

**SIXTH REPORT**  
**STANDING COMMITTEE ON**  
**COMMUNICATIONS**  
**(1994-95)**

**(TENTH LOK SABHA)**

**MINISTRY OF COMMUNICATIONS INCLUDING (i) POSTAL  
SERVICES AND (ii) TELECOMMUNICATION SERVICES**  
**DEMANDS FOR GRANTS (1994-95)**



*Presented to Lok Sabha on 25 April, 1994*  
*Laid in Rajya Sabha on 25 April, 1994*

**LOK SABHA SECRETARIAT**  
**NEW DELHI**

*April, 1994/Chaitra, 1916 (Saka)*

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COMPOSITION OF THE STANDING COMMITTEE ON  
COMMUNICATIONS (1994-95)

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(iv)

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SECRETARIAT

1. Shri G.L. Batra — *Additional Secretary*
2. Shri R.V. Warjri — *Director*
3. Shri K.K. Dhawan — *Under Secretary*

## INTRODUCTION

I, the Chairperson of the Standing Committee on Communications having been authorised by the Committee to submit the Report on their behalf, present this Sixth Report on the Demands for Grants (1994-95) of the Ministry of Communications including (i) Postal Services, and (ii) Telecommunication Services.

2. The Standing Committee on Communications was reconstituted on 8 April, 1994. One of the functions of the Standing Committee as laid down in Rule 331 E of the Rules of Procedure and Conduct of Business in Lok Sabha is to consider the Demands for Grants of the concerned Ministries/Departments and make a Report on the same to the Houses. The Report shall not suggest anything of the nature of Cut Motions.

3. The Committee (1993-94), the Composition of which is given in Annexure-VIII, took evidence of the officials of the Ministry of Communications—Department of Posts and Department of Telecommunications at their sittings held on 31 March, 1994 and 5 April, 1994, respectively. The Committee wish to express their thanks to the officers of the Ministry/Departments for furnishing requisite information and providing free and frank opinion on various points raised by the Members during oral evidence.

4. The Committee (1994-95) considered and adopted the Report at their sittings held on 11 and 12 April, 1994.

5. For facility of reference and convenience the observations and recommendations of the Committee have been printed in bold letters in the body of the Report.

NEW DELHI;  
*April 13, 1994*  

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*Chaitra 23, 1916 (Saka)*

KUMARI VIMLA VERMA,  
*Chairperson,*  
*Standing Committee on Communications.*

# PART I

## MINISTRY OF COMMUNICATIONS

(Demand No. 13)

(In thousands of Rupees)

	Revenue	Capital	Total
Voted	13,28,00	-	13,28,00
	Plan	Non-Plan	
Revenue Section	3,85,00	9,43,00	13,28,00

### Introductory

1.1 Demand No. 13 covers expenditure relating to the Secretariat of the Ministry—its Economic Services, other Communication Services like Wireless Planning and Coordination, Monitoring Services and contributions made to International Telecommunications Union, Geneva and Asia Pacific Telecommunity, Bangkok for International Cooperation in this sector.

#### Revenue Section

Major Head-3451	}	- Hospitality Expenses
Sub-head A1 (7)		
Major Head-3275		
Sub-head B1(7)		

1.2 The Committee take note of the fact that the amount in Revised Estimates 1993-94 on account of the hospitality expenses for both the Secretariat Economic Services and Wireless Planning and Coordination wing, have come down to Rs. 12,000 and Rs. 30,000 against the provision of Rs. 1,48,000 and Rs. 2,00,000 kept in the Budget Estimates, 1993-94, respectively. The Demands for 1994-95 on this account have been kept at Rs. 12,000 and Rs. 30,000 respectively. This is in accordance with the recommendation made by the Committee in their First Report on "Demands for Grants, 1993-94."

Major Head-3275	}	- Other Charges
Sub-Heads B1 (9)		
and B2 (8)		

1.3 The Committee observe the wide fluctuation with regard to "Other Charges" as indicated in sub-head B1 (9) of Major Head 3275. Whereas the actual expenditure incurred under this sub-head during 1991-92 was Rs. 11,42,000, the actuals of 1992-93 was only Rs. 2,24,000. In BE 1993-94 the amount was once again increased to Rs. 11,60,000. However, in RE, 1993-94, it has been slightly decreased to Rs. 10,44,000. Further, in BE 1994-95 a provision for the amount equal to RE 1993-94 i.e. Rs. 10,44,000 has been made on the same account.

1.4 To a query on such fluctuations, the Department clarified that expenditure under the sub-head "Other Charges" mainly include payments made for foreign publications issued by International Telecommunications Union (ITU), etc. Further, it was informed that there was less expenditure booked during the year 1992-93 because either orders were not placed for these publications or supplies were not received. However, the Committee notice that for publication expenditures, there is already a sub-head *i.e.* B1(6). Foreign publication also could have been clubbed under the same sub-head.

1.5 In respect of "Other Charges" under sub-head B2(8), the Committee notice that the actual expenditure for the year 1991-92 and 1992-93, were Rs. 1,79,000 and Rs. 2,77,000 respectively under "non-plan" allocation. In BE 1993-94 the amount had been increased to Rs. 7,05,000. However, in RE 1993-94 an additional Rs. 1,00,000 had been made under "Plan" allocation. In BE 1994-95 a provision for Rs. 8,55,000 has been made consisting of Rs. 7,05,000 and Rs. 1,50,000 under "non-plan" and "plan" allocation respectively.

1.6 Taking into account the increasing "Demands" being made under "Other Charges" category particularly in last two years, the Committee feel that the details of the charges included under "Other Charges" category may be specified in the "Demands for Grants" itself. Further, the Committee feel that appropriately the sub-head "Other Charges" should only include residuary heads of accounts to accommodate expenses which cannot be identified with any of the prescribed heads of accounts.



## PART II

### DEPARTMENT OF POSTS (Postal Services—Demand No. 14)

(In thousands of Rupees)

	Revenue	Capital	Total
Voted	19,75,13,00	56,86,00	20,31,99,00
Charged	1,00	--	1,00
	19,75,14,00	56,86,00	20,32,00,00
<b>Revenue</b>	<b>Plan</b>	<b>Non-Plan</b>	<b>Total</b>
Voted	21,14,00	19,53,99,00	19,75,13,00
Charged	-	1,00	1,00
	21,14,00	19,54,00,00	19,75,14,00
<b>Capital</b>			
Voted	55,86,00	1,00,00	56,86,00
Charged	-	-	-
	55,86,00	1,00,00	56,86,00

#### Introductory

2.1 The Department of Posts, which is under the administrative control of the Ministry of Communications, is responsible for the planning, development, expansion, operations and maintenance of Postal Services in the country. It also discharges certain agency functions in respect of Small Savings Schemes of the Government, Postal Life Insurance Scheme etc. For the implementations of the various programmes and activities, the Department has a network of 19 Postal circles, besides 5 Postal Training Centres and a Postal Staff College at Ghaziabad.

#### Revenue Section

##### *Major Head-3201: Postal Services*

2.2 In the Revenue Section, under the Major Head "3201" provisions are made for working expenses which include general administration, operation, expenditures on account of agency services, audits and accounts, engineering, amenities to staff, pension, stationery and printing, etc. for Postal Services.

