

TWELFTH REPORT
STANDING COMMITTEE ON
COMMUNICATIONS
(1999-2000)

(THIRTEENTH LOK SABHA)

MINISTRY OF COMMUNICATIONS
(DEPARTMENT OF TELECOMMUNICATIONS)

*[Action Taken by the Government on the Recommendations/Observations
contained in the Eleventh Report (Twelfth Lok Sabha) of the
Standing Committee on Communications on Recommendations
of Disinvestment Commission in Relation to ITI and HTL]*

Presented to Lok Sabha on 15.5.2000

Laid in Rajya Sabha on 15.5.2000



सत्यमेव जयते

LOK SABHA SECRETARIAT
NEW DELHI

May, 2000/Vaisakha, 1922 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON
COMMUNICATIONS (1999-2000)

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Ambareesha
3. Shri Mahendra Baitha
4. Shri Pawan Kumar Bansal
5. Prof. Dukha Bhagat
6. Shri Tara Chand Bhagora
7. Shri Nikhil Kumar Chaudhary
8. Shri Adhir Ranjan Chowdhary
9. Adv. Uttamrao Dhikale
10. Shri T. Govindan
11. Shri Jawahar Lal Jaiswal
12. Shri K.K. Kaliappan
13. Shri Shreechand Kriplani
14. Dr. C. Krishnan
15. Shri Bhartruhari Mahtab
16. Shri Simranjit Singh Mann
17. Shri G. Ram Mohan
18. Shri A.K. Moorthy
19. Shri Karia Munda
20. Shri K. Balrama Krishna Murthy
21. Shri Sheeshram Singh Ravi
22. Shri K.A. Sangtam
23. Shri Saroj Tufani
24. Sardar Buta Singh

(iv)

25. Shri Chandra Vijay Singh
26. Rajkumari Ratna Singh
27. Shri Vinay Kumar Sorake
28. Shrimati D.M. Vijaya Kumari
29. Shri Vinay Katiyar
30. Shri A. Krishnaswamy

Rajya Sabha

31. Dr. M.N. Das
32. Shri Balkavi Bairagi
33. Shri Shatrughan Sinha
34. Shri Narendra Mohan
35. Dr. Mahesh Chandra Sharma
36. Dr. Y. Radhakrishna Murthy
37. Shri Munavvar Hasan
38. Shri P.N. Siva
39. Shri Kartar Singh Duggal
40. Miss Lata Mangeshkar
41. Shri R.N. Arya
42. Shri K. Rama Mohana Rao
43. Shrimati Kum Kum Rai
44. Dr. Dasari Narayana Rao
45. Shri Rajiv Shukla

SECRETARIAT

1. Dr. A.K. Pandey — *Additional Secretary*
2. Shri P.D.T. Achary — *Joint Secretary*
3. Shri S.K. Sharma — *Deputy Secretary*
4. Shri Bhupesh Kumar — *Assistant Director*

INTRODUCTION

I, the Chairman, Standing Committee on Communications (1999-2000) having been authorised by the Committee to submit the Report on its behalf, present this Twelfth Report on Action Taken by Government on the Recommendations/Observations of the Committee contained in its Eleventh Report (Twelfth Lok Sabha) on 'Recommendations of Disinvestment Commission in relation to ITI and HTL' pertaining to the Ministry of Communications (Department of Telecommunications).

2. The Eleventh Report was presented to Lok Sabha on 15 March, 1999 and also laid in Rajya Sabha on the same day. The Government furnished Action Taken Notes on the recommendations contained in the Report on 9 June, 1999.

3. The Report was considered and adopted by the Committee at its sitting held on 10 May, 2000.

4. 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.

5. An analysis of Action Taken by Government on the recommendations contained in the Eleventh Report of Standing Committee on Communications (Twelfth Lok Sabha) is given in Appendix-II.

NEW DELHI;
10 May, 2000

20 Vaisakha, 1922 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on Communications.

CHAPTER I

REPORT

This Report of the Standing Committee on Communications deals with the action taken by the Government on the Recommendations contained in the Eleventh Report (Twelfth Lok Sabha) on recommendations of Disinvestment Commission in relation to ITI & HTL.

2. The Eleventh Report was presented to Lok Sabha on 15 March, 1999 and also laid on the Table of Rajya Sabha the same day. It contained 14 recommendations/observations.

3. Action Taken Notes in respect of all the observations/recommendations contained in the Report have been received from the Government.

