

# FIFTY-NINTH REPORT ESTIMATES COMMITTEE (1987-88)

(EIGHTH LOK SABHA)

MINISTRY OF COMMUNICATIONS  
DEPARTMENT OF TELECOMMUNICATIONS

Telecommunication Services in Rural Areas



*Presented in Lok Sabha on 19 April 1988*

LOK SABHA SECRETARIAT  
NEW DELHI

336.395  
M 7.2  
*April 1988 (Chaitra, 1910 Saka)*

Price Rs. : 3.00

TO  
 FIFTY FIFTH REPORT OF ESTIMATES COMMITTEE  
 (1987-88) ON MINISTRY OF COMMUNICATIONS  
 (DEPARTMENT OF TELECOMMUNICATIONS) -  
 TELECOMMUNICATION SERVICES IN RURAL AREAS.

...

<u>Page</u>	<u>Para</u>	<u>Line</u>	<u>For</u>	<u>Read</u>
(i)		Last line	Recommendations	Recommendations/
			observations	observations
2	1.5	4	PCOs. Co-located	PCOs colocated
5		9	(iv) Tripura	(vi) Tripura
7	1.15	Last line	are only fir	are firmly
8	1.17	5 from bottom	ts	to
8	1.17	3 from bottom	envisage	envisages
10	1.19	2	LDPTs,	LDPTs.
10	1.20	3	of officies	offices
12		1	exchanges the	exchanges in
				the
12		1	12.7	1.27
12		7	12.8	1.28
12		14	12.9	1.29
13	1.30	Against the	3216	39216
		period 31.3.82		
		in column		
		'Number in		
		waiting list'		
13	1.31	3	tha	that
16	1.41	5	conveyed	conveyed by
16	1.42	2 from bottom	morse)	morse
21	2.10	4 from bottom	Committee	Committee
			had	
22	2.14	2 from bottom	telecon	Telecom
26	3.3	3	supply which	supply with
		from bottom		
33	3.25	5	Ankleshwar	Ankleswar
		from bottom		
33	3.25	4	Rewal	Relwal
		from bottom		
34	3.27	3	he d	held
35	3.31	6	Nbth	North
41	Appendix I	3	LDPTS	LDPTs
41	Appendix I	5	Gujral	Gujarat
		from bottom		
41	Appendix I	6	Gujrat	Gujarat
		from bottom		

contd....

<u>Page</u>	<u>Para</u>	<u>Line</u>	<u>For</u>	<u>Read</u>
42		8	Maharashtra	11. Maharashtra
45	Sl. No. 1	4	main stream	mainstream
	1. 15			
52	Sl. No. 10	5	pace	pace
	1. 46	from bottom		
53	Sl. No. 11	1	Plans	Plan
	2. 10			
53	Sl. No. 12	2	compiled	compiled
	2. 17			
53	-do-	last line	visit	review
-do-	-do-	last line	telephones	telephones
56	Sl. No. 15	2	cause	causes
	3. 15			
56	Sl. No. 16	4	worn	worn
	3. 16			
56	-do-	7	worn	worn
58	Sl. No. 20	2	delivery	delivery
	3. 37	from bottom		
59	Sl. No. 23	6	monitoring	monitoring
	3. 45			

# CONTENTS

	Page
COMPOSITION OF ESTIMATES COMMITTEE (1987-88) ...	(iii)
INTRODUCTION ...	(v)
<b>CHAPTER I DEVELOPMENT OF RURAL TELECOMMUNICATION</b>	
A. Policy for provision of Public Telephones: ...	1
B. Policy for Opening of Telephone Exchanges. ...	10
C. Policy for Provision of Telegraph Services, ...	16
<b>CHAPTER II FINANCE</b>	
A. Expenditure ...	19
B. Revenue ...	21
<b>CHAPTER III OPERATION AND MAINTENANCE</b>	
A. Rural Telephone Services (LDPTs and Exchanges) ...	25
B. Life of Telephone Exchanges ...	28
C. Trunk call facilities ...	30
D. Telegraph Services ...	32
E. Monitoring ...	37
<b>APPENDICES</b>	
I. Priority-wise disposition of outstanding LDPTs, as on 31.3.87 ...	41
II. Extent of complaints received in 1986-87 ...	44
III. Statement of Recommendations Observations ...	45

# ESTIMATES COMMITTEE

(1987-88)

## CHAIRMAN

Shrimati Chandra Tripathi

## MEMBERS

2. Shri Dileep Singh Bhuria
- \*3. Shrimati M. Chandrasekhar
4. Shri A. Charles
5. Shri Saifuddin Chowdhary
6. Shri Hussain Dalwai
7. Shri Bipin Pal Das
8. Shri Janak Raj Gupta
9. Shri V.S. Krishna Iyer
- \*\*10. Shri C.K. Jaffar Sharief
11. Shri Asutosh Law
12. Shri Narsinh Makwana
13. Shri Hannan Mollah
14. Shri George Joseph Mundackal
15. Shri Shantaram Naik
16. Shri Rameshwar Nikhara
17. Dr. Manoj Pandey
18. Shrimati Jayanti Patnaik
19. Shri A. J. V.B. Maheshwara Rao
20. Shri K.S. Rao
21. Shri D.N. Reddy
22. Shri P.M. Sayeed
- \*\*23. Shri Laliteshwar Prasad Shahi
24. Dr. B.L. Shailesh
25. Shri Rana Vir Singh
26. Shri N. Soundararajan
27. Shri N. Sundararaja
28. Shri G.G. Swell

---

\*Elected on 6th August, 1987 *vice* Prof. Narain Chand Parashar resigned from the Committee w.e.f. 3rd June, 1987.

\*\*Ceased to be Members of the Committee on 14.2.1988 on being appointed Ministers of State in the Union Council of Ministers.

- \*29. Shri Madhusudan Vairale
- 30. Shri Ram Singh Yadav.

SECRETARIAT

- 1. Shri K.H. Chhaya—*Joint Secretary.*
- 2. Shri J.C. Malhotra—*Chief Financial Committee Officer*
- 3. Shri A. Subramanian—*Senior Financial Committee Officer.*

## INTRODUCTION

1. the Chairman of Estimates Committee having been authorised by the Committee to submit the Report on their behalf, present this Fifty-ninth Report on the Ministry of Communications—Department of Telecommunications—Telecommunication Services in Rural Areas.

2. The Estimates Committee (1987-88) took the evidence of the representatives of the Ministry of Communications (Department of Telecommunications) on 17th September, 1987, 29th and 30th October, 1987. The Committee wish to express their thanks to the Secretary, Department of Telecommunications and other officers of the Department for placing before them the material and information which they desired in connection with the examination of the subject and for giving evidence before the Committee.

3. The Report was considered and adopted by the Estimates Committee (1987-88) on 6th April, 1988.

4. For facility of reference, the recommendations/observations of the Committee have been printed in thick type in the body of the Report and have also been reproduced in a consolidated form in Appendix III to the Report.

NEW DELHI ;

*April 14, 1988*  

---

*Chaitra 25, 1910 (S)*

CHANDRA TRIPATHI,

*Chairman,*  
*Estimates Committee.*

## CHAPTER I

### DEVELOPMENT OF RURAL TELECOMMUNICATION FACILITIES

#### A. Policy for provision of Public Telephones

1.1 Soon after independence, programmes were launched for gradual extension of public telecommunication facilities to rural areas. It was recognised that there was limited demand for individual telephones and the need was basically to provide a link for quick communication to the rest of the country. The traffic being low and the extension of facilities calling for large investment, the telecommunication facilities could not be provided on financially viable basis and it was recognised, as a policy, to provide public telephones connected to the trunk network and telegraph offices on a subsidised basis

1.2 At the time of independence there were only 82,000 telephone connections in the country and huge investments were made for the development of telecommunication sector in each successive Five Year Plan in the country with a big thrust from the Sixth Five Year Plan for rural telecommunication. As a result of these measures, the disposition of telephone network between urban and rural areas as on 31st March, 1986 presented the following picture :—

	Population in crores	% of popula- tion	No. of telephones (DELs) in thousands	Telephone per 100 population
<b>Urban</b>				
4 Metrocities,	11.51	15.13	2299	2.00
5 Major city Districts				
24 Minor city Districts & 183 Other cities				
3029 towns with population of 5000 & above	7.69	10.10	581	0.76
<b>Total urban</b>	<b>19.20</b>	<b>25.23</b>	<b>2880</b>	<b>1.50</b>
<b>Rural</b>				
with population less than 5000	56.90	74.77	287	0.05



1.3 In the policy, initially evolved for providing telecommunication facilities in rural areas, certain classes of administrative headquarters and villages having a population of 10,000 and above, were chosen for provision of long distance public telephones (LDPTs) and telegraph offices on a subsidised basis. In the first instance, the scope of administrative headquarters covered the district, sub-divisional, tehsil and sub-tehsil headquarters and later block headquarters were also included. Assessment by the Department indicated that the categories of stations based on administrative considerations were generally fully covered by about 1977 and it was decided to shift the emphasis to provide LDPTs and telegraph facilities in larger villages. In August, 1977 the population limit was relaxed to 5000 in ordinary areas and 2,500 or more in backward and hilly areas. Based on the above policies, LDPTs were provided in the 3rd, 4th and 5th Plans at 674, 1998 and 3721 places. The slow progress was attributed to the need to limit the level of subsidies to a reasonable level, which could be sustained by the profitability of the telecommunication system as a whole.

1.4 The results of policy based on population of villages were reviewed in 1982. It was noted that use of population criteria had tended to result in a heavy imbalance in regard to the distribution of long distance public telephones between the States. It resulted in a large number of public telephones being opened in populous States with larger size villages close to each other, but a much smaller number of public telephones in the backward State where the population was scattered in a large number of small villages. It was accordingly felt that instead of a policy based on population of individual villages, one based on spatial distribution would be more appropriate for providing telephone facilities in rural areas. Accordingly, it was worked that a public telephone and phonocom facility be provided within 5 kms., of every village, as early as possible. For this purpose, it was decided that the entire country be divided into suitable hexagonal cells with a 5 kms. radius and efforts made to provide a public telephone without any limit on subsidy in every such cell by a time-bound programme.

1.5 As a result of the studies conducted by the National Council of Applied Economic Research and the Department, 50,280 inhabited hexagons in all were identified. Of these 13,830 had been provided with telephone facilities through LDP or local PCOs. Co-located with the telephone exchanges in the same village by the beginning of the Sixth Plan. During the Sixth Plan, 11,774 new LDPs were opened. Some of the existing LDPs were converted into exchanges and the net number of LDPs as on 31.3.1985 was 23,136. A

total of 22,800 hexagons had thus been provided with telephone facilities either by LDPs or with local PCOs parented to the exchanges in the same village.

1.6 Noting that during the Sixth Plan the achievement was only 11774 LDPTs as against a target of 20,000 LDPTs the Committee desired to know the reasons for the low achievement, even though there was full utilisation of the financial provision. The Department, in reply has stated that during the preparation of the 6th Plan, a target of 20,000 long distance public telephones (LDPTs) was proposed with an investment of Rs. 2,950 crores at 1979-80 prices. During the Plan discussions, the financial outlay was revised to Rs. 2,336 crores at 1979-80 prices. The Planning Commission, however, requested that the physical targets might be retained as originally proposed. The Commission further indicated that efforts would be made to enhance the financial outlay in the light of the financial position emerging during the Annual Plan Review. Eventually, the total Plan outlay for the 6th Plan amounted to Rs. 2722 crores at current prices.

