plan of action on the part of DoT to meet the target set for the year 1998-99.

38. The Department in reply has stated that there was an error in the figures given in the Performance Budget. The actual achievement of VPTs Tribal Sub-Plan during 1997-98 was 5,316 and not 2,239. The reasons for non-achievement of the target in VPTs both in North-East

Region and under TSP was stated to be non-receipt of MARR equipment and other materials required. As regards the plan of action for the year 1998-99 the Department stated that it has made a special thrust and is regularly reviewing the progress to take corrective measures accordingly.

39. The Shortfalls in commissioning of satellite Earth Stations was stated to be mainly due to non-availability of space segment due to failure of INSAT-2D and inclined orbit operation of INSAT-2A.

40. When asked what special attention/action was contemplated towards the Tribal Sub-Plan during the 9th Plan period to meet the targets optimally, it was replied that details of Tribal sub-plan during the Ninth Plan Period had not been prepared as the Ninth Plan proposals submitted to the Planning Commission had not yet been approved.

41. However, tribal area is treated as special focus area in the plan proposals and all efforts would be made to meet the targets in tribal areas.

42. So far as the North-East region was concerned the Committee pointed out that in Satellite Earth Station the target was 25 during 1997-98, but the achievement was nil; for Microwave system including UHF system the target was 1825 RKMs and the achievement was 1307. For 1998-99 the targets for Satellite Earth Station, Microwave Systems and Optical Fibre Cables has been fixed at nil, 2610 RKMs and 1310 RKMs respectively.

43. The Department in a post-evidence reply clarified that during 1997-98, the target for Satellite Earth Station was 25 and the achievement was 3; for Microwave including UHF the target was 1600 RKMs and the achievement was 879. The proposed targets for 1998-99 for the above three categories was corrected to be 15,1161 & 800 respectively.

44. Asked to explain the reasons for non-achievement of targets in the above mentioned schemes in the North-East Region, it was replied that the under-achievement of target against Satellite Earth Station was due to non-availability of Power Plan and related equipments at the Itanagar Sub-Station (Controlling Station); for Microwave including UHF the non-achievement of target was due to delay in supply of 2 GHZ

and 6 GHZ Microwave equipments; and for Optical Fibre Cables the non achievement of a target was due to non-availability of HDPE pipe due to delayed finalisation of rate contract by DGS & D.

45. During evidence the Committee asked about the steps taken by the department to improve the overall functioning of Telecom Network in the North-East and Tribal areas. The Secretary, DoT replied that the North-East Region as a whole has a very poor connectivity with the rest of country which has to be taken care of. For that, the Department is taking a number of measures including linking Guwahati with the rest of the country through Optical Fibre and microwave media.

46. As regards the constraints/problems faced in North-East Region to provide telecom facilities, the Secretary, DoT apprised the Committee that in some parts of the North East Region, the staff-telephone ratio has come down and it was much below the all-India level. Therefore, some recruitment has to take place there. Secondly, people from the rest of the country are unwilling to go to some of the North-Eastern States like Arunachal Pradesh etc. The Department is taking measures to see whether the local candidates could be trained and recruited there. Thirdly, in some of the North-Eastern States power supply is not reliable and the Department has to rely on the generator and in some places it is difficult to even transport generators.

47. The Committee notes with concern that under the Tribals Sub-Plan the target fixed for VPTs during 1997-98 was 13500 but the achievement was only 5316. Similarly the targets set for the Satellite Earth Station for the same year was 20 but the achievement was only 3. Non-receipt of MARR equipments and other materials as well as non-availability of space segment were stated to be the reasons for non achievement of targets in above mentioned categories. This line of reasoning is hardly convincing. It appears that tribal area which is treated by the Department as a special focus area in the Plan proposals has not been paid proper attention in this case. The Committee takes a serious note of it and recommends the Department to take all out measures to keep at bay these procedural problems so that the target set for VPTs and Satellite Earth Station categories for the year 1998-99 is optimally achieved.

48. The Committee is constrained to note that for the North-East Region the target fixed for VPTs during 1997-98 was 6000 but the

achievement was only 2977; for Satellite Earth Station target was 25 but the achievement was only 3; for Microwave including UHF the target, was 1600 RKM's but the achievement was only 879 RKM's; In this case also non-availability and late supply of equipments which were stated to be the reasons for non-achievement of targets are unacceptable to the Committee. Topographical and infrastructural problems of these areas are well known, As such special efforts are required to be initiated well in advance. The Committee therefore recommends the Department to ensure that in future these constraints are not allowed to retard efforts in meeting targets in the North-Eastern Region.

49. The committee also recommends that other problems like inadequate manpower, unwillingness of DoT employees to be posted in N.E. circle and unreliable power supply in some of the N.E. States being faced by the Department are dealt with better planning and effective cooperation of the respective States so that overall telecom network in the N.E. Region comes upto the mark. As submitted by the Secretary, DoT, during evidence, the Committee would also like to stress that the Department should take immediate measures to impart training and recruit local persons in North-Eastern Region in view of the unwillingness on the part of people from other States to be posted there.

III. Customer Services

A. Telephone on Demand and Waiting List

50. The Secretary DoT apprised the Committee that the pace of development for Telephone on Demand, one of the most important objectives of National Telecom Policy, 1994 increased towards the end of the Eighth Five Year Plan and the Department added nearly 8.7 million lines which were more than the total number of telephones in existence. In the first year of the Ninth Plan *i.e.* 1997-98, the Department added 3.2 million lines which is an all time record. As a result, the percentage of the waiting list to the total number of Direct Exchange Lines (DELS) has come down from 40 per cent at the beginning of the Eighth Plan to 15.3 per cent on 31.3.1998. The average waiting period is now ranging between eight months to two years and a few months.

51. As regards the reasons for non-achievement of telephones on demand, the Secretary clarified that the main reason for the

Department's inability to achieve the objective within the stipulated time frame was that after 1990 there was wider gap between the projected demand and the actual demand. Secondly, the expectation that the private sector would step in and contribute to the network did not materialise.

52. When asked whether the Department, would venture any time limit for achieving what they had intended to achieve in 1994, the Secretary replied that they intended to achieve that by the end of the Ninth Plan *i.e.* 2002 A.D.

53. The Committee enquired about the plan of action on the part of the Department to achieve the objective in view of the fact that by the year 2002, there would be a steep increase in the demand. The Member(s) of Telecom Commission replied that they were expecting 23.7 million extra lines by the end of the Ninth Five Year Plan out of which DoT and Private operators would provide 18.5 million lines and 5.2 million lines respectively.

54. The target set for 1998-99 is stated to be 36 lakh telephones out of which 31.5 telephones would be provided by DoT all over the country and 4.5 lakh by MTNL in Delhi and Mumbai. The Committee asked how these 36 lakh lines would be distributed so far as the selection of area is concerned as there are problems in North-East, tribal and backward areas. The Member(s) replied that for each State the DoT had a target mostly depending on their waiting list. But in some of the States where DEL density is low like some North Eastern States, the Department had set higher targets so that they were also brought up to the national average.