2.3 The Committee observe that Revenue Expenditure under "non-plan" category indicates an increasing trend as far as Budget Estimates, Revised Estimates and Actual Expenditure of a year is concerned (Pl refer Annexure-I).

2.4 The Committee find that the actual expenditure during the year 1992-93 aggregated to Rs. 1649.18 crores (Rs. 5.92 crores under Plan and Rs. 1643.26 crores under Non-Plan). The Budget Estimates for the year 1993-94 was Rs. 1688.27 crores (Gross) out of which a sum of Rs. 11.77 crores is in "Plan" segment and remaining balance of Rs. 1676.50 crores is in "Non-Plan" segment.

2.5 The Committee were apprised that the Revised Estimates 1993-94 was framed on the basis of likely impact on some items, like dearness allowances to the employees, interim relief sanctioned for regular as well as ED employees, *w.e.f.* 16.9.93, increase in the ceiling limit for entitlement of bonus from Rs. 2500 to Rs. 3500/-, payment of haulage charges to Railways, pensionary charges including dearness relief, etc.

Therefore, keeping into account average increasing trend of expenditure as detailed above, the Revised Estimates for 1993-94 was estimated at the level of Rs. 1838.23 crores without any alteration of expenditure under "Plan" segment estimated at Budget Estimates for 1993-94 (Rs.11.77 crores).

2.6 The Secretary stated during evidence that it was not possible to effect any substantial economy in expenditure in the Non-Plan segment as the staff cost has been increasing due to sanction of interim relief, dearness allowance etc. in the Department of Posts, being highly labour intensive. Further, in the current year, new savings scheme "Mahila Samridhhi Yojana" has been launched through Post Offices, the cost of operation of which has also contributed towards increased expenditure. Hence, an amount of Rs. 161.73 crores under "Non-Plan" segment was sought for in the Supplementary Demands for Grants 1993-94 to meet the post-budgetary increasing liabilities as stated above.

2.7 However, the Department informed that the net additional budgetary support sought for through this Supplementary Demand for Rs. 161.73 crores, was in effect only Rs. 36.90 crores, as a result of additional revenue of Rs. 105.00 crores estimated at RE stage added by Rs. 10.00 crores as additional recovery for Agency functions. This includes savings under "capital" to the extent of Rs. 9.83 crores which would offset the major portion of Supplementary Grant *viz.* to the extent of Rs. 124.83 crores.

2.8 The Department further informed that the Budget Estimates for the year 1994-95 was originally proposed to be fixed at Rs. 2030.00 crores for "Non-Plan" expenditure after taking into account the trend of normal growth including increased pensionary charges, increase of ED allowance, etc. But Ministry of Finance has allowed only 3% increase over Revised Estimates 1993-94 and thus the Budget Estimates 1994-95 was fixed at the level of Rs. 1975.14 crores (Rs. 21.14 crores under "Plan" and Rs. 1954.00 crores under Non-Plan segment).

2.9 To a query with regard to the entitlement of leave salary to extra-departmental employees, it was informed that the extra-departmental employees were not entitled for the salary for the period of absence. Out of 3.00 lakh ED employees, 2.50 lakhs are working in rural areas. The Committee learnt that after the constitution of the Fifth Pay Commission, it was proposed to constitute

another Committee headed by a retired postal official/High Court Judge, to look into the problems of ED employees.

**2.10 The Committee recommend that pending the proposal to constitute the proposed Committee, the extra-departmental employees should also be made entitled for the benefit of leave and leave salary as is available to the departmental employees. The Committee also desire for an expeditious action being taken to constitute the Committee to look after the problems of extra-departmental employees since the Fifth Pay Commission has already been constituted.**

2.11 In respect of creation of additional justified post, the Committee were informed that as on 31st March, 1993 the strength of Postmen who were mostly deployed for delivery of postal articles in metropolitan and other urban areas was 54,243. A review of delivery establishment carried in the year 1991-92 revealed justification for creation of additional 1464 posts of Postmen for all the Postal Circles in the country. The proposal was scrutinised in the Department in light of the instructions given by the Government on economy drive to effect utmost economy in non-plan expenditure. It was considered necessary to seek approval for sanction of creation of 878 posts of Postmen *i.e.* 60% of the 1464 additional justified posts, which is the barest minimum required to carry on the delivery of mail at a reasonable level of efficiency.

2.12 The proposal was first taken up with Ministry of Finance in August, 1993 and was actively pursued. In March, 1994, the Department of Expenditure (Ministry of Finance) advised the Department to hold on this proposal till the case of the Department of Posts for exemption from 10% cut in the staff strength is discussed in the meeting of the Committee of Secretaries scheduled to be held sometimes in April, 1994. The Committee was also informed that ban on creation of departmental posts also applied to creation of extra-departmental posts.

2.13 The Committee feel that the rapid growth of population, urbanisation, rise in literacy, pattern of economic development has resulted in steady increase in the volume of mail traffic in recent years and consequently created a greater need for adequate postal staff.

**2.14 Therefore, the Committee strongly recommend relaxation of the ban imposed on recruitment of postmen, even if there has to be increase in the non-plan expenditure.**

### Capital Section

#### *Major Head-5201: Postal Services*

2.15 In the Capital Section under the Major Head "5201" provisions are made for expenditure on expansion of postal network mechanisation and modernisation programmes, administrative offices, staff quarters, RMS vans, civil engineering stores, training programmes, etc. for postal services.

2.16 The Committee notice that there has been a trend of under-utilisation of sanctioned funds on account of Postal Services under "Plan" category. Further, capital expenditure under Plan category shows a declining trend.

2.17 Out of the total Plan Outlay of Rs. 77.00 crores for the Postal Sector (Plan) at the stage of BE 1993-94, provision of Rs. 65.23 crores was for expenditure of capital nature while the balance of Rs. 11.77 crores is debit to Working Expenses. The proposed expenditure in RE 1993-94 and BE 1994-95 was kept at the level of Rs. 55.40 crores and Rs. 56.86 crores for capital nature respectively in consultation with the Planning Commission and Ministry of Finance (For details see Annexure-I)

2.18 The break up of the financial outlays and the percentage achievement of Plan Targets (Financial) during the first two years of the Eighth Plan period alongwith reasons for shortfalls have been given in Annexure-II. It may be seen that during 1992-93 except on account of P.O. building and staff quarters and Speed Post Services, where the achievement level is 121.51 and 230.00, percentage-wise, there have been shortfalls in utilisation of sanctioned funds in all other areas. The worst affected areas were Postal Life Insurance, National Savings (POSB) and Marketing. In upgrading of technology which is supposed to be a thrust area in the Eighth Plan Period (for which the total Plan outlays for entire Eighth Plan have been kept at Rs.132,53 lakhs) only 67.94% of the sanctioned outlay have been utilised during 1992-93. Further, considering the Revised Plan outlay for 1993-94, only 43.49% achievement is expected during 1993-94. However, the Department informed that reasons for shortfall on this account was due to choice of technology, procedural delays, failure of agencies to deliver the goods.