1.7 During the Annual Plan discussions, enhanced outlays were sought. When these could not be agreed to the annual targets were reduced. The following table gives the annual targets and achievements for the LDPTs :

Year	Target	Actual Achievement
1980-81	2500	2251
1981-82	2800	2082
1982-83	2300	2264
1983-84	1500	2468
1984-85	3000	2709
Total	12100	11774

1.8 Asked whether any time limit was fixed for providing LDPTs in all the hexagonal cells, the Department stated that a tentative proposal was made to provide LDPTs in all indentified hexagonal cells by the end of the Seventh Five Year Plan as part of the plan proposals for a sum of Rs. 13,000 crores

but it has become necessary to reduce the target to 9,000 LDPTs only during the Seventh Plan because the outlay for the Seventh Plan has been reduced to Rs. 4010 crores only. The Department has approached the Planning Commission to raise the allocation to Rs. 6,000 crores which included provision of Rs. 15,000 LDPTs ; a final reply was awaited from the Planning Commission.

1.9 Asked to indicate the extent of funds needed to provide LDPTs in all hexagons and the amount allocated in Seventh Plan for the purpose, the Department has intimated that an investment of Rs. 320 crores is called for to cover all LDPTs and in Seventh Plan, Rs. 110 crores out of Rs. 4010 crores have been allocated.

1.10 The table below gives the progress achieved in 1985-86 and in 1986-87 and the extent of availability of LDPTs as on 31.3.87 in each State Circle :

Sl. No.	Circle/ State	Total inhabited hexagons	Hexagone covered			Balance to be covered	
			as on 31.3.85	during 1985-86	during 1986-87		
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	4991	4509	326	61	4856	95
2.	Assam	1715	417	14	10	441	1274
3.	Bihar	4740	1154	145	107	1406	3334
4.	Gujarat	2387	1143	42	74	1259	1128
5.	Haryana	820	455	15	30	500	320
6.	Himachal Pradesh	432	177	1	42	220	212
7.	Jammu & Kashmir	885	249	18	7	274	611
8.	Karnataka	3648	2142	70	118	2325	1323
9.	Kerala	546	536	2	8	546	NIL
10.	Madhya Pradesh	6103	2836	300	133	3269	2834

11. Maharashtra	4842	1964	111	304	2379	2463
<b>12. North East :</b>						
(i) Arunachal Pradesh	105	41	5	2	48	57
(ii) Manipur	390	53	1	3	57	333
(iii) Meghalaya	461	72	—	3	75	386
(iv) Mizoram	159	17	—	1	18	141
(v) Nagaland	337	52	—	2	54	283
(iv) Tripura	141	69	6	9	84	57
13. Orissa	2110	724	98	114	936	1174
14. Punjab	771	379	6	15	400	371
15. Rajasthan	6193	1385	164	191	1740	4453
16. Tamil Nadu	1672	1590	10	67	1667	...5
17. Uttar Pradesh	4055	2023	133	230	2356	1669
18. West Bengal	2777	816	28	32	876	1901
<b>Total</b>	<b>50280</b>	<b>22803</b>	<b>1495</b>	<b>1558</b>	<b>25856</b>	<b>24424</b>

11 The following guidelines have been laid down for the installation of L.D.P.T. s :

(a) General :

The priorities shall apply each year separately within each revenue district so that some public telephones are provided in each district each year except in those cases where all hexagons have been fully covered.

(b) Priorities :

Ist Priority

All hexagons with no telecom. facility but which have one of the following category stations within them.

- (i) District Headquarters
- (ii) Sub-Divisional Headquarters
- (iii) Tehsil Headquarters
- (iv) Sub-Tehsil Headquarters
- (v) Block Headquarters
- (vi) Village with population of 5000 and above in normal area and 2000 and above in hilly/backward areas. In case of tribal areas population of 2000 can be taken distributed over the hexagon as a whole.
- (vii) Places with Police Stations under the charge of an officer of the rank of a Sub-Inspector of Police or above.
- (viii) Tourist/pilgrimage Centres/ agricultural/ irrigation/ power project sites/townships.

## 2nd Priority

Other hexagons with no telecom. facilities but which have a total population of 5000 and above in normal areas and 2000 and above in hilly and backward areas.

## 3rd Priority

Other hexagons, with no telecom. facilities.

## 4th Priority

Other category stations (items 1 to 6 of item 1 above) which are in hexagons where a station already exists with telecom. facility.

1.12 As on 31.3.87, the number of hexagons in various priority categories awaiting provision of LDPTs was as under :

Ist Priority	3144
IIInd Priority	9802
IIIrd Priority	11478

(Statewise details given in Appendix I).

1.13 The first priority as on 31.3.87, included a few districts, sub-divisional tehsil, sub-tehsil and block headquarters that were yet to be

provided with LDPTs as per following particulars :

	Number without telephone facilities on	
	31.3.87	31.3.77
District	3	5
Sub-Division	32	51
Tehsil	9	32
Sub-Tehsil	13	61
Block	114	861
Headquarters		

1.14 The Secretary, during evidence, has given the following reasons for the inability to provide telephone facilities at the above administrative headquarters :

“There are certain tehsil headquarters and certain Block headquarters which do not have the facility these are all in J & K, H.P. and the Northeast. There the terrain is extremely difficult to reach by open wire lines. We are trying to evolve suitable cost effective means of reaching there. To reach some of the remotest areas, we are going by Satellite system which will atleast provide telegraph service even though the costs are coming about Rs. 6 lakh per installation so, the cost is substantially high. When we try to give telephone services with the help of Satellite immediately it means an expenditure of about Rs. 75 lakhs. Therefore to some extent, we are facing a little bit of a problem in covering these places.”

1.15 The Committee need hardly emphasise that the establishment of quick and effective two way communication facilities in villages is *sine qua non*, not only for weaving the villages intimately in the main stream of national life, but also for providing basic infrastructural support for implementation and monitoring of the various development programmes. Viewed in this context, the Committee regret to note that despite substantial provision of funds for development of telephone facilities in the country over the several plan periods, the tilt has been towards providing more and more facilities in urban areas rather than in rural areas as is indicative from the fact that as on 31st March, 1986 there were 3 telephones for every 200 people in the urban areas as compared to hardly one for every 2000 persons in the rural areas. The Committee therefore, are firmly of the opinion that an

immediate review of the priorities is called for so as to ensure that due justice is done to the rural areas in the remaining years of the 7th plan and in the 8th plan for provision of communication facilities at least at the level of urban areas.

1.16 The Committee note that a target of 20,000 LDPTs with an investment of Rs. 2,950 crores at 1979-80 prices was proposed for the Sixth Plan. However, the financial outlay was fixed at Rs. 2,336 crores at 1979-80 prices. But surprisingly the physical target of providing 20,000 LDPTs was retained on the specific request of the Planning Commission. Eventually the final allocation was increased to Rs. 2,722 crores i.e. by 17% over the amount of Rs. 2,336 crores, the physical targets remaining the same. Notwithstanding this increase of 17% in provision of funds, the achievement under LDPTs was to the extent of 11774 only against a target of 20,000 LDPTs, resulting in a shortfall of 41%. The Committee are surprised to observe conscious non correlation of physical targets with the Plan allocation as well as fixation of unrealistic targets which were known to be not achievable within the funds provided. The Committee cannot help expressing their deep anguish on the over estimation of physical targets and consequential presentation of an illusory picture. The Committee recommended that a proper coordination between the physical and financial targets should be worked out in the planning process to ensure accountability of the executive for achieving the prescribed level of development with the funds provided.

1.17 The Committee note that the funds allocated for the 7th Plan have been Rs. 4010 crores, out of which only a sum of Rs. 110 crores has been allocated for rural telephone facilities. The Committee also note that the funds needed to provide LDPTs in all the remaining hexagons have been only Rs. 320 crores which work out to hardly 8% of the total provisions for the 7th Plan. The Committee also note that despite a request to the Planning Commission for increase to the extent of 50%, the allocation for provision of facilities to the rural areas will still leave over 10,000 hexagons to be covered in 8th Plan. The Committee regret to note the neglect in providing rural telecommunication facilities. The Committee recommend that a fresh look at the allocation of funds for the remaining two years of the 7th Plan may be taken so as to ensure that by the end of the 7th Plan or latest by the end of the first year of the 8th Plan, all hexagons in the country are provided with LDPTs. Even this coverage which envisage provision of one LDPT in a radial distance of 5 kms., can not be considered liberal or ambitious but is an essential need of the rural

populace. The Committee also recommend that if it is not feasible to divert funds from existing allocation due to commitments already on hand, funds to the required extent may be earmarked for rural telephones out of the additional demand of Rs. 2000 crores.

1.18 The Committee are surprised to note that the development of LDPT in Various States is highly lopsided even after the new policy was introduced in 1982, because certain States like Kerala, Andhra Pradesh and Tamil Nadu have LDPTs in practically all the hexagons whereas States like Assam, Bihar, Rajasthan, Jammu & Kashmir, Manipur etc. have covered hardly 25% of the hexagons with LDPTs and States like Gujarat, Madhya Pradesh, Maharashtra, Punjab etc. have provided LDPTs to 50% of their hexagons only. The Committee regret to note in this connection that even during the first two years of the 7th Plan adequate attention has not been given for development of the States wherein the progress has been slow as the following table would indicate :

States	Total number of hexagons	Number to be provided (LDPTs) as on 31. 3. 85	Provided in 1985-86 and 1986-87
Assam	1715	1298	24
Bihar	4740	3586	252
Madhya Pradesh	6103	3267	433
Rajasthan	6193	4808	355
West Bengal	2777	1961	60

The Committee strongly feel that this lopsided development has been due to lack of centralised coordination in planning as a result of which the States that showed better awareness or enthusiasm developed faster than the others. While the Committee welcome such enthusiasm, they consider it necessary for the Department to oversee the functioning of the sub-ordinate executive formations so as to ensure, as far as possible, even growth. The Committee, therefore, recommend that the planning process of the LDPTs may be reviewed centrally and appropriate steps taken to ensure that the States that lag behind are given proper attention.

1.19 The Committee are surprised to note that even as on 31.3.87 as many as 3144 hexagons falling in the first priority categories which



included 171 districts, tehsil, sub-divisional sub-tehsil and block headquarters, are yet to be provided with LDPTs, While taking note of the difficulties experienced in providing LDPTs. in the administrative headquarters for reasons stated by the Department during evidence, the Committee cannot but regret the failure of the Department to cover the remaining, first priority hexagons in a large number of states where problems akin to those given for the administrative headquarters, do not apparently exist. The Committee, therefore, suggest that the reasons for non coverage of such a large number of first priority hexagons may be centrally examined by the Department and steps taken for their coverage in 1988-89.

1.20 The Committee also recommend that the feasibility of providing telecom. facilities at all extra departmental and departmental postal of offices located within a radius of 5 kilometres, without linking the cost of provision there of with the income that would be derived, may be considered so that these post offices can also serve as telegraph offices for booking and delivery of telegrams through telecommunication.

