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**STANDING COMMITTEE ON COMMUNICATIONS AND
INFORMATION TECHNOLOGY
(2022-23)**

SEVENTEENTH LOK SABHA

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

**DEMANDS FOR GRANTS
(2023-24)**

FORTY-THIRD REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2023/ Phalguna, 1944 (Saka)

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(2023-24)**

Presented to Lok Sabha on 21 .03.2023

Laid in Rajya Sabha on 21.03.2023



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2023/ Phalguna, 1944 (Saka)

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**Composition of the Standing Committee on Communications and
Information Technology (2022-23)**

Shri Prataprao Jadhav - Chairperson

Lok Sabha

2. Smt. Sumalatha Ambareesh
3. Shri Karti P. Chidambaram
4. Dr. Nishikant Dubey
5. Smt. Sunita Duggal
6. Shri Jayadev Galla
7. Smt. Raksha Nikhil Khadse
8. Dr. Sukanta Majumdar
9. Smt. Mahua Moitra
10. Shri P. R. Natarajan
11. Shri Santosh Pandey
12. Col. Rajyavardhan Singh Rathore
13. Dr. Gaddam Ranjith Reddy
14. Shri Sanjay Seth
15. Shri Ganesh Singh
16. Shri Parvesh Sahib Singh
17. Shri Shatrughan Prasad Sinha
18. Shri L.S. Tejasvi Surya
19. Dr. T. Sumathy (A) Thamizhachi Thangapandian
20. Dr. M. K. Vishnu Prasad
21. Shri S. Jagathrakshakan

Rajya Sabha

22. Dr. Anil Agrawal
23. Dr. Laxmikant Bajpayee
24. Dr. John Brittas
25. Shri Syed Nasir Hussain
26. Shri Ilaiyaraaja
27. Shri Jaggesh
28. Shri Praful Patel
29. Shri Kartikeya Sharma
30. Shri Jawhar Sircar
31. Shri Lahar Singh Siroya

Secretariat

- | | | | |
|----|---------------------|---|------------------|
| 1. | Shri Satpal Gulati | - | Joint Secretary |
| 2. | Smt. A. Jyothirmayi | - | Director |
| 3. | Shri Nishant Mehra | - | Deputy Secretary |

Committee constituted w.e.f. 13th September, 2022 *vide* Para No.5288 of Bulletin Part-II dated 4th October, 2022.

Abbreviations

AGR	Adjusted Gross Revenue
BSNL	Bharat Sanchar Nigam Limited
BE	Budget Estimate
CCEA	Cabinet Committee on Economic Affairs
CEIR	Central Equipment Identity Register
CoE	Centres of Excellence
CSC	Common Service Centre
CSR	Corporate Social Responsibility
DoT	Department of Telecommunications
DCC	Digital Communications Commission
ETG	Empowered Technology Group).
GoM	Group of Ministers
ITI	Indian Telecom Industries
IEBR	Internal and Extra Budgetary Resources
LWE	Left Wing Extremism
LSA	Licensed Service Area
MoU	Memorandum of Understanding
MoD	Ministry of Defence
MoF	Ministry of Finance
MHA	Ministry of Home Affairs
MNP	Mobile Number Portability
NFS	Network For Spectrum
OFC	Optical Fibre Cable
RE	Revised Estimate
SOC	Securities Operation Centre
SDGs	Sustainable Development Goals
SAP	Swachhta Action Plan
T-Cert	Telecom Computer Emergency Response Team
(TSAACC)	Telecom Startup Acceleration & Academia Collaboration Centre
ToT	Transfer of Technology
UAL	Universal Access Levy
USOF	Universal Service Obligation Fund
USL	Universal Service Levy

INTRODUCTION

I, the Chairperson, Standing Committee on Communications and Information Technology (2022-23), having been authorized by the Committee to submit the Report on their behalf, present this Forty Third Report on Demands for Grants (2023-24) of the Ministry of Communications (Department of Telecommunications).

2. The Standing Committee on Communications and Information Technology (2022-23) was constituted on 13th September, 2022. One of the functions of the Standing Committee, as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha, is to consider the Demands for Grants of the Ministry/Department concerned and make a Report on the same to the Houses.

3. The Committee considered the Demands for Grants pertaining to the Ministry of Communications (Department of Telecommunications) for the year 2023-24 which were laid on the Table of the House on 08th February, 2023. The Committee took evidence of the representatives of the Ministry of Communications (Department of Telecommunications) on 15th February, 2023.

4. The Report was considered and adopted by the Committee at their sitting held on 17th March, 2023.

5. The Committee wish to express their thanks to the officers of the Ministry of Communications (Department of Telecommunications) for appearing before the Committee and furnishing the information that the Committee desired in connection with the examination of the Demands for Grants.

6. The Committee would also like to place on record their appreciation for the assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

7. For facility of reference and convenience, Observations/Recommendations of the Committee have been printed in bold letters in Part-II of the Report.

New Delhi;
17 March, 2023
26 Phalgun, 1944(Saka)

PRATAPRAO JADHAV,
Chairperson,
Standing Committee on Communications
and Information Technology.

Report

Part-I

I. Introductory

The Department of Telecommunications (DoT) is, inter-alia, responsible for Telecom Policy; Licensing and Coordination matters relating to telegraph, telephones, telecom wireless data; international cooperation in matters connected with telecommunications, promotion of standardization, Research & Development (R&D) in telecommunications; and promotion of private investment in the sector. DoT is also responsible for frequency management in the field of radio communication in close coordination with the international bodies. DoT enforces wireless regulatory measures by monitoring wireless transmission of all users in the country.

Indian Telecom Scenario

i. Increase in Telephone Subscription:

a) Total telephone connections rose to 117.02 crore in October 2022 from 93.30 crore in March 2014, with a growth of 25.42 %. The number of mobile connections reached to 114.4 crore in October 2022. The tele-density which was 75.23% in March 2014 has reached 84.67% in October 2022.

b) Urban telephone connections rose to 64.99 crores in October 2022 from 55.52 crore in March 2014, a growth of 17.06% while the growth in rural telephone connections was 37.69%, which is double of urban increase, rising from 37.78 crore in March 2014 to 52.02 crores in October 2022. The rural tele-density jumped from 44% in March 2014 to 57.91% in October 2022.

ii. Jump in Internet and broadband penetration:

a) Internet connections jumped from 25.15 crore in March 2014 to 83.69 crore in June 2022, registering a growth of 232%.

b) Broadband connections rose from 6.1 crore in March 2014 to 81.62 crores in September, 2022 growing by 1238%.

c) Average revenue realization per subscriber per GB wireless data reduced to Rs. 10.29 in June, 2022 from Rs. 268.97 in December 2014, a reduction of more than 96.17%.

d) Average monthly data consumption per wireless data subscriber increased by 266 times to 16.40 GB in June, 2022 from 61.66 MB in March 2014.

iii. FTTH

- a) FTTH Broadband subscribers per 1000 HH for Rural is 15.05, Urban is 241.20 and total is 85.03 as on August, 22.
- b) FTTH state wise data shows that Delhi has highest FTTH per 1000 household (654.53) as on August,22.

iv. BTS and Towers:

- a) The number of Mobile Base Transceiver Stations (BTS) are 23.98 lakhs as on 09.12.2022.
- b) The number of mobile towers are 7.4 lakh as on 09.12.2022.

II. Implementation Status of Recommendations of the Committee Contained in their Thirty Second Report on Demands for Grants (2022-23) of the Ministry of Communications (Department of Telecommunications)

2. The Thirty Second Report of the Standing Committee on Information Technology on Demands for Grants (2022-23) of the Ministry of Communications (Department of Telecommunications) was presented to Parliament on 21.03.2022. The Department of Telecommunications furnished their Action Taken Notes on the Observations/Recommendations contained in the Thirty Second Report on 07th June, 2022. The Thirty-ninth Report on Action Taken by the Government on the Thirty Second Report was presented to Lok Sabha on 9th February, 2023. Out of 14 Recommendations contained in the said report, 09 Recommendations were accepted by the Government. The Committee had commented on 04 Recommendations and reply to 01 recommendation had been found to be of interim nature on which final replies have been sought from the Ministry. The final Action Taken Statement on the Recommendations contained in the Thirty-ninth Report will be laid in Parliament in due course.

III. DoT Budget (2023-24)

3. The Department of Telecommunications (DoT) presented Demand No.13 for the Financial Year 2023-24 on 8th February, 2023. The Actuals under Revenue and Capital Sections for the years 2019-20 to 2022-23, Proposed, Budget Estimate (BE), Revised Estimate (RE) and Actuals for 2022-23, proposed and BE during 2023-24 under Revenue and Capital are as under:

(Rs in Crore)

Major Head	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Proposed	2022-23 BE	2022-23 RE	2022-23 Actual (upto Dec.22)	2023-24 Proposed	2023-24 BE
Revenue Section	26392.44	45154.71	36771.84	44843.94	32436.38	46157.80	24291.31	45244.91	41461.43
Capital Section	9634.49	8356.11	6397.74	4990.97	63111.42	38745.89	33374.71	39752.07	66-691.82
Grant Total	36026.93	53510.82	43169.58	49834.91	95547.80	84903.69	57666.02	84996.98	108153.25

(i) Revenue Section

4. Head wise details of the expenditure under Revenue Section as on December, 2022 is as under:

(Rs in crore)

REVENUE SECTION		(Rs in Crore)			
S. No.	Head Name	Major Head	BE 2022-23	RE 2022-23	Expenditure Up to Dec. 2022
1	Secretariat Economic Services	3451	901.30	902.37	603.82
2	Pension & Other Retirement Benefits-DoT	2071	19000.00	19435.56	12610.18
3	Labour Employment and Skill Development	2230	0.42	0.42	0.00
4 (a)	Wireless and Planning Coordination	3275	15.00	20.74	16.02
(b)	Monitoring Services	3275	45.00	50.31	34.12
(c)	Compensation to Service Prov. For USOF	3275	2000.00	1380.00	826.63
(d)	USOF (R&D)	3275	0.00	130.00	0.00
(e)	Transfer to Reserve Fund	3275	2000.00	1510.00	2000.00
(f)	TDIP	3275	19.00	19.00	12.76
(g)	Payment of Interest on MTNL Bonds	3275	383.57	383.57	347.95
(h)	Viability Gap Funding to BSNL for providing telecom connectivity during Shri Amarnath Yatra	3275	1.00	1.00	0.00
(i)	Grant of GST in 4G Spectrum	3275	3550.00	0.00	0.00
(j)	Implementation of VRS of BSNL & MTNL	3275	3300.00	3300.00	2435.07
(k)	Special assistance for Swachhta Action Plan	3275	2.00	1.00	0.08
(l)	International Co-operation	3275	48.70	46.00	39.23
(m)	CDOT	3275	500.00	500.00	250.00
(n)	ITI, Bangalore	3275	0.01	0.01	0.00

(o)	TRAI	3275	90.00	97.18	66.00
(p)	TDSAT	3275	19.20	17.50	11.88
(q)	Training (NICF & NTIPRIT)	3275	30.00	14.74	6.89
(r)	Champion Service Sector Scheme	3275	3.50	52.86	24.44
(s)	Production Linked Incentive Scheme	3275	527.68	90.25	4.25
(t)	Operational Cost of Mandatory Testing and Certification of Telcom Equipment (MTCTE)	3275	0.00	0.60	0.00
(u)	Operation and Maintenance Charges of the Indigenous 5G Test Bed	3275	0.00	5.11	1.99
(v)	Viability Gap Funding (VGF) to BSNL	3275	0.00	18127.00	5000.00
(w)	Waiver of Guarantee Fee BSNL/MTNL	3275	0.00	72.58	0.00
	Total Revenue Section (Gross)		32436.38	46157.80	24291.31

5. When asked about the status of utilization of funds allocated at RE during the remaining period of the current financial year, the Department has given the following written reply:

“Under Revenue Section, expenditure upto December, 2022 was Rs. 24291.31 Cr which has increased to Rs 35059.89 Cr as on 15.02.2023, which is 78.65% of the allotted RE 2022-23. The utilization of funds is constantly monitored at the highest level to ensure complete utilization of funds”.