2.19 To a query on the shortfall in expenditure on upgrading of technology, the Committee were informed that the major part of the expenditure thereunder was in respect of the installation of the second mechanical sorting machines at Madras (the first is at Bombay). The machine could not be installed as some procedural matters had to be finalised for the project. The expenditure for the same was planned during 1993-94. It was informed that as the project was being funded under a bilateral loan agreement with Belgium, it required clearance of the Department of Economic Affairs and the Belgian Government. Finally, it was cleared in the month of March, 1994. Further, the Secretary, DOP conceded that there was more delay, as infrastructurally they were not aware of the fact that these new sorting systems required specially designed buildings. However, he submitted that they would be more vigilant in future.

2.20 Further, the Department claimed that they had been facing some problems with regard to supply of equipment. As the technological requirements of Postal Services were unique in nature, there was no well established indigenous sector which could make the supply except for some minor items like electronic weighing machines.

2.21 The Department further informed that as the Postal Service being highly labour intensive, the Department had to persuade the staff to accept use of the mail processing technology. This position taken by the staff in turn caused some delay in achieving the target of modernisation programmes.

2.22 The Committee find that there has been slight improvement of plan budgetary allocation on upgradation of technology from RE, 1993-94 of Rs. 1544 lakhs to Rs. 2984 lakhs during BE, 1994-95. However, it still remains below the amount sanctioned in BE 1993-94, which was kept at Rs. 3550 lakhs.

2.23 To a query as to why the expenditure was more than the allocation on the Post Office buildings and staff quarters in the RE for 1992-93, the Secretary, DOP admitted that there had been problem of mismatching of physical and financial performance on the programme of civil work. The major construction projects are implemented over a period of time. It was informed that budgeting of these projects were found to be faulty at times. The result was funds were provided, but the contractors and implementing agencies, etc. were working in excess of the availability of funds.

2.24 The Committee were further informed that keeping in view the total budget and also the number of works in hand, civil wing organization has been spread over rather thin. For example, a Supdt. Engineer is answerable to three or four Postal Circles. He has to look after the construction programmes of three or four postal circles and is answerable to each Post Master General. Therefore, there has been some problem of supervision and coordination with the Circle authorities and between the P&T Civil Wing and Postal Management at field levels.

2.25 To over come the problem of excess expenditure on account of civil construction, the Department informed that a new system of quarterly allocation of funds were being introduced. In respect of major works costing more than Rs. 50 lakh, the executing agencies would be given Letter of Credit, so that they did not exceed the expenditure already sanctioned by the competent authority in the beginning. In case, there is an excess in expenditure in any project they would be required to come back to sanctioning authority.

2.26 In certain other areas also there has been slippages in terms of expenditure. The shortfalls in the area of Railway Mail Service vehicles for 1992-93 were due to refusal by the Railways to undertake any work.

2.27 On account of expansion of Postal network, the Committee observe that during 1992-93, only 73.60% of the financial outlays could be utilised (Annexure-II) as most of the POs were opened in the last quarter of the financial year only.

2.28 The Committee are informed that there had been slippages due to procedural delay, failure of agencies to deliver the materials, choice of technology, refusal by the Railways to undertake any work, lack of coordination between P&T civil wing and Postal Management at the field level with regard to civil construction work, etc. (Annexure III)

**2.29** The Committee feel that there should be a better coordination between financial planning and physical target. The Committee strongly recommend that atleast ten years perspective planning for development/modernisation of postal network be undertaken keeping in view both the present and future global developmental trend in this area. This would enable the Department to place its orders for supply of equipment well in advance. Adequate attention is required to complete other allied works and procedural formalities before the budgetary allocation is made.

**2.30** The Committee further recommend that the work progress in civil constructions be closely monitored to ensure timely completion of the projects. Further there should be proper review of progress of work at regular intervals.

**2.31** To a query, whether there was any plan for the upgradation of Extra Departmental Post Offices to Departmental Post Offices in the Budget Estimates, the Secretary, DOP informed that it was not a specific item in the plan, hence upgradation by itself was not a separately targeted programme. However, he acknowledged that upgrading of a post office would create scope for increase in revenue. In the block levels, village etc. the Government offices, the BDO or some business firms, tend to go to the nearby towns where a departmental post office operates, with the result that the growth in local traffic is not reflected in the growth in the work at the local branch Post Offices.

**2.32** The Committee recommend that instead of looking at this problem purely in terms of the current level of revenue generation (i.e. Postal cost and Postal income) and capital expenditure involved in such upgradation, the local economic criteria such as the growth/increase in terms of households or shops or business, etc. and assessment of potential for growth of the area be taken into consideration. Therefore, the Committee recommend that a village, where there is a BDO should be provided with a Sub-Post Office because a lot of work is generated at the block level due to various socio-economic programmes. The Committee recommend that a survey of existing Extra Departmental Post Offices be undertaken to identify the post offices where development warrant upgradation.

**2.33** The Committee observe that on account of Postal Life Insurance, Speed Post Service, expansion of Postal network, steep increase in plan budgetary allocation has been made for BE 1994-95. In respect of Postal Life Insurance, Speed Post Service, Expansion of Postal network Rs. 56 lakhs, 25 lakhs and 450 lakhs were kept during RE 1993-94. This allocation has been increased to 241 lakhs, 200 lakhs and 750 lakhs respectively in BE 1994-95.

**2.34** The Committee feel that introduction of Speed Post Service was a welcome step. It has the potential to generate more revenue and at the same time provide quicker service. However its efficiency needs to be enhanced. And to this end an incentive package to the postal staff and an aggressive marketing strategy for expansion and strengthening of Speed Post Service are desirable.

## PART III

### DEPARTMENT OF TELECOMMUNICATIONS (Telecommunication Services—Demand No. 15)

(In thousands of Rupees)

	Revenue	Capital	Total
Voted	8721,10,00	5814,99,00	14536,09,00
Charged	30,00	1,00	31,00
	8721,40,00	5815,00,00	14536,40,00
	Plan	Non-Plan	Total
Voted	5765,00,00	8771,09,00	14536,09,00
Charged	-	31,00	31,00

#### Introductory

3.1 The Department of Telecommunications is responsible for the management and development of Telecommunication services such as telephone, telegraph, telex etc. within the country. The services are operated on a commercial basis through 18 telecommunication circles and 2 telecommunications districts. In addition, the telecommunication services of the two metropolitan cities of Delhi and Bombay are managed by Mahanagar Telephone Nigam Ltd. (MTNL) with effect from 1st April, 1986 (except telegraph services). Apart from MTNL the department has under its administrative jurisdiction four other Public Sector Undertakings, viz. Indian Telephone Industries (ITI) Ltd., Hindustan Teleprinters Ltd. (HTL), Telecommunications Consultants (India) Ltd. (TCIL) and Videsh Sanchar Nigam Ltd. (VSNL).