These have been categorised as under:

- (i) Recommendations/Observations which have been accepted by the Government
Paragraph Nos. 36, 55 and 57

Total : 3
Chapter II

- (ii) Recommendations/Observations which the Committee does not desire to pursue in view of the replies given by the Government
Paragraph Nos. 35, 38, 39, 40, 42 and 43

Total : 6
Chapter III

- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration
Paragraph Nos. 37, 76 and 77

Total : 3
Chapter IV

- (iv) Recommendations/Observations in respect of which replies are of interim in nature
Paragraph Nos. 41 and 56

Total : 2
Chapter V

4. The Committee trusts that utmost importance would be given to the implementation of the recommendations accepted by the Government. In cases, where it is not possible for the Government to implement the recommendations, the matter should be reported to the Committee with reasons for non-implementation. The Committee desires that notes on final action taken on the recommendations mentioned in Chapter I and the Action Taken Notes in respect of recommendations contained in Chapter V of this Report should be furnished to it urgently and in no case later than three months of the presentation of this Report.

5. The Committee will now deal with action taken by Government on some of its recommendations.

Emergence of ITI as a Competitive Company

(Para No. 37)

6. The Committee in its Eleventh Report had observed that in case the majority share holding of Government in ITI Ltd. is disinvested, the DoT would not be able to support the company.

7. The Ministry in its action taken note has agreed with the observation of the Committee. However, it has taken a view that ITI would be able to sustain itself even without DoT's support.

8. The Committee is not satisfied with the reply of the Government in the Action Taken Note as no basis has been mentioned as to how ITI, in its present position, can sustain itself without reservation from the DoT. ITI which has, no doubt, been functioning better, cannot be expected to overcome all its problems without the continuing support of DoT. Thus, in the absence of any reasons being given regarding sustainability of ITI on its own without reservation, DoT seems to justify the decision for disinvestment of ITI without taking note of the observations made by the Committee. It has not been stated how without such support ITI can come out of the 'red' with any amount of certainty. Thus, DoT should continue to extend its support to ITI.

Technological Innovation

(Para No. 41)

9. The Committee in its Eleventh Report had observed that ITI Ltd. was making continuous improvement in development of telecom technology. As such, the Committee had recommended that there was no need to disinvest majority share holding in the company.

10. The Ministry of Information and Broadcasting in its action taken note has stated that ITI Ltd. has to keep pace by obtaining technology transfers quite often. It has recommended deferment of disinvestment.

11. The Committee expects that Government will give up the decision for disinvestment and will give due weightage to the idea of self-reliance in the field of telecommunication and adopt a strategy aimed at not only rehabilitating ITI Ltd. by providing it all encouragement and required assistance but would help it in attaining its expected position in telecom equipment manufacturing sector while remaining a government company. The Committee also expects that ITI Ltd. will keep pace with the fast advancement in telecom technology taking place globally to sustain itself against the stiff competition by achieving technological innovation consistently, thus helping the country to emerge as a major manufacturing base and exporter of telecom technology.

Strategic Sale of Equity of HTL

(Para Nos. 76 and 77)

12. The Committee in its earlier report had noted that the Disinvestment Commission had recommended hundred percent disinvestment in HTL, or in the alternative selling of 50 percent of shares and lastly if none of the above options was feasible, to effect a straight sale of the assets of the company through competitive bidding. The Committee had observed that HTL was on the fast track to indigenise major components and surplus workforce was planned to be slashed through friendly handshake and superannuation of older staff. The company was also improving its financial performance. As such, the Committee had recommended to turn around the company first before deciding its future.

13. The Ministry in its action taken note has stated that the company was making profit continuously except during 1996-97. There were only 288 surplus employees. The Ministry has further stated that on December 16, 1998, the Cabinet deliberated the subject of disinvestment of HTL and approved the disinvestment of 50 percent of Government held equity in the company.

14. The Committee expresses serious concern on the decision of the Government to disinvest 50 percent of Government held equity in HTL inspite of its earning profit continuously except during 1996-97. Moreover, the Government have taken the decision to disinvest the Government equity when the Standing Committee on Communications was seized of the issue which goes contrary to well established Parliamentary traditions and norms of Government functioning. The Committee is of the opinion that this is a fit case where the Government should review the matter and give up altogether the proposal of disinvestment and submit a report to the Committee.