#### **B. Policy for Opening of Telephone Exchanges**

1'21 For provision of telephones for use of individuals, institutions etc. it is necessary to establish a telephone exchange, at suitable location to which such telephone can be connected. The Department normally establishes such exchanges only if the scheme is found to be financially remunerative or at least if the annual revenue is likely to cover fully the annual recurring expenditure (ARE).

1'22 Initially the Department found it possible to open a 25 line rural automatic exchange with 8 to 11 connections on a financially viable basis. For 50 line exchange 23 and for 100 lines exchange 35-40 connections could make the project viable. However due to the steep increase in cost of equipment, stores and labour, the projects started becoming unremunerative, not only initially but even with the full connectable capacity of the exchange. This situation caused impediments in the programme of extending the telephone services to the rural areas.

1'23 Accordingly, in 1980 the P and T Board decided to extend subsidies for the projects of opening small automatic exchanges in the rural areas. According to this policy, a 10 lines exchange could be opened if there was a minimum demand of 5 connections in the group of villages in a radius of

5 km. of the central village subject to anticipated revenue being atleast 35% of the anticipated ARE. For such 10 connections and 40% of the anticipated ARE as expected revenue, a 25 lines exchange could be installed as a replacement of 10 line or as a new exchange. For a demand of 23 connections and 60% of the ARE as anticipated revenue, a 50 lines exchange could be opened as a new exchange or as a replacement. Demand of 46 and 70% of ARE as anticipated revenue was sufficient to open a 100 lines exchange.

1.24 This policy has since been further liberalised in April, 1987. According to the new policy, the condition of anticipated revenue has been completely eliminated and for a registered demand of 5, 10, 23 and 46 a new exchange with capacity of 9, 25, 50, and 100 lines respectively can be opened subject to the availability of the equipment.

1.25 As on 31.3.82, there were 6490 rural telephone exchanges in operation and the progress in establishing new telephone exchanges to the end of 1986-87 was as under :-

As on	No. of Exchanges in rural areas	Percentage of growth
31.3.82	6490	-
31.3.83	7295	12.40
31.3.84	7697	5.51
31.3.85	8598	11.70
31.3.86	*9231	7.36
31.3.87	*10049	8.86

1.26. During the Seventh Five Year Plan, 4954 rural exchanges have been planned to be opened, out of which 1451 were opened in the first two years of the Plan.

\*These figures have been now scrutinised with the help of computer and found to be 8226 for 31.3.86. Figures for 31.3.87 are under compilation.

12.7 The Department has planned to open 3600 new exchanges the remaining 3 years of the Seventh Plan. According to the Department, by and large, the expansion of telephone exchanges in rural areas has kept pace with the growth of demand except in a few cases, where the demands exceeded the capacity of 100 lines MAX III Exchanges. In this case there has been a problem about availability of larger exchanges of suitable capacity.

12.8 Asked to indicate the number of persons in waiting list for places where exchanges are yet to be opened, the Department has stated that for places where there are no exchanges requests for telephone are noted by the field units and based on these requests, opening of new exchange is planned and connections are provided. Circles request for exchange units based on these data and the Department allocates centrally the required number of 9, 25 and 50 line exchanges to each circle.

12.9 Subsequently, the Department reported the results of a computer analysis of the various exchanges in the country in rural and urban areas. Against the figures of 9231 rural exchanges reported earlier, as on 31.3.1986, it was noted that only 8226 were working in rural areas based on 8226 census. The Department reported \*the following break-up of the capacity range for 8226 exchanges :

<i>Capacity range</i>	<i>No. of Exchanges</i>
0—10	113
11—25	4204
26—50	2406
51—100	1150
101—300	322
301—1000	31
	-----
<b>Total :</b>	<b>8226</b>
	-----

---

\*Note : The Department reported computer analysis for all exchanges as on 31.3.1986. Department further reported that similar analysis will be undertaken as on 31.3.1987.

1.30 The table below indicates the equipped capacity, number of working connections and number in waiting list in respect of the rural exchanges in operation :

As on	Equipped capacity	Number of working connections	Number in waiting list	Percentage of working connection to capacity.
31.3.82	4,02,827	3,23,849	3 ,216	80,4%
31.3.83	4,63,943	3,51,521	50,862	75,7%
31.3.84	4,93,430	3,78,925	52,947	76,8%
31.3.85	5,26,668	3,95,899	57,066	75,2%
31.3.86	5,72,532	3,35,332	122,922	76,0%

1.31. On the action taken to meet the demand as per waiting list, when full capacity was not achieved as per table above, the Department has stated that there appeared to be mix up in the waiting list of rural exchanges, the some of the exchanges in smaller cities and towns have apparently been included in the figures for rural exchanges. The correct figures are being compiled with the help of a computer. The department subsequently submitted a detailed analysis for exchanges as on 31.3.1986 according to which the number in the waiting list was only 49,997.

1.32. The Committee had, however been informed in 1972 that a target utilisation of 93% was expected at the end of 4th Plan. As the achievement has been hardly 75-76% the Department was asked to clarify the position. The Department has stated that each year a number of new exchanges are installed and existing exchanges expanded. Most of these works are completed towards the end of financial year. The following targets are being adhered to in case of urban exchanges where capacities are generally not adequate to meet the demands.

- 50% of new or additional capacity to be utilised on the day of commissioning,
- 90% capacity to be utilised within 6 months of the date of commissioning.

—94% of the capacity to be utilised within 6 months in advance of due date of commissioning of new expansion.

In case of rural exchanges, the capacities generally exceed the demand.

1.33. Due to a mix up of these exchanges, the actual utilisation on any one date is less than the maximum of 94%. In general there are

- Large exchanges commissioned over 12 months or more earlier with utilisation of 94%.
- large exchanges commissioned about 6 months earlier with utilisation of 90%.
- smaller exchanges with utilisation of between 50 to 90%.

1.34. The Department has further stated that the capacity utilisation is very low in case of exchanges of 25 lines (59%). This is because these exchanges are opened in small villages with a minimum demand of ten. Thus, they invariably start with a capacity utilisation of 40%. It is only gradually that the capacity utilisation improves. Further once the demand grows to 23, the exchange is expanded to 50 lines and thus invariably the overall capacity of exchange utilisation in these sizes ranges is very low.

1.35 A similar situation prevails in case of 50 line exchanges. These are being commissioned with a demand of 23, that is, with a utilisation factor of 46% and again once the utilisation factor reaches 90%, these exchanges are expanded to 100 lines.

1.36 In the case of larger exchanges, the capacity utilisation is similar to those in urban areas. In rural areas, to make use of the existing exchange capacity, the officers incharge, namely, SDOs and JTOs have been advised to pay personal visits and contact the influential sections of the society to encourage the use of telephone. Further, the rental for telephone connections from such exchanges has been kept very low even though it involves very heavy subsidies.

1.37 In a subsequent note, the Committee have been informed that the total equipped capacity of 4317 rural exchanges in the range upto 25 lines and less amounted to 1,06,000 with about 63,000 working connections and the number in waiting list was less than 4000. Thus in these 4317 exchanges, the Department was in a position to give connections practically on demand, the number in waiting list being less than one per exchange and reason for waiting being time lag between application and provision. Out the remaining in waiting list, more than 27,000 related to Kerala State alone, mainly in

villages served by 100 line small exchanges with group dialling facility, in these cases, the exchanges are required to be replaced by larger-size automatic exchange only but indigenous manufacture therefor has not yet been well established.

1.38 The Committee feel unhappy to be informed that out of 4,954 rural telephone exchanges envisaged to be opened during the Seventh Plan, only 1,451 telephone exchanges were opened in the first two years of the Plan. The Committee do not think that with this pace of work, the Department would be able to achieve the said target. The Committee find that generally the development work in the first two or three years of a Plan is carried on a snail's pace and it is only towards the last two or three years that it gains momentum. Such un-healthy practice not only results in frittering away of resources and escalation of costs, but also results in lopsided development. The Committee would expect the Department to streamline the system to ensure even annual performance during the plan period and also to ensure that the targets set for the Seventh Plan are achieved and that there are no shortfalls in this connection.

1.39 The Committee are surprised to find that the Department does not even possess the basic data on the extent of outstanding demands for new exchanges for rural areas. The Committee also find it difficult to reconcile the conflicting facts placed before them—one relating to the low utilisation of rural telephone exchange capacity to the extent of hardly 76% (as against the optimum feasibility of utilisation of upto 94%) and the other relating to a large number of as many as 0.50 lakh applicants kept in the waiting list who are yet to be provided with telephone facilities. The Committee consider this position hardly in tune with the system of planned growth. It is needless for the Committee to point out that the present system is indicative of lack of proper monitoring and control either at the Department or at Circle level on the utilisation of the rural telephone exchanges as also the demand for new such exchanges. They, therefore, feel that the position calls for an urgent review at an appropriate level for the *corrective* action that needs to be taken to remedy the situation.

1.40 The Committee note that the existing rules framed under the Indian Telegraph Act do not cover the essential aspect relating to the principle to be adopted for allotment of telephone to subscribers and the existing instructions in this regard are administrative in nature and hence not available for the common subscribers. The Committee recommend the necessity to frame appropriate rules and notify the same for the guidance of the public.

### C. Policy for Provision of Telegraph Services

1.41 Initially telegraph offices were being opened on morse omnibus, or single wire earth return circuits. These called for considerable training for the signalling staff which became difficult in rural areas. It was, therefore, decided to provide telegraph services through "phonocom" i.e. using the long distance public telephone at post offices. The telegraph messages are conveyed the post office to the nearest telegraph office equipped with this strategy. New offices on morse omnibus circuits are to be opened only if daily traffic on phonocom exceeds 8. The policies regarding extension of telephone (through LDPTs) and telegraph services into rural areas have thus been totally merged.

1.42 The table below gives the comparative position of availability of telegraph services in urban and rural areas as on 31.3.1986.

	<i>Rural</i>	<i>Urban</i>
(i) No. of cities/town (urban) and villages (rural) (1981 census).	3,245	5,75,936
(ii) Population (1981 census)	16.77 Cr. (23%)	56.13 Cr. 77%
(iii) No. of Telegraph Offices	5,990	29,430
(iv) Percentage of places covered	100%	5.11%
(v) Average area covered by Telegraph Offices	24.04 Sq. Km.	106.8 Sq. Km.
(vi) Average population covered per Telegraph Office.	27,992	19,073

(Note : Out of 29,430 telegraph offices, 8,426 were operated on morse) omnibus circuits).

1.43 As against existing coverage of 106.8 sq. km. on an average by each telegraph office, a target of 65 sq. km. has been fixed for the area of a telegraph office in rural area and the Department intends to achieve this target by the end of 8th Plan period i.e., 1994-95.

1.44 During the Sixth Five Year Plan, a target of opening 20,000 telegraph offices was fixed, whereas the achievement was only 10,601 telegraph

offices. The shortfall was attributed to the same reasons as for opening of LDPTs during the same Plan period (as detailed in para 1.6). During the first two years of Seventh Plan, 2313 telegraph offices have been opened.