#### Revenue Section

*Major Head "3225": Directorate*

*Sub Heads A-1(1) (1) (10): Hospitality Charges*

*A-1(1) (1) (11): Other Charges*

3.2 The Committee notice almost seven fold increase in the hospitality expenses of the Directorate. From the actual expenditure of about Rs. 88,000 incurred in 1992-93 on this account, in BE, 1994-95 it has been increased to Rs. 6,02,000. The Committee are not able to reconcile with the view point advanced by the Department that considering the increase in volume of activity as reflected in the growing size of the network, the increase in hospitality expenses has been within reasonable limits. The Committee feel that utmost care and caution need to be exercised in spending, in keeping with the economy drive of the Government. Further, the Committee notice

that whereas the actual expenditure incurred on account of "other charges" as indicated in A-1 (1) (1) (11) under major Head "3225" was only about Rs. 26,000 the demand has been increased to a level of Rs. 2,16,31,000 in BE 1994-95. The Committee therefore feel that details of the expenditure made under this category may be indicated in Demands wherever there is a sign of any unusual increase.

*Major Head "3225": Research and Development  
Sub Heads A-4(1): (Telecommunication Engineering Centre).*

*Major Head "3275": Grants in-aid (to Centre for  
Sub Heads D1 (1) (1) (1): Development of Telematics)  
D1 (1) (2): Grants to ITI for R&D work.*

3.3 The Committee note that the Telecommunication Engineering Centre (TEC) for which grant is being made under the sub head A-4(1) of major head "3225", is the nodal agency for drawing Operating Requirement/Qualitative Requirement (OR/QR) specification for new products, equipments and systems and testings and issuing interface type/connectivity/Technology approvals for instruments and equipment to be connected to the Indian Telecommunication network. Technical evaluation of equipments and systems is also under the purview of TEC. In addition, the centre provides the engineering and technical support to the Department of Telecommunications. But the Committee observe that TEC is not involved in major R&D activities. And a meagre amount has been kept under this head (only Rs. 552 lakhs in BE 1994-95). The Research and Development works for Department of Telecom are carried out by the Centre for Development of Telematics (C-DoT), which is an autonomous R&D organisation established and funded by Department of Telecom, Government of India and also by ITI. The Committee appreciate that the Department is trying to transfer C-DoT technology for electronic exchanges to other developing countries in this region. The export performance both for consultancy service and product for 1991-92 was around Rs. 91.11 crores and for 1992-93 was Rs. 142.5 crores.

3.4 The budgetary support given both for C-DoT and ITI shows a declining trend. Total grants of Rs. 70 crores were kept for C-DoT by the Department in the BE 1993-94. In RE 1993-94, it had been pruned down to Rs. 64 crores. Again in BE 1994-95 Rs. 60 crores for the same has been made. Rs. 25 crores of budgetary allocation has been proposed for ITI for R&D work in BE 1994-95, whereas in RE 1993-94 it was Rs. 40 crores. The Department maintains that the requirements of C-DoT and ITI have been fully met. The Committee were informed that against the projected requirement for the year 1993-94 of Rs. 64.41 crores and 40 crores for C-DoT and ITI respectively, provisions for Rs. 64 crores and 40 crores had been made in RE 1993-94. Further, for the year 1994-95, against the projected requirement for C-DoT and ITI of Rs. 58.84 crores and Rs. 25 crores, a provision for Rs. 60 crores and Rs. 25 crores have been made respectively by the Department.



3.5 It may be noted that C-DoT was set up on August 25, 1984, with the initial mandate of designing a family of digital switching systems for a variety of applications. Now C-DoT mandate has been increased to cover development of Transmission products also. Some of the Key objectives of the Centre are:

1. To undertake design, development and engineering of digital electronic switching system technology and Telematic technology products and services.
2. Examine and work in frontiers of Technology of Telematics and Information, taking into account futuristic trends and to conduct such basic research to meet the objects of the society.
3. To promote and assist Ancillary Industries, the production of high quality components, sub-assemblies and equipment to meet performance standards required by the Telematic Industries.

3.6 The success so far by the C-DoT particularly with regard to R&D in digital electronic switching system which is more suitable to Indian climatic condition is commendable. The Committee strongly are of the view that C-DoT should rigorously, also take on its R&D activities in other areas of telematics in accordance with its mandate. The Committee feel that the Department should assign more R&D projects to these R&D institutions, so that wide technology gap that India is facing today could be bridged within the shortest possible time. Further, Telecommunication Engineering Centre, may be encouraged to carryout major R&D works, which is not involved at the moment in major R&D efforts in this sector, so that not only R&D in this sector would be further strengthened but also could generate more revenue for the Government through exports.

### Capital Section

*Major Head: 5225-BB: Capital Outlay on Telecommunication Services*

3.7 Scheme-wise/Sub-Major head-wise break-ups of Plan (Capital) expenditure vis-a-vis Budget provision during 1992-93 and 1993-94 have been given in Annexure-IV. Further, scheme-wise Physical Targets/Achievements for Telecommunication Services have been mentioned in Annexure-V. During the year 1992-93 with regard to variations noticed between Budget Estimates and Revised Estimate made for telegraph and telex system under Sub-head (BB 1) of Major head 5225-BB, the Department informed that it was due to increased demand under local telephones and less demand under other schemes at RE stage. On account of (BB 2) local telephone system, it has been stated that excess expenditure is due to increase in procurement of material under A&P and cables. Under-utilisation of sanctioned funds on other schemes namely Long Distance Switching System (BB 3), Long Distance Transmission system (BB 4), Ancillary system (BB5), other Land & Buildings (Administrative office & Staff quarters) (BB 6), have been due to shortfall in delivery of materials. However for the year

1992-93, there was an excess expenditure of Rs. 148.94 crores. The same trend is discernible in 1993-94 also. Provision for Rs. 5615.00 crore has been made for Plan (Capital) outlay in BE 1994-95.

3.8 As far as actual achievements against physical targets set for various schemes are concerned, it has been noticed that in the Performance Budget 1993-94, P-6, instead of giving original target set for 1993-94, the figures of Revised Targets (under target annual plan, 1993-94) have been given, giving an impression that there is likely to be 100% achievements. To a query the Department clarified that in the year 1993-94, a beginning was made by introducing lease finance as an additionality to further increase the pace of progress of telecom projects. Under the mistaken impression that it would be a part of approved outlay the physical assets likely to be commissioned by way of leasing were treated as part of the overall plan targets. Subsequently at the stage of implementation of 1993-94 plan, it was realised that leasing as was originally anticipated did not materialise due to procedural problems and the requirement of clearance of the draft by the Ministry of Law. The physical targets as much had to be scaled down to commensurate with the plan approved by the Planning Commission. However, the Committee feel that this position could have been explained in the performance Budget, 1994-95 itself so that such a misleading impression on first instance could have been avoided.

3.9 As far as targets and achievements in the year 1992-93 is concerned, achievements exceeded the targets in Local Telephone System, coaxial cable system (RKMS), U.H.F. systems optical Fibre system, Satellite earth stations. However, in case of Long Distance switching system, Microwave system, Panchayat telephone, targets could not be achieved because of delay in supply of equipment. In case of telex and telegraph it is due to fall in demand. (See Annexure-V)

3.10 As far as achievements in 1993-94 is concerned, achieved figures have been available for local telephone system, Trunk Capacity (TAX) lines optical fiber systems, Long Distance Transmission Lines only. In Local telephone system, trunk capacity (TAX) lines achievements exceeded the revised target. However, there have been shortfalls in the areas of co-axial cable system, Microwave system, UHF systems, and Panchayat telephone.