(ii) Capital Section

6. Head-wise details of the expenditure under Capital Section is as under:

(Rs. in crore)					
S. No.	Head Name	Major Head	BE 2022-23	RE 2022-23	Expenditure Upto Dec. 22
1	ITI Revival (Equity Investment)	4859	200.00	187.82	80.00
2	Capital Infusion for BSNL/MTNL	5275	44720.00	33269.01	23873.44
3	Direction & Administration Major Work Building		0.01	0.01	0.00
4	WMO Major Work Building		11.00	8.30	0.28
5	WPC		0.01	0.15	0.00
6	Monitoring Services		5.00	5.00	1.92
7	OFC Based Network for Defense Services		1961.00	1961.00	1000.00
8	Funds Transferred from CRIF		1961.00	0.00	0.00
9	BharatNet		7000.00	1500.00	1234.58
10	Transfer to Reserve fund		7000.00	1500.00	1234.58
11	Wireless Sets and Equipments (TEC)		15.00	5.12	0.11
12	Training Institute for Communication Finance		28.00	15.00	8.92

	(NICF)				
13	Telecom Testing and Security Certification Centre		10.00	10.00	0.00
14	Telecom Computer Emergency Response Team (T-Cert)		31.80	111.25	26.86
15	Central Equipment Identity Register (CEIR)		13.00	13.00	13.00
16	Indigenous 5G Test Bed		10.00	2.63	0.00
17	TRAI Building		135.60	135.60	135.60
18	Establishment of Satellite Gateway Assistance to BSNL		0.00	0.00	0.00
19	Digital Intelligence Unit Project		10.00	21.00	0.00
20	MTCTE		0.00	0.30	0.00
21	ASTR		0.00	0.70	0.00
	Total Capital Section		63111.42	38745.89	27609.29

7. According to the Department priorities listed for 2023-24 and plans to efficiently utilize the funds and achieve the targets are as follows:

“Schemes under USOF and the OFC Based Network for Defence Services (also called NFS – Network for Spectrum) have been prioritised in 2023-24. In addition, schemes such as PLI (Production Linked Incentive), TDIP (Technology Development and Investment Promotion) and Champion Service Sector Scheme are also important.

Revival plan of BSNL/ MTNL is also of major importance with Rs 52,937.00 Cr allotted for Capital Infusion in BSNL/ MTNL for BE 2023-24. The plans of the Department to achieve the targets for these schemes are discussed in the respective sections in detail”.

8. When asked about the reasons for enormous hike in allocation of funds for 2023-24 and the proposals for utilising it, the Department in its written reply has submitted the following:

“Under the Capital Head, as against the proposal of the DoT, i.e. Rs. 39,725.07 crore for 2023-24, Rs. 66691.82 crore have been allocated. The increased amount is towards the payment of AGR Dues to BSNL, which is a part of its revival package. Department had proposed an amount of Rs 33,111.00 Cr for the AGR Dues. The payment will be made once BSNL claims the amount and is most likely to happen in the first quarter of FY 2023-24”.

9. The Department has underlined the following reasons for under-utilization of funds under the schemes during 2022-23 and the difficulties that are being faced by the Department in smooth implementation and optimum utilization of funds:

“BE for 2022-23 of Rs. 9000 crores (Rs. 7000 crore for BharatNet and Rs.2000 crore for other USOF schemes) was received. USOF/DOT proposed RE of Rs. 7000 crore for FY 2022-23 against which RE of Rs. 3010 crore was allocated by MoF (Rs. 1500 crore for BharatNet and Rs.1380 crore for “Other USOF schemes” and Rs. 130 crore for “Research and Development”). The pace of implementation of BharatNet Phase-II during 2022-23 was slower as compared to the target. The Phase-II work was largely dependent on 8 States (around 65000 GPs under State Led Model) and BSNL (23000 GPs in CPSUs led Model). BSNL suffered from capacity constraints because of its internal issues and financials. In addition to that, while preparing BE 2022-23, it was assumed that expenditure may incur under PPP Model BharatNet for which global tender was floated on 19.07.2021 and opened on 27.01.2022. No responsive bid was received. Hence, no expenditure incurred towards PPP model of BharatNet in F.Y. 2022-23. In case of ‘Other USOF Schemes’, the proposed RE 2022-23 was same as BE 2022-23. However, against the proposed amount of Rs. 2000 Crore for Other USOF Schemes, Rs. 1510 crore (including Rs.130 crore for Research and Development) was allocated by Ministry of Finance”.

Capital Infusion in BSNL/MTNL

The capital amount of Rs 26,386 Cr (Rs 23,373 Cr on account of 900 MHz spectrum in 20 LSAs and Rs 3013 Cr on account of capex for FY2022-23) was released to BSNL. The remaining amount of Rs 6883 Cr is meant for spectrum in 900 MHz in Delhi/Mumbai, spectrum of 1800 MHz in three LSAs and for restructuring and operational integration of the Telecom PSUs. BSNL has requested to carry forward this amount to BE 2023-23 mainly due to detailed plan to be worked out for merger of BSNL and MTNL.

Indian Telecom Industries

Reasons for underutilization of funds for ITI Revival:

Many electronic components and chips have to be imported, which are required for manufacturing various products. Due to components and chip shortage in international market due to Covid-19 pandemic, there are logistics and supply chain issues leading to long lead times and delayed supply. As such fund utilization could not keep pace with projections. Due to delay in Proof of Concept (POC) of indigenous 4G technology, there was delay in

placing PO by BSNL. This in turn has delayed the placement of purchase orders by ITI on its vendors, which led to reduced fund utilization.

IV. Universal Service Obligation Fund (USOF)

10. USOF, formed by an Act of Parliament, was established w.e.f. 01.04.2002 under the Indian Telegraph (Amendment) Act, 2003 (further amended in 2006), to provide financial support for the provision of telecom services in commercially unviable rural and remote areas of the country. It is an attached office of the DoT, and is headed by the Administrator, USOF, appointed by the Central Government.

11. In accordance with the Indian Telegraph Act, 1885, License fee includes Universal Access Levy, which is charged @ 5% of the Adjusted Gross Revenue (AGR) of the telecom licensees. The fund collected under UAL goes to the Consolidated Fund of India and it is non-lapsable in nature. The outflow from this fund to USOF is through budgetary provision by the Ministry of Finance each year, based on the requirement of USOF. Since inception of USOF, i.e. 2002-03, UAL amounting to Rs. 1,34,076.96 Crore has been collected. The final allotment amounting to Rs. 69,590.89 Crore, received through Parliamentary approvals was transferred to Head 8235 General & Reserve Fund-118 USO Fund in respective years and the entire allocation so made and transferred to USO Fund, has been utilized in the respective years. As on 31.12.2022, the balance of UAL amount available as potential fund under USO is Rs. 64,486.07 Crore. USOF prepares the budgetary provisions to meet the expenditure required for fulfilment of the various schemes and forwards the requirement of funds to Ministry of Finance each year through Budget branch of DoT. The allocations received from the Ministry of Finance each year through Budget branch of DoT are utilized to meet the expenditure incurred under the projected schemes of USOF.

According to the Department, infrastructure projects take time for rollout considering involvement of several agencies and various clearances to be sought, the entire balance fund cannot be utilized in one go. Hence, USOF prepares the budgetary provisions to meet the expenditure required for fulfilment of the various schemes and forwards the requirement of funds to Ministry of Finance each year through Budget branch of DoT. The allocations received from the Ministry of Finance each year through Budget branch of DoT are utilized to meet the expenditure incurred under the projected schemes of USOF.

12. Amount proposed, allocated at BE, RE and actual utilization during 2018-19, 2019-20, 2020-21, 2021-22, proposed and BE during 2022-23 for various schemes of USOF are as under:

	(Rs. in crore)				
Year	2019-20	2020-21	2021-22	2022-23	2023-24

Proposed	8350.00	8000.00	13250.00	9000	11400.00
BE	8350.00	8000.00	9000.00	9000	10400.00\$
RE	3000.00	7200.00	8300.00	3010\$	
Actual	2926.00*	7200.00	8300.00	2067#	
% w.r.t. RE	100%	100%	100%	68.67%	

*It is intimated that Rs. 3000 crores (Rs. 2000 crore for BharatNet and Rs. 1000 crore for "Other USOF Schemes") was received as Revised Allotment for the FY 2019-20 from Ministry of Finance, out of which Rs. 74 crore was re-appropriated to DoT as per the request of DoT.

#Fund disbursed upto 31.12.2022.

\$Including Rs. 130 crore for FY 2022-23 and Rs. 400 crore for FY 2023-24 is allotted under Research and Development.

13. When the Department was asked to state the reasons for low utilization of funds and measures that have been taken by them to increase the pace of utilization of funds, the following written reply has been submitted:

"The reason for low utilization of funds under BharatNet is due to slow progress in BharatNet implementation under State Led Model and non-receipt of bid in PPP tender and further allocation of works."

14. The Department further informed that following schemes have been prioritized under USOF during FY 2023-24:

- (i) BharatNet- Provision of broadband connectivity to all 6 lakh villages across India.
- (ii) Comprehensive Telecom Development Plan (CTDP) for the North-Eastern Region- Provision of 4G mobile connectivity in uncovered villages of Meghalaya & Rest of NER including National Highways
- (iii) Comprehensive Telecom Development Plan for Islands- Laying of Submarine Cable from Kochi to Lakshadweep and Mobile connectivity in Andaman and Nicobar.
- (iv) Re-provisioning of Digital Satellite Phone Terminals (DSPTs) provided to MHA agencies (CAPFs), MoD agencies (Army, BRO) and other agencies using VSAT connectivity under BharatNet Project
- (v) Schemes for Mobile Services in Uncovered Villages of Himalayan States, Western Border States and Aspirational Districts
- (vi) Scheme for Mobile Communication Services in Left Wing Extremism (LWE) Affected Areas- 4G upgradation in Phase-I and provision of 4G services in Phase-II.

(vii) Saturation of 4G mobile services of uncovered villages across the country.

Further, the Department has added:

“In order to achieve the targets, USOF is constantly monitoring the schemes, resolving roadblocks, if any, assisting in getting clearances for projects using various platforms such as PMG portal etc. Further, the progress of schemes is reviewed on regular basis by various Departments/Ministries like NITI Aayog, PMO, MoDoNER, DEA etc. In order to ensure sufficient fund is available, BE for the FY 2023-24 was prepared after proper assessment of Costs and Committed liabilities”.

A. Progress of implementation of BharatNet

15. According to the Department, BharatNet, one of the biggest rural telecom projects of the world, is being implemented in a phased manner to provide broadband connectivity to all Gram Panchayats (approx. 2.6 lakh) in the country. For providing high band width capacity, expansion of mobile services and broadband connectivity in rural and remote areas, BharatNet is one of the schemes that have been taken up with funding of USOF. The total funding of the BharatNet including both Phase-I and Phase-II as approved by the Cabinet, is Rs. 42,068 crore (exclusive of GST, Octroi and Local taxes). Now, the scope of the project has been extended up to all inhabited villages.

16. The details with respect to Proposed, BE, RE and actual during 2022-23, Proposed and BE during 2023-24 are as under:

Rs. in Crore					
Year	2019-20	2020-21	2021-22	2022-23	2023-24
Proposed	6000.00	6000.00	10000.00	7000.00	6000.00
BE	6000.00	6000.00	7000.00	7000.00	5000.00
RE	2000.00* (Re-appropriated as Rs. 1657.74 Cr.)	5500.00 (Re- appropriated as 5919.79)	7000.00 (Re- appropriated as 7510.96)	1500.00	
Actuals	1657.74	5919.79	7510.96	#1280.00	
%w.r.t. RE	100%	100%	100%	85%	

#Expenditure upto 31.12.2022.