1.45 During the four years ended on 31.3.86 the growth of telegraph office vis-a-vis LDPTs was as under :—

	No. of LDPTs opened	No. of telegraph offices opened
1982-83	2264	2120
1983-84	2468	2000
1984-85	2709	2006
1985-86	1509	1286

As the growth of telegraph offices has not kept pace with the growth of LDPTs, even though the policies for extension of telephones through LDPT and telegraph offices had totally merged, the Department was asked to clarify the substantial shortfall in opening of telegraph offices. The Department has attributed the following reasons :

- (i) Some LDPTs have been opened in private premises without providing the telegraph facility on phonocom basis.
- (ii) When there is no telegraph traffic for combined offices for continuously long period, the telegraph office is closed down whereas LDPT still continue to work.
- (iii) A large number of LDPT's are completed in the month of March each year. There is a slight timelag between providing the LDPT and providing the telegraph service as the Department of Posts has to make suitable administrative arrangements for telegraph working, after an LDPT has been opened.

1.46 The Committee note that due to difficulties in establishing morse omnibus circuits at all places with adequate volume of work or facilities for training, the telegraph facilities are being extended through phonocom and as a result, development of telegraph facilities has been merged with the policy of extension of LDPTs. The Committee are, however, constrained to note that development of telegraph facilities has failed to keep pace with the develop-



ment of telephone facilities because for every year there has been a backlog in provision of telegraph facilities as against the number of LDPTs opened in the same year ; the backlog being as high as 1538 places for a period of 4 years ending 1985-86. If the policies for telephone and telegraph facilities are totally merged the Committee do not feel convinced by the clarification that inability to open telegraph facilities in private premises and administrative delays with the Department of Posts in organising the telegraph facilities contribute to the absence of telegraph facilities at a large number of places. As resort to telegraph facilities is more frequent for communication by the public, the Committee consider it imperative for a review of the existing policy for provision of telegraph facilities so as to ensure that the growth of telegraph facilities is extended at a faster pace than provision of LDPTs. The Committee further recommend that a policy decision may also be taken for provision of telegraph facilities wherever LDPTs are located even if some of them are in private premises. The present policy of merger does not provide for any solution of this problem.

## CHAPTER II

### FINANCE

#### A. Expenditure

2.1 The Department was requested to furnish information indicating original estimates, revised estimates and actual expenditure on various plan schemes for providing telecommunication services in rural areas during each of the 3 years 1984-85, 1985-86 and 1986-87. In reply, the Department stated that no provision in terms of funds were separately made and that only physical targets were fixed. The Department, however, gave the following data on financial estimates based on average cost of providing such facilities :—

	Max-III Lines	CBNM Lines	IDPT		Carrier Chls.	IDN@ Scheme	Total
			O/W	MARR			
<b>1984-85</b>							
Planned	35000	4000	2950+	50	1250	—	—
(Rs. in Cr.)	25.55	2.12	30.25		2.98	—	60.90
Achievements	30600	3000	2659+	50	1034	—	
(Rs. in Cr.)	22.33	1.59	27.34		2.47		53.73
<b>1985-86</b>							
Planned	40000	6000	1900+	100	1100	10 (400 Lines)	
(Rs. in Cr.)	29.20	3.18	20.50		2.63	60.00	115.51
Achievements	34000	5800	1408+	101	1191	—	
(Rs. in Cr.)	24.82	3.07	15.6		2.84	—	46.33
<b>1986-87</b>							
Planned	30000	1700	820+	300	1100	960 Lines	
(Rs. in Cr.)	24.40	.90	12.70		2.63	2.21	42.84
Achievements	35000	1500	1542+	16	1215	—	
(Rs. in Cr.)	25.55	.79	15.66		2.89	—	44.89

2.2 The shortfalls in the achievement of the financial targets were attributed to (i) short supply of equipment (ii) shortage of certain line stores (iii) uncertainty of funds and (iv) slippage of earlier years.

2.3 In the table given above, the cost has been worked out, both for planning and for execution, for each of the years at a uniform rate without taking into account the increase in cost from year to year also the actual variations in implementation.

2.4 It is noticed from the Audit Report of the Comptroller and Auditor General of India that for the year 1984-85 whereas the achievement was in excess of the Plan provision in financial outlay to the extent of 31.36%, in the physical target, the increase in physical achievement was only in STD (point to point) routes and there were shortfalls in all other categories. The Department was therefore asked to justify its method of estimation of cost. The Department has stated in reply that in the absence of a consolidated specific information in regard to the financial provisions, the figures have been worked out on average cost without taking into account the increase in cost.

2.5 On being asked the reasons for not making separate allocation of funds for various schemes in rural areas on the basis of the physical targets fixed, the Department in a note furnished to the Committee, has stated that while drawing up the 5-Year and Annual Plans, provision is made for opening of Long Distance Public Telephones (LDPTs) under openwire lines and telegraphs. Provision for the expansion and opening of new exchanges is made under the local telephone systems.

2.6 For the LDPTs, the number to be opened each year is shown separately. For the telephone exchanges, there are opened on the basis of demands as prescribed in the policy. In general, the requirements are met in full to the extent that the equipment becomes available.

2.7 The individual works for opening of exchanges and LDPTs are quite small coverage of Rs. 1 to 3 lakhs per work. As per the arrangements existing, the works for these are not budgeted separately.

2.8 The individual works are budgeted individually only if their cost is Rs. 50 lakhs or more (earlier, Rs. 20 lakhs or more).

2.9 Funds for smaller works are provided in lump-sum to the Heads of Circles, who, in turn, allocate these to the Divisional Engineers. Individual estimates are sanctioned by the Divisional Engineers or Heads of Circles, as

needed. Thus, in the present arrangements it is not possible to specifically show the exact allocation and the expenditure under such smaller projects. It could be considered whether a separate head of account should be opened for such rural schemes for ready reference.

2.10 The Committee are surprised to note that in the present system of accounting, the expenditure incurred on the various schemes in a Plan Period cannot be identified. The Committee wonder how, in the absence of accounting of expenditure under respective plan schemes, a proper estimation of cost of each plan scheme can be made and the physical progress related to financial outlay from year to year. The Committee feel that if individual works of establishment of LDPTs, rural exchanges and telegraphs offices are sanctioned separately, there should be no difficulty in accounting for all such works under consolidated account heads like Establishment of new LDPTs, Establishment of new rural exchanges, etc. etc. The Committee had recommend that a review of accounting procedure may be made in consultation with the Comptroller and Auditor General of India, so as evolve a system of accounting duly related to schemes under execution.

### B. Revenue

2.11 The Department was requested to give information on the extent of subsidy borne by the Department in operation of rural telephone facilities during the years 1984-85, 1985-86 and 1986-87. In reply the Department has stated that the actual figures were not maintained but that the extent of subsidy could be assessed for the 3 years as under, based on an average revenue of Rs. 72/- per annum per LDPT.

Year	No. LDPTs working in the country	Average revenue per LDPT	Subsidy per LDPT	Total subsidy
1984-85 (as on 31.3.1984)	20,986	Rs. 72/-	Rs. 21,228	Rs. 44.54 crores
1985-86 (as on 31.3.1985)	23,136	Rs. 72/-	—do—	Rs. 49.11 crores
1986-87	24,025	Rs. 72/-	—do—	Rs. 51.00 crores

2.12 In so far as rural telephone exchanges are concerned, the Department assessed the annual revenue expenditure and revenue for different types of exchanges as under :

	Annual Revenue Expenditure	Annual Revenue (in rupees)	Loss for entire exchange	Loss for one line
<b>10 Line Exchanges</b>				
— with 5 connections	9446	3500	5946	1189
— with 9 connections	12674	6300	6374	708
<b>25 Line Exchanges</b>				
— with 10 connections	15762	7000	8762	876
— with 22 connections	24793	15400	9393	427
<b>50 Line Exchanges</b>				
— with 23 connections	27270	16790	10480	456
— with 45 connections	42140	32850	9290	206
<b>100 Line Exchanges</b>				
— with 46 connections	47996	34500	13496	293
— with 90 connections	69838	67500	2338	26

2.13 On the extent of revenue realised by each LDPT, it was observed in a survey on public telephones conducted by the Andhra Pradesh Telecommunications that though the average income per month was reported to vary between 90 paise and Rs. 3/- per month, the interviews with knowledgeable persons revealed that they used public telephones almost daily to a considerable extent.

2.14 Further a Committee constituted in August, 1985 for improving the facilities and utilisation of rural telephones observed in its report that a sample survey of various telecom. Circles revealed that they incurred losses to the extent indicated below due to low utilisation of the facility.

1. Andhra	9,29,871	1983-84
2. Bihar	7,22,252	—do—
3. Gujarat	27,706	—do—
4. J & K	1,29,885	—do—
5. Karnataka	9,02,869	—do—
6. Kerala	45,527	—do—
7. M.P.	2,40,55,714	—do—
8. Maharashtra	19,07,815	—do—
9. North East	20,152	—do—
10. North West	1,05,594	1982-83
11. Orissa	8,10,850	—do—
12. Rajasthan	1,21,25,928	1983-84
13. Tamil Nadu	8,97,207	1982-83
14. Uttar Pradesh	19,45,851	—do—
15. West Bengal	4,31,343	—do—

2.15 According to this Committee, some of the Contributory causes for low income were as under :—

- (i) "It was noticed that in many cases dial lists are not being sent from Branch Offices to the TRA Unit of the Division for calls booked from LDPTs. Consequently no reconciliation is being made from trunk calls from LDPTs with the Trunk Call Tickets in the absence dial lists.
- (ii) Watch over revenue performance and thus indirectly over the traffic performance are not prescribed and hence not being done."

2.16 The Department was asked to clarify whether the causes for the very heavy losses in some States (M.P., Rajasthan etc.) had been analysed, the Department has stated, that the losses reported in the study by the Committee constituted in August, 1985 were only the cumulative anticipated losses in different States and that though some leakage of revenue could not be entirely ruled out, it was not expected to be large. The revenue performances of individual exchanges and LDPTs are reported to be reviewed periodically at the divisional and circle levels.

2.17 The Committee feel highly perturbed to find that no reliable data have at any time been compiled to ascertain how far the ru

services are actually subsidised and both the Department and Circle offices are ignorant of the extent of actual revenue realised in the rural telephone facilities. It is actually shocking to note the admission about existence of leakages of revenue and the absence of reconciliation for calls booked from LDPTs with reference to trunk call tickets. It is also strange that watch over revenue performance and consequently traffic performance has neither been prescribed nor is being done as admitted in the report of the Committee appointed by the Department in August, 1985. The Committee would like the Department to initiate necessary steps immediately for a review of the actual revenue performance of all rural telephones over a period of years by a time bound programme by deputing internal audit teams, so as to ascertain the extent of misappropriation, fraud etc. that have taken place and to plug loopholes in the system. The advice of the Comptroller and Auditor General of India may also be sought in this connection, if necessary.