55. The Secretary, DoT supplemented that the pending applications would obviously be an important factor in determining the allocation. Besides some policy angles with regard to North-East, tribal area etc. would have to be taken into account.

56. State-wise waiting list, tele-density and DEL targets along with separate information on North Eastern States, furnished at the instance of the Committee are as shown in Annexures I & II respectively.

57. It would be seen from therein that as on 31.3.1998 there were 27,05,741 applicants on the waiting lists all over the country. The figures for North-Eastern Region and Assam Circle in this regard were 9,704

& 20,795 respectively. The waiting list in case of Kerala, Tamil Nadu, Gujarat, Maharashtra, Andhra Pradesh, Uttar Pradesh and West Bengal are of huge proportions *i.e.* 6,79,159; 3,14,565; 2,30,303; 2,27,174; 2,10,473; 1,55,447 and 1,31,628 respectively. The overall telephone-density is just 1.84.

58. The Committee enquired what would be the plan of action on part of DoT in case the participation of Private Operators who are supposed to add 5.2 million lines do not materialise as had happened during the Eighth five Year Plan. The Secretary, DoT submitted that in the Eighth Five Year Plan out of a total target of 7.5 million lines, Private Sector was expected to provide 2.5 million lines which they could not, due to various reasons. However, the fact that the Private Sector could not take off did not come in the way of achieving the Eighth Plan targets. The Department actually exceeded the Eighth Plan target and the achievement was of the order of 8.73 million lines.

59. Now for the Ninth Five Year Plan, apprehending the fact that the Private Sector may not take off as fast as anticipated, the Department proposes to enhance its target from 18.5 million lines to 20.5 million lines and reduce the target of the private operators from 5.2 million lines to 3.2 million lines.

60. When asked whether the Private Operators would be able to provide the revised target of 3.2 million lines by the end of the 9th Plan period, the Secretary replied that it would be possible because six licence agreements have already been signed and two more are expected to be signed. One party has made the network operational in Madhya Pradesh and others have started making efforts for the said purpose.

61. In reply to another query by the Committee in this regard, the Secretary, DoT assured the Committee that the Department would have to take over the responsibility and ensure that the tempo did not suffer in case of any failure on the part of the Private Operators.

62. The Committee notes that while there is an overall improvement in providing telephone on demand yet the VIII Plan objective of providing telephone on demand is still a distant dream. In fact there is much wider gap between the projected demand and the actual demand. The reasons stated for non-achievement of the objectives within the stipulated time frame shows lack of perspective

planning and foresightedness on the part of Department. While meeting the current demand, the Department should always keep in mind the progressive demand in future with industrial and socio-economic development of the country. The fact that the target which was intended to be achieved in 1994 has now been deferred till 2002 A.D. demonstrates the Department's inability to anticipate and meet the progressive demand. Now, 23.7 million extra lines have to be provided by the end of the Ninth Five Year Plan and the Department should gear up its machinery to cater to the demands now and in future.

63. The private sector, during the 8th Five year Plan, failed to provide 2.5 million lines though DoT made good a part of the quantities. But it appears that the private sector is not in a position to meet the quota assigned to them, inspite of the same, the Department has again earmarked 5.2 million lines for the private operators and 18.5 million lines for itself during the Plan. Although six agreements have already been signed and two more are expected with the private operators for providing these 5.2 million lines, yet not a single DEL has been added even after lapse of 15 months of the 9th plan. The Department should therefore, remain prepared to achieve the entire target on its own.

64. The Committee notes that during the year 1998-99, 36 lakh telephones would be provided out of which 13.5 lakhs would be by DoT and the remaining 4.5 lakh by MTNL. The Committee desires that while distributing 36 lakh lines to various States, the Department should keep in mind the greater need of North-Eastern States, tribal areas and other rural areas where the telephone density is abnormally low. In view of the difficult terrains and lack of infrastructure in these areas, vigorous efforts are required to be made on the part of DoT in cooperation with the other State agencies.

65. The Committee is perturbed to note that as on 31 March, 1998, the wait-listed applicants in Kerala were 6,79,159; in Tamil Nadu 3,14,565; in Gujarat 2,30,303; in Maharashtra 2,27,174 in Andhra Pradesh, Uttar Pradesh, West Bengal and some other States. Also it was running into lakhs. In Assam Circle as on the same date the wait-listed applicants were 20,795 and in North-East Region they were 9,704. Thus the total wait listed applicants in the country come to a phenomenal number *i.e.* 27,05,741. The VIII Plan objective of providing telephone or demand may still remain a distant dream by the end of the 9th Plan period and beyond also unless vigorous and

time-bound steps are taken by the Department. The Committee therefore Calls upon the Department to chalk out its plan and strategy afresh particularly as in some States the waiting list runs into lakhs.

B. Fault Rate and Excess Billing

66. After scrutinizing the Annual Report (1997-98) of DoT, the Committee observed that while during 1995-96 the number of faults per month per 100 phones was 15.8, it has increased to 17.2 during 1996-97. During evidence, when the Committee desired to know the action plan of the Department in this regard the Member(s) stated that as a majority of the faults came from near about the subscribers' premises either in the drop wire or in the cable working or in the fitting, the Deptt. decided last year that instead of doing a massive search the fault rate in the exchange in each district be reduced to below 10. Accordingly, the field units were asked to work on that area which has given the desired result. Secondly, the year the Department has decided that they would take the cable right to the premises of the building of the subscriber so that even the small drop wire of 100 meters or 200 meters is also eliminated. This decision was taken around April 1998 and the Department has asked the field units to do it again in one Exchange in each district on a trial basis, Depending upon the results of these two exercises, the Department would replicate it in other areas so that they are able to bring the fault rate to below ten level within two or three months.

67. The Committee asked how did one inform about the phone-fault, what was the response and how long did it take to rectify a fault. The Member(s) agreed that in this regard a lot of improvement was called for and the norms should be that faults should be rectified within 24 hours or latest 48 hours.

68. Turning its attention towards the MTNL areas i.e. Mumbai and Delhi, the Committee desired to know the fault rate in these areas and the plan of action on the part of MTNL to minimise the fault rate. The CMD, MTNL in response stated that in MTNL areas the fault rate per month per 100 phones was 24 to minimise which MTNL was proposing a number of measures. Firstly, they are going to open more quick customer service centres; secondly, they are planning to train each employee of MTNL; thirdly, they are going to improve the

technology by introducing optical fibre; fourthly, MTNL is also introducing Integrate Voice Response (IVR) system in all the Exchanges which straightway gets into the computer so that the monitoring and response is there. Moreover, MTNL has created separate operational cells headed by a General Manager level officer where the complaints are monitored on day to day basis.