3.11 Further, during evidence, the Secretary, Department of Telecommunications while answering to a query regretted that the announcement made by the ex-Minister of State for Communications that by 1st April, 1995 all the village panchayats would be covered by telephone would not be achieved by the said date. However, the Secretary was quite hopeful that during the ensuing year, target of 50,000 Panchayats would likely to be covered. It may be mentioned that there are 2,32,347 Panchayats in the country. Out of these as on 31-3-1994 telephones in 1,31,245 Panchayats had already been installed. The Secretary submitted that instead of the original target of 1-4-95, all the village Panchayats were likely to be covered by telephones by 1.4.1996.

3.12 The Committee were apprised that targets in some of the areas could not be achieved due to various reasons, primarily due to inadequate supply/availability or delay in supply of equipment from manufacturers and not due to paucity of funds.

3.13 The Committee regret to note that there has been unrealistic planning, with the result that time frame set for execution of works in the Telecom Sector was not adhered to Annexure (IV & V). Further there has been lack of general awareness about lead time required for supply of equipment. Also there have been lack of proper follow-up action to complete the allied activities expeditiously.

3.14 With regard to expansion of Telecom Network, the Committee strongly recommend that while drawing up plans utmost care should be taken to ensure proper budgetary provision, technical feasibility, timely completion of commercial formalities, acquisition of land and construction of buildings, etc. The Committee feel that to ensure timely completion of projects, all relevant factors such as time required for supply and installation of equipment, for supply and laying of cables, for drawing up proper engineering details should be taken into account at the planning stage. Equally important is the need to have proper coordination with State and Civic authorities, which should be done on the basis of a perspective plan worked out at the initial stage itself. The Committee also recommend that progress of on-going works should be reviewed at regular intervals and timely corrective action is taken.

3.15 The Committee are constrained to note that despite growth in the Indian Telecommunication network since independence, the present telephone penetration density is only 0.8 per hundred. The current world average of the number of telephones available for hundred people is 10.5. The Secretary, Department of Telecommunications stated during the course of evidence that in Malaysia, Pakistan, Thailand and China, it is 11.3, 2.0, 6.0 and 1.7 per hundred respectively. In Korea and Japan it is more than 40 or so. The largest is in Sweden *i.e.* 62 telephones per hundred people. In telephone density, India remains one of the lowest in the world. But the Committee also noted the positive side of Indian telecommunication. Telecommunication sector as a part of infrastructure is growing much faster than before. The rate of expansion in 1992-93 was 16.99%, whereas in 1993-94 it was 17.5%. Further, there are 12 countries in the world which have a network of 7 million lines like India and 80% of India's 18000 exchanges are electronic exchanges. As on 31-3-94, 80.25 lakhs telephones lines were installed. The number of Satellite Earth Stations as on 31-3-94 is 119. These cover all the remote areas like Andaman Nicobar, Lakshadweep, J&K, Himachal Pradesh, NE and hill areas of UP. Further around 15,834 RKM of optical fibre systems have already been installed.

3.16 The Department informed that the percentage of Rural connections is likely to be around 15%. The criteria adopted for arriving at this percentage is telephone connections in exchange areas of 512 capacity and below. All towns

classified as urban area are likely to have been covered by telephone exchanges. Out of 5,76,000 villages in rural areas around 10,000 are likely to be covered by telephone exchanges and around 1.32 lakhs have been covered by a public telephone. With regard to Rural/Tribal telephones the department informed that priority have been given in the Eighth Plan. The objective has been to provide telephone on demand in all rural areas whereas in large urban areas the waiting period at the end of plan period will still be two years maximum. Also the Eighth Plan provides for public telephones in 3.3 lakh villages. The total outlay during entire eighth plan for rural areas is around Rs. 6800 crores and for tribal sub-plan is worth 980.73 crores. Details of financial outlays on this account for the year 1992-93, 1993-94 and 1994-95 have been given in Annexure VI & VII.

3.17 Despite all these attempts, waiting list is around 25 lakhs. Further a demand of around 20 million telephones is projected by 2000 AD. The Committee recognise that Telecom Network expansion programme involves huge financial investment. The details of information regarding the capital cost, revenue earned etc. is as follows:

	(figures for DOT only)		
	1991-92	1992-93	1993-94 (RE)
Capital cost per DEL	49777	49205	48663
Average revenue* per DEL per year	8060	8523	10077
Average Expr. per DEL per year@	6456	6598	7959
Average surplus per DEL per year	3585	4026	4245

\* Excluding receipts from MTNL and application deposits.

@Expenditure is gross + dividend.

3.18 However, the Committee note that the difference between average revenue and average expenditure does not itself reflect the actual surplus per Direct Exchange Line (DEL), because apart from revenue earned from Direct Exchange Line there are other incomes that can be earned by way of receipts from MTNL and application deposits etc. Telecom has got the potential of generating revenue which is more than the capital required for investment. Moreover, Telecom Services have been recognised all over the world as an important vehicle for socio-economic development.

3.19 It would have been appropriate for the Planning Commission to take these factors in to account while allocating resources for telecom programmes. The Committee feel that telecom, is at present at a take-off stage and has been generating its own revenue through internal sources which deserves more attention by the Planning Commission.

3.20 It may be mentioned that Eighth Five Year Plan for telecommunication services was formulated by Department (including MTNL) with an outlay of Rs. 40555 crores with certain physical targets and objectives in hand. Though the National Development Council approved the objectives and proposed physical targets) the outlay approved for the Eighth Five Year Plan for telecommunications services (including MTNL) was pegged at Rs. 23946 crores only (This is to be met from internal resources and through market borrowings).

3.21 However, in view of the fact that the physical targets have been retained, Planning Commission has indicated that the Department should arrange to bridge the resource gap by innovative methods of financing like leasing, joint venture, private sector participation etc. The Department informed the possibility of generating necessary funds by alternative means was being examined by the Department and a major initiative was taken recently was to go in for leasing of equipment and cables. A beginning has been made in this direction by placing order for 4.7 lakh lines on lease basis. Out of these orders, 70,000 lines have already been procured and they are in various stages of commissioning. The balance 4 lakh lines are likely to be received in 1994-95. In addition to leasing, efforts are also being made to supplement investible resources by other means such as private sector investment in value-added services, deferred payment terms, etc.

3.22 It was informed to the Committee that mid-term appraisal of the 8th plan has not yet started. However, the position is that out of an outlay of Rs. 23, 946 crores approved for the 8th Plan, the Department of Telecom. (including MTNL) has already spent/committed to spend in the first three years beginning from 1992-93 a sum of approximately Rs. 17,320 crores (comprising about Rs. 12,280 crores as internal resources and the balance Rs. 5040 crores approx. as bonds and "others.") It is anticipated that based on the current trend of internal resource generation and the balance amount of bond money to be raised, the expenditure will be in the range of Rs. 34,000 - Rs. 35,000 crores.