## **CHAPTER III**

### **OPERATION AND MAINTENANCE**

#### **A. Rural Telephone Services (LDPTs and Exchanges)**

3.1 As on 31st March, 1986 there were 6,723 telephone exchanges in the capacity range upto 50 lines and another 1,150 exchanges in the capacity of 50-100 lines. These two categories alone accounted for 82% and 14% respectively out of a total of 8,226 rural exchanges. Generally the LDPTs and the small capacity exchanges are connected by using over-head wires to the nearest exchange. These lines are terminated on a manual board so that the trunk calls required by the subscribers of the small capacity rural exchanges and LDPTs can be connected by the telephone operator.

3.2 For maintenance of small exchanges of capacity of less than 100 lines, a group maintenance scheme was introduced in July, 1973. According to this scheme a number of exchanges of less than 100 lines were to be grouped together in convenient groups of 200 lines. This group of 200 lines including a trunk exchange was to be maintained by one Junior Engineer (now designated as Junior Telecommunications Officer) along with two technicians. A motorcycle was provided to this group for maintenance. This scheme was finalised after experimenting the pilot scheme in U.P., Bihar and Andhra Pradesh.

3.3 As reports received from various parts of the country indicated poor utilisation and functioning of the rural services, a Committee was constituted by the Department of Telecommunications in August, 1985 to make suitable recommendations in regard to improving the facilities and their utilisation. That Committee noted that the problems of rural telecommunications were manifold which could be broadly divided into (a) human, (b) technological and (c) general and operational. The problems caused by human failures essentially related to the limited working hours (3-5 hours) of the LDPTs and exchanges which did not coincide with the call timings at the exchanges and LDPTs and lack of proper maintenance. The other problems related to (a) difficulties in maintenance of open wire alignment which pass through thick



jungles, hills and deserts (b) erratic and unstable power supply which large fluctuations (c) non-availability of spares for maintenance in adequate quantity, (d) lack of metering facilities etc.

**3.4 That Committee made the following specific recommendations which were accepted and instructions issued by the Department :—**

- (a) All LDPTs should work for minimum of 8 hours.
- (b) For all distances more than 15 kms. subject to availability of equipment, single channel VHF or MARR, if cost effective, should be considered.
- (c) All LDPTs within the radius of 20 kms. of MAX I exchange should be directly connected to it instead of the nearest exchange of other type.
- (d) All LDPTs should be provided with subscriber meters.
- (e) All LDPTs and Small Automatic Exchange junctions should be tested daily and group maintenance scheme introduced under the charge of all Sub-Divisional Officers.
- (f) Small repair centres at headquarters of Junior Engineers for second line maintenance and repair centres for MARR at secondary switching area headquarters are to be established.
- (g) The faults of LDPTs and junction lines should be attended promptly and on priority.

**3.5 Asked to give specific information on the implementation of the above instructions, the Department has stated that an LDPT in an extra departmental post office works for 5 hours only whereas LDPT in departmental post office work for 8 hours or more. Further the responsibility for compliance of the instructions on working hours rested with the group of Junior Engineer and Sub-Divisional Officer concerned but the actual execution was not monitored at any higher level. The Department did not have any statistical data on extent of utilisation of LDPTs nor was any data compiled on efficiency on working of LDPTs relating to periods for which LDPTs remained inoperative, whether intermittantly or continuously.**

**3.6 In regard to supply of spares, the Department faced serious problems upto 1985-86 but the position improved later. The position in regard to supply**

of critical items for 1986-87 was as under :—

	Strowger Exchange	Crossbar Telephones Exchanges instruments	
(i) Total No. of critical items	32	9	12
(ii) No. of items 100% supplied	11	5	9
(iii) No. of items 50% to 100% supplied	15	1	2
(iv) No. of items 25 to 50% supplied	4	3	1
(v) No. of items below 25% supplied	2	Nil	Nil
(vi) No. of items not supplied at all	Nil	Nil	Nil

3.7 As regards power availability for exchanges in the rural areas, the battery capacity provided is for 48 to 72 hours, which is considered generally adequate; but, due to erratic power supply in the rural area with prolonged interruptions, the charge/discharge cycle gets affected. A strategy to give special charge periodically by taking a portable engine is being evolved as providing of permanent engine generator at each exchange will be too costly.

3.8 The Department was requested to furnish statistical data on results of check of functioning of various LDPTs and rural telephone exchanges, as also on complaint on functioning of a rural exchanges. In reply the Department has stated that it did not maintain separate record for rural exchanges and that at present data are compiled in two categories only viz., capacity of 1000 and above and capacity of less than 1000 lines. The Department also gave the following data on complaints per 100 telephones per month for the last 3 years for exchanges upto 1000 lines :—

1984-85	: 35.7
1985-86	: 34.7
1986-87	: 34.5

(State-wise details are in Appendix II)

3.9 The Department was asked to state how far the data relating to less than 1000 lines would be relevant for rural exchanges which were mostly less than 100 lines capacity. The Department has since issued instructions to keep separate statistics for exchanges upto 100 lines in future.

3.10 **The Committee note with deep concern that the proper maintenance of the LDPTs and rural exchanges leaves much to be desired. One of the contributory factors that has been brought to the notice of the Committee for lack of proper maintenance is non-availability of spare parts, particularly a large number of critical items. The Committee are also unhappy to be informed that the Department has no system of collection of data either regarding the efficiency of functioning of the rural telephone facilities or for the complaint received from the users in the rural areas. In the circumstances, the Committee can not help concluding that the Department has not evolved any effective mechanism for properly maintaining the telephones and exchanges over the years and has been working in a most casual manner. It is really surprising that even after an expert committee was appointed to go into the functioning of the telephone exchanges and that committee had made a series of recommendations for improving the situation, precious little has been done by the Department in the matter. The Committee urge that urgent steps should be taken to streamline the whole functioning of the Department vis-a-vis the LDPTs and rural telephone exchanges. The Committee also feel that not only suitable accountability for the maintenance of rural telephones be determined but also a system of incentives involved to encourage better devotion to duty. So far as the paucity of space parts is concerned, the committee suggest that the problem may be sorted out in consultation with the Indian Telephone Industries without any avoidable loss of time.**

3.11 **The Committee note that due to erratic power supply in the rural areas, the charge/discharge cycle of the batteries installed in the telephone exchange is affected. The Committee welcome the strategy being adopted by the Department for charging periodically the batteries by a portable generator as installing a permanent generator at each exchange will be too costly.**

#### **B. Life of Telephone Exchange**

3.12 On an enquiry by the Committee on the action taken for replacement of old and worn out equipment in the telephone exchanges, the Depart-

ment has stated that rural exchanges were introduced in 1984 and that average life of exchange equipment was about 25 years, that life expired exchanges would thus be due for replacement only from 1989 onwards and that wherever necessary, worn out exchanges were being replaced even earlier on condition basis. The Parliament was, however, informed in November, 1986 in reply to Starred Question No. 104 that a few of the telephone systems in rural areas was not satisfactory due to old and worn out exchange equipment. As the codal life of the rural exchanges would commence expiring in 1989 only, the Department was asked to clarify the basis for the information given to Parliament, the Department has stated that the rural exchanges work in non-air-conditioned space with widely fluctuating voltages, that the availability of skilled manpower was limited and that these inevitably resulted in a faster wearing out of such exchanges. In the circumstances, based on the findings of a Committee constituted in 1983, the Department has since decided to replace exchanges even after 10 years of service.

3.13 In response to an enquiry by the Committee as to the plan of work drawn to ensure timely replacement of worn out exchanges on expiry of life, the Department has stated that it proposed to set-up adequate manufacturing capacity so that all the existing wornout exchanges could be replaced in a time bound programme during the 8th Five Year Plan besides taking care of new demands.

3.14 The Committee have also been informed that since 1970, a system of "Depreciation Accounting", strictly in line with the commercial practices, has been introduced and under this system depreciation is charged on the value of assets in services related to the expected life of assets and the amount so charged is used as an internal resource generation for financing capital works during the year.

3.15 The Committee are surprised to note that nearly after 24 years of the introduction of rural exchanges, the Department has only now come to the conclusion that the existing assessment of codal life of telephone exchanges needs to be reduced from 25 years to 10 years. As the factors that are now considered relevant for determining the life of a telephone exchange were already there when the life span was originally determined, the Committee apprehend that the question of replacement has arisen, not because of the causes mentioned, but due to lack of proper maintenance over the years. The Committee have been informed during their visits to various centres that several old exchanges are functioning very well even today in certain States wherein the factors mentioned are equally relevant. The Committee

therefore suggest that a review of the contributory causes may be made for each exchange which is to be replaced after 10 years but before 25 years to find out whether its life could be increased by initiating proper maintenance measures.

3.16 The Committee appreciate that since 1970, provision for depreciation is being made strictly in accordance with commercial practices. If that be the case, there should be no problem to find resources for financing replacement of worn out exchanges, as Depreciation Fund is intended for this very purpose. In the circumstances, the Committee are unable to understand as to why the programme of replacing the worn out equipment has to wait till the 8th Plan, as the cost of replacement of time expired equipment can be met out of accumulations in Depreciation Fund.

### C. Trunk Call Facilities

3.17 Trunk call facilities are available to all long distance public telephones as well as subscribers of the rural telephone exchanges. These facilities are generally available through a manual trunk exchanges. All small automatic exchanges are parented to one or two manual trunk exchanges through one or more trunks. The long distance public telephones are either directly connected to such manual trunk exchanges or are connected to a small automatic exchange and get access through the same to the manual trunk exchange.

3.18 The Department has been working to achieve the following objectives for putting through the trunk calls :

(a) *Urgent trunk calls :*

90% of the effective urgent trunk calls to be put through within  $\frac{1}{2}$  hour.

(b) *Ordinary trunk calls :*

90% of the effective ordinary trunk calls to be put through one within hour.

3.19 The Department did, not however, maintain records on the average time taken for lightning, urgent and ordinary calls since 1985-86. On the

effectiveness of trunk calls booked, the Department gave the following statistical data :

Sl. No.	Unit	1985-86	1986-87
		Effective %	Effective %
<b>(A) Metro Telephone Districts</b>			
1.	Bombay	67.4	66.54
2.	Calcutta	53.7	49.45
3.	New Delhi	61.5	59.7
4.	Madras	66.7	65.1
<b>(B) Major Telephone Districts</b>			
1.	Ahmedabad	71.9	73.8
2.	Bangalore	68.5	67.2
3.	Hyderabad	75.00	73.7
4.	Kanpur	64.4	62.8
5.	Pune	72.6	72.6
<b>(C) Telecom. Circles</b>			
1.	Andhra Pradesh	77.4	79.2
2.	Bihar	68.1	66.5
3.	Gujarat	74.5	76.7
4.	J & K	79.7	80.4
5.	Kerala	74.6	74.8
6.	Karnataka	76.9	79.7
7.	Maharashtra	77.7	77.6
8.	Madhya Pradesh	72.5	72.4
9.	North East	62.8	62.1
10.	North West	78.8	79.3
11.	Orissa	69.3	71.1
12.	Rajasthan	72.9	72.2
13.	Tamil Nadu	80.8	80.8
14.	Uttar Pradesh	64.8	62.9
15.	West Bengal	67.3	67.4

3.20 The Committee, in their 11th Report (1980-81) had observed that in 1978-79 and 1979-80, average delays in the case of urgent calls were 2 hours in Ahmedabad, Bombay, Calcutta and Delhi, 3 hours in the case of ordinary calls in Calcutta, 4 hours in Delhi, 6 hours in Port Blair and 3 hours in Chandigarh. On the effectiveness of materialisation of trunk calls, the Committee had noted that except in 3 state capitals, where it reached a level of 70%, in others it varied between 46% and 60%.