69. The Committee wondered why the fault rate was increasing despite the fact that equipments in Delhi and Mumbai was of the latest version. the CMD, MTNL stated that one foremost reason for the increase in fault rate inspite of taking measures was that the technological improvements had happened only upto the level of Telephone Exchanges and nothing had been done from the Telephone Exchange to the subscribers' premises. Copper based Network with old cables was not working properly and has to be completely replaced by wireless in local loop or optical fibres.

70. On being asked when MTNL would be able to consolidate the Network, the CMD replied that MTNL is in touch with two international experts and they are prepared to take over the job and MTNL is hoping to bring their network to international level in the next two years.

71. As regards the complaints of over billing and misuse of STD/ISD connections, the Member (s) agreed that there had been complaints from subscribers that they were getting excess bills though they had not made the calls and somebody else might have made it. He further submitted that people had got some devices by which they could find out the dynamic code of another person and could misuse it.

72. The Committee desired to know what procedure had been laid down to deal with the complaints of excess billing, the Secretary, DoT replied that if there was a complaint of excessive billing because of excessive metering, the trend of the telephone use by the subscriber for a specified period prior to the date of complaint was checked and if there was any difference, remedial action was taken.

73. To this, the Committee reacted that if that was the procedure for dealing with excessive billing, it was not being followed. The Secretary agreed that should be done. Further billing operations etc. having been computerised, the scope for disputes has also been reduced. The percentage of amount under dispute to the total amount

during the year has gone down from 1.01 percent in 1995-96 to 0.72 per cent in 1997-98. It was admitted that such complaints are there and the Department will have to deal with them individually.

74. As regards the machinery for redressal of public grievances, the Member (s) apprised the Committee that the Department had a number of mechanisms like grievances cells in each of the circle units, open-house session every three months, Telephone Adalats customer service centres etc. to deal with and settle public grievances.

75. To a query of the Committee whether with all the above mentioned mechanisms, the Department was satisfactorily dealing with public grievances, the Secretary replied that there was a lot of scope for improvement in customer service.

76. The Committee then pointed out that there were complaints in galore from members of Parliament and VIPs/VVIPs which were not attended to properly and under the circumstances the plight of the common man of the land can be well understood. The Committee in this context asked when traditional complaint service was not operating properly how could the Department think of value added customer service to satisfy the customers. The Secretary, DoT submitted that they were aware of the Public dis-satisfaction with the service for which they were looking at it as a priority area, more so in view of the emerging competition.

77. The Committee is anguished to note that while during 1995-96 the number of faults per month per hundred phones was 15.8, it has increased to 17.2 during 1996-97. The matter is worse in MTNL areas where the fault rate is 24 per month per hundred phones. In view of the fact that fault rate in MTNL areas is much higher than the DoT operational area and that too with the much better digitalised equipments, the figure of 17.2% fault rate per month in DoT area appears to be a suppressed one. Although several measures have been taken by both DoT and MTNL to curb the fault rate, the Committee is surprised to note that the fault rate is going up. The old copper based network and limitations of technological improvement up to the Exchange level, as pointed out by the CMD, MTNL are given as the two foremost reasons for increase in the fault rate of telephones. The Committee therefore desires both DoT and MTNL to do away with the old copper based network and extend the technological improvement upto the

subscribers premises beyond the Exchange level so that the fault rate is minimised in the best interest of the customers.

78. The Committee is disturbed to observe that people have got some devices with which they can penetrate into somebody else's dynamic STD code and misuse it. The Committee feels that it is a problem of serious proportion as people are getting phenomenal telephone bills due to such mischief. The onus therefore fully lies with the Department to devise some way to apprehend the culprits so that innocent subscribers do not suffer. The Committee would also like the Department to constitute a Committee at Telecom District levels comprising one representative each from the Department, general public and outside technical expert with a view to look into the inflated billing complaints and this project the subscribers from harassment.

79. The Secretary, DoT's submission that if there is a complaint of excessive billing the trend of the telephone-use by the subscribers for a specified period prior to the date of complaint is checked and if there is any difference, remedial action is taken has remained only on paper. The Committee, therefore, recommends the Department to ensure that this procedure is followed in letter and spirit by all those who deal with the public complaints of overbilling. Whenever there is a complaint of excess billing the DoT should consider the average bill paid by the customer and ensure that the line is not disconnected automatically and even then not without notice to the subscriber.

80. Although the Department is taking a number of measures i.e. grievance cells in each of the circle units, open house session every three months, telephone adalats, customer service centres etc. yet a lot of improvement is needed to redress public grievances. The Committee therefore hopes that the Department will take other measures besides the above mentioned ones to effectively redress the grievances of the customers in view of the growing discontentment among the public.

C. PCOs

81. During evidence the Committee enquired about the position of allotment of PCOs. The Secretary, DoT submitted that it was one for every 580 persons when actually it should have been one for every 500 persons. To a specific query of the Committee about the procedure for selection of operators and why there was no restriction of minimum

distance between two PCOs, the Secretary, DoT clarified that in allotment of PCOs the Department had not put a limitation of distance at all. Any applicant for allotment of PCOs should be educated and unemployed and his average earning should be less than Rs. 2000/p.m. The Secretary, DoT stated that based on that criteria, anybody who applied and met with the above requirements had been provided with a PCO.

82. Asked about the guidelines for allotment of PCOs and whether physically handicapped persons, indigent widows were given priority while allotting PCOs, the Secretary, DoT submitted that there were definite guidelines for allotment of PCOs. But if the feeling was that there was an element of vagueness in those guidelines or some new elements were to be incorporated in the guidelines, the Department would certainly have a relook at those guidelines.

83. The Committee pointed out that in a number of cases, PCOs allotted in rural/semi urban areas had been transferred by the allottee to other unauthorised persons on certain consideration who charged more from the public. In this connection, the Committee wanted to be apprised of the measures prescribed to check such malpractices. In reply, it was stated that regular checks are made by the vigilance cell in the field and whenever such malpractices are observed, the PCOs are liable to be disconnected and the license terminated. It was, however, simultaneously stated that no complaints regarding the transfer of PCOs by the allottee to other persons has been received by the Department from the field offices.

84. The Secretary, DoT during evidence supplemented that they had vigilance teams and they did conducted surprise checks on the PCOs Where the PCO operators had been found to be charging more from the customers, action was taken.

85. In pursuance with its earlier recommendations made in the 11th Report, the Committee desired to know whether the Department had started maintaining the records of applications received for allotment of PCOs and if so, how many applications were received during the last one year and how many were pending with the Department as on date. In reply it was stated that instructions had been issued to the circle offices to maintain the records of applications received for allotment of PCOs. It was further stated that information regarding the number of applications received during last one year and applications pending on date was being collected from various circles.

86. After scrutinizing the instructions issued by the Department to different CGMs of various circles, it was observed that such instructions were issued only on 22 May, 1998 after the lapse of at least a year since the Committee made its recommendations in the 11th Report. Further a reminder was issued on June 9, 1998 in this regard suggesting to various circles a format in which the information is to be compiled and sent to the Headquarters.