3.23 The Committee were further informed that the gross amount of telephone revenue outstanding as on 31-12-1993 is Rs. 1283.57 crores. The break up of this amount is as under:

Category	Amount	% to total outstanding (in crores of rupees)
State Government Deptts.	111.74	8.71
Central Government Deptts.	43.63	3.40
Defence Organ.	23.92	1.86
Private	1104.28	86.03
Total	1283.57	

3.24 Further it was stated that with a strategy of faster development being followed which takes the physical targets to be achieved beyond the range of internal resources likely to be generated, the Department has had to fall back upon borrowings. The standard instrument of borrowings so far has been Telecom. Bonds issued on private placement basis. The amount of such borrowings in the past few years has been as follows:

	(in crores of Rs.)				
	1990-91	1991-92	1992-93	1993-94 (RE)	1994-95(BE)
DOT	172	602	943	1600	1235
MTNL	165	370	-	193	100
Total	337	972	943	1793	1335

3.25 From the above it would be apparent that lately there has been a quantum jump in the level of borrowings in order to sustain higher size of the plan. This has led to increase in the interest burden which for the DOT alone works out as under:

	(crores of Rs.)
1990-91	191.04
1991-92	233.12
1992-93	421.52
1993-94 (RE)	675.00
1994-95(BE)	805.00

3.26 With participation of the private sector, the Department has been trying to expand the supply of value added services (telematics) such as cellular mobile services, voice and electronic mail, audio and video conferencing, radio paging and videotex, etc. Accordingly these services are being given to the private sector on a franchise or licence basis. This is expected to relieve the Department of the financial costs for providing these services and will give it additional revenue from licence fees and additional tariffs. However, the Committee are of strong view that while issuing licences, consideration may be given to Indian private sectors.

3.27 With regard to import of the telecom equipment, the Committee are of the opinion that Department should only import those items of equipment which are either not manufactured indigenously or are needed for operational requirements. Foreign technology should only be considered in those areas where development of indigenously option could be stimulated.

**3.28** The Committee recommend serious attempts be made by the Department to recover huge outstanding telephone bills, which is at present Rs. 1283.57 crores. All efforts should be made for early retirement of debt to relieve the Department from heavy interest burden.

**3.29** Further, the Committee feel that the Department should examine commercial/technological feasibility of introducing wireless telephony to meet the requirements of far flung remote areas in India, as it is supposed to be cost-effective. The system of "collect call" all over the country should also be introduced.

NEW DELHI;  
*April 13, 1994*  

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*Chaitra 23, 1916 (Saka)*

**KUMARI VIMLA VERMA,**  
*Chairperson,*  
*Standing Committee on Communications.*

*Statement showing Budget Estimates, Revised Estimates and Actual Expenditure for the year 1992-93 and 1993-94 and Budget Estimates for 1994-95.*

Major Head "3201"-Postal Services (Revenue Section)  
Major Head "5201"-Capital Outlays on Postal Services

	Budget Estimates		Revised Estimates		Actuals		
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	
	(In thousands of Rs.)						
1992-93	Revenue	11,13,00	1547,60,00	11,13,00	1616,60,00	5,91,92	1643,26,30
	Capital	65,87,00	2,90,00	54,87,00	2,30,00	55,21,49	(-) 1,53,53
	Total	77,00,00	1550,50,00	66,00,00	1618,90,00	61,13,41	1641,72,77
1993-94	Revenue	11,77,00	1676,50,00	11,77,00	1838,23,00	-	-
	Capital	65,23,00	2,00,00	55,40,00	2,00,00	-	-
	Total	77,00,00	1678,50,00	67,17,00	1840,23,00	-	-
1994-95	Revenue	21,14,00	1954,00,00	-	-	-	-
	Capital	55,86,00	1,00,00	-	-	-	-
	Total	77,00,00	1995,00,00	-	-	-	-



*Statement showing the Percentage of achievements of Plan Targets (Financial) during the 1st two years of the Eighth Plan Period and Reasons for Shortfall*

Particulars	Revised	Actual	%age	Annual	Revised	%age of	Reasons for Shortfall for Col. 2 & 3
	Plan Outlay / 1992-93 2	1992-93 3	Achievement 4	Plan Outlay for 1993-94 5	Plan Outlay for 1993-94 6	Achievement 7	
1. Expansion of Postal Network	2,00	1,66	73.60	4,50	4,50	100.00	1. Due to opening of P.Os in the last quarter of the year.
2. Upgrading of Technology	22,46	15,26	67.94	35,50	15,44	43.49	2. Due to choice of Technology, procedural delays, Failure of agencies to supply.
3. P.O. Buildings and Staff Quarters	32,08	38,98	121.51	30,00	38,00	126.67	
4. Training	1,42	1,28	90.14	1,05	1,05	100.00	
5. Mail Motor Service Vehicles	3,40	2,98	89.65	1,50	3,50	233.33	
6. Marketing	1,95	53	27.18	1,47	1,47	100.00	

1	2	3	4	5	6	7	8	
7.	Railway Mail Service Vehicles	50	-	-	50	50	100.00	7. Due to refusal by the Railways to undertake any work.
8.	Speed Post Service	10	230.00	25	25	25	100.00	
9.	Material Management	79	-	1,23	1,40	1,40	113.82	
10.	National Savings (POSB)	50	25.00	50	50	50	100.00	10. Due to costly software, redeployment of staff.
11.	Postal Life Insurance	80	10.00	50	56	56	112.00	
Total		66,00	61,13	77,00	67,17			

*Statement showing the percentage of achievements of Plan Targets (Physical) during the last two years of the Plan and Reasons for Shortfall—Department of posts*

Sl No.	Particulars	Physical 1992-93	Actuals 1992-93	Percentage of achievement	Physical 1993-94	Actuals (Jan. 94)	Percentage of achievement	Reasons for shortfall
1	2	3	4	5	6	7	8	9
1.	Expansion of Postal Network Opening of POs	700	751	107	763	670	87.8	No shortfalls
	(i) EDBOs	600	635		663	600		
	(ii) DSOs	100	116		100	70		
2.	Mechanisation and Modernisation.							
	(a) Multipurpose Counter Machines	1000	Nil		1000	350	35	Due to choice of technology, procedural delay, failure of agencies to deliver the goods.
	(b) Track & Trace	-	-	-	-	-	-	
	(c) Money Transfer and Electronic Mail	Formulation of Scheme for 75 Sins.	Scheme formulated		Working at 75 locations	-	-	Dummy tests carried at 3 locations.
	(d) Other equipment (cancelling, franking machines, MICR Encdr)	10,000	100	0.01	30	Nil		
	(e) Stamps/Seals	-	-	-	8000	1550	19.37	
	(f) Mechanised/Sorting Equipment in Metro Cities.	Bombay & Madras	Bombay		One			



1	2	3	4	5	6	7	8	9
7.	National Savings (POSB)							
	(i) Computerisation of HPOs Metros	3	3		Major HOs			
8.	Material Management.							
	(i) In house Printing Machine	4	4	100	4	N/A		
	(ii) Paper Cutting Machines	4	1	25	4	N/A		
9.	Postal Life Insurance							
	(i) Computerisation	5 Circles	5 Circles	100	3 Circles	N/A	N/A	
	(ii) Upgradation	2	2	100	3	N/A		
	(iii) Trg. on Computerisation	-	-	-	-	-	-	

## (Major Head : 5225-BB Capital Outlay on Telecommunication Services)

Scheme-wise/Sub-Major head-wise breakup of Plan (Capital) expenditure vis-a-vis Budget during 1992-93 &amp; 1993-94.