B. Implementation and Status of the BharatNet Phase-I

17. The Union Cabinet on 25.10.2011 approved the project for creation of National Optical Fibre Network (NOFN/now BharatNet) to provide Broadband connectivity for connecting Block Headquarters (BHQs) to Gram Panchayats (GPs) by using existing fibre of Central Public Sector Undertakings (CPSUs) – Bharat Sanchar Nigam Limited

(BSNL), RailTel Corporation of India Limited (RailTel) and Power Grid Corporation of India Limited (PGCIL) and laying incremental fibre to bridge the connectivity gap up to the GPs. The incremental Optical Fibre Cable (OFC) so laid was to be owned by the Government and the ownership of the existing fibre was to be continued to be vested with the existing owners. Bharat Broadband Network Limited (BBNL) was incorporated on February 25, 2012 as a Special Purpose Vehicle (Cabinet has approved merger of BBNL with BSNL) for the execution, management and operations of NOFN. This was considered as Phase-I of BharatNet. The Phase-I was completed in December 2017 with the implementation of over 1 lakh GPs. Subsequently, the scope of Phase-I was expanded to 1.25 lakh GPs (Revised Work-front Phase-I) as per the Cabinet approval of July 19, 2017.

As on 09.01.2023

CPSU	GPs planned in Phase-I	OFC laid (km)	Service Ready GPs
BSNL	101767	251047	101266
RailTel	7991	27974	7979
PGCIL	10396	31172	10358
BBNL/BSNL	66	213	62
Total	1,20,220	3,10,406	1,19,665

C. BharatNet Phase-II

18. The Cabinet approved a modified strategy for BharatNet on 19 July 2017, which integrates the implementation experience of Phase-I of the project and aligns it with the vision of Digital India. The modified strategy provides an optimal mix of media (OFC/Radio/satellite) to connect Gram Panchayats (GPs), each GP to be provided with up to 1 Gbps bandwidth (on wired media), laying of fresh fibre between GPs and Block, multiple implementing Models-State-led Model, Private Sector and CPSU Model, along with Last Mile connectivity in GPs through Wi-Fi or any other suitable broadband technology. The total funding of the BharatNet (Phase-I & Phase-II), approved by the Cabinet, is Rs. 42,068 crore (exclusive of GST, Octroi and local taxes). The comparative chart of salient features of Phase-I vs Phase-II, are in **Annexure-I**.

19. When the Department was asked about the overall achievement of BharatNet Project: BharatNet Project Physical Performance Status as on 09.01.2023, the following written reply has been submitted:

S. No.	Phase	GPs planned	OFC laid (km)	GPs where Cable laid	Service Ready GPs
1.	Phase-I	120220	3,10,406	1,24,502	1,19,665
2.	Phase-II	102,437	3,01,822	72,727	67,624
	Total	222,657	6,12,228	1,97,229	1,87,289
3.	BharatNet Saturation	41978 GPs and Villages	Being worked out		
	Total	264635	6,12,228	1,97,229	1,87,289

20. Regarding the mechanism that had been devised to find out the status of Gram Panchayats having functional internet connection or not, the Department has made the following submission:

“So far the emphasis was to create BharatNet infrastructure upto Gram Panchayats. At present about 71% GPs have been made service ready and now the emphasis is to utilize the created infrastructure for provisioning of broadband/internet services through Wi-Fi Hotspots, Fibre to the Home (FTTH) connections, leased lines, dark fibre, backhaul to mobile towers, etc”.

Enumerating the initiatives that had been taken by the Department, the following was submitted:

- (i) BSNL has developed Franchise Management System (FMS) for on boarding the franchisees and revenue share partners of BSNL/BBNL and over 2614 franchisees have been made.
- (ii) Bharat Net Udyami Scheme- As a part of this scheme, 4 blocks were identified for saturation of a block with FTTH connections, wherein all the Gram Panchayats in the block were proposed to be connected by BSNL with the objective of providing 5% homes with FTTH connectivity. The key objective was the demand assessment and impact assessment when FTTH connectivity is provided to certain percentage of households in a particular geography. Initially pilot was launched for two months from 1st Oct, 2022 to 30th Nov, 2022, with a target of providing 40,000 connections. Later it was extended for further two months with target of 1,00,000 connections. A total of 41,000+ connections have been activated in first two months i.e. October and November, 2022 in these GPs and adjoining villages and 1 lakh connections were provided by first week of January, 2023, well before the target date. Now, same is under consideration for extension for 5 lakh connections across the country.

- (iii) Under special assistance scheme of Ministry of Finance, about Rs. 2700 Cr. is being provided to States/ UTs for providing FTTH connections in Govt. institutions, private institutions and households, using BharatNet. States/ UTs are signing the MoUs/ Agreements with BSNL/other ISPs for providing the FTTH connections utilising BharatNet infrastructure.
- (iv) Interactions are being carried out with the User Ministries/Departments to seek the demand for high-speed data connections for the institutions running in rural areas.
- (v) Demand registration portal '<https://ruralfiber.bsnl.co.in>' has been developed and shared with the Ministries/Departments.
- (vi) Online portal '<https://bharatnetlive.bbnlindia.in/UNMS/index.jsp>' has been developed to view the live network status upto GP level.
- (vii) In 8 States, State-led SPVs are responsible for utilization. The State-led SPVs are being persuaded to enter into the revenue sharing arrangement with BSNL or any ISP and provide high speed broadband connections at the service ready Gram Panchayats.
- (viii) The work of provisioning of Wi-Fi hotspots in about 5500 GPs of BharatNet Phase-II (being connected on satellite media), is also being implemented with funding from Universal Service Obligation Fund (USOF). For BharatNet Phase-II (being implemented on OFC / Radio), the respective implementing Agencies are responsible for the utilisation of the created network."

21. When the Department was asked the reasons for reduction in allocation of funds under the important scheme of the Government such as BharatNet from Rs. 7,000 crore at BE 2022-23 to Rs. 5000 crore at BE 2023-24, the following reply was submitted:

"While preparing BE 2022-23, it was assumed that expenditure may incur under PPP Model of BharatNet for which global tender was floated on 19.07.2021 and opened on 27.01.2022. No responsive bid was received. Hence, no expenditure incurred towards PPP model of BharatNet in F.Y. 2022-23 even though the same was expected in F.Y. 2022-23. For F.Y. 2023-24, the proposed BE 2023-24 for BharatNet was Rs. 6000 Crore against which Rs. 5000 Crore was received from Ministry of Finance. The proposed amount of Rs. 6000 Crore for BharatNet was based on the anticipated physical progress for F.Y. 2023-24. Hence, the reason for low utilization under BharatNet is due to slow progress in BharatNet implementation under State Led Model and non-receipt of bid in PPP tender and further allocation of works. "

D. Utilization of BharatNet Networks

22. Regarding utilization of network, the Department has stated that it has proposed utilisation through leasing of bandwidth and dark fiber, Wi-Fi to access broadband /internet services at Public places, and Fibre to the Home (FTTH) to provide broadband connectivity to Government Instrumentalities such as schools, hospitals, post offices, Aanganwadi, customer service centres, police station, and so on apart from retail connections. The details are as follows:

- a) BharatNet network is being utilized through various model for providing services. As on 09.01.2023, Wi-Fi have been installed in 1,04,664 GPs and 2,18,885 Fibre to the Home (FTTH) connections are provided, using 5789 TB data (December). Leasing of dark Fiber is of about 58,648 km and Bandwidth leasing is 3,619 Gbps. State Wide Area Networks (SWAN) is utilising BharatNet network at 17,014 GPs. 1,660 towers have been fiberized through BharatNet fibre.
- b) A pilot proposal of BSNL for rolling out of One Lakh FTTH connections using BharatNet through BharatNetUdyamies (BNUs) has been approved by the USOF with financial subsidy of Rs. 89 Crore from USOF for both ILL and capital incentives. The USOF subsidy include capital incentive of Rs. 4500/- per FTTH, which is to be passed on to the BNU, and Rs. 4 Lakh per mini-OLT per 100 Mbps ILL subsidy for one year. Further, BSNL has asked approval for 5 Lakh FTTH connections using BharatNet through BharatNetUdyamies (BNUs) under the project for which in-principle approval has been given. As on 11.01.2023, around 1,11,196 FTTH connections have been provided under the Pilot across country.

The present status of implementation/ achievement of BharatNet as on 31.12.2022 is as under:

1. Fund utilized: Rs. 36800 crore till 31.12.2022
2. OFC laid: 6,11,036 Km
3. No. of GPs connected/ Service ready: 1,87,096
4. No. of GPs provided with Wi-Fi hotspots: 1,04,664
5. No. of FTTH connections: 2,07,222
6. Leasing of Fibre: 58,316 Km
7. Leasing of BharatNet Bandwidth: 36,19,254 Mbps
8. Data Consumption per month: 5789 TB

23. On being asked about the targets and achievement with respect to expansion of telecom infrastructure during 2022-23, the Department has replied as under:

“For expansion of telecom infrastructure in the country, the details on the Key Performance Indicators (KPIs) set by DoT has been provided in **Annexure-II** :

E. CSC E-Governance Services India Limited

24. The Department has stated that BharatNet phase-I was largely being implemented by CSC e-Governance Private Limited where in it was tasked to provide internet connectivity to Gram Panchayats. In addition, CSC was also assigned to provide 1 wi-fi and 5 FTTH connections in 2692 GPs and 36744 villages of Bihar of Phase-II. About 94800 Government Institutions in rural areas viz. School, Anganwadi, Ration shops, Health Wellness Centres, Post Offices have already been connected by CSC-SPV. This information was submitted by the Department in the previous year. However, the Committee note that there is no mention of CSC e-Governance Private Limited this time. In contrast, the Committee noted that under USOF Schemes, signing of agreement for providing 4G saturation Mobile project in approximately 25000 uncovered villages was under process.

25. When the Committee sought clarification on the above issue, from the Department, the following submission was made:

“As per the tripartite Agreement dated 15-07-2019 between USOF, BBNL and CSC-SPV, CSC-SPV was to provide 1 WiFi and 5 FTTH in remaining BharatNet Phase I GPs. Accordingly, CSC-SPV installed approx. 62,000 WiFi APs and 1 lakh FTTH connections. As per the Agreement, CSC-SPV is to provide services for 5 years. Further, USOF is conducting physical and electronic verification of installed WiFi/FTTH connections through Third Party Agency. The verification process is ongoing.”

26. The Secretary, DOT while deposing before the Committee has submitted that:

“Regarding BharatNet up-time and the projects given to CSC, we have lot of details which we can give to you. There are five projects under which CSC has been given about Rs. 4,000 crore of work, which includes maintenance and last-mile connectivity and wi-fi access points and so on and so forth. These projects are under execution. Some of the projects are very close to the closure point.”

F. Revised implementation strategy of BharatNet to connect 6 lakh villages

27. The Department submitted that on 30.06.2021, Union Cabinet had accorded approval for revised implementation strategy of BharatNet through Public Private

Partnership mode in 16 States of the country by August 2023. BharatNet has now been proposed to be extended to all inhabited villages. The revised strategy includes creation, upgradation, operation, maintenance and utilization of BharatNet network by the concessionaire/private service provider, who will be selected through a global competitive bidding process. The estimated maximum viability gap funding approved for the above PPP model is Rs. 19,041 crores for 16 states. The States covered under the Cabinet approval are Kerala, Karnataka, Rajasthan, Himachal Pradesh, Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, West Bengal, Assam, Meghalaya, Manipur, Mizoram, Tripura, Nagaland and Arunachal Pradesh. An estimated 3.61 lakh villages including GPs will be covered. For implementation of the PPP model in 16 States, the Request for Proposal (RFP) was floated. However, no response was received. Accordingly the same was cancelled and a revised strategy for BharatNet Saturation was under deliberations at advanced stage.