87. The Committee notes that in allotment of PCOs, DoT has not put any limitation of distances, rather anybody educated but unemployed with a monthly income of less than Rs. 2000/- per month can be provided with a PCO. Even then, at present, there is one PCO for every 580 persons when actually it should have been one for every 500 persons. Further there are more than required number of PCOs in some places while scarcity in some others. Therefore, the Committee would like the Department to review its policy of allotment of PCOs so that they are equally and evenly placed in all parts of the country.

88. The Committee notes with concern that in many cases, the PCO operators have been found to be charging more from the customers. Although the Department states that it conducts surprise checks on the PCOs with the help of vigilance team, yet the Committee feels it is not enough to curb such mal-practices keeping in view the number of PCOs existing in the country. The Committee, therefore, recommends that the procedure for conducting surprise checks may be streamlined to eliminate cases of mal-practices for the benefit of general public.

89. The Committee deprecates the dilatory attitude of the Department in implementing the Committee's earlier recommendations to accurately maintain the record of applications received for allotment of PCOs as would be seen from the fact that instructions were issued to various circles belatedly only on 22 May, 1998 and a subsequent reminder thereafter on 9th June, 1998 much after the Committee gave its recommendations. The committee, therefore, urges the Department to prevail upon the Circles and other field formations to immediately start maintaining such records and apprise the Committee accordingly.

D. Telephone Directory

90. When asked how often the Telephone Directory was published, the CMD, MTNL replied that it was published every year. But to a query when was it last published, he replied that it was last published in 1994.

91. The Member (services), DoT apprised the Committee that in many places the Telephone Directories were published in time. Being not satisfied with the term "in time" the Committee wanted to be apprised about the time gap between one publication and the other. The Member (s) replied that it is to be done annually and in many places where it had come out in 1997. He also admitted that there were problems and bottlenecks in some areas. The Department, however, has reviewed the problem of non-issue of Telephone Directory in time.

92. The Secretary, DoT supplemented that the yellow pagers association had met him and pointed out that, according to them there were certain deficiencies in the Departments tendering procedure. The Secretary added that he was considering the suggestions of the Association. Elaborating the position, the Secretary, DoT submitted that the grievances of the Private Parties, the Yellow pages, were that the amount which they got from the Yellow pages was not sufficient to meet the cost of printing. The other grievance about which the Department would have to take remedial measure was that they did not get the feed back about the changes in the numbers on a regular basis and that created problem in printing. He assured the Committee that both these problems would be looked into thoroughly.

93. To a specific query of the Committee as to when the new Telephone Directory would come out in Delhi, the CMD, MTNL replied that it would take another four to six months.

94. The Committee is constrained to note that the Telephone Directory is coming out once in every 4/5 years, whereas actually it should have been published once every year. Notwithstanding the bottlenecks in any area, the Committee would like the Department to review its whole policy of issuance of telephone directory to see that it is invariably published every year because it is the primary obligation of DoT. Subscribers are put to great inconvenience because of frequent change of numbers necessitated by switching over from

electro-mechanical to electronic exchanges in most part of the country. It is the duty of the Department of Telecommunication to assure timely publication of Telephone Directories not only in major cities and Centres but at the different telecom zones, including those for different districts throughout the country.

E. Tariff Structure

95. Pointing out the fact that if one rings from India to USA, he or she has to pay more tariff than when the call is made from abroad, the Committee desired to be apprised of the tariff structure followed by the DoT. The Secretary in reply stated that the tariff structure was being studied by the Telecom Regulatory Authority of India (TRAI). But, normally what happens is that the long distance rates are reduced and local rates are increased so that the volume goes up and the underlying idea is to have a cost based tariff structure. He further stated:

“.....to-day we are cross subsidising, we are charging more from those who ring up from long distance. Those who are in the villages, who can not afford much we are charging them below cost.”

96. The Secretary, DoT apprised the Committee that the TRAI had come out with a paper on the tariff structure and they would finalise their approach by the end of June, 1998.

97. On being asked whether the Government had accepted the tariff structure proposed by TRAI, the Secretary replied that the Government could give suitable response to TRAI in the matter.

98. The Committee notes that in order to have a fast base tariff structure the Department normally increases the local rates so that the volume goes up and decreases the long distance rates. But now-a-days the Department is cross subsidising by charging more from those who ring up from long distance and less to the villagers who can not afford much. However, the tariff structure is being studied by the Telecom Regulatory Authority of India (TRAI) and they would finalise their approach by the end of June 1998 in which the Government can give suitable advise to TRAI. In this context the Committee trusts the economic conditions of rural people will not be lost sight of while finalising tariff structure. The DoT may like to impress this point on TRAI.

F. Telephone Bill Arrears & Disconnection

99. The details of arrears of Telephone Bills during the last 3 years was stated to be as under:—

(Rs. in crores)

Year	DoT	MTNL	Total
1995-96	1165	571	1736
1996-97	1396	694	2090
1997-98	1636	787	2423

100. Asked about the steps taken for early recovery of arrears and settlement of disputes with subscribers, the Committee was informed that the outstanding position was being constantly monitored through the monthly subledger statements. Besides fixing targets for reduction in outstanding arrears at the close of September and March every year, several measures such as levy of surcharge on delayed payment, incentive on revolving schemes, incentive to staff for effecting recovery of old outstandings, Periodical Liquidation Boards and High Power Committee meetings at SSA/Circle level, timely disconnection for non-payment, computerisation of billing and accounting etc. have been devised by the DoT for improving the recovery.

101. The Committee desired to know whether as per its recommendations in the 11th Report, the DoT, besides strengthening its monitoring system, had taken up the matter with the State Governments for the latter's assistance in prompt recovery of outstanding dues. The Secretary, DoT replied that they had taken note of the recommendation of the Committee and in the event of non-recovery of dues after the prescribed one month period of one way facility to the defaulters, the Department would seek the assistance of the State Governments for recovery of the arrears.

102. The Committee is unhappy to note that during 1997-98 the staggering amount of Rs. 2423 crores is outstanding as telephone bill arrears throughout the country. Out of this amount, Rs. 787 crore is to be recovered in Delhi & Mumbai alone under the MTNL jurisdiction and Rs. 1636 crore is to be recovered in the rest of the

country under DoT's jurisdiction. Although the Department is stated to be taking a number of measures, as mentioned above, the outstanding bills are increasing alarmingly every year the total amount of arrears was Rs. 1736 crores in 1995-96 and Rs. 2090 crores in 1996-97. The recent step taken by the Department to disconnect the outgoing calls and to allow only the incoming calls for a period of one month in case of the defaulting subscribers does not seem to be an effective deterrent in view of the rising outstanding arrears. The Committee therefore, recommends the Department to take all necessary measures besides seeking the assistance of various State Governments so that the arrears are recovered at an early date and in future, arrears do not accumulate. The Department is called upon to apprise the Committee of the break up of arrears due from Govt./Semi-Govt. Departments, VIPs, Industries and general public.