(Figures in Crores of Rs.)

Scheme	1992-93		1993-94		1994-95				
	Budget Estimate	Revised Estimate	Actual Expr.	Budget Estimate	Revised Estimate	Actual Expr. upto Feb. 94	Budget Estimate		
Sub Major Head	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)		
BB-1 Telegraph & Telex System	81.00	65.00	60.77	(-) 2.25	Variation between BE & RE is due to increased demand under Local Telephones and less demand under other schemes at RE Stage	135.00	130.00	65.00	95.00
BB-2 Local Telephone System	2129.00	2558.01	3003.95	(+) 745.94		2512.00	2800.01	2432.65	3291.00
BB-3 Long Distance Switching System	164.00	138.00	59.33	(-) 78.67	Excess expenditure under local Telephone System due to increase in procurement of materials under A&P and Cables.	109.00	104.00	39.41	158.00



## Scheme-wise Physical Target/Achievements-Telecommunication Service

Telecommunication Service	Unit	8th Plan		1992-93		% of Achievements	Reasons for Shortfall, if any	1993-94		1994-95	
		Target	Target	Targets	Achievements			Targets	Actual upto	Proposed	target
		3	4	5	6	7	8	9	10		
<b>I. Local Telephone System</b>											
i) Switching Capacity	Lakh Lines	93.00 (22.70)	11.44 (2.2)	11.86 (1.61)	104.3	Exceeding the Targets	15.44 (1.83)	18.28 (3.41)	19.00 (4.00)		
ii) Direct Exchange Lines	"	75.00 (19.20)	8.50 (1.50)	9.87 (1.91)	116.1		11.00 (1.19)	12.28 (2.62)	14.00 (3.50)		
<b>II. Long Distance Switching System</b>											
i) Trunk Automatic Exchanges	Nos.	-	21	15	71.43	Delay in the supply of equipment	34	19	100		
ii) Trunk Capacity (Tax)	Lines	272000	49500	44000	88.9		37500	40600	125000		
<b>III. Long Distance Transmission System</b>											
A. i) Co-axial Cable System	RKMS	3000	1000	1112	111.2	Exceeded the Target	800	708	600		
ii) Microwave System	"	20000	3200	2578	80.6	Delay in the supply of equipment	3500	3160	4500		
iii) U.H.F. Systems	"	150000	3000	5710	190.3	Exceeded the Target	6000	4032	20000		
iv) Optical Fibre System	"	20000	3500	3586	102.5		4200	5874	6000		



Telecommunication Service	Unit	8th Plan Target	1992-93		% of Achievements	Reasons for Shortfall, if any	1993-94		1994-95 Proposed target
			Targets	Achievements			Targets	Actual upto 31.3.94	
		3	4	5	6	7	8	9	10
B. Panchayat Telephone	Nos.	3,09,000	36500	30072	82.4	Delay in the supply of equipment	46800	33,001	50000
IV. Satellite Earth Stations	Nos.	50	3	4	133.3	Exceeded the target	20	20	18
V. Telex & Telegraph									
i) Telex Capacity	Lines		3534	3274	92.6	Fall in demand	3118	2132	2825
a) Local	"		2288	1708	74.6	- do -	1714	648	690
b) Transit									

Note : Figures in brackets indicate MTNL component.

ANNEXURE - VI

Financial Outlays for Rural Telecom

Sl. No.	Development Head & Sub head	O U T L A Y			R U R A L C O M P O N E N T			(Rs. in Crores)	
		1992-93 (provision)	1993-94 Eighth Plan (anti..)	1994-95 (proposal)	1992-93 (actual)	1993-94 Eighth Plan (anti..)	1994-95 (proposal)		
II.	O U T L A Y S S U B J E C T T O A P P O R T I O N M E N T T O R U R A L A R E A S B Y L O C A T I O N A N D / O R B E N E F I T								
16.	Telecommunications	3985.59	23946.00	4912.00	5880.00	972.72	6800.00	1100.00	1600.00

## ANNEXURE - VII

## Financial Outlays for Tribal Sub Plan

(Rs. in Crores)

Sl. No.	Sector/ Sub-sector	Eight Plan		1992-93		1993-94		1994-95	
		Total Outlay	Flow to T.S.P.	Total Outlay	Flow to T.S.P.	Total Outlay	Flow to T.S.P.	Total Outlay	Flow to T.S.P.
1.	Telecommunications	23946.00	980.73	3985.59	165.46	4912.00	174.00	5880.00	200.00

COMPOSITION OF THE STANDING COMMITTEE ON  
COMMUNICATIONS (1993-94)

CHAIRPERSON

Kumari Vimla Verma

MEMBERS

*Lok Sabha*

2. Shri R. Jeevarathinam
3. Shri Shravan Kumar Patel
4. Shri Laeta Umbrey
5. Shri Surajbhanu Solanki
6. Shri N. Dennis
7. Shri Jagmeet Singh Brar
8. Shri Pawan Kumar Bansal
9. Shri Kodikkunil Suresh
10. Shri B. Devarajan
11. Shri R. Anbarasu
12. Dr. B.G. Jawali
13. Shri Somjibhai Damor
14. Shri Mohan Lal Jhikram
15. Shri Mahesh Kumar Kanodia
16. Smt. Dipika H. Topiwala
17. Dr. Sakshiji Maharaj Swami
18. Shri Lalit Oraon
19. Shri Lal Krishna Advani
20. Shri Sharad Yadav
21. Shri Ram Pujan Patel
22. Shri Shivsharan Verma
23. Shri Rupchand Pal
24. Shri Satyagopal Misra
25. Shri A. Asokaraj
26. Shri G.M.C. Balayogi
27. Shri Raj Kishore Mahto
28. Shri Sanat Kumar Mandal
29. Shri Sultan Salahuddin Owaisi
30. Shri Chandrajeet Yadav

*Rajya Sabha*

- \*31. Dr. Z.A. Ahmad
- 32. Shri Prakash Yashwant Ambedkar
- 33. Shri M.A. Baby
- \*34. Shrimati Kailashpati
- 35. Shri Virendra Kataria
- 36. Shri Mohammed Afzal *alias* Meem Afzal
- 37. Shrimati Jayanthi Natarajan
- 38. Shri G. Prathapa Reddy
- 39. Shrimati Sushma Swaraj
- 40. Shri Vizol
- \*41. Shri Brahmadeo Anand Paswan

MINUTES OF THE THIRTY SECOND SITTING OF THE STANDING  
COMMITTEE ON COMMUNICATIONS

The Committee met on Thursday 31st March, 1994 from 11.00 hours to 14.15 hours in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Kumari Vimla Verma — *Chairperson*

MEMBERS

*Lok Sabha*

2. Shri Laeta Umbrey
3. Shri Pawan Kumar Bansal
4. Shri Kodikkunil Suresh
5. Shri Mohan Lal Jhikram
6. Shri Lal Krishna Advani
7. Shri Ram Pujan Patel
8. Shri Rupchand Pal
9. Shri A. Asokaraj
10. Shri Chandrajeet Yadav

*Rajya Sabha*

11. Shri Prakash Yashwant Ambedkar
12. Shri M.A. Baby
13. Shri Virendra Kataria
14. Shri Mohammed Afzal *alias* Meem Afzal
15. Shri G. Prathapa Reddy
16. Shrimati Sushma Swaraj
17. Shri Brahmadeo Anand Paswan

SECRETARIAT

Shri K.K. Dhawan — *Under Secretary*

## WITNESSES

(Representatives of the Department of Posts)

1. Shri T.E. Raman — *Secretary*
2. Shri B. Prarbrahmam — *Member (Planning)*
3. Shri S.C. Maahalik — *Member (Organisation)*
4. Shri G.S. Rajamani — *Joint Secretary & Financial Advisor*
5. Shri S. Brahmanandam — *Dy. Director General (Planning)*
6. Shri S.C. Dutta — *Principal Director (Research and Development)*.