3.21 The Committee regret to note that despite large scale investment in sophistication and modernisation over the years, as against target of 90%, effective trunk calls have reached the level of 80% only in two Telecommunication Circles, varies between 70% to 80% in 12 circles and is less than 70% in as many as 10 circles (including all metropolitan cities). The Committee consider this a very sad reflection on the working of the Department and would call for necessary corrective measures for achieving the prescribed target on a priority basis. In this connection, the Committee recommend that the contributory causes for non-materialisation of trunk calls may be studied and accountability therefor fixed.

3.22 In view of a very large number of public complaints, the Committee do not see any justification for discontinuance of the collection of data on the time taken on the materialisation of trunk calls. The Committee recommend that reasonable time norms for calls to materialise may be determined and the actual performance studied objectively so that the contributory causes could be identified and appropriate action taken for doing away with inordinate delays.

3.23 When the position of trunk call services in urban areas is so, the Committee can well imagine the position of trunk calls booked to/from rural telephones. The Committee suggests that a specific study on the effectiveness and timeliness of trunk calls to/from rural exchanges may be made, results analysed and remedial action initiated.

#### D. Telegraph Services

3.24 Following norms have been fixed for transmission and delivery of telegrams.

- (i) For transmission one hour in each office including transit offices.
- (ii) For delivery one to one and a half hours.

Closed hours of telegraph offices are excluded.

The Central Telegraph Offices normally work round the clock, Divisional Telegraph Offices from 0700 hrs. to 2200 hrs. and combined offices for 5 to 8 hours a day. With these, the overall time taken from booking to delivery could be from 12 hours to 48 hours depending upon number of transits and working hours.

3.25 A test check conducted by the Department for 50 telegrams on 13-7-1987 revealed the following level of achievements :—

Region	Name of the C.O.	Total Tele- grams deli- vered	Telegrams delivered within				Over 72 hrs.
			0-12 hrs.	12-24 hrs.	24-48 hrs.	48-72 hrs.	
Southern	Ramanagaram	23	14	2	7	—	—
	Chikballapur	31	19	10	2	—	—
Eastern	Rangaghat	17	6	4	6	—	1
	Hadavpur	55	13	4	16	15	7
Western	Visnagar	2	1	1	—	—	—
	Ankleshwar	3	—	3	—	—	—
Northern	Rewal	9	—	1	3	5	—
	Dausa	10	5	2	1	—	2
TOTAL :		150	58	27	35	20	10
			39%	18%	23%	13%	7%

3.26 According to the Department, analysis of delays in 60 out of 92 cases not delivered within 12 hours, revealed that delays were mainly due to (1) previous day, 12th July, being a Sunday and therefore a closed day for all



combined offices, (2) closed hours of the combined offices and (3) line interruptions. Such statistics are proposed to be examined regularly in the coordination meetings at Sub-Divisional, Divisional levels, Circle and headquarters.

3.27 The Department has further stated that General Managers of 8 Telecom Circles have since discussed with Postmasters General in the coordination meetings held during June/August, 1987 the causes for the delays in delivery of telegrams with a view to take remedial measures. Some of the main causes for the delays have been identified by them as :

- (1) Non-availability of trained Postal Signallers.
- (2) Limited working hours of Combined Offices, and
- (3) Inadequate attention to telegraph work in Combined offices.

3.28 On the overall efficiency of the performance with reference to the yardsticks fixed, the Department stated as follows :—

- (i) Considering that most of the Combined Offices work for a few hours a day, and in most cases at least one transit is involved delivery of a telegram between 12 to 48 hours can be considered reasonable.
- (ii) In earlier years delays on transmission and delivery at Combined Offices were checked up by the Divisional Officers during inspections. No centralized records are available for them.
- (iii) Through meetings, efforts are being made to introduce accountability and a system of regular monitoring. It is hoped to sensitize the officers and staff to the need for greater efficiency.

3.29 The Committee have also been informed that telegrams were sent by post to the following extent in various years :—

1981-82	3%	1982-83	1.6%
1983-84	2%	1984-85	1.3%
1985-86	0.6%	1986-87	0.8%

3.30 In nine circles, 9.63 lakh telegrams were sent by post in 1986-87 and the State-wise performance on percentage sent by post was as under :

Tamil Nadu	0.95%
Karnataka	1.51%
West Bengal	2.92%
J & K	4.44%
Gujarat	5.80%
Himachal Pradesh	9.59%
North Eastern	10.50%
M.P.	14.50%
Maharashtra	14.9%
Andhra Pradesh	3.18%
Kerala	4.67%
Orissa	7.60%
Rajasthan	0.95%
Bihar	20.38%
Uttar Pradesh	32.00%
Haryana	2.76%

3.31 For delay in rural areas the Department has attributed it to limited working hours of Combined Offices and circuit interruptions. Telegraph circuits are provided in rural areas mostly on open wire lines. In the large States like Maharashtra, and M.P. these lines cover long distances between terminal offices and hence more susceptible to faults. Similarly, in the case of States such as Himachal Pradesh, North Eastern as well as Gujarat the open wire lines have to traverse hilly or difficult terrains and hence are more fault prone.

The solution lies in increasing the working hours of Combined Offices and providing wireless medium for telegraph circuits. Both are not cost effective propositions at present. According to the Department posting of telegrams is not normally due to human failures and hence the question of fixing responsibilities does not arise.

3.32 In cases where telegrams were sent by post like a postcard, even though the telegram charges are paid by the person the Secretary has conceded during evidence :

“If that happens, strictly speaking, the telegram charges collected should be refunded.”

3.33 The Department is reported to have launched in November, 1985, a three year action plan for modernisation of the telegraph network to ensure that 98% of telegrams are delivered in two hours throughout the country at an estimated cost of Rs. 65.00 crores. The plan has the following components :

- (a) Drawing up a national telegraph message switching network to eliminate, as far as possible, mutual transit of telegraph messages.
- (b) Identification of Stores and Forward Message Switching Systems of 128, 64, 32 and 16 lines as suitable blocks for constructing the network, and replacement of the Morse System by suitable electronic key-board and keyboard concentrators.
- (c) Development of the above equipment and building blocks and their indigenous production.

3.34 The Department has stated that the prototype of all these equipments are likely to be available shortly and major installations will start on a large scale during 1988 and as such a significant improvement in service can be expected only on completion of these installations by the end of 1988-89.

#### *Refunds on telegrams*

3.35 Refunds on delayed delivery of telegrams are governed by the Section 160(1)(b) and 160(2) of the Indian Telegraph Rules and rule 384 of P&T Manual Vol. XI. The Department has reported that in 1986-87 refunds to the extent of Rs. 68049.65 were given in 6812 cases on account of delays in the delivery of telegrams, in the entire country and out of refunds allowed, cost of telegrams was recovered from the concerned employees in 1923 cases amounting to Rs. 18555.75.

3.36 It has been stated that in case of delays, the refund of telegraph charges is given when the delay exceeds postal mail time in case of ordinary telegrams and half of postal mail time in the case of express telegrams. Asked as to whether the Department is liable and actually refunds telegraph charges in all cases where the telegrams are sent by post, the Department stated that there are two types of refunds : (i) Automatic refund and (ii) Refund made after the investigation of a complaint. Refund is given automatically under the Telegraph Rules if the telegram is posted, provided the delays exceed 24 hours and 48 hours in the case of express and ordinary telegrams respectively and no delay intimation is given to the booking party at the office of origin. Thus, it is not necessary to refund telegraph charges in all cases of postings. Similarly, on the basis

of a complaint delayed delivery made on a posted telegram if the investigation reveals that the purpose of the telegram has not been served and if there have been serious delays attributable to the telegraph service, refunds are made.

3.37 The Committee note with grave concern that test checks, conducted have revealed that hardly 57% of telegrams were delivered within a period of 24 hours. If a telegram cannot be delivered within 24 hours, the Committee feel that the very purpose of sending a telegram is lost. The Committee are firmly of the opinion that the major contributory factors lies in human failures that are allowed to occur without proper control. The Committee feel that unless the system is streamlined and appropriate steps taken to simplify procedures for fixing responsibility and taking action for recovery, there can be no improvement in the situation with whatever sophistication in communication system that may be established. The Committee therefore recommend that the issue regarding accountability for timely delivery of telegrams should be thoroughly analysed and placed on proper footing urgently.

3.38 The Committee note with great distress that in Uttar Pradesh, Bihar, Madhya Pradesh and North Eastern Circles, as many as 32%, 20.38%, 14.5% and 10.5% respectively of telegrams are sent by post and in other States also, the position is none too good. The Committee also feel that the divided responsibility of Postal Department and Telecommunication Department, the former for receipt and delivery and the latter for communication, has been one of the major contributory factors for the poor attention given to telegrams. This situation calls for urgent remedial action.

3.39 Considering the large difference in cost of communication by telegram and by post, the Committee find no justificant either morally or ethically, for the Department to pocket the telegram charges for telegrams sent by post or delayed beyond normal postal delivery period. The Committee recommend that in all such cases, the Department must ensure automatic refund of difference between telegram and postal charges by suitable amendment to the rules.

### E. Monitoring

3.40 Each parent trunk exchange of LDPTs and small automatic exchanges in rural areas is maintaining a register for checking reliability of the

LDPTs and SAXs. Testing is done three times daily. Record is also maintained in the parent trunk exchange for the trunk calls booked from each LDPT/SAX and effective trunk calls. Inspecting officers are also required to conduct sample checks whenever visiting the rural exchanges and LDPTs.

3.41 In case the LDPTs and the junction lines are not working, a report is to be made to the JTO (Jr. Engineer) incharge who arranges for the rectification of the fault and to restore communication. Information regarding status of working of LDPTs and rural exchanges is also monitored by the Sub Division Officer Telegraphs by keeping a watch on the revenue collected from the LDPTs on a monthly basis.

3.42 In a recent circular, following instructions for monitoring have been issued :—

- (i) The JTOs incharge of LDPTs and SAXs should on their own initiative contact the parent trunk exchanges daily in which these are terminated and get information about their functioning. The parent trunk exchanges shall maintain details of interruptions of SAX/LDPTs in a log book showing the results of daily tests and complaints which will be read out to the JTO.
- (ii) The SDO should get a daily report from the parent exchanges of all the SAXs which remain faulty for more than 3 hours and LDPTs for more than 12 hours.
- (iii) The DET should get information from the SDO about all LDPTs which are interrupted for more than 24 hours and SAX which remain faulty for more than 6 hours.
- (iv) Area Director should get information about SAX which remain faulty for more than 12 hours and LDPTs which are interrupted for more than two days.
- (v) The General Manager Telecom. shall get information about SAXs 24 hours/LDPTs which are interrupted for more than 3 days.
- (vi) List of SAXs 2 days/LDPTs which remain faulty for more than 7 days should be reported to the Directorate by the General Managers along with the monthly report to the Secretary(T). In this report the cause of interruption of LDPTs and SAXs should be given.