IV. Departmental Organisations

A. C-DoT

103. There was a budgetary provision of Rs. 55 crores in the RE 1997-98 for C-DoT. In the BE 1998-99, the amount has been increased to Rs. 85 crores. During evidence, it was clarified that in the year 1997-98 C-DoT got Rs. 55 crore from DoT as Grant-in-aid besides itself generating Rs. 12 crore by way of royalty.

104. As regards the expansion of R & D activities by C-DoT, the Secretary, DoT apprised the Committee that C-DoT has increased its R & D activities and is proving to be a good catalyst to the Indian telecommunication industry. Besides increasing the switching products manifold, C-DoT has been able to introduce all the modern service like ISDM, the intelligence service etc. However, the most important achievement during the last year and a half pertained to point to multi-point technology for rural applications.

105. To a specific query of the Committee as to whether the 'brain drain' was still continuing in C-DoT, the representative of C-DoT replied that exodus of talented young people had become a phenomenon with which they had learnt to live with. Citing the seriousness of the problem the Committee desired to know the thinking on the part of the Department to check or at least minimise the brain-drain. The Secretary, DoT responded that it was definitely a matter of concern and unless there was some flexibility with regard to the pay scales the problem would continue. He simultaneously conceded that in the present set up, it was very difficult to give them such pay scales

which will counter brain drain. However, C-DoT's need of budgetary support was always met and for an upcoming Research/Administrative complex, the Department would be providing budgetary support.

106. During study tour, a delegation of Telecom equipment manufacturers has represented to the Committee that multinational corporations are importing and selling telecom equipment without having any manufacturing base in the country. As the prices of telecom equipment abroad has gone down, it is hurting them. Moreover, they were being paid less due to inadequate appreciation of C-Dot technology.

107. The Committee pointed out that many Indian concerns who had purchased and utilised C-DoT technology for manufacturing various telecom equipments were facing difficulties due to the fact that they were not getting adequate orders *vis-a-vis* the other companies. To this the Secretary, DoT responded that as a matter of policy they had reserved all exchanges below 10,000 lines only for C-DoT technology. So all orders up to 10,000 (lines) would go to the Indian manufacturers.

108. The Committee appreciates that C-DoT has improved its R & D activities by increasing the switching products manifold introducing all modern services like ISDN intelligence service etc. besides developing point to multi-point technology for rural applications. However, the exodus of talent and people from the Organisation is definitely a matter of serious concern and unless there is some flexibility with regard to the pay scales the problem will continue. But considering the Department's difficulty to provide the desired pay scales, the Committee would like to suggest DoT to think of some other alternatives like giving incentives so that the R & D activities of C-DoT in the long run are not affected.

109. The Committee is happy to note that orders for all Exchanges below 10,000 lines are reserved only for. C-DoT technology based exchanges. However, the manufacturers relying on C-DoT technology has a lot of other problems *viz.* better appreciation and remunerative prices which require sympathetic consideration. The Committee trust that DoT will look into them sympathetically. The Committee would also like to see that no preference is given to MNCs over C-DoT technology and Indian manufacturers so far as placement of orders is concerned.

B. Telecom factories

110. On study tour to Mumbai and Calcutta Telecom Factories during October, 1997 the Committee was apprised that these Factories were not getting sufficient orders from DoT for which idle work force had increased considerably. Moreover, DoT procured from outside manufacturers those very products which the Telecom Factories were themselves capable of producing. Further, no tenders were floated by DoT for procuring equipments nor any commercial accounting practice was followed. In this connection, the Committee desired to have the comments of the Department on each of the above mentioned grievances.

111. In reply it was stated that the entire production of the Telecom Factories was utilised to meet the needs of the Department. Outside procurement is resorted to only for those items whose demand exceed the production capacity of the Factories. The Committee was apprised that during 1997-98 sufficient requisitions were placed on both Mumbai and Calcutta Telecom Factories in respect of all major products.

112. Due to the obsolescence of conventional products, some workers at Mumbai and Calcutta factories have become surplus during the past few years. During this period, many new products have been inducted. However, as they are less labour intensive, part of the surplus work force could only be re-deployed on the new products. Continuous efforts are reported to have been made to fully utilise the labour force by diversifying into new products. Due to these measures, the number of idle workers has stated to have decreased as indicated below:

Unit	(1997-98)		(1998-99 (May 1998))	
	Idle Work force	Total Work force	Idle Work force	Total Work force
Mumbai	333	1614	255	1540
Calcutta	209	1751	100	1661

113. The DoT has further contended that the factories are working on the principle of 'No Profit No Loss'. But with a view to maintain efficiency and to inculcate the spirit of commercial working, Factories are required to prepare yearly Profit and Loss statements. The possibility of introduction of commercial accounting practices for the Factories organisation would also be examined.

114. Elaborating the point further a representative of DoT submitted during evidence that the capacities of Telecom Factories were optimally booked and only after exhausting their production, the Department went for procurement from private parties if there was a demand in excess. The Secretary, DoT added that they have tried to develop new products and reduce to the best possible extent the number of idle work force.

115. As regards modernisation of the Telecom Factories the Member(s) appraised the Committee that Calcutta Telecom Factory had entered into a collaboration with KRONE, a Multi National company for manufacturer of very good CT Boxes and DP Boxes. Apart from the CT Boxes and DP Boxes, other new items are being produced include Modems, Cable Connectors, Push Botton Key Telephone, Card Pay Phone, GD Tubes, Transmission Towers, Solar Power Plant etc.

116. About the restructuring of the Telecom Factories, the Secretary, DoT apprised the Committee that the Department had no fixed programme for restructuring the factories although the Fifth Pay Commission had recommended that these Factories should be wound up.

117. Asked about sourcing of supplies in case of winding up of the Telecom Factories the Secretary replied that the operational aspects had to be corrected.

118. To another specific query as to what the Pay Commission had to with the winding up of the Telecom Factories, the Secretary, DoT submitted that the thrust of the recommendation was that since other units had come up the necessity of the Telecom Factories was no longer there and moreover, the Pay Commission had looked at the total outgo from the Exchequer and the performance of the factories.

119. The Committee notes that Telecom factories are captive units of the DoT set up to meet the needs for various telecom equipments of the Department. Due to obsolescence and lack of timely

modernisation as well as development of new technologies, many of their products are not required by the Department and hence production of those items has stopped resulting in idle work force. Though the DoT has claimed that it has tried to help the Telecom Factories in developing new products and thereby reduce the idle work force to the best possible extent, yet the claim is not substantiated by the Committee's visit to the factories. The factories are in very bad shape and work force is demoralised. Though the number of idle workers has come down to 255 in 1998-99 from 333 during 1997-98 at Mumbai factory and 100 at Calcutta Factory, it is no consolation to them. In fact valuable human resources are going waste for lack of proper planning. The Committee feels that a lot of improvement is still required in this regard and therefore recommends the Department to adhere to more intensive measures to modernise besides continuing the present efforts so that the idle work force in these two Telecom Factories is properly utilised for productive purposes.