28. When asked about the details of total number of uncovered villages which have no telecom connectivity and plan to provide connectivity to these villages, the Department replied that:

“As per data received from Telecom Service Providers (TSPs), field units of Department of Telecom and State Governments as of March '2022, out of 6,44,131 villages (villages are as per data of Registrar General of India as of November 2019) in the country, around 6,05,230 (~94%) villages are having mobile connectivity and 38,901 villages are not having any mobile coverage. Government and Telecom Service Providers (TSPs) provide telecommunication connectivity in the country in a phased manner. Government through funding from Universal Service Obligation Fund (USOF) is implementing various schemes for providing mobile network coverage in all uncovered villages of the country. Details of schemes/projects to improve the telecommunication connectivity in rural, tribal and LWE affected areas across the country:

- Saturation of 4G mobile services in uncovered villages across the country. The estimated project cost is Rs. 26,316 Cr.
- Provision of 4G mobile services in Left Wing Extremism (LWE) affected areas Phase-II. The estimated project cost is Rs. 2,211 Cr.
- Provision of 4G Mobile Services in North Eastern Region of the country under Comprehensive Telecom Development Program for NER. The estimated cost for schemes is Rs. 3,637 Cr.
- Provision of 4G mobile connectivity in 7,287 Aspirational District villages (Andhra Pradesh, Chhattisgarh, Jharkhand, Maharashtra and Odisha). And provision of 4G mobile connectivity in 502 uncovered villages of Aspirational Districts in four States (namely Uttar Pradesh, Bihar, Madhya Pradesh & Rajasthan). The estimated cost for projects is Rs. 7,152 Cr.
- Provision of 4G mobile connectivity in 354 uncovered villages of J&K, Ladakh, Himachal Pradesh, Uttar Pradesh, Bihar, Rajasthan, Gujarat, Uttarakhand, Border area & other priority areas. The estimated project cost is Rs. 337 Cr.

- Provision of 4G Mobile Coverage in 85 uncovered Villages and seamless 4G Mobile coverage of NH223 in Andaman & Nicobar Islands. The estimated project cost is Rs. 130 Cr”.

29. The Committee sought to know the reasons for not receiving any response to Request for proposal and the status of revised strategy. To this, in its written reply, the Department has submitted the following:

“Based on industry consultation, the key reasons for non-responsive bidding process are indicated below:

- Low Estimated Project Cost (EPC) across states thereby resulting in reduced viability gap funding due to the defined threshold.
- Limited viability gap fund as % of EPC and its upfront capital disbursement by the Authority to provide viability support for the project.
- Minimal visibility on the quality of assets (faulty/ lossy fiber) of existing BharatNet network being transferred on an as-is-where-is basis by the Authority to the Concessionaire
- Non-exemption of RoW charges from central agencies
- Lack of clarity on the exit clauses and transfer of assets on exit during the concession period
- Absence of clarity on the cost burden to be borne for rectification of the assets transferred on an as-is-where-is basis by the Authority
- Limited flexibility in leveraging OFC assets of existing service provider for meeting connectivity obligations under the PPP model
- Large packages comprising of multiple states were requiring significant investment from the Concessionaire.
- No exemption provided on charges for usage of poles for aerial cable rollout across railways, power-grid, state boards.
- Non-availability of free space for installation of equipment in buildings belonging to Government/local bodies at GP/Village
- Stringent SLA requirement of 99% leading to high opex requirement along with applicability of penalties
- Mismatch in the data/ information on BBNL assets in tender documents vis-à-vis the BBNL portal impacting budgeting/ costing.

In view of the above factors hampering participating in the PPP tender and subsequent stakeholder interaction undertaken, it was decided to undertake and implement the BharatNet project on EPC mode (DBOM model).”

30. When asked about the response to Request for Proposal (RFP) floated and the timeline for connecting all the 6 lakh villages, the Department has stated that:

“The Request for Proposal (RFP) was opened on 27.01.2022. No response has been received to the bids and a revised model is under preparation as part of BharatNet and the roll-out is likely to happen by 2025.”

G. Comprehensive Telecom Development Plan (CTDP) for the North-Eastern Region:-

31. According to the Department, the details of schemes under CTDP for NE Region are as follows:

Mobile Services in Uncovered villages in Assam, Manipur, Mizoram, Nagaland, Tripura, Sikkim, and Arunachal Pradesh (National Highways only) of NE and seamless coverage along National Highway: As per initial scope, mobile connectivity was to be provided by setting up 2004 towers in the uncovered villages and along National Highways of Assam, Manipur, Mizoram, Nagaland, Tripura, Sikkim, and Arunachal Pradesh (National Highways only) of North-East region. The Agreements were signed with Bharti Airtel Ltd. and Bharti Hexacom Ltd. on 08.12.2017 for implementation of the project at a total project cost of Rs. 1655.56 Crore. As on 30.11.2021, a total of 1,358 sites have been installed and are providing services. The project has completed roll-out and under operation and maintenance stage. The State-wise details are as follows:

Table: State wise Progress of the scheme

S. No.	State	No. of Towers (as per Agreement)	Towers installed and providing services	Coverage provided by towers	
				Villages covered	NH covered
1	Assam	983	439	530	25
2	Sikkim	20	8	9	0
3	Manipur	437	404	382	55
4	Mizoram	246	214	213	17
5	Nagaland	160	152	112	45
6	Tripura	9	3	-	3

S. No.	State	No. of Towers (as per Agreement)	Towers installed and providing services	Coverage provided by towers	
				Villages covered	NH covered
7	Arunachal Pradesh	149	138	-	138
	Total	2004	1358	1246	283

- (i) Total subscribers: 8.37 lakh
- (ii) Around 372 sites have been dropped by operator due to pre-existence of mobile coverage, population migrated to other village, etc. and remaining sites were not installed due to various reasons, forest and defence clearance, accessibility issues, land record issues, villages washed out, villages not found, State mismatch, etc.

Mobile Services in Uncovered Villages of Arunachal Pradesh and 2 Districts of Assam: Agreements have been signed with M/s Bharti Hexacom Limited for provision of services in Arunachal Pradesh on 29.10.2021 and with M/s Reliance Jio Infocomm Limited for 2 Districts of Assam on 01.11.2021. The total project cost is Rs. 1255.49 Crore. Survey work of all villages have been completed. Rollout period is April 2023. The present Status of Project is as under:

Number of Villages as per agreement		Number of Tower as per agreement	Deletion approved	Towers Commissioned	Villages Covered
Arunachal Pradesh	1683	980	171	61	97
Karbi Anglong & Dima Hasao Districts of Assam	691	531	154	99	122

H. BharatNet Udhya Scheme

32. The Department has furnished the status of utilisation of BharatNet infrastructure created as follows:

S. No.	Implementation Model/Phase	Service Ready GPs
1.	BharatNet Phase-I	1,19,665
2.	State-Led Model under BharatNet Phase-II	37,971
3.	CPSU Led Model under BharatNet Phase-II	17,792
4.	Private Led Model under BharatNet Phase-II	7,358

5.	GPs on Satellite under BharatNet Phase-II	4,503
6.	Total	1,87,289

S. No.	Utilization Mode	Current Status
1.	No. of GPs with Installed Wi-Fi APs	1,04,664 GPs
2	Total Data Consumption per Month during Dec, 2022	5789 TB
3.	Fiber to the Home connections on BharatNet taken by the States	2,18,885
4.	Dark Fiber leased out	58,648 KM
5.	Bandwidth Provisioning	3619 Gbps

- A pilot proposal of BSNL for rolling out of One Lakh FTTH connections using BharatNet through BharatNet Udyamies (BNUs) has been approved by the USOF with financial subsidy of Rs. 89 Crore from USOF for both ILL and capital incentives. The USOF subsidy include capital incentive of Rs. 4500/- per FTTH, which is to be passed on to the BNU, and Rs. 4 Lakh per mini-OLT per 100 Mbps ILL subsidy for one year. Further, BSNL has submitted proposal for approval of 5 Lakh FTTH connections using BharatNet through BharatNet Udyamies (BNUs) under the project for which in-principle approval has been given. As on 11.01.2023, around 1,11,196 FTTH connections have been provided under the Pilot across country.
- BSNL has signed about 108 Agreements with Service Providers for providing broadband services across various States by utilizing BharatNet Phase-I network in the country. Further, out of which 6 Agreements have been signed for providing services at Pan-India level.
- BSNL has developed Franchisee Management System (FMS) for on boarding the franchisees and revenue share partners of BSNL/BBNL and over 2614 franchisees have been made. BSNL has finalized the Revenue Share Agreement for their Franchisees as below:

Model Name	Revenue Share		Responsibility			
	BSNL	Partner	OLT	ONT	Splitter	OFC
Model – III A	70%	30%	BSNL	Partner	Partner	Partner
Model – IV	50%	50%	Partner	Partner	Partner	Partner

- Interactions have been held by BBNL/BSNL with the User Ministries/Departments to seek the demand for high speed data connections for the institutions running in rural areas.
- Demand registration portal '<https://ruralfiber.bsnl.co.in>' has been developed and shared with the Ministries/Departments.
- Online portal '<https://bharatnetlive.bbnlindia.in/UNMS/index.jsp>' has been developed to view the live network status upto GP level
- BSNL had circulated a draft Agreement/Proposal to the User Ministries/Departments for providing FTTH at GP level in Government Institutions on BharatNet network.
- In 8 States, State-led SPVs are responsible for utilization.

33. While furnishing information with respect to BharatNet Saturation Project-across rural and remote India, the following was submitted:

- i. Union Cabinet accorded approval for Saturation of 4G Mobile coverage to uncovered villages through USOF at a total cost of Rs. 26,316 Cr.
- ii. Provision of 4G Services by installing 16,464 towers to cover 24,680 Villages.
- iii. Additional provision to include 20% additional villages on account of rehabilitation, new-settlements etc.
- iv. Upgradation of mobile network to 4G in 6279 villages having only 2G/3G connectivity.
- v. Survey work/land allocation in villages is under progress by BSNL. The target for completion of project is 500 days by December 2023.

Pilot for One Lakh FTTH Connections

- i. Rolling out One Lakh FTTH connections through BharatNet Udyamis (BNU).
- ii. Pilot extended for Five Lakh FTTH connections by December 2023.
- iii. Pilot Funded by USOF.
- iv. BNU work as Revenue Sharing Partner with BSNL for providing FTTH using BharatNet.
- v. As on 13.02.2023, 2,396 BNU have been on-boarded as Revenue Sharing Partner with BSNL under the pilot project.
- vi. Approx, 1,53,990 FTTH connections have been provided across country.