3.43 Asked whether the performance of the exchanges which did not fulfil the criteria laid down for their opening, revived to find out the reasons for their poor performance, the Secretary has observed during evidence :

“Centrally, we have not done that. We had issued orders that the parent Exchange should actually test these public call offices everyday. Frankly, we are worried that this is not being done and these orders probably are on paper only.

Recently, what we have done is that we have specified at each level that such and such people will be held responsible. Basically what we are saying is that the Junior Engineers should be held responsible and he should obtain information everyday from the parent exchange whether the public telephone or the public exchanges are working. Up the line right upto me, once a month, I would like to know as to how many long distant public telephones have not worked for say ‘seven days’ continuously.”

3.44 The Department in a note furnished to the Committee has stated that the monitoring and review of performance of rural exchanges was hitherto being done at the circle level. Keeping in view the feedback, so far received, the Board has decided to review the performance at the Board level also in future so as to identify (a) Exchanges & LDPTs remaining out of order for more than a specified period. (b) Exchanges and LDPTs earning less than a specified revenue per billing cycle and take follow up action by way of investigation. The Board also intends to monitor in future the number of faults per 100 telephones per month for exchanges of 100 lines and less capacity separately.

3.45 In respect of telegraph offices, the evaluation of performance and monitoring thereon was entrusted to the Sr. Superintendent, Telegraphic Traffic who did the job at the time of annual inspection of the telegraph offices. No special studies on the working of rural telegraph offices were also conducted. As the system was not found to be adequate, the system of monitoring and evaluation of working of telegraph offices has been reviewed recently in consultation with the Department of Posts and a new system introduced in July, 1987. Under this system, each combined office is required to carry out a check on all the incoming telegrams, on two specified dates (Monday of the first week and Friday of the third week) in a month with regard to total delay from the time of booking to the time of delivery. The overall delays are grouped in time slabs of 0-12 hours, 12-24 hours and beyond 24 hours and reported to controlling authority (Senior Superintendent of Post/Senior Superintendent of Telegraphic Traffic). The information will be further compiled progressively and channelised to Directorate.

3.46 The Committee have been constrained to note that in the provision, maintenance and operation of telecommunication facilities,

the rural areas have been given a very raw deal and the Department seems to have geared up only after the Committee started examining the subject. This is evident from the several steps taken during the last one year for monitoring the working of the rural communication system. The Committee only hope that the present awakening will be sustained and the Department will take steps to ensure that the rural services are no longer neglected and are placed on better footing in days to come.

NEW DELHI ;

April 14, 1988

Chaitra 25, 1910(S)

CHANDRA TRIPATHI

Chairman

Estimates Committee

## APPENDIX I

(Vide Para 1.12)

*Priority—Wise Disposition of Outstanding L.D.P.T.S. as on 31.3.87*

Sl. No.	Circle/State	Priority-I Hex. With no telecom. facility but have in them a cate- gory station.	Priority-II Hex. With no telecom. facility but have total population 5000 in nor- mal areas and 2000 in hilly and back- ward areas.	Priority-III Other Hexs. with no telecom. facilities	Priority-IV Hexs. where telecom. facility exist and have category station I-VI without telecom. facility
1	2	3	4	5	6
1.	Andhra Circle	58	20	17	—
2.	Assam	198	758	318	388
3.	Bihar	1157	1125	1052	3655
4.	<b>Gujrat</b>				
	(i) Gujral	114	418	524	229
	(ii) Dadra Nagar Haveli	—	—	62	—
	(iii) Daman & Diu	—	1	9	—
5.	Haryana	22	22	276	—



1	2	3	4	5	6
6.	Himachal Pradesh	—	137	75	—
7.	J & K	165	182	264	—
8.	Karnataka	39	745	539	—
9.	<b>Kerala</b>				
	(i) Kerala	—	—	—	63
	(ii) Lakhshdeep	—	—	—	—
10.	Madhya Pradesh	60	1919	855	8
	<b>Maharashtra</b>				
	(i) Maharashtra	322	1162	979	2612
	(ii) Goa	—	—	—	31
12.	<b>North East</b>				
	(i) Arunachal Pradesh	52	—	5	50
	(ii) Manipur	16	—	317	96
	(iii) Meghalaya	16	8	862	64
	(iv) Mizoram	31	8	102	35
	(v) Nagaland	50	7	226	54
	(vi) Tripura	37	—	20	89
13.	Orissa	4	674	496	8
14.	Punjab	—	109	262	—
15.	Rajaasthan	34	983	3436	139

	1	2	3	4
<b>16. Tamil Nadu</b>				
(i) Tamilnadu	2	3	—	202
(ii) Pondicherry	—	—	—	—
<b>*17. Uttar Pradesh</b>	<b>510</b>	<b>605</b>	<b>554</b>	<b>2510</b>
<b>18. West Bengal</b>				
(i) West Bengal	256	913	588	974
(ii) Sikkam	—	3	21	—
(iii) Andaman Nicobar	1	—	119	—
<b>GRAND TOTAL</b>	<b>3144</b>	<b>9802</b>	<b>11478</b>	<b>11207</b>

\*(Information under check by Department)

## APPENDIX II

(Vide para 3.8)

### *Extent of Complaints Received in 1986-87*

Sl. No.	Circle/State	Telephone lines working as on 1.4.87	Complaints per 100 telephones	Remarks
1.	Andhra Pradesh	173151	20.35	
2.	Bihar	74857	46.99	
3.	Gujarat <sup>1</sup>	219441	46.89	
4.	Jammu and Kashmir	20315	61.21	
5.	Kerala <sup>2</sup>	168322	39.89	
6.	Karnataka	139516	25.77	
7.	Maharashtra <sup>3</sup>	189693	36.81	
8.	Madhya Pradesh	111536	49.62	
9.	North East <sup>4</sup>	46784	51.47	
10.	North West <sup>5</sup>	222995	51.81	
11.	Orissa	41107	37.31	
12.	Rajasthan	106953	37.79	
13.	Tamil Nadu <sup>6</sup>	216060	14.84	
14.	Uttar Pradesh	191053	58.22	
15.	West Bengal <sup>7</sup>	48572	50.40	

<sup>1</sup> includes Daman & Diu (U/T)

<sup>2</sup> includes Lakshadweep islands

<sup>3</sup> includes Goa

<sup>4</sup> includes states of Assam, Meghalaya, Tripura, Nagaland, Arunachal Pradesh, Mizoram & Manipur.

<sup>5</sup> includes Haryana, Punjab & Himachal Pradesh

<sup>6</sup> includes Pondicherry (U/T)

<sup>7</sup> includes Sikkim, Andaman Nicobar islands.

## APPENDIX III

## Statement of Recommendations/Observations

Sl. No.	Para. No. of Report	Recommendation/Observation
(1)	(2)	(3)
1	1.15	<p>The Committee need hardly emphasise that the establishment of quick and effective two way communication facilities in villages is <i>sine qua non</i>, not only for weaving the villages intimately in the main stream of national life, but also for providing basic infra-structural support for implementation and monitoring of the various development programmes. Viewed in this context, the Committee regret to note that despite substantial provision of funds for development of telephone facilities in the country over the several plan periods, the tilt has been towards providing more and more facilities in urban areas rather than in rural areas as is indicative from the fact that as on 31st March, 1986 there were 3 telephones for every 200 people in the urban areas as compared to hardly one for every 2000 persons in the rural areas. The Committee therefore, are firmly of the opinion that an immediate review of the priorities is called for so as to ensure that due justice is done to the rural areas in the remaining years of the 7th Plan and in the 8th Plan for</p>

(1)

(2)

(3)

provision of communication facilities atleast at the level of urban areas.

1-16

The Committee note that a target of 20,000 LDPTs with an investment of Rs. 2,950 crores at 1979-80 prices was proposed for the Sixth Plan. However, the financial outlay was fixed at Rs. 2,336 crores at 1979-80 prices. But surprisingly the physical target of providing 20,000 LDPTs was retained on the specific request of the Planning Commission. Eventually the final allocation was increased to Rs. 2,722 crores i.e. by 17% over the amount of Rs. 2,336 crores, the physical targets remaining the same. Notwithstanding this increase of 17% in provision of funds, the achievement under LDPTs was to the extent of 11,774 only against a target of 20,000 LDPTs, resulting in a shortfall of 41%. The Committee are surprised to observe conscious non correlation of physical target with the Plan allocation as well as fixation of unrealistic targets which were known to be not achievable within the funds provided. The Committee cannot help expressing their deep anguish on the over estimation of physical targets and consequential presentation of an illusory picture. The Committee recommend that a proper coordination between the physical and financial targets should be worked out in the planning process to ensure accountability of the

executive for achieving the prescribed level of development with the funds provided.

1.17

The Committee note that the funds allocated for the 7th Plan have been Rs. 4010 crores, out of which only a sum of Rs. 110 crores has been allocated for rural telephone facilities. The Committee also note that the funds needed to provide LDPTs in all the remaining hexagons have been only Rs. 320 crores which work out to hardly 8% of the total provisions for the 7th Plan. The Committee also note that despite a request to the Planning Commission for increase to the extent of 50%, the allocation for provision of facilities to the rural areas will still leave over 10,000 hexagons to be covered in 8th Plan. The Committee regret to note the neglect in providing rural telecommunication facilities. The Committee recommend that a fresh look at the allocation of funds for the remaining two years of the 7th Plan may be taken so as to ensure that by the end of the 7th Plan or latest by the end of the first year of the 8th plan, all hexagons in the country are provided with LDPTs. Even this coverage which envisages provision of one LDPT in a radial distance of 5 kms., can not be considered liberal or ambitious but is an essential need of the rural populace. The Committee also recommend that if it is not feasible to divert funds from existing allocation due to commitments already on hand, funds

---

(1)

(2)

(3)

to the required extent may be earmarked for rural telephones cut of the additional demand of Rs. 2000 crores.

4 1'18

The Committee are surprised to note that the development of LDPTs in various State is highly lopsided even after the new policy was introduced in 1982, because certain States like Kerala, Andhra Pradesh and Tamil Nadu have LDPTs in practically all the hexagons whereas States like Assam, Bihar, Rajasthan, Jammu & Kashmir, Manipur etc. have covered hardly 25% of the hexagons with LDPTs and States like Gujarat, Madhya Pradesh, Maharashtra, Punjab etc. have provided LDPTs to 50% of their hexagons only. The Committee regret to note in this connection that even during the first two years of the 7th Plan adequate attention has not been given for development of the States wherein the progress has been slow as the following table would indicate :—

States	Total No. of hexagons	No. to be provided (LDPTs) as on 31.3.85	Provided in 1985-86 and 1986-87
Assam	1715	1298	24
Bihar	4740	3586	252
Madhya Pradesh	6103	3267	433
Rajasthan	6193	4808	355
West Bengal	2777	1961	60

The Committee strongly feel that this lopsided development has been due to lack of centralised coordination in planning as a result of which the States that showed better awareness for enthusiasm developed faster than the others. While the Committee welcome such enthusiasm, they consider it necessary for the Department to oversee the functioning of the sub-ordinate executive formations so as to ensure, as far as possible, even growth. The Committee, therefore, recommend that the planning process of the LDPTs may be reviewed centrally and appropriate steps taken to ensure that the States that lag behind are given proper attention.