15. In view of the above, the Committee reiterates its recommendations as contained in Para 77 to the effect that the disinvestment of the shares of HTL would not be in national interest, particularly in view of the fact that the Government's decision was taken before the submission of the report of this Committee.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation/Observation of the Committee

(Para No. 36)

The Committee also notes that the Department of Telecommunications (DoT) is of the view that ITI has a very important role to play even now. When Departmental requirements are growing every year, it has started exercising supporting impact on the prices quoted by private companies. The Committee finds logic in the reasoning that whenever changeover takes place from protected to open market, in the initial years, the company which had its existence in a protected market, faces problems. Since ITI Ltd. has overcome these problems, it has emerged stronger.

Reply of the Government

DoT agrees with the Standing Committee's observation.

Recommendation/Observation of the Committee

(Para No. 55)

The Committee notes that technological innovations have rendered large workforce surplus and the company has to carry it. This is stated to have placed the company at a disadvantage in a competitive market. The company has been trying to overcome this situation by friendly handshake. The Committee is of the view that economic growth with employment should be highly desirable national goal. The heavy reduction in workforce will only help foreign MNCs to create new employment in their countries at the cost of the existing employment in our country. The Committee recommends that VRS may be granted only to an extent which may be considered absolutely essential for the survival of the company. The prices of its products no doubt would have to be competitive. The DoT may workout schemes for redeployment of the "surplus" employees to utilise them efficiently and effectively.

Reply of the Government

As an ongoing process ITI like any other industry has to anticipate changes and take remedial measures in time. At present ITI is having a workforce of 24719 out of which 9000 people are surplus, as calculated by the company. 5336 people have already gone on VRS during the last eight years. The company has estimated to reduce 7000 people over a period of next five years. DoT agrees that VRS may be granted only to an extent which is absolutely necessary. ITI has been instructed to work out schemes to redeploy the surplus workforce.

Recommendation/Observation of the Committee

(Para No. 57)

Since Defence Services place orders on ITI Ltd. (because of technical and other advantages and Defence PSUs are already under purview of U.S. sanctions) it is not prudent to segregate and merge the Defence Division with BEL.

Reply of the Government

DoT agrees with the views of Standing Committee.

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DOES NOT DESIRE TO PERSUE IN VIEW OF THE REPLIES GIVEN BY THE GOVERNMENT

Recommendation/Observation of the Committee

(Para No. 35)

The Committee notes that the Disinvestment Commission has classified ITI Ltd. as a non-core industry even though it is in a capital/technology intensive industry. The Committee finds that competition in telecom manufacturing industry has not yet reached that matured stage as envisaged by the Disinvestment Commission as the companies participating in the tenders proved to be of uncertain credentials and had quoted unrealistically low prices. After quoting very low prices which were sometimes even upto 25% less than the actual raw-material prices and getting orders, they did not effect supplies of the equipment tendered and ITI had to supply the same at L-1 rates which were uneconomical resulting in substantial losses to it. Thus, the Disinvestment Commission's contention that telecom industry has the presence of matured private units and forces of competition have made the market fully contestable, is not based on ground realities. Due to cumbersome procedure involved in blacklisting of these companies they could not be prosecuted.

Reply of the Government

While appreciating the views of the Committee, DoT had apprised the Core Group of Secretaries on Disinvestment in December 1997 against classifying ITI as non-core industry. With respect to the Committee's observation that Companies quoted even less than the material cost to secure orders and did not effect supplies and ITI had to supply equipment at L-1 price, it is stated that procurement of equipment is made based on the competitive bids. Prices quoted by the suppliers are competitive due to stiff competition and are based on their costing of the equipment. The successful bidders had supplied the equipment in most of the cases. In rare cases of non-supply, ITI had the option of accepting the order at L-1 price. In case of

non-supply, action is taken by DoT for short-closing the order and for encashing the Bid/Performance Bank Guarantees. ITI had been working in a protected environment where the company had been charging DoT for supply of equipments on cost+overheads basis. It is natural that whenever any company changes from protected market to competitive market, it has to undergo major adjustments as a cost-reduction exercise. In the Local Exchange Tender for new technology Exchanges during 1997-98, M/s. ITI themselves were L-1 and supplied the equipment. In one of the cases (NIB) Tender during 1998-99 even M/s. ITI have refused to supply the equipment at their own L-1 evaluated price. ITI is however, progressively adjusting itself to the changed environment of competition.

Recommendation/Observation of the Committee

(Para No. 38)

Another argument in favour of ITI remaining a Government Company is because of its strategic position. It has been executing considerable volume of orders for defence and supplying very sensitive equipments. In the present scenario, private companies need not be required to meet the strategic defence requirements.