120. The Committee notes that the Calcutta Telecom Factory has entered into a collaboration with KRONE, a Multi National Company for producing new items which include Modems, Cable Connectors, Button Key Telephone, Card Pay Phone, Transmission Towers etc. The Committee would like the Department to take necessary steps so that the modernisation of the Factories takes place on the desired lines and early basis.

121. Even though the Fifth Pay Commission has recommended that the Telecom Factories should be wound up, the Committee feel that with induction of proper technology, valuable assets can be fruitfully developed and being captive units, the factories will provide inherent strength to the DoT in procurement of various types of equipment from private vendors. Since performance of these factories has improved in recent times, the Committee would like the Department of Telecom to take up the matter with the Government for their proper development.

V. Public Sector Undertakings

A. ITI Limited

122. Performance of ITI Ltd. has improved in the last two years and the turnover has shown a very satisfactory development for the

better. In 1995-96 the turnover was Rs. 783 crore which increased to Rs. 1021 crore in 1996-97 and to Rs. 1,270 crore in 1997-98. In 1995-96 it made a loss of Rs. 283.96 crore, in 1996-97 loss came down to Rs. 50.90 crore and in 1997-98 as per unaudited accounts, there is reported to be marginal profit of Rs. 5 crore. Thus the position has improved because of a number of steps which the Department took pursuant to the recommendation of the Committee made in its earlier reports as well as due to some remedial action taken by the ITI Management.

123. The Secretary DoT stated that the Department has taken up the question of revival package for the ITI in which equity base would be increased by about Rs. 200 crores. Besides a soft loan of Rs. 150 crore; Rs. 35 crore for VRS; Rs. 30 crore, for R & D per year for the Ninth Five Year Plan period has been proposed. The Secretary further apprised the Committee that the recommendations of a Committee appointed by DoT to go into the issue of social costs carried on by ITI, had been received, the Department was examining the recommendations and in due course would be placing the same before the Government for orders.

124. The present strength of employees in ITI is stated to have come down to 18,000 from 25,000. The Committee enquired whether the company needed any further reduction in its manpower, the CMD, ITI replied that the company still needed a further reduction of about 10,000 workers.

125. When asked about the response of the employees towards the Voluntary Retirement Scheme (VRS) the CMD, ITI replied that other than in Bangalore, the response had not been upto the mark.

126. As regards the recommendation of the disinvestment Commission, the Secretary DoT submitted that the Commission had recommended that the percentage of Government equity in ITI should be brought down to 26 percent because the company, according to the Commission fell in the non-core sector. But according to the Department, the Company belongs to the infrastructure sector and therefore the future of the company which contributes to the growth of infrastructure sector may have to be viewed differently.

127. Regarding the modernisation and product diversification at ITI, the CMD ITI apprised the Committee that they would be

upgrading their OCB technology besides venturing into wireless-in-local-loop and many other products like HDSL, DLC etc. They have to undertake many new products because they have got advance purchase orders. The company has planned to invest Rs. 94 crore for modernisation. On being asked where from would the company get this amount, the CMD replied that the Cabinet Note was pending for the purpose.

128. The Committee is happy to note that ITI Ltd. has turned around and for the 1997-98 it is going to make a marginal profit of Rs. 5 crore as per the unaudited accounts. This achievement is by no means marginal in the light of the fact that the company has practically come out from the verge of closure and was about to be referred to BIFR for winding up. Credit goes to both the Company management which took some remedial measures and to the Staff and the DoT which provided a number of packages for the Company's revival. For the Ninth Five Year Plan, the Committee notes such revival packages include an increase in the equity holding by the Government by about Rs. 200 crore, a soft loan of Rs. 150 crore; Rs. 35 crore for VRS scheme and Rs. 30 crore for R&D per year in the plan period. Now that the Company has started making profits, the committee feels that such revival packages should be sympathetically considered for its further consolidation.

129. Since the recommendations of the Committee appointed by DoT to go into the issue of social cost has been received, the Committee trust that ITI Ltd. will get the desired relief as it has been carrying a heavy burden of social costs since its inception.

130. The Committee note with anxiety the recommendation of the Disinvestment Commission that the percentage of Government equity in ITI should be brought down to 26 per cent on the plea of the company being a non-core sector. But the opinion of the Department that a company which contributes to the growth of infrastructure will have to be viewed differently is quite logical and merits sympathetic consideration and the Committee recommends accordingly.

131. The Committee appreciates the efforts made by ITI to diversify the products by upgrading the OCB technology besides venturing into wireless-local-loop technology and many other

products. The Company has also planned to invest Rs. 94 crores in the modernisation facility. Besides the Company is making big efforts to venture into the Export market. Keeping in view the fact that ITI has got no budgetary support since the last two-three years and the CMD's appeal that the Company needs financial help by virtue of an improvement in its working capital, the Committee would like the Government to provide adequate financial assistance to the Company for diversification and modernisation of products and exploration of the export market.

B. HTL Ltd.

132. The Committee has been informed that for the year 1997-98, HTL Ltd. has achieved a record turnover of Rs. 248.24 crore and net profit of Rs. 6.8 crore although it incurred a loss of Rs. 8.13 crore during 1996-97.

133. HTL has reportedly developed an impressive product line including C-DoT switching systems starting with 128 line right up to 1200 lines which is DoT's main requirement for rural areas. There are reported to be about ten to twelve companies manufacturing C-DoT technology based equipment and HTL is one of the companies to which the technology has been transferred. To a specific query of the Committee regarding the export market of HTL products, the Secretary, DoT apprised the committee that the Company was able to bag an export order for Ethiopia for supplying C-DoT switching systems which were highly suited in the environment of Africa and Asia.

134. On the VRS proposal of HTL Ltd. the CMD of the company apprised the Committee that out of a total work force of 1400 people, 300 to 400 were being considered as surplus manpower. These surplus manpower of the Company would however be retiring by the 2003 to 2005 A.D.

135. The Committee desired to know the recommendations of the Disinvestment Commission on HTL Ltd. In reply, the Secretary, DoT stated that the recommendations of the Disinvestment Commission in respect of HTL was that the company should be sold totally.

136. The Committee asked whether in view of the decision of the Disinvestment Commission is there any restriction of developmental plans of either ITI or HTL. In reply the Secretary, DoT submitted that the procedure was that the recommendations made by the

Disinvestment Commission would be processed first by the Department of Telecommunications and then by the Ministry of Finance and finally, the orders of the Council of Ministers would be obtained. He further stated added that DoT is processing the recommendations of the Disinvestment Commission and would express its point of view.