I. Aspirational Districts Scheme

34. According to the Department, a Scheme for 502 uncovered villages across 112 Aspirational District over four States(namely Uttar Pradesh, Bihar, Madhya Pradesh and Rajasthan) for provisioning of 4G based Mobile services has been finalized. Agreements have been signed and work has been awarded to M/s Reliance Jio Infocomm Ltd for UP and MP States, M/s Bharti Hexacom Ltd for Rajasthan and M/s

Bharti Airtel Ltd for Bihar after tendering process in March, 2021. The total project cost is Rs. 421.65 Crore targeted to be completed by March 2022. The installation work is under progress. So far, 146 villages have been covered by installing 119 mobile towers in the State. State wise list of 502 uncovered villages of Aspirational districts of 4 states:

S. No.	State Name	No. of Aspirational Districts	No. of villages to be covered	No. of towers to be installed	No. of Sites Commissioned	No. of Villages Covered
1	Bihar	5	80	62	23	40
2	Madhya Pradesh	8	232	194	57	63
3	Rajasthan	5	195	20	19	19
4	Uttar Pradesh	6	22	186	20	24
	Total	24	529	462	119	146

Remaining 7,287 Aspirational Districts villages (Andhra Pradesh, Chhattisgarh, Jharkhand, Maharashtra and Odisha)

35. Project entails provisioning of 4G based Mobile services in 7,287 uncovered villages of 44 Aspirational Districts of 5 States of Andhra Pradesh, Chhattisgarh, Jharkhand, Maharashtra and Odisha. An agreement with M/s RJIL for 3 States and M/s BAL for 2 States have been signed on 20.05.2022 at a cost of Rs. 3765.47 crore and survey work is in progress. Target for completion of this project is November, 2023. State-wise list of 7287 uncovered villages of 44 Aspirational Districts of 5 States is as follows:

Sl. No.	State	No. of Aspirational districts	No. of Villages as per agreement	No. of sites as per agreement	No. of Sites Commissioned	No. of Villages Covered
1	Andhra Pradesh	3	1218	771	6	16
2	Chhattisgarh	8	699	546	11	11
3	Odisha	10	3933	2379	2	10
4	Jharkhand	19	827	625		
5	Maharashtra	4	610	458		
	Total	44	7287	4779	19	37

J. Scheme for Mobile Communications Services in Left Wing Extremism (LWE) Affected Areas

a. LWE Phase-I

36. On 20.08.2014, the Cabinet had approved the implementation of a project in LWE areas to provide Mobile Services on 2G technology in the 10 affected States of Andhra Pradesh, Bihar, Chhattisgarh, Jharkhand, Maharashtra, Madhya Pradesh, Odisha, Telangana, Uttar Pradesh and West Bengal. The approved cost of the project was Rs. 4214.28 crore. It has been stated that the project has been completed and the State-wise details are as follows:

S. No.	Name of the State	LWE Phase-I	
		Total LWE Districts	Towers functional
1	Andhra Pradesh	8	62
2	Bihar	22	250
3	Chhattisgarh	16	525
4	Jharkhand	21	816
5	Madhya Pradesh	1	22
6	Maharashtra	4	65
7	Odisha	19	256
8	Telangana	8	173
9	Uttar Pradesh	3	78
10	West Bengal	4	96
	Total	106	2343

Extension of Operation & Maintenance of the existing 2G sites and 4G Upgradation of the existing 2G sites of LWE-I Project has been approved by the Cabinet on 27.04.2022 with an estimated cost of Rs. 2,426 Crore. The signing of agreement is under consideration.

b. LWE Phase-II

37. Further, the Department has stated that the Cabinet on 23.05.2018 has approved a proposal for Phase II of the project in LWE affected areas with a subsidy support of Rs. 7330 Crore for 4072 locations. Due to revision in the requirements, and reduction in location, the project had been subsequently approved for 2,542 towers to provide 4G mobile services at an estimated cost of Rs. 2,211.17 Crore. State-wise list of mobile towers in LWE Phase II is as under:

S No.	State	No of Districts	No. of Mobile Towers	No. of tower commissioned	Total no. of villages covered
1	Andhra Pradesh	9	346		
2	Bihar	7	16		
3	Chhattisgarh	15	971	174	184
4	Jharkhand	21	450		
5	Madhya Pradesh	2	23	6	6
6	Maharashtra	3	125	6	6
7	Odisha	5	483	98	98
8	Telangana	12	53		
9	Uttar Pradesh	1	42		
10	West Bengal	5	33		
Total		80	2542	284	294

Saturation of 4G mobile services in uncovered villages across the country

38. Furthermore, the Union Cabinet on 27.07.2022 approved an USOF funded project for saturation of 4G mobile services in uncovered villages across the country at a total cost of Rs. 26,316 Cr. The project would provide 4G mobile services in 24,680 uncovered villages in remote and difficult areas. The project has a provision to include additional villages on account of rehabilitation, new-settlements, withdrawal of services by existing operators etc. In addition, 6,279 villages having only 2G/3G connectivity shall be upgraded to 4G. BSNL has started the survey work of the villages with the target for completion of project by December, 2023.

V. Defence Spectrum: OFC based network for Defence Services

39. According to the Department, Network for Spectrum (NFS) is a government funded project, which is being implemented on turn-key basis for Defence tri-services, in-lieu of releasing the spectrum utilized by Defence forces. BSNL is implementing the NFS Project on behalf of DoT. Under this project, complete telecom network consisting of various network elements like optical fibre cable (OFC), transmission equipment, microwave, satellite, encryptors, end-point equipment, data centers etc. are being set up across the country as a tri-services backbone. NFS project provides high bandwidth through dedicated OFC and high-end communication and networking equipment including satellite and microwave as an alternate for redundancy, wherever applicable.

Objective of this scheme is to enhance the operational preparedness of the Armed Forces through state of the art telecom network. It will enhance the

communication capabilities of Defence Services through dedicated, secure, resilient and redundant network. The availability of integrated tri service network including its online monitoring and management of traffic will strengthen the mission critical capabilities in the current concept of modern warfare and also cater to the secure communication requirement of Defence Forces in the future-ready cyberwar environment.

40. The Proposed, BE, RE, Actuals from 2019-20 to 2022-23, proposed and BE for 2023-24 are as under:

(Rs. in crore)

	2019-20	2020-21	2021-22	2022-23	2023-24
Proposed	5000	10000	6820	1961	2158
BE	4705	5000	5200	1961	2158
RE	4705	4000	5200	1961	
Actual	4705	4000	3070	1000	
% Of Expenditure w.r.t RE	100%	100%	59.04%	Achievement of 100% by March 2023	

41. On being asked about the latest overall status of implementation and achievements of all the components of the project vis-à-vis the targets, the Department replied as under:

	Target (as %age of total)					Achievement (as %age of total)				
	2018-19	2019-20	2020-21	2021-22	2022-23 (up to Q3)	2018-19	2019-20	2020-21	2021-22	2022-23 (up to Q3)
OFC laid	96	95	98	100	100	93	96	97	97.3	97.9
OFC Links commissioned	96	91	94	100	100	87	92	94	100	94.0
Equipment Ordered	100	100	100	100	100	75	100	100	90	100
Equipment Installed	20	60	95	100	100	20	55	77	96.3	97

42. When the Department was asked to state the reasons for the variation between BE 2022-23 and 2023-24 and the steps that are being taken by the Department to ensure adequate availability of funds during 2023-24, the following written submission has been made:

“The work could not be completed as per estimated output during the year 2021 which caused the surrender Rs 2130 Cr due to pandemic impact and other reasons explained in the reply of para VIII below. Accordingly, the BE in

2022-23 was proposed amounting to Rs 1961 Cr only. Now, the project is at last leg of its completion and balance amount of Rs 2158 Cr has been asked for the year 2023-24.”

43. On being asked about the impediments encountered in the implementation of the project and measures taken to address the problems, the Department has stated that:

“The project is of highly complex nature comprising of laying of 60,000 km OFC. Overlay equipment and applications, involving coordination, integration and implementation by multiple stakeholders. The project has faced difficulties/delays in receiving hundreds of ‘right of way’ (RoW) permissions from various agencies like National Highways Authority of India (NHAI), Border Roads Organisation (BRO), Railways, Various other state agencies like PWD, Forest, Wildlife, Municipal Bodies etc. Limited working season, inaccessible geographies and inhospitable condition in Ladakh/Kashmir/Arunachal Pradesh/Sikkim has also impacted the proposed timelines. Due to restrictions in movement because of COVID-19 lockdowns, the Project is getting delayed. Various electronic supplies particularly component of encryptor (MCEU) have been delayed due to global chip shortage. Army has placed additional requirements like OFC for termination on Fibre distribution Module (FDMS), RAMAN amplifier etc. These last minute additional requirements have also added to the delay of the project. The progress of manufacturing/installation of MCEU(Encryptors) and Satellite component by M/s BEL is very slow which has also affected the commissioning of Navy and Army projects. Various road widening activities have delayed the OFC laying and subsequent operationalization of Network. NFS project is reviewed at ministerial level on regular intervals. CMD BSNL/DDG (PM) also review the project regularly for ascertaining the progress of the project. All the meetings are attended by representatives of Defence Services. Apart from this NITI Aayog and MoSPI also monitor the progress of the project.”

VI. Other contemporary issues and schemes

i. Prime Minister-Wi-Fi Access Network Interface (PM-WANI):

44. The Secretary, DOT during course of evidence has furnished the following details of progress of the PM-WANI scheme:

“About 150 PDOs are operating across the country, and there are currently about 1,44,669 PM-WANI units which are in operation. Today we have a dashboard. I think it is centrally monitored. The operations of the units are being monitored and the BDOs are supported. The PM-WANI will continue to be a scheme in which they will operate only in the grey spots where I think the connectivity is a problem like inside buildings, inside malls, maybe, in airports. So, in these kinds of destinations PM-WANI will have great application. So, I think currently we are focussing more on, say, bus stands,

airports, the All-India Institute of Medical Sciences, Government hospitals and all these kinds of places where people congregate in large numbers and they require connectivity, and connectivity robustness is not there within the buildings. So, PM-WANI will be pursued with such focused attention. It will not be a complete coverage or a universal coverage model. So, it will be a restricted model for covering the connectivity gaps.”

45. On being asked about the current status, funds allocated, Budget Estimates and other details of the PM-WANI programme, the Department has furnished the details as given at **Annexure III**.

ii. **Universal Charging Device**

46. On the issue of adopting Universal Charging Device, the Secretary, DoT while depositing before the Committee stated as:

“About chargers, the TRAI has issued a consultation paper on Green Telecom wherein they are also consulting with the market to bring in universal charges. Similarly, the Ministry of Consumer Affairs also initiated discussions with mobile service providers so that everybody adopts the same charger and you don’t have to buy same charger again and again for different mobile products. Both are working on it.”

47. When the Department was asked about its views on global debate on universal charger, the Department has made the following submission:

“Presently, the issues related to Mobile Phones are being handled by MeITY. However, regarding universal charger (single C-type charger) for Mobile phones, it is mentioned that ITU-T has released a recommendation L.1000 (07/2019) which prescribes for universal charger for Mobile Phones yet to be mandated in India. Ministry of Consumer Affairs is working with MEITY and the industry on this issue. In addition, TRAI has issued a consultation paper on Green Telecom covering this issue as well and will be making recommendations on this shortly.”

VII. **Review of functioning of PSUs**

i. **Performance of BSNL, MTNL & ITI**

48. The details of revenue and working expenditure of BSNL as submitted by the Department is as under:

(Rs. in Crores)

Year	2019-20	2020-21	2021-22	2022-23 (upto 30.09.2022)	2023-24 (Projections)
Total Income Target	20,000	18,000	25,411	17,161	21,908
Total Income	18,907	18,595	19,053	9,366	21,908
Total Expenditure	34,406	26,036	26,034	13,429	29,674
Net Profit/Loss	15,500	-7,441	-6,982	-3589	-7,766

Note: Income target is assigned by DPE in consultation with the administrative ministry. For FY 21-22, target was assigned for Total Income. For other years targets was assigned for Revenue from Operations

49. When enquired about the issue of rolling out 4G by BSNL in view of the fact that indigenous technology had to be put in place, the Secretary, DoT made the following submission before the Committee:

“Sir, very rightly, as observed by you, data is the key to the success of telecom companies. So, the more data that flows to a telecom network, the more revenue he makes. So, the BSNL has been left behind because of the inability to switch over to 4G. Now, I think the Indian telecom stack has been proven successfully, and we are in the fag end of finalising it. Whatever technology that we are going to adopt as 5-G enabled, where I think we can switch over to 5G also about which I think my colleague will explain in detail.”