Reply of the Government

This is an important observation and would be given due consideration while deciding the structure of the Company.

Recommendation/Observation of the Committee

(Para No. 39)

The Committee further notes that ITI and HTL Ltd. are producing components based on indigenous technology developed by C-DoT which has been described to be of world standard. It is said that large switches based on MAX-XL technology developed by C-DoT meet all the parameters of world class technology. This Technology is much cheaper than the contemporary technologies available the world over. The Committee feels that in case of disinvestment of ITI and HTL Ltd., C-DoT technology will hardly be used and huge investments made and self-reliance attained in telecom sector by C-DoT would go waste. In such a situation the nation will be required to pay very substantial amount to buy telecom technology developed abroad. In fact, there is an urgent need to encourage C-DoT to attain higher and higher reaches of technology advancement to gain self-reliance.

Reply of the Government

ITI and HTL are not producing components based on indigenous technology but are manufacturing equipment based on indigenous technology. MAX-XL switch of C-DoT is not totally equivalent to other contemporary technologies though it is progressively being developed to meet all parameters. MAX-XL switch designed by C-DoT can support 40,000 lines whereas high tech switch can support 1 lakh Telephone lines. DoT does not agree, that with the disinvestment of ITI and HTL, C-DoT technology will be hardly used and huge investment made and self-reliance attained in Telecom sector will go waste. Equipment based on C-DoT technology is being manufactured by a large number of private companies. DoT agrees that there is an urgent need to encourage C-DoT to attain high reaches of technology advancement. With this in view, DoT is financing the R&D of C-DoT fully.

Recommendation/Observation of the Committee

(Para No. 40)

The Committee further notes that specialised components for very large scale integration are manufactured only in a few countries and even the advanced countries like France and Britain have to import these components from other countries. ITI Ltd./ C-DoT has developed the expertise to design and produce these components within the country and can make value addition and generate national wealth. ITI is also capable of meeting the problem of high rate of obsolescence in telecom technology. It has also attained state-of-the art technology.

Reply of the Government

It is not true that ITI and C-DOT have developed the expertise to design and produce the components which are being manufactured only in few countries. ITI has developed a VLSI Fab in which some types of very large integrated circuits can be manufactured as per their own design, but it is not capable of manufacturing all types of very large integrated circuits required for mass production of components for use in Telecom equipment. ITI has to gear up to face the fast changes in telecom technology.

Recommendation/Observation of the Committee

(Para No. 42)

The Committee is seriously concerned to note that ITI Ltd. suffered huge losses during 1994-95 and 1995-96 due to intensified competitive pressure, quotation of low entry (unrealistic prices) by MNCs, surplus workforce and social costs etc. However, the Committee notes with satisfaction from the fact that the company has improved its performance considerably during 1996-97 and 1997-98. The Committee recommends to the Government to approve the financial package, as requested by the ITI Ltd. which includes additional equity of Rs. 200 crores, long term soft loan of Rs. 150 crores, reimbursement of expenditure incurred on implementation of Voluntary Retirement Scheme (to the extent absolutely essential for the survival of the company). The Committee hopes that with the acceptance of this package, the ITI Ltd. will be able to achieve the projected turnover during the period from 1999-2002. The company should also take strong measures to cut down wasteful expenditure and do long-term restructuring to make it competent and market driven company.

Reply of the Government

The Company has improved its performance during 1997-98 and 1998-99 with substantial assistance from the Government in the form of reservation of orders, payment of advance against reserved quota. Financial package in the form of increase in equity by Rs. 200 crores and long term soft loan of Rs. 150 crores, was processed. Ministry of Finance after examination of the proposal, has expressed that since the company has started turning around and immediate disinvestment as recommended by the Disinvestment Commission is not being done, there is no justification for increasing the equity base by Rs. 200 crores and for granting soft loan of Rs. 150 crores. In view of company's better performance during 1997-98, the proposal for increase in equity base by Rs. 200 crores and soft loan of Rs. 150 crores has been withdrawn by the company. Reimbursement of expenditure incurred on Voluntary Retirement Scheme is paid from NRF on year to year basis subject to the availability of funds. ITI has been instructed to take strong measures to improve the performance and productivity of the company by undertaking redressal of the internal deficiencies which have been contributing to its poor performance.