137. The Committee is extremely happy to note that during the year 1997-98 HTL achieved a record turnover of Rs. 248.24 crore and net profit would be approximately Rs. 6.8 crores although it incurred a loss of Rs. 8.13 crore during the previous year. Thus, turn around of the company has become possible, due to timely diversification into production of C-DoT switching system which is the main requirement of DoT in rural areas. The Committee would like the Company to keep in view the requirement of DoT from time to time and venture into more such new products as would be useful for rural, hilly and tribal areas.

138. The Committee also appreciates that HTL has bagged an export order from Ethiopia for supplying C-DoT switching system which are highly suited for the environment of Africa and Asia. The Committee trusts that DoT would help HTL in exploring such export markets in other under developed Asian and African countries.

139. The Committee note that out of total work force of 1400 people in HTL, 300 to 400 are being considered as surplus manpower who would be retiring by the year 2003 to 2005 A.D. In this circumstance, the Committee feels that the company may not be too concerned about the "surplus" manpower.

140. The Committee is concerned to note the recommendation of the Disinvestment Commission that HTL should be totally sold out. The Committee feels that in view of the steady improvement of the HTL's performance, and its making profit, the case for disinvestment can not be sustained.

NEW DELHI;
July 13, 1998
Asadha 22, 1920 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on Communications.

ANNEXURE I

**STATE-WISE WAITLIST, TELE-DENSITY, 1998-99 DELs TARGETS
(Status as on 31.3.1998)**

S.No.	State	Waiting List	Tele-density	DELs Target 1998-99
1	2	3	4	5
1.	Andhra Pradesh	210473	1.58	250000
2.	Assam	20795	0.63	50000
3.	Bihar	61129	0.41	131000
4.	Gujarat (including Dadar, Diu, Daman & Nagar Haveli)	230303	2.74	250000
5.	Haryana	94967	2.23	95000
6.	Himachal	42338	2.86	59000
7.	J&K	28755	0.95	30000
8.	Karnataka	112021	2.42	200000
9.	Kerala (Including Lakshadweep-UT.)	679159	3.41	325000
10.	Madhya Pradesh	38021	1.04	110000
*11.	Maharashtra (including Goa)	227174	3.74	530000

*The detail regarding Goa State is:	Waiting list	13325
	Teledensity	7.63
	DELs Target for 1998-99	13.500

1	2	3	4	5
**12.	North East (Including Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura)	9704	0.99	32000
13.	Orissa	21873	0.76	60000
14.	Punjab (Including Chandigarh-UT)	188103	3.74	190000
15.	Rajasthan	138239	1.46	163000
16.	Tamil Nadu (Including Pondicherry-UT)	314565	2.70	395000
17.	Uttar Pradesh	155447	0.82	272000
18.	West Bengal (Including Sikkim & Andaman and Nicobar)	131628	1.28	238000
19.	Delhi	1047	12.07	220000
	Total	2705741	1.84	3600000

**Statewise details for NE Region States is given in Annexure-II.

ANNEXURE II**STATE-WISE DETAIL OF WAITING LIST, TELE DENSITY 1998-99
DELS TARGETS IN RESPECT OF NE REGION STATES
(Status As on 31.3.1998)**

S.No.	State	Waiting List	Tele-density	DELS Target 1998-99
1.	Arunachal Pradesh	764	1.32	3500
2.	Manipur	1829	0.75	3500
3.	Meghalaya	808	1.02	4600
4.	Mizoram	832	2.22	3700
5.	Nagaland	2598	0.92	7000
6.	Tripura	2873	0.71	9700
	NE Circle	9704	0.99	32000
7.	Assam	20795	0.63	50000
8.	Sikkim	830	2.21	4100

ANNEXURE III

MINUTES OF THE FOURTH SITTING OF THE STANDING
COMMITTEE ON COMMUNICATIONS (1998-99)

The Committee sat on Friday, the 12th June, 1998 from 15.00 hrs. to 17.30 hrs. in Room No. 139, Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Giridhar Gamang
3. Shri T. Govindan
4. Shri Balasaheb Vikhe Patil
5. Shri Chandrashekhar Sahu
6. Shri K. Asungba Sangatam
7. Shri Krishan Lal Sharma
8. Shri Rajveer Singh
9. Shri Braja Kishore Tripathy

Rajya Sabha

10. Shri Kartar Singh Duggal
11. Smt. Veena Verma

SECRETARIAT

1. Shri P.D.T. Achari — *Joint Secretary*
2. Shri S.K. Sharma — *Deputy Secretary*

Representatives of Department of Telecommunications

1. Shri A.V. Gokak, Secretary, DoT and Chairman,
Telecom Commission

2. Shri A. Prasad, Member (F)
3. Shri P.S. Saran, Member (S)
4. Shri N.K. Sinha, Member (T)
5. Shri R.R.N. Prasad, Member (F)

2. At the outset the Committee welcomed the representatives of the Department of Telecommunications. The Secretary and other officials of DoT then briefed the members of the Committee about the Demands for Grants (1998-99) relating to DoT.

3. A verbatim record of the sitting has been kept.

The Committee then adjourned.

ANNEXURE IV

**MINUTES OF THE SEVENTH SITTING OF THE STANDING
COMMITTEE ON COMMUNICATIONS (1998-99)**

The Committee sat on Wednesday, the 17 June, 1998 from 11.00 hrs. to 13.00 hrs. in Committee Room No. 53, Parliament House, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Mahendra Baitha
3. Smt. Sheela Gautam
4. Shri T. Govindan
5. Shri Mahesh Kumar Mithabhai Kanodia
6. Shri Jay Krishan Mandal
7. Shri Santilal Purshottamdas Patel
8. Shri Balasaheb Vikhe
9. Shri Madan Vishwanath Patil
10. Shri Bajjnath Rawat
11. Shri Chandrashekhar Sahu
12. Shri K. Asungba Sangtam
13. Shri Harpal Singh Sathi
14. Shri Krishan Lal Sharma
15. Dr. Chhatrapal Singh
16. Shri Nakli Singh
17. Shri Rajveer Singh
18. Shri Surender Singh
19. Shri Braja Kishore Tripathy
20. Shri Surendra Prasad Yadav (Jhanjharpur)

Rajya Sabha

1. Shri Kartar Singh Duggal
2. Shri R. Margbandhu
3. Shri K. Kalavenkata
4. Smt. Veena Verma

SECRETARIAT

1. Shri P.D.T. Achari — *Joint Secretary*
2. Shri S.K. Sharma — *Deputy Secretary*

Representatives of Department of Telecommunications

1. Shri A.V. Gokak, Secretary, DoT and Chairman, Telecom Commission
2. Shri A. Prasad, Member (F)
3. Shri P.S. Saran, Member (S) *
4. Shri N.K. Sinha, Member (T)
5. Shri R.R.N. Prasad, Member (F)

2. The Committee welcomed the Secretary, Department of Telecommunications and officials accompanying him.

3. The Committee sought certain clarifications on the issues relating to the Demands for Grants (1998-99) and the representatives responded to the same.