50. The comparative details of the data consumption by the users of different TSPs for the last 3 months as provided by the Department are as under:

TSP wise total data usage (approx.) in Tera Bytes (TB) from October to December 2022				
S.No.	Name of TSP	Oct-2022	Nov-2022	Dec-2022
1	Bharti Airtel Ltd	4432945.38	4296202.876	4486296.332
2	BSNL	113848.302	108532.5401	112788.9298
3	MTNL	423.734629	419.8377637	461.186709
4	RCL/RTL	1	1	25
5	RJIO	7588850.12	7225584.381	7585833.07
6	VODAFONE IDEA	1872469.9	1786630.678	1872725.09
	Total	14008538	13417371	14058130

51. The Committee sought to know whether the Department had framed any timeline to reduce the accumulated losses of the BSNL and MTNL over the years. To this, in its written reply, the following submission has been made:

“The revival plan of BSNL as approved by Cabinet in July, 2022 envisages that with the launch of 4G services which is under indigenous development under Atmanirbhar Initiative of the Government of India, the financial condition of BSNL will gradually improve and is expected to be profitable in FY2026-27. In view of unsustainable debt of MTNL, matters such as asset monetization, AGR dues, debt resolution and further course of action for merger of MTNL with BSNL shall be taken up before a Committee of Secretaries (CoS) comprising of Secretary Expenditure, Secretary Telecom, Secretary DIPAM and Secretary Department of Public Enterprises, to recommend the way forward for restructuring and operational integration of the Telecom PSUs. BSNL has appointed a Transaction Advisor for submitting the detailed process. The Transaction Advisor has submitted its report, which is under examination.”

The following has been the projection with respect to Revenue, Expenses and loss for BSNL for the FY 2023-24:-

Sl. No.	Particulars	Amount in Rs. Crore
A	Total Revenue (including profit from sale of Land & Other Income)	21,908
B	Expenditure (Salary, License Fee & Opex)	20,069
C	EBITDA = (A-B)	1839
D	Depreciation & Finance Cost	9605
	Net Loss (C-D)	(7766)

Further, the Department has provided the following details regarding projected Revenue and expenditure of BSNL/MTNL for the year 2023-24.

BSNL:

(In Rs Crore)

Particulars	2023-24
-------------	---------

Revenue from operations	20,008
Land monetization (profit from Sale)	600
Other Income	1,300
Total Income (a)	21,908
Employees Remuneration and Benefits	7,939
Depreciation (x)	7,005
License Fee and spectrum charges	1,716
Admin, operating and Other Expenses	10,414
Financial Expenses (y)	2,600
Total Expenditure (b)	29,674
EBITDA z= (a-b+x+y)	1,839
Profit/ (Loss) (a-b)	-7,766

Further, it was added that:

“BSNL has reported continuous losses in the past due to large manpower cost, lack of 4G services and lack of investment for expansion/up gradation of network. However, with allocation of spectrum & launch of 4G services expected in 2023-24, the revenues are expected to significantly increase in 2024-25 and onwards.

The Cabinet has approved comprehensive revival packages for the company. The company is EBITDA positive since 2020-21. Upon full implementation of the revival packages, the Company is expected to be in net profit for 2026-27 onwards”.

MTNL:

In r/o MTNL no such projection for MTNL for the financial year 2023-24 has been made in revival plan. However, as per budget projections the net loss would be Rs.2808 Crore for 2023-24.

The Department also added:

“MTNL is implementing the asset monetization which has been identified as the main source to reduce debt in the Union Cabinet approved revival plan. In addition to this MTNL will need CAPEX funding to sustain & increase revenue. However, as per DOT OM dated 02.08.2022(Para 2.7)-In view of

unsustainable debt of MTNL, for further detailed examination to resolve matters such as asset monetization, AGR dues, debt resolution and further course of action for merger of MTNL with BSNL a Committee of Secretaries(CoS) comprising of Secretary DoE, Secretary DoT, Secretary DIPAM and Secretary DPE is constituted to recommend the way forward. Finance Minister and Minister of Communications will be empowered to decide the way forward”.

52. When the Department was asked about the completion of the entire process of procurement of indigenous 4G equipment that is likely to be rolled out and made functional, the following information was provided:

“BSNL floated an Expression of Interest (EoI) for ‘registration cum Proof of Concept’ (PoC) on 01.01.2021 to enable Indian companies to participate in its upcoming 4G tender. M/s TCS deployed its equipment for PoC. Subsequently, BSNL issued the Tender for 4G requirement on 22.10.2022 to M/s TCS and M/s ITI (for 20% quantity under Reservation Quota). The techno-commercial bids of M/s TCS and M/s ITI were opened by BSNL on 23.11.2022. Subsequently, the financial bids were opened on 13.01.2023. As per the Cabinet approval of July, 2022, the Group of Ministers (GoM) will approve the process of procurement. Thereafter, BSNL will finalize the procurement. Due to indigenous development of 4G stack for the first time in the country and issues in supply chain of chipsets, the deployment will gradually start and completion of project of all 1 lakhs sites is likely to take 2 years.”

ii. Monetization of Assets and Capital Infusion

53. When the Committee enquired about the ongoing Monetization of Assets and Monetized Value, the CMD , BSNL provided the following information:

“Sir, BSNL is already utilising all the vacant space in the constructed building for renting. Last year, we earned Rs. 212 crore from rental income. In this year, this figure will be more than Rs.260 crore. Similarly, in MTNL, we have earned nearly Rs.350 crore as rental income. Sir, we have monetised nearly Rs.200 crore of assets. Rs.67,000 crore is the value of the assets. we have identified more than Rs.20,000 crore of assets for monetisation in BSNL and Rs.18,000 crore of assets for monetisation. The assets which are more than Rs.100 crore are done through NLMC and the assets which are below Rs.10 crore is done by the Board. We have already called for the bids of around 30 assets for monetisation. The bids have been received for seven assets.”

54. When asked to provide details of the revenue earned by DoT/BSNL/MTNL by reutilization of available assets, along with the details of the identified asset available for monetization for both BSNL and MTNL, State-wise, the Department has provided details as under:

BSNL:-

The State-wise list of BSNL land and building assets already identified for monetization areas below. In addition to these, BSNL is in the process for identifying more assets for monetization.

For reutilization of assets, BSNL is leasing out its surplus built-up space and the revenue earned in FY 2022-23 is Rs.202 cr. till 31st Jan, 2023.

List of land and building assets of BSNL identified for monetization is as per Annexure-IV.

MTNL:-

No land asset of MTNL has been monetized through sale till date. However, MTNL has generated revenue of Rs 321 Cr. (approx.) from rental of properties in FY 2022-23 till Jan 2023 and Rs 1732 Cr (Approx.) in last five years (From 2018-19 to 2022-23 till Jan 2023).

At the time of Cabinet approval in 2019, MTNL identified 52 land parcel and 494 Quarters and 7 SCO for monetization in Delhi & Mumbai area and President order was also accorded for these assets (copy attached).

However, most of the assets of MTNL in Mumbai are having issues of Reservation/Designation i.e. the land has been allotted for a particular purpose/use by allotting agency/ State Govt. In Delhi, majority of properties are allotted from DDA and are in Institutional Category. These issues are hampering the monetization of these properties. MTNL is pursuing with local bodies/Maharashtra Govt for removal of reservation & designation.

55. When the Committee desired to know the source of revenue and additional revenue of BSNL, the CMD, BSNL, made the following submission before the Committee:

“I am giving you the numbers. Last year, my revenue was Rs. 11,148 crore. This year, up to December – I am talking about the numbers of corresponding period – it is Rs. 12,759 crore, which is Rs. 1,600 crore more than the last year. There is a 14 per cent growth in the revenue. Last year, my Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) was Rs. 470 crore in this period. It is Rs. 755 crore in the current nine months’ period. So, in terms of revenue, almost in all areas of business, it has increased including the mobiles, despite not having the 4G. BSNL in the last nine months is able to increase the revenue by Rs. 1,600 crore, despite not having the 4G. So, we are moving on the right track. Sir, there are two very important business areas in which I am growing. My FTTH business is growing quite significantly. I would like to give the numbers on that. My mobile revenue was Rs. 3,900 crore in the last nine months’ corresponding period. This year, it is Rs. 4,248 crore. Another area where growth can be seen is Fiber to Home business where my revenue was Rs. 1,119 crore. It has become Rs. 1,506 crore.”

56. About the measures taken to achieve the revenue targets, it was submitted that:

“With support from the Government towards Capex and Spectrum, BSNL will be launching Pan India 4G services after finalization of the tender. Launch of 4G services will enable the Company to increase customer base, ARPU and the revenues from Mobile Services.

The company has taken steps to expand the FTTH base utilizing the BharatNet network. It is focusing upon increasing the leased line customer base and monetization of towers and vacant land and buildings to increase the revenues. BSNL is focused upon achieving better Quality of Service for customer satisfaction and retention.

MTNL:

The Projected Revenue and expenditure of MTNL for the year 2023-24 is Rs 1750.00 Cr and Rs. 4970.78Cr respectively”.

57. While furnishing details regarding revenue target during 2022-23 of BSNL/MTNL, achievements made and reasons for not meeting the target, the following was submitted:

BSNL:

The target for Revenue from operations for 22-23 is Rs 17,161 crores, against which revenue of Rs 8321 crore has been achieved upto Sept 2022. BSNL expects to achieve the annual target for the FY 2022-23.

MTNL

	(Rs. in crore)
Year	2022-23
Total Income Target	1810.00
Total Income(Actual up to sep-22)	775.89

Reasons for missing the targets are as follows:

As a company, MTNL has rapidly modernized its network by inducting state of art technologies and adopting customer friendly approach. The company has been constantly seeking ways and means to provide the Telecom Services of International standard.

The rapidly changing technologies and trends in the telecom have posed many challenges. Delhi and Mumbai being the two commercially very important cities, MTNL is facing maximum competition. Competition in Basic Services coupled with the fast changing technologies has thrown up tremendous challenges. MTNL is striving hard to retain its position and customers.

Since its inception, MTNL has been synonymous and catalyst to the growth of Financial and Capital cities of the country. Once, it used to be called lifeline of Delhi and Mumbai. However, year 2009-10 was the turning point for MTNL, when company's financial health was adversely affected due to payment of around Rs 11,097.97 Cr for acquiring 3G and BWA spectrums and for bearing additional financial burden of Pay revision (on account of implementation of Pay commission Report). These expenditures not only wiped out company's reserve of around Rs. 5000 Cr but also forced the Company to take short term loans of about Rs 7,533.97 Cr. Company incurred losses for the first time in 2009-10 and have been continuously in red since then because of mounting debt.

The major reason for the shortfall is that MTNL is passing through serious financial crisis and is not in a position to arrange/ mobilize funds to meet its' capex requirements. There is an immediate requirement of upgradation of the existing network infrastructure and deployment of new network elements in MTNL to offer market ready competitive services. However, as per DOT OM dated 02.08.2022 BSNL will be allotted Rs. 1851.2 Cr fund for CAPEX for FY 22-23 to FY 24-25 for MTNL. BSNL will roll out 4G/5G network in India including Delhi and Mumbai Circles.

Some of the points which elaborate these facts are as under:

- **Limited Market Area:** MTNL Operation is confined to Delhi & Mumbai and hence puts limitations on expansion of business plan.
- **Over Saturated Markets:** The telecom market in Delhi and Mumbai is saturated with no new customer addition except churn of customer from one operator to other operator. Current Tele-density in Delhi is more than 250% & Mumbai is more than 150%.
- **Hyper Competition:** There are 4 to 5 operators providing telecom services (including wireline and wireless) in Delhi and Mumbai creating a hyper competitive telecom market.
- **Falling Tariffs:** Due to highly competitive market scenario, the tariffs are falling and operators are offering unlimited voice & data and free longer period promotional offers to gain market share.
- **Change in Mindset of customers:** Migration from traditional Landline to wireless telephony and wireless Broadband.
- **High CAPEX and OPEX Cost:** The Capex and Opex cost is highest for Delhi and Mumbai. License, RoW charges and rental cost for site acquisition are one of the highest in Delhi and Mumbai as compared to other parts of the country.
- **Fast technological changes:** Technological changes are fastest in Telecom sector. In last 20 years since mobile service was introduced in the country technology has changed from 2G to 5G”.

58. The Department has provided the details of total outstanding debt of BSNL and MTNL as follows:

BSNL:

As on 31.12.2022 the borrowings of BSNL are **Rs 33,339 crores.**

(Rs. In Crores)

Term Loans from Banks	16,191
Bonds – Series I (issued in Nov 2020)*	8,500
Bonds – Series II (issued in Dec 2022)*	4,185
Bank Overdraft	4,463
Total Borrowings	33,339

*Sovereign Guarantee Bonds

MTNL:

Total Debt of MTNL is Rs.28581 Crore only as on 31/01/2023.