5

1-19

The Committee are surprised to note that even as on 31.3.87 as many as 3144 hexagons falling in the first priority categories which include 171 districts, sub-divisional, tehsil, sub-tehsil and block headquarters, are yet to be provided with LDPTs. While taking note of the difficulties experienced in providing LDPTs in the administrative headquarters for reasons stated by the Department during evidence, the Committee cannot out regret the failure of the Department to cover the remaining first priority hexagons in a large number of States where problems, akin to those given for the administrative headquarters, do not apparently exist. The Committee, therefore, suggest that the reasons for non coverage of such a large number of first priority hexagons may be centrally examined by the Department and steps taken for their coverage in 1988-89.

---



(1)

(2)

(3)

6

1-20

The Committee also recommend that the feasibility of providing telecom facilities at all extra departmental and departmental postal offices located within a radius of 5 Kilometres, without linking the cost of provision thereof with the income that would be derived, may be considered so that these post offices can also serve as telegraph offices for booking and delivery of telegrams through telecommunication.

7

1-38

The Committee feel unhappy to be informed that out of 4,954 rural telephone exchanges envisaged to be opened during the Seventh Plan, only 1,451 telephone exchanges were opened in the first two years of the Plan. The Committee do not think that with this pace of work, the Department would be able to achieve the said target. The committee find that generally the development work in the first two or three years of a Plan is carried on a snail's pace and it is only towards the last two or three years that it gains momentum. Such un-healthy practice not only results in frittering away of resources and escalation of costs, but also results in lopsided development. The Committee would expect the Department to streamline the system to ensure even annual performance during the Plan period and also to ensure that the targets set for the Seventh Plan are achieved and that there are no shortfalls in this connection.

8 1:39

The Committee are surprised to find that the Department does not even possess the basic data on the extent of outstanding demands for new exchanges for rural areas. The Committee also find it difficult to reconcile the conflicting facts placed before them—one relating to the low utilisation of rural telephone exchange capacity to the extent of hardly 70% (as against the optimum feasibility of utilisation of upto 94%) and the other relating to a large number of as many as 0·50 lakh applicants kept in the waiting list who are yet to be provided with telephone facilities. The Committee consider this position hardly in tune with the system of planned growth. It is needless for the Committee to point out that the present system is indicative of lack of proper monitoring and control either at the Department or at Circle level on the utilisation of the rural telephone exchanges as also the demand for new exchange. They, therefore, feel that the position calls for an urgent review at an appropriate level for the corrective action that needs to be taken to remedy the situation.

9 1:40

The Committee note that the existing rules framed under the Indian Telegraph Act not cover the essential aspect relating to the principle to be adopted for allotment of Telephone to subscribers and the existing instructions in this regard are administrative in nature and hence not available for the common subscribers. The Committee recommend the necessity to frame appropriate rules and notify the same for the guidance of the public.

10 1:46

The Committee note that due to difficulties in establishing morse omnibus circuits at all places with adequate volume of work or facilities for training, the telegraph facilities are being extended

(1)

(2)

(3)

through phonocom and as a result, development of telegraph facilities has been merged with the policy of extension of LDPTs. The Committee are, however, constrained to note that development of telegraph facilities has failed to keep pace with the development of telephone facilities because for every year there has been a backlog in provision of telegraph facilities as against the number of LDPTs opened in the same year ; the backlog being as high as 1538 places for a period of 4 years ending 1985-86. If the policies for telephone and telegraph facilities are totally merged, the Committee do not feel convinced by the clarification that inability to open telegraph facilities in private premises and administrative delays with the Department of posts in organising the telegraph facilities contribute to the absence of telegraph facilities at a large number of places. As resort to telegraph facilities is more frequent for communication by the public, the Committee consider it imperative for a review of the existing policy for provision of telegraph facilities so as to ensure that the growth of telegraph facilities is extended at a faster pace than provision of LDPTs. The Committee further recommend that a policy decision may also be taken for provision of telegraph facilities where even LDPTs are located even if some of them are in private premises. The present policy of merger does not provide for any solution of this problem.

The Committee are surprised to note that in the present system of accounting, the expenditure incurred on the various schemes in a

Plann Period cannot be identified. The Committee wonder how, in the absence of accounting of expenditure under respective plan schemes, a proper estimation of cost of each plan scheme can be made and the physical progress related to financial outlay from year to year. The Committee feel that if individual works of establishment of LDPTs, rural exchanges and telegraph offices are sanctioned separately, there should be no difficulty in accounting for all such works under consolidated account heads like Establishment of new LDPTs, Establishment of new rural exchanges, etc. etc. The Committee recommend that a review of accounting procedure may be made in consultation with the Comptroller and Auditor General of India, so as to evolve a system of accounting duly related to schemes under execution.

12

2:17

The Committee feel highly perturbed to find that no reliable data have at any time been compiled to ascertain how far the rural services are actually subsidised and both the department and Circle offices are ignorant of the extent of actual revenue realised in the rural telephone facilities. It is equally shocking to note the admission about existence of leakages of revenue and the absence of reconciliation for calls booked from LDPTs with reference to trunk call tickets. It is also strange that watch over revenue performance and consequently traffic performance has neither been prescribed nor is being done as admitted in the report of the Committee appointed by the Department in August, 1985. The Committee would like the Department to initiate necessary steps immediately for a view of the actual revenue performance of all rural telephones

(1)

(2)

(3)

over a period of years by a time bound programme by deputing internal audit teams, so as to ascertain the extent of misappropriation, fraud etc. that have taken place and to plug loopholes in the system. The advice of the Comptroller and Auditor General of India may also be sought in this connection, if necessary.

13

3-10

The Committee note with deep concern that the proper maintenance of the LDPTs and rural exchanges leaves much to be desired. One of the contributory factors that has been brought to the notice of the Committee for lack of proper maintenance is non-availability of spare parts, particularly a large number of critical items. The Committee are also unhappy to be informed that the Department has no system of collection of data either regarding the efficiency of functioning of the rural telephone facilities or for the complaints received from the users in the rural areas. In the circumstances, the Committee cannot help concluding that the Department has not evolved any effective mechanism for properly maintaining the telephones and also exchanges over the years and has been working in a most casual manner. It is really surprising that even after an expert committee was appointed to go into the functioning of the telephone exchanges and that committee had made a series of recommendations for improving the situation, precious little has been done by the Department in the matter. The Committee urge that urgent steps should be taken to streamline the whole functioning of the Department vis-a-vis the LDPTs and rural telephone

exchanges. The Committee also feel that not only suitable accountability for the maintenance of rural telephones be determined but also a system of incentives involved to encourage better devotion to duty. So far as the paucity of spare parts is concerned, the Committee suggest that the problem may be sorted out in consultation with the Indian Telephone Industries without any avoidable loss of time.

The Committee note that due to erratic power supply in the rural areas, the charge/discharge cycle of the batteries installed in the telephone exchanges is affected. The Committee welcome the strategy being adopted by the Department for charging periodically the batteries by a portable generator as installing a permanent generator at each exchange will be too costly.

The Committee are surprised to note that nearly after 24 years of the introduction of rural exchanges, the Department has only now come to the conclusion that the existing assessment of codal life of telephone exchanges needs to be reduced from 25 years to 10 years. As the factors that are now considered relevant for determining the life of a telephone exchange were already there when the life span was originally determined, the Committee apprehend that the question of replacement has arisen, not because of the causes mentioned, but due to lack of proper maintenance over the years. The Committee have been informed during their visits to various centres that several old exchanges are functioning very well even today in certain State wherein the factors mentioned are

(1)

(2)

(3)

equally relevant. The Committee therefore suggest that a review of the contributory cause may be made for each exchange which is to be replaced after 10 years but before 25 years to find out whether its life could be increased by initiating proper maintenance measures.

16

3.16

The Committee appreciate that since 1970, provision for depreciation is being made strictly in accordance with commercial practices. If that be the case, there should be no problem to find resources for financing replacement of worn out exchanges, as Depreciation Fund is intended for this very purpose. In the circumstances, the Committee are unable to understand as to why the programme of replacing the worn out equipment has to wait till the 8th Plan, as the cost of replacement of time expired equipment can be met out of accumulations in Depreciation Fund.

17

3.21

The Committee regret to note that despite large scale investment in sophistication and modernisation over the years, as against target of 90%, effective trunk calls have reached the level of 80% only in two Telecommunication Circles, varies between 70% to 80% in 12 circles and is less than 70% in as many as 10 circles (including all metropolitan cities). The Committee consider this is very sad reflection on the working of the Department and would call for necessary corrective measures for achieving the prescribed target on a priority basis. In this connection, the Committee

recommend that the contributory causes for non-materialisation of trunk calls may be studied and accountability therefor fixed.

18

3-22

In view of a very large number of public complaints, the Committee do not see any justification for discontinuance of the collection of data on the time taken on the materialisation of trunk calls. The Committee recommend that reasonable time norms for calls to materialise may be determined and the actual performance studied objectively so that the contributory causes could be identified and appropriate action taken for doing away with inordinate delays.

19

3-23

When the position of trunk call services in urban areas is so, the Committee can well imagine the position of trunk calls booked to/from rural telephones. The Committee suggest that a specific study on the effectiveness and timeliness of trunk calls to/from rural exchanges may be made, results analysed and remedial action initiated.

20

3-37

The Committee note with grave concern that test checks, conducted have revealed that hardly 57% of telegrams were delivered within a period of 24 hours. If a telegram cannot be delivered within 24 hours, the Committee feel that the very purpose of sending a telegram is lost. The Committee are firmly of the opinion that the major contributory factors lies in human failures that are allowed to occur without proper control. The Committee feel that unless the system is streamlined and appropriate steps taken to simplify proce-



(3)

dures for fixing responsibility and taking action for recovery, there can be no improvement in the situation with whatever sophistication in communication system that may be established. The Committee, therefore, recommend that the issue regarding accountability for timely delivery of telegrams should be thoroughly analysed and placed on proper footing urgently.

21

3-38

The Committee note with great distress that in Uttar Pradesh, Bihar, Madhya Pradesh and North Eastern Circles, as many as 32%, 20.38%, 14.5% and 10.5% respectively of telegrams are sent by post and in other States also, the position is none too good. The Committee also feel that the divided responsibility of Postal Department and Telccommunication Department, the former for receipt and delivery and the latter for communication, has been one of the major contributory factors for the poor attention given to telegrams. This situation calls for urgent remedial action.

22

3-39

Considering the large difference in the cost of communication by telegram and by post, the committee find no justification either morally or ethically, for the Department to pocket the telegram charges for telegrams sent by post or delayed beyond normal postal delivery period. The Committee recommend that in all such cases, the Department must ensure automatic refund of difference between telegram and postal charges by suitable amendment to the rules.

The Committee have been constrained to note that in the provision, maintenance and operation of telecommunication facilities, the rural areas have been given a very raw deal and the Department seems to have geared up only after the Committee started examining the subject. This is evident from the several steps taken during the last one year for monitoring the working of the rural communication system. The Committee only hope that the present awakening will be sustained and the Department will take steps to ensure that the rural services are no longer neglected and are placed on better footing in days to come.

---