4. A verbatim record of the sitting has been kept.

The Committee then adjourned to meet again at 15.00 hrs.

MINUTES OF THE EIGHTH SITTING OF THE STANDING
COMMITTEE ON COMMUNICATIONS (1998-99)

The Committee sat on Wednesday, the 17 June, 1998 from 15.00 hrs. to 17.00 hrs. in Committee Room No. 53, Parliament House, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

1. Shri Mahendra Baitha
2. Shri M. Durai *
3. Shri Giridhar Gamang
4. Smt. Sheela Gautam
5. Shri T. Govindan
6. Shri Jay Krishan Mandal
7. Shri Santilal Prashotamdas Patel
8. Shri Baijnath Rawat
9. Shri Chandrashekhar Sahu
10. Shri K. Asungba Sangtam
11. Shri Harpal Singh Sathi
12. Shri Krishan Lal Sharma
13. Dr. Chhatrapal Singh
14. Shri Nakli Singh
15. Shri Rajveer Singh
16. Shri Surender Singh
17. Shri Braja Kishore Tripathy

Rajya Sabha

1. Shri Kartar Singh Duggal
2. Shri K. Rahman Khan
3. Shri R. Margbandu
4. Shri K. Kalavenkata Rao
5. Smt. Veena Verma

SECRETARIAT

1. Shri P.D.T. Achari — *Joint Secretary*
2. Shri S.K. Sharma — *Deputy Secretary*

Representatives of Department of Telecommunications

1. Shri A.V. Gokak, Secretary, DoT and Chairman, Telecom Commission
2. Shri A. Prasad, Member (F)
3. Shri P.S. Saran, Member (S)
4. Shri N.K. Sinha, Member (T)
5. Shri R.R.N. Prasad, Member (F).

2. The Committee took up further examination of the Demands for Grants (1998-99) and sought clarifications on some other points.

3. A verbatim record of the sitting has been kept.

4. The Chairman thanked the officials of the Department of Telecommunications for furnishing valuable information to the Committee and for the free and frank views expressed on various points raised by the Members.

The Committee then adjourned.

ANNEXURE VI

MINUTES OF THE FIRST SITTING OF THE SUB-COMMITTEE 'A' OF THE STANDING COMMITTEE ON COMMUNICATIONS (1998-99)

Sub-Committee 'A' of the Standing Committee on Communications sat on Monday, the 29th June, 1998 from 15.00 hrs. to 16.30 hrs. in Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Smt. Veena Verma — *Alternate Convenor*

MEMBERS

Lok Sabha

2. Shri Mahendra Baitha
3. Shri Jay Krishna Mandal
4. Shri Chhatrapal Singh
5. Shri Surender Singh

Rajya Sabha

6. Shri R. Margabandu
7. Shri R.N. Arya

SECRETARIAT

Shri S.K. Sharma — *Deputy Secretary*

2. The Sub-Committee took up for consideration the Draft Report on Demands for Grants (1998-99) relating to the Department of Telecommunications and suggested some Modifications as shown in the Annexure.

The Sub-Committee then adjourned.

ANNEXURE

Sl. No.	Page	Para	Line	Modifications
1	2	3	4	5
1.	16	49	—	<p><i>Add at the end of the para</i></p> <p>"As submitted by the Secretary, DoT, during evidence, the Committee would also like to stress that the Department should take immediate measures to impart training and recruit local persons in North-Eastern region in view of the unwillingness on the part of people from other States to be posted there."</p>
2.	18	56		<p><i>Add after para 56:</i></p> <p>"It would be seen from therein that as on 31.3.1998 there were 27,0.5741 applicants on the waiting list all over the country. The figures for North-Eastern Region and Assam Circle in this regard were 9,704 & 20,795 respectively. The waiting list in case of Kerala, Tamil Nadu, Gujarat, Maharashtra, Andhra Pradesh, Uttar Pradesh and West Bengal are of huge proportions <i>i.e.</i> 6,79, 159; 3,14,565; 2,30,303; 2,27,174; 2,10,473; 155,447 and 1,31,628 respectively. The overall telephone-density is just 1.84."</p>

1	2	3	4	5
3.	21	65	<i>Add after para 65:</i>	
			"The Committee therefore the Committee therefore calls upon the Department to chalk out its plan and strategy afresh particularly as in some States the waiting list runs into lakhs."	
4.	26	78	<i>Add at the end of the para"</i>	
			"The Committee would also like the Department to constitute a Committee at Telecom District levels comprising one representative each from the Department general public and outside technical expert with a view to look into the inflated billing complaints and thus protect the subscribers from harassment."	
5.	33/34		Delete Para Nos. "95" & "97".	

ANNEXURE VII

MINUTES OF THE TENTH SITTING OF THE COMMITTEE
OF COMMUNICATIONS (1998-99)

The Committee sat on Monday, the 13th July, 1998 from 15.00 hrs. to 16.00 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Mahendra Baitha
3. Shri Giridhar Gamang
4. Smt. Sheela Gautam
5. Shri T. Govindan
6. Shri Jay Krishna Mandal
7. Shri Santilal Parshotamdas Patel
8. Shri Balasaheb Vikhe Patil
9. Shri Bajjnath Rawat
10. Shri K. Asungba Sangtam
11. Shri Krishan Lal Sharma
12. Dr. (Smt.) Prabha Thakur

Rajya Sabha

13. Shri K. Rahman khan
14. Shri R. Margabandu
15. Smt. Veena Verma

SECRETARIAT

1. Shri P.D.T. Achary — *Joint Secretary*
2. Shri S.K. Sharma — *Deputy Secretary*
3. Shri Ashok Balwani — *Assistant Director*
4. Shri Bhupesh Kumar — *Assistant Director*

2. The Committee took for consideration the following Draft Reports:

- (i) Draft Report on Demands for Grants 1998-99 relating to Department of Telecommunications.
- (ii) Draft Report on Demands for Grants 1998-99 relating to Department of Posts.
- (iii) Draft Report on Demands for Grants 1998-99 relating to Ministry of Information and Broadcasting.

2. The Committee adopted the Draft Report relating to Department of Telecommunications with some modifications as shown in the Annexure.

3. ** ** ** ** ** **

4. The Committee then authorised the Chairman to finalise and present the Reports in both the Houses of Parliament.

The Committee then adjourned.

ANNEXURE

Sl. No.	Page	Para	Line	Modifications
1.	13	36	—	<i>Add at the end:</i> "Wherever possible STD facilities should be provided at VPTs."
2.	29	79	—	<i>Add at the end:</i> "Whenever there is a complaint of excess billing, the DoT should consider the average bill paid by the customer and ensure that the line is not disconnected automatically and even then not without notice to the subscriber."
3.	38	102	—	<i>Add at the end:</i> "The Department is called upon to apprise the Committee of the break up of arrears due from Government/Semi Government Departments, VIPs, Industries and General Public."