Recommendation/Observation of the Committee

(Para No. 43)

The Committee is concerned at the lack of managerial autonomy of the ITI Board. The rapidly changing economic scenario requires the company to take prompt corporate/strategic decisions like diversification to new products, acquisition of new technology, investment in R & D set up etc. Therefore, the Committee recommends to make the Board more professional, accountable and competent to take all such decisions at its own level. The Government may confine its role to issuing written directives on broad policy matters.

Reply of the Government

ITI is managed by a board which enjoys powers and autonomy like any other company of similar status.

The Ministry/Department is only playing the role strictly as per the guidelines of Deptt. of Public Enterprises.

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation/Observation of the Committee

(Para No. 37)

The Committee also notes that it would not be possible for DoT to help ITI to attain pre-eminent position if Government's majority share-holding is disinvested. As in that case DoT would not be able to reserve 30% of its requirements for the company. ITI has admirably adjusted itself to the changed environment of competition. DoT's support to it at this juncture would enable it to come out of the red and become stronger once again.

Reply of the Government

DoT agrees with the Standing Committee's observation and feels that ITI has to come up further to sustain itself as profit making company even without reservation from DoT.

Comments of the Committee

(Please see Para No. 8 of Chapter I.)

Recommendation/Observation of the Committee

(Para No. 76)

The Committee notes that Disinvestment Commission has recommended to the Government to explore possibility of selling hundred percent strategic equity stake in HTL or alternatively 50% of shares may be offered to a strategic partner through a global competitive bidding. In case none of the above options is feasible, assets of the company be sold through competitive bidding. However, the Committee finds that HTL has developed 'state-of-the-art'

infrastructure to meet diverse product range. The company is on the fast track to indigenise the major components. Surplus workforce, though at present a big problem, is likely to be solved with friendly handshake scheme and superannuation of older staff as age-profile of the staff is on the higher side. Financial performance of the company is improving after some set back in 1996-97. The company has entered hi-tech arena. The CMD of the company has exuded confidence in the future of the company saying that "difficulties have been resolved over the years and the company is much better off now." Telecom Commission also appears to be confident of its future and is of the view that Government should retain majority equity in the company. The Committee is of the view that company should be first turned around before deciding its future and for the purpose restructuring is imperative—otherwise, Government may not get right price of its real worth. At present, there is no reason to consider disinvestment at all.

Reply of the Government

HTL has been making profit except for the year 1996-97. For the year 1997-98, the Company has made a profit of Rs. 6 crores and during 1998-99, it is expected to make profit. Thus the company is turning around from its position of 1996-97.

At present HTL is having 1171 no. of employees and 485 no. of employees have gone on VRS till March, 1999. Surplus manpower exists to the extent of about 288 employees only as on March, 1999. On December 16th, 1998 the Cabinet deliberated the subject of disinvestment of HTL and approved the disinvestment of 50% of Government held equity in HTL.

Recommendation/Observation of the Committee

(Para No. 77)

The Committee is seriously concerned with the recommendation of Disinvestment Commission to sell 100% shares and assets of the company and to offer VRS to all the employees. The Committee is unable to endorse the recommendation as it would not be in national interest.

Reply of the Government

Govt. has not agreed with recommendations of the Disinvestment Commission to sell 100% shares and assets of the company and to offer VRS to all the employees. On 16.12.98 Govt. decided to disinvest 50% Govt. held equity in HTL. VRS is given only to willing employees who volunteer.

Comments of the Committee

(Please see Para Nos. 14 and 15 of Chapter I.)

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES ARE OF INTERIM NATURE

Recommendation/Observation of the Committee

(Para No. 41)

The Committee notes that ITI has attained a high level of technology absorption and new technology is adopted in a matter of few months. It is presently producing world class products which are in no way inferior to the best available in the world. The Committee, therefore, does not find any substance in the Disinvestment Commission's logic that ITI Ltd. does not have access to high-tech technology. In view of the position stated above the Committee feels that situation is altogether different from what has been assumed or held by the Disinvestment Commission. Therefore, in the present context, the Committee does not find any need to disinvest majority share holding in ITI Ltd.

Reply of the Government

In view of the better technological products being developed all over the world, ITI has to keep pace by obtaining technology transfers quite often. However, the Department had recommended deferment of disinvestment of ITI. The decision of the Govt. is awaited.

Comments of the Committee

(Please see Para No. 11 of Chapter I.)