Indian Telephone Industries (ITI) Ltd.

59. The details of the income and expenditure in r/o ITI are provided as under:
(Rs. in crore)

Year	2019-20	2020-21	2021-22	2022-23	2023-24#
Targeted Revenue from Operation (Net)	3300	2600	2723	2569	2906
Actual Revenue from Operation (Net)	2059	2362	1861	364*	-
Other Income	184	161	254	32*	65
Total Income	2243	2523	2115	396*	2972
Total Expenditure	2095	2512	1994	596*	2853
Net profit/loss	147	11	121	(200)*	119

*Figures as on 30.09.2022

Estimate for the FY 2023-24

60. Main source of revenue and items of expenditure of ITI;

MAIN SOURCE OF REVENUE FOR FY 2021-22	
REVENUE FROM OPERATION	Rs in Crs
ASCON -PHASE IV	599.57
E-TENDERING	30.37
MAHANET	283.74
GSM	99.59
DEFENCE	271.08
IT PRODUCTS	210.57
ELECTRONIC SWITCHING EQUIPMENT	19.92
OFC (OPTICAL FIBER CABLE)	114.38
NFS (NETWORK FOR SPECTRUM)	104.88
GUJNET	63.08
LED STREET LIGHT	16.03
DATA CENTER	22.91
IT BUSINESS	36.92
G-PON (GIGABIT PASSIVE OPTICAL NETWORK)	7.32
SOLAR PANEL	13.73

OTHERS	183.41
TOTAL	2,077.48
LESS : GST	216.75
NET REVENUE FROM OPERATION	1,860.73
OTHER INCOME	
INTEREST – OTHERS	4.85
RENT	19.29
REVENUE GRANT-IN-AID	214.29
COMPENSATION FOR ACQUISITION OF LAND BY SWR/NHAI	3.44
OTHERS	12.69
TOTAL OTHER INCOME	254.57
TOTAL INCOME FOR THE FY 2021-22	2,115.30

MAIN ITEMS OF EXPENDITURE	
PARTICULARS	Rs in Crs
PURCHASE OF MATERIALS	721.35
CHARGES ON INSTALLATION & MAINTENANCE	713.91
EMPLOYEES COST	222.18
DEPRECIATION	50.03
FINANCE COST	192.13
ADMINISTRATION COST	43.81
MANUFACTURING COST	47.13
SELLING COST	3.70
TOTAL	1,994.24
PROFIT FOR THE PERIOD	121.06

61. When asked about the Revenue target for the year 2022-23, achievements made and reasons for not meeting the target, the Department has furnished the following details:

“ Revenue target for the year 2022-23 is Rs. 2569 Cr. Achievement is Rs.364 Cr as on September 2022. ITI is making all efforts to achieve the target for the year 2022-23 by end of March 2023.

Reasons for not meeting the target:

- Delay in the availability of raw material due to long lead time.
- Shortage of working capital.
- Delay in completion of PoC (Proof of Concept) in ASCON-IV project.
- Delay in getting approval from customers, Product Certifications.
- ROW (Right of Way), Forest clearance and Road widening issues in execution of turnkey projects.
- Higher rate of obsolescence of products in Telecom technologies”.

62. The Department has also outlined the following challenges being faced in increasing Revenue earning:

- Due to COVID-19 Pandemic situation, delay in the availability of raw material, long lead time in procurement, non-availability of manpower and constraints in transportation and logistics & reduced working hours due to Roster System/Lock down.
- Delay in realization from Customers.
- Limited cash flow and Shortage of working capital.
- Competition in the market from private telecom vendors.
- Higher rate of obsolescence of products in Telecom technologies.

63. The Department has provided the following information regarding Projected Revenue and expenditure for the year 2023-24 and measures being taken to achieve the revenue targets:

Projected Performance	(₹ in Crs)
Turnover Including GST (A)	3,141.59
Revenue from operations (NET) (B)	2,906.43
Other Income (C)	65.00
Total Revenue (D= B+C)	2,971.43
Material Cost	2,337.73
Employee Cost	223.80
Other Expenses	86.00
TOTAL OPERATING EXPENSES	2,647.53
EBITDA	258.90
FINANCE COST	155.00
CASH OPERATING PROFIT/LOSS	103.90
DEPRECIATION	50.00
TOTAL EXPENSES (E)	2,852.53
Net Profit (D- E)	118.90

The details of utilization of funds under Capital of ITI as follows :

(Rs. in crore)

Proposed/BE/ RE/Actual	2019-20	2020-2021	2021-22	2022-23	2023-24
Proposed	405	385	300	365	220
BE	105	105	80	200	160
RE	105	105	80	187	NIL
Actual	105	105	71.56	80	NIL

% w.r.t. RE	100	100	89	43	NIL
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64. When the Committee enquired about the increase/decrease in allocation of funds at RE from BE during 2022-23, the Department has stated the following reasons for the same:

“Capex fund of Rs 200 Cr was allotted in BE 2022-23, which has been revised as per allocation made by Ministry of Finance to Rs 187Cr in RE 2022-23. Out of this, Rs 80 Cr have been disbursed to ITI for implementation of 4G project of CDOT technology, which is well in progress. For the remaining projects, ITI is in the process of submission of some more details before the remaining CAPEX can be utilised.”

65. When the Committee enquired about the reasons for shortfall in achieving the targets during 2022-23, the Department has submitted the following reasons for it:

“Capex fund of Rs 200 Cr was allotted in BE 2022-23, which has been revised by Ministry of Finance to Rs 187Cr in RE 2022-23. Out of this, Rs 80 Cr have been disbursed to ITI for implementation of 4G project of CDOT technology, which is well in progress. For the remaining projects, ITI is in the process of submission of some more details before the remaining CAPEX can be utilised.”

66. The Department has provided the following Investment plan for 2023-24, amount proposed and allocated at BE:

“ITI has requested for Rs 220 Cr in BE 2023-24 and the BE fixed for 2023-24 is Rs.160 Crore. The Projects planned against Capex amount of Rs 220 Cr is as given below.

Sl. No.	Projects	Unit	BE 2023-24 Capex requirement in Rs Cr	Remarks
1	Solar Cell Manufacturing Phase 1	NNI	90.00	ITI is planning to setup of 250 MW Solar Cell manufacturing plant.
2	Manufacturing Infra for Digital Mobile Radio – DMR	BGP	15.00	ITI is developing DMR. Prototype will be ready by January 2023.Rs 15 Cr required for manufacturing infra for bulk production of DMR.

3	Optical Fiber Manufacturing Plant expansion-Ph I	RBL	71.50	ITI is planning to establish Fibre manufacturing plant to stay competitive in production of OFC and also to supply fibre to other OFC manufacturers.
4	Drone detection and Neutralization Ph I	BGP	8.50	ITI has planned for development of Drone detection and neutralization system.
5	Solar Power Plant for Data Center to reduce power consumption	BGP	15.00	ITI is planning to setup solar power plant for Data Center to reduce the power consumption.
6	Software Defined Radio	BGP	20.00	ITI is planning to develop Software Defined Radio
	Total		220.00	

The short fall will be looked into during RE proposal 2023-24 based on actual expenditure upto September 2023.”

67. The Department has outlined the following major impediments being encountered in the implementation of the Revival Plan and measures taken to address the problems:

“Major impediments encountered in the implementation of the revival plan are:

- Lack of orders from major customer.
- Shortage of working capital.
- Non availability of raw materials, Long lead time for procurement of components, Logistic constraints due to Covid-19 Pandemic.
- Due to delay in completion of POC for ASCON Ph IV project and further rollout of the project.
- Due to delay in POC, there was delay in placing PO by BSNL.
- Delay in payment realization from various customers.
- Issues like ROW, Forest clearance and Road widening etc.

The following are the measures taken to address the problems:

- ITI is executing major projects like ASCON-IV, TANFINET, BSNL 4G, Air force Orders to achieve the projected turnover.

- Focussed marketing of ITI products like Micro PC, Laptop, HDPE, OFC and undertaking EPC (Engineering, Procurement, and Construction) activities of Solar panels for rooftop solar projects.
- Development of new products with huge market demands like Electronic Voting Machine (EVM), Digital Mobile Radio (DMR) and Encryptors.
- ITI is actively venturing into business with private operators like providing HDPE, OFC to Vodafone, Airtel.
- Manufacturing of 4G Radios for various opportunities like BSNL, Railway, Defence and Enterprise customers.
- Electronic assembly and manufacturing service to enterprise and PSUs.
- Enhanced service offerings through ITI Data Centre like cloud based and Security service.
- Shortage of working capital is being currently managed through Working Capital Loan facility from banks.
- ITI is undertaking and associating with Leading Technology Partners like TCS (Tata Consultancy Services), Tata Communication Limited, C-DOT for futuristic technology / product e.g. Security Operations Centre (Cyber security), 4G /5G etc.”

68. On being asked by the Committee regarding details of all the assistance (Capital and Revenue) given by the Government to ITI Limited under ITI Revival Plan, the Department replied as under:

Year	Amount (₹ Cr)	Objective
2004	1024.77	₹ 200 Crore for Equity infusion. ₹ 150 Crore for Capex infusion for BTS manufacturing, CDMA, SSTP, SIM Cards and SDH. ₹ 558 Crore for VRS. ₹ 116.77 Crore for clearing old PF dues.
2009	3000	₹ 2820 Crore for Cleaning of all Loans, PF and Gratuity Dues ₹ 180 Crore for Working capital
2014	4156.79	Capital investment and financial support for clearing liabilities.

69. The Department furnished the following details regarding assistance given by the Government under ITI Revival Plan:

Sanctioned Assistance by Government	Revenue	Capital	Total – Rs. Crs
	1892.79	2264	4156.79
Received Assistance Year-Wise			

2010-11	125.00	-	125.00
2012-13	130.00	-	130.00
2014-15	165.00	192.00	357.00
2015-16	494.02	-	494.02
2016-17	500.00	80.00	580.00
2016-17 (Waiver of Government Guarantee fee)	45.79	-	45.79
2017-18	132.98	337.00	469.98
2018-19	-	55.00	55.00
2019-20	300.00	105.00	405.00
2020-21		105.00	105.00
2021-22		71.56	71.56
2022-23	-	80.00	80.00
Total	1,892.79	1,025.56	2,918.35

In addition to above assistance of Rs 4156.79 Cr, an additional relief of Rs.299.69 Crore, towards statutory dues, was approved in 2020-21, out of which Rs 120.40 Crore was released during 2020-21 & 2021-22. Balance Rs 179.29 Cr is yet to be received.

Assistances still required from the Government are as follows:

- i. **Capex:** As detailed above, ITI has been granted only 45.29% of the approved amount of CAPEX in the revival plan of 2014 in a staggered manner. Early release of balance amount will help in full implementation of revival plan.
- ii. **Statutory dues:** A provision of Rs. 360 Crore towards overdue statutory dues was included in the Revival Plan and the revival plan was approved during Feb 2014. However, the Company had received the Grant of Rs. 360 Crore in a staggered manner commencing from the month of Feb 2016 and the final instalment was released during March 2018. As a result, there was an increase in the quantum of outstanding statutory dues liability by Rs.299.69 Crore as on 30.06.2018. In 2020-21 approval received for (Non Plan - Revenue) Additional Relief of Rs.299.69 Crs towards statutory dues, out of which Rs 120.40 Crore was released during 2020-21 & 2021-22. Balance Rs 179.29 Cr is yet to be received. Release of this amount will help ITI to disburse the long pending statutory dues to the employees.”