At the outset the Chairperson welcomed the officials of the Department of Posts to the sitting of the Committee.

2. The Committee sought clarifications on various points relating to the Demands for Grants for 1994-95 and on working of the Department. The officials of the Department explained the position in response to their queries.

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

4. The Chairperson thanked the officials for their cooperation extended and valuable information given to the Committee and also appreciated for their free and frank views expressed by them. The Committee desired that the representatives to furnish the written replies to the queries arisen during the course of discussion.

*The Committee then adjourned.*

MINUTES OF THE THIRTY THIRD SITTING OF THE STANDING  
COMMITTEE ON COMMUNICATIONS

The Committee met on Tuesday, 5th April, 1994 from 1100 hrs. to 1315 hrs. in  
Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Kumari Vimla Verma — *Chairperson*

MEMBERS

*Lok Sabha*

2. Shri R. Jeevarathinam
3. Shri Laeta Umbrey
4. Shri N. Dennis
5. Shri Pawan Kumar Bansal
6. Shri B. Devarajan
7. Dr. B.G. Jawali
8. Shri Somjibhai Damor
9. Shri Lal Krishna Advani
10. Shri Ram Pujan Patel
11. Shri Rupchand Pal
12. Shri Satyagopal Misra
13. Shri Raj Kishore Mahto
14. Shri Sanat Kumar Mandal
15. Shri Chandrajeet Yadav

*Rajya Sabha*

16. Shri Mohammed Afzal *alias* Meem Afzal
17. Shri G. Prathapa Reddy
18. Shrimati Sushma Swaraj

SECRETARIAT

1. Shri R.V. Warjri — *Director*
2. Shri K.K. Dhawan — *Under Secretary*



## WITNESSES

Representatives of Ministry of Communications-  
(Department of Telecommunications)

1. Shri N. Vittal — *Chairman (Telecom Commission)*
2. Shri R.C. Rastogi — *Member (Finance)*
3. Shri M.G. Kulkarni — *Member (Services)*
4. Shri R.S. Bansal — *Member (Production)*
5. Shri M.G. Joshi — *Member (Technology)*

2. At the outset the Chairperson welcomed the Members as well as the representatives of the Ministry of Communications (Department of Telecommunications) to the Sitting. The Committee sought clarifications on various points with regard to "Demands for Grants, 1994-95" in respect of Ministry/Department. The officials replied to various queries made by the Committee.

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

4. However, due to time constraint all the questions prepared for the oral evidence of the officials could not be covered. Therefore, the Committee desired that the representatives of the Ministry to furnish written replies on the remaining points to the Secretariat.

5. Thereafter, the Chairperson thanked the officials for giving valuable information to the Committee during the course of evidence.

*The Committee then adjourned.*

MINUTES OF THE FIRST SITTING OF THE STANDING COMMITTEE ON  
COMMUNICATIONS (1994-95)

The Committee met on Monday, the 11th April, 1994 from 11.00 hrs to 13.40 hrs. in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Kumari Vimla Verma — *Chairperson*

MEMBERS

*Lok Sabha*

2. Shri R. Jeevarathinam
3. Shri Laeta Umbrey
4. Shri Surajbhanu Solanki
5. Shri N. Dennis
6. Shri Pawan Kumar Bansal
7. Shri B. Devarajan
8. Shri Somjibhai Damor
9. Shri Mahesh Kumar Kanodia
10. Shri Lal Krishna Advani
11. Shri Ram Pujan Patel
12. Shri Rupchand Pal
13. Shri Satyagopal Misra
14. Shri A. Asokaraj
15. Shri Sanat Kumar Mandal

*Rajya Sabha*

16. Shri Prakash Yashwant Ambedkar
17. Shri Jalaludin Ansari
18. Shri M.A. Baby
19. Smt. Malti Devi
20. Shri Mohammed Afzal *alias* Meem Afzal
21. Shri G. Prathapa Reddy
22. Smt. Sushma Swaraj

## SECRETARIAT

1. Shri R.V. Warjri — *Director*
2. Shri K.K. Dhawan — *Under Secretary*

The Committee took up for consideration the Draft Report on "Demands for Grants, 1994-95" in respect of Ministry of Communications (Demand No.13) and Department of Telecommunications (Demand No.15) and adopted the same with partial modifications/additions.

2. The Committee postponed the consideration of Draft Report on Department of Posts (Demand No.14) to 12th April, 1994.

*The Committee then adjourned.*

MINUTES OF THE SECOND SITTING OF THE STANDING COMMITTEE  
ON COMMUNICATIONS (1994-95)

The Committee sat on Tuesday, 12th April, 1994 from 1500 hrs. to 1945 hrs.  
in Committee Room No.50, Parliament House, New Delhi.

PRESENT

Kumari Vimla Verma — *Chairperson*

MEMBERS

*Lok Sabha*

2. Shri R. Jeevarathinam
3. Shri Laeta Umbrey
4. Shri Surajbhanu Solanki
5. Shri Pawan Kumar Bansal
6. Dr. B.G. Jawali
7. Shri Somjibhai Damor
8. Shri Mahesh Kumar Kanodia
9. Shri Lal Krishna Advani
10. Shri Ram Pujan Patel
11. Shri Rupchand Pal
12. Shri Satyagopal Misra
13. Shri Sanat Kumar Mandal

*Rajya Sabha*

14. Shri Jalaludin Ansari
15. Shrimati Malti Devi
16. Shrimati Jayanthi Natarajan
17. Shrimati Sushma Swaraj

SECRETARIAT

1. Shri R.V. Warjri — *Director*
2. Shri K.K. Dhawan — *Under Secretary*

The Committee took up separately for consideration the draft Reports on

- (1) Demands for Grants of Department of Posts for 1994-95; and
- (2) Demands for Grants of Ministry of Information and Broadcasting for 1994-95.

2. The Chairperson invited suggestions from the Members for inclusion in these Reports. Their suggestions for additions/modifications/deletions were considered by the Committee and were suitably incorporated/modified/deleted in the draft Reports.

3. The Draft Reports, as amended, were adopted by the Committee. Thereafter the Chairperson was authorised to finalise and present the Reports to Parliament.

*The Committee then adjourned.*