Recommendation/Observation of the Committee

(Para No. 56)

The Committee express its serious concern on the recommendations of the Disinvestment Commission for strategic sale of ITI's 50% shares to a strategic partner with an agreement for further dilution of Government equity to 26%. The Committee notes that the strategic partner would necessarily be a foreign company. Thus, ITI Ltd. would become an arm of a foreign company which will then absorb within

itself the indigenous C-DoT technology and reduce the status of the country to a permanent importer of foreign technology instead of having a stamp of its own in the world of telecom. The Committee is seriously concerned to note that the money generated out of the disinvestment would be used for revenue expenses of the Government which will not be in national interest, apart from being not a desirable policy. Since telecommunication is the prime support service needed for rapid growth and modernisation of all sectors of economy, ITI Ltd. needs to be promoted and developed as a basic infrastructural unit. The Committee feels that it will go contrary to the objective envisaged in the National Telecom Policy that India should emerge as a major manufacturing base and major exporter of telecom equipment. The Committee is of the view that the country should not be deprived of the benefit of the technology invented by C-DoT. Instead, C-DoT should be given necessary support to enable it to develop indigenous technology of world standard. Therefore, the Committee strongly disapproves of the proposal for disinvestment of ITI Ltd.

Reply of the Government

The Core Group of Secretaries have discussed the matter of disinvestment of ITI and have recommended to the Government to defer it. The Government is yet to take a decision.

C-DoT technology has been given to many private vendors and about 20 vendors are actively manufacturing the equipment. C-DoT technology is given full support by DoT and the country will not be deprived of it.

NEW DELHI;
10 May, 2000
20 Vaisakha, 1922 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on Communications.

SECRETARIAT

Deputy Secretary

I. Shri S.K. Sharma

APPENDIX-I

Assistant Director

MINUTES OF THE TWENTIETH SITTING OF THE STANDING COMMITTEE ON COMMUNICATIONS (1999-2000)

The Committee sat on Wednesday, 10 May, 2000 from 1500 hours to 1600 hours in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee—*Chairman*

MEMBERS

Lok Sabha

2. Shri Mahendra Baitha
3. Shri Tara Chand Bhagora
4. Shri Nikhil Kumar Chaudhary
5. Adv. Uttamrao Dhikale
6. Shri Shreechand Kriplani
7. Dr. C. Krishnan
8. Shri Bhartruhari Mahtab
9. Shri K.A. Sangtam
10. Shrimati D.M. Vijaya Kumari

Rajya Sabha

11. Dr. M.N. Das
12. Shri Narendra Mohan
13. Dr. Y. Radhakrishna Murthy
14. Shri Kartar Singh Duggal
15. Shri P.N. Siva
16. Shri R.N. Arya
17. Shrimati Kum Kum Rai

APPENDIX-II

AMENDMENTS/MODIFICATIONS MADE BY THE COMMITTEE
IN THE DRAFT TWELFTH REPORT

Page No.	Para No.	Line No.	For	Read
2	7	1 & 2	"The Ministry in its action taken note has agreed with the observation of the Committee and viewed that ITI would be able to sustain itself even without DOT's support"	"The Ministry in its action taken note has agreed with the observation of the Committee. However it has taken a view that ITI would be able to sustain itself even without DOT's support."
2	8		At the end add the following: "Thus, DoT should continue to extend its support to ITI.	
4	14	6 to 8	"The Committee is of the opinion : this is a fit case whether the Government will review the matter and give up the proposal of ptoposal proposal and submit a report to the Committee."	"The Committee is of the opinion that this is a fit case where the Government should review the matter and give up altogether the proposal of disinvestment and submit a report to the Committee."

APPENDIX-II

(Vide Para No. 5 of Introduction of Report)

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE
ELEVENTH REPORT OF STANDING COMMITTEE ON
COMMUNICATIONS (TWELFTH LOK SABHA)

- (i) Recommendations/Observations, which have
been accepted by the Government:
Paragraph Nos. 36, 55 and 57

Total : 3

Percentage 21.4%

- (ii) Recommendations/Observations which the
Committee does not desire to pursue in
view of the replies of the Government:
Paragraph Nos. 35, 38, 39, 40, 42 and 43

Total : 6

Percentage 42.8%

- (iii) Recommendations/Observations in respect
of which replies of the Government have not
been accepted by the Committee and
which require reiteration:
Paragraph Nos. 37, 76 and 77

Total : 3

Percentage 21.4%

- (iv) Recommendations/Observations in respect
of which replies are of the interim nature:
Paragraph Nos. 41 and 56

Total : 2

Percentage 14.2%