70. When the Department was asked to provide details of the expenditure incurred by ITI Ltd and the steps taken by the Department in the direction of marketing the products manufactured by ITI Ltd, the Department explained as under:

“Out of Rs. 2264 Crore CAPEX grant, ITI has so far received Rs. 1025.56 Crore till date. The Capex Funds have been invested for upgrading the manufacturing infrastructure like SMT(Surface Mount Technology) Lines, Data Center, PCB(Printed Circuit Board) manufacturing, 3D printing services,

Telecom Testing Labs, Mechanical Infra like Punch Press, Injection Moulding at production plants to cater to the needs of emerging technologies in Telecom Industry.

Details of unit-wise upgradation of manufacturing infrastructure and products/services being undertaken at various units are as per **Annexure-V**.

With the upgraded infrastructure, the company also changed its strategy to aggressively participate in all the tenders and to take up complete ownership of the execution of projects. As a result, the company has bagged several new projects and some projects are underway.

a) BharatNet Phase I:

b) BharatNet Phase II:

(i)Gujarat (GujNet)

(ii)Maharashtra (MahaNet)

(iii) Andaman & Nicobar Project

(iv) TANFINET Project.

c) Army Static Switched Communication Network (ASCON) Ph-IV Project

d) 4G TCS technology RAN manufacturing.

e) 4G CDOT technology RAN manufacturing.

Business Generated using the allocated CAPEX for various products/services is `as shown below:

Item Description	Value in Rs Cr
Total Capex Received	1025.56
Business Generated (Customer Orders Received)	2175.59
Turn over Achieved	1878.03
Balance order under execution	297.60

Marketing of products:

As regards marketing of the products by ITI, the following information was submitted by the Department:

1. ITI is reaching out to the customers through various marketing offices across India. The ITI officers meet prospective customers & participate in tenders.

2. ITI had participated in exhibitions like Aspiring Haryana 2022, 31st World Congress on Leadership for Business Excellence & Innovation in 2022 at Chennai, Tech Summit 2022 at Bangalore, India Mobile Congress (IMC 2022) at Delhi, Green Energy Revolution Conference in 2022 at New Delhi, Global Investor Summit at Lucknow in 2023, Product display at Taj Hotel, Bangalore during Lok Sabha Standing Committee visit in Jan-2023, India Energy Week 2023 at Bangalore, Aero India 2023 at Bangalore etc. for wider publicity of ITI products.
3. ITI is also reaching out by regular correspondence & Social media.
4. ITI has written letters to Chief Secretaries of all state Governments, CMD of CPSUs, Department of Post, Banks etc.”

Disinvestment of ITI Limited

71. When the Committee sought information with respect to disinvestment of ITI Ltd., the following was submitted:

“DIPAM vide its OM No. 3/3/2020-DIPAM-II-B (E) dated 04-02-2021 has issued the New Public Sector Enterprise (“PSE”) Policy for Atmanirbhar Bharat. As per the provision detailed in the policy, DIPAM has to process the cases related to the strategic disinvestment of specific CPSEs in the strategic sectors, based upon the recommendation of NITI Ayog and Core Group of Secretaries on Disinvestment (CGD). Based upon these recommendations, the Alternative Mechanism (AM) would approve if a particular CPSE of strategic sector is to be retained under Govt Control or to be considered otherwise. This policy, among others, classified Telecommunications as the strategic sector. Under the above framework, NITI Aayog in its meeting on 05-04-2021 gave its recommendations that ITI Limited be taken up for strategic disinvestment. Thereafter a meeting of the Core Group of Secretaries on Disinvestment (CGD) was held on 24th June, 2021. The CGD recommended as under:

Alternative Mechanism (AM) may be requested to consider the recommendations of CGD regarding ITI Limited, that it may not be retained as bare minimum public sector entity within its sector.

Alternative Mechanism (AM) may also be requested to consider the recommendations of CGD regarding privatization of ITI Limited, and if approved, DIPAM may process the case for obtaining "in-principle" approval of CCEA, as per the new PSE policy.

Subsequently, Department of Public Enterprises (DPE) convened a meeting of Committee of Group of Officers (CGO) under chairmanship of CEO, NITI Aayog on 12th August, 2022 for “Identification of CPSEs for privatization or

closure in non-Strategic sector” in respect of CPSEs under the administrative control of D/o Fertilizers, Department of Pharmaceuticals, M/o Housing & Urban Affairs, D/o of Health & Family Welfare and D/o Telecommunications. The Committee decided that ITI Limited should be taken up for strategic disinvestment, after demerger of its land. Thereafter, DoT has requested DIPAM vide letter dated 05.09.2022 for taking necessary action through Alternative Mechanism (AM). Currently, the matter is under consideration of DIPAM”.

Comparison between BharatNet Phase-I and Phase-II

S. No.	Item	Phase-I	Phase-II
1	No. of GPs	1,00,000 (Work front increased to about 1,25,000 GPs by Telecom Commission on 30.04.2017)	1,50,000
2	Implementing Agencies	Three CPSUs (BSNL, RailTel & PGCIL)	BBNL/BSNL, States and States' agencies, CPSUs and Private Sector
3	Media	Underground OFC	Underground OFC, Aerial OFC on existing electricity poles and Radio & Satellite
4	Fiber used in Network	BSNL Fibre upto FPOI and fresh OFC thereafter	Fresh OFC from Block to GP
5	No. of Fibres (Core)	24	48 & above (underground), 24 & above (Aerial)
6	Last Mile Architecture	Not envisaged	Yes, for all 2.5 lakh GPs, Wi-Fi hotspot or any other suitable broadband technology
7	Network technology	GPON Linear Architecture	GPON Linear Architecture except for Chhattisgarh on IP MPLS/Ring, States under State-led model given flexibility of enhanced architecture using their own funds.

The progress of implementation of Phase-II is as under:

- State-led model: 8 State are being implemented under this model. Chhattisgarh, Gujarat, Jharkhand, Andhra Pradesh, Maharashtra, Odisha and Telangana are at various stages of implementation. The work in Odisha Jharkhand and Gujarat is almost completed while the implementation work in other States is in progress.
- BBNL/BSNL led Private Model: Two States namely Punjab and Bihar have been implemented through private sector model directly by BBNL/BSNL. Work has been almost completed in both the States.
- CPSU: Under this model, BSNL is executing works in Madhya Pradesh, Uttar Pradesh and Sikkim which are at various stages of implementation.
- Satellite: The satellite component of the Phase-II on 5165 GPs are being implemented by BBNL / BSNL.

The Phase-II is under implementation and the details are as follows:

Status of BharatNet Phase-II Project (as on 09.01.2023)

Implementation Model	GPs planned	OFC laid (km)	Service Ready GPs
State Led model	65,555	2,04,448	37971
BSNL	24,334	74,544	17792
Private Led model	7,382	22,830	7,358
Satellite	5,166	0	4503
Total	102,437	3,01,822	67,624

Annexure- II

SN	Action Points	Target for FY 22-23	Status	Reason for Shortfall
1	BharatNet: Cumulative GPs connected	205000	187096	Target is likely to be achieved by March 2023
2	Bharat Net: Length of digital highway	650000 km	611036 km	Target is likely to be achieved by March 2023
3	BharatNet: Service Ready GPs	205000	187096	Target is likely to be achieved by March 2023
4	Bharat Net: Fibre up to all villages in all States	6.44 lakh	187096	Target for completion is 2025
5	BharatNet: Number of villages connected under the PPP model	00	0	In RFP floated on 20.07.2021, no bid was received. Revised cost estimation and Implementation strategy is under finalization
6	Connectivity to Every Citizen: Percentage of 4G footprint in India	99%	98.50%	Commercial viability is the main issue for private telecom companies for providing mobile connectivity in rural & remote villages.
7	5G Roll-out: Percentage penetration of mobile network on 5G in India	Launch of 5G services in each Licensed Service Area (LSA)	5G services are available in each LSA spreading in 240 districts as on 27.01.2023.	No shortfall.
8	Broadband connectivity at Rural Development Institutions: No. of FTTH connections provided in GPs	350000	2,07,222	Most of the broadband connections earlier provided by CSC were got disconnected due to expiry of agreement with CSC. Now the broadband connections are being provided through Udhyaami scheme on revenue share basis. A marginal short fall is expected by 2023
9	Connectivity in Aspirational Districts: Percentage GPs connected in Aspirational Districts (Cumulative)	70%	73.13%	NA

SN	Action Points	Target for FY 22-23	Status	Reason for Shortfall
10	Mobile Connectivity LWE: Cumulative Towers installed in LWE areas (LWE Phase-II)	2000	284	Commercial viability is the main issue for private telecom companies for providing mobile connectivity in rural & remote villages.
11	Mobile Connectivity: Telecom coverage to uncovered villages (number of villages connected)	4785	1448	Commercial viability is the main issue for private telecom companies for providing mobile connectivity in rural & remote villages.
12	Public Wi-Fi Hotspots in rural areas: Cumulative no. of Public Wi-Fi hotspots in villages (with 1 hotspot per GP)	110000	1,04,664	Commercial viability is the main issue for private telecom companies for providing WiFi connectivity in rural & remote villages.
13	PM WANI: Proliferation of PM WANI based broadband access points (number in lakhs)	130375	136918	
14	Length of OFC laid in lakh kms (Cumulative)	36 lakh kms	36.30 lakh kms	NA
15	Percentage of Telecom Towers Fiberized	55%	36.79%	Again, commercial viability & RoW permission issues affect the pace of laying down new optical fiber to connect optical fiber.
16	Cumulative Number of Towers	10 lakh	7.43 lakhs	Commercial viability & RoW permission issues affect the pace of installing new mobile towers
17	Fibre mapping for telecom through BISAG-N	100% for PSUs	76%	NA
18	Availability of broadband speed(Mbps)	25 Mbps	18.26 Mbps	Commercial viability, and due to high charges for RoW permissions & restoration charges etc. for laying of optical fiber issues affect the pace of installing new mobile towers & laying optical fiber which is essential for higher broadband speeds

Annexure-III

PM-WANI Central Registry									
₹ in crores									
Name of program	Objective / Deliverable	Current Status	Total Scheme cost	Funds allocated to C-DoT (Till January 23)	Project completion date	Budget Estimate (BE) FY 2023-24 (Provisional)	Projected Outcome for the FY 2023-24 (provisional)	Details of PDOs	PLI details
1	2	3	4	5	6	7	8	9	10
Central Registry for PM-WANI	<p>(a) Design, Develop and Maintain PM-WANI Central Registry to: -Provide KPI dashboard in CR, providing the information of no. of users making use of PM-WANI scheme and data consumed by the users - Translate the PM-WANI Portal into regional languages -Provide the PDO and PDOA booklet to LSA -Show the Access points deployed under PM-WANI scheme in Map.</p> <p>(b) Certify System</p>	<ul style="list-style-type: none"> The first release (Rel. 1.1) of Central Registry after the Cabinet approval of PM-WANI Scheme on 9th Dec. 2020 has been installed on 5th Jan 2021 and the PM-WANI scheme is operational from 10th Jan. 2021 PM-WANI CR (Central Registry) enabled with 17 regional languages . BSNL Wi-Fi network as well as RailTel network migrated to PM-WANI by deployment of WANI token handler software developed for BSNL/Railtel. 50+ PDOAs and 31 App 	24.79	20.21	Dec-23	4.58	<ul style="list-style-type: none"> Enhancement of Central Registry for Roaming Functionality in PM-WANI framework. 	<ul style="list-style-type: none"> Currently 144816 PDOs are operational from 152 PDOA. Out of 152, approx. 105 PDOAs are powered by C-DoT stack. 	Nil

	<p>and Software of PDOA and App Provider to</p> <ul style="list-style-type: none"> -Test Plan for Certifying the PDOA and App Provider to be prepared - Certification Infrastructure to be established. -Formal Certification of provisionally certified PDOA and APP to be done. 	<p>provider fully certified.</p> <ul style="list-style-type: none"> • Development and testing of Roaming among PDOAs - PoC completed in Nov-2022. WANI Framework (V3.0) with roaming enhancement consultation paper submitted to DoT. 							
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Annexure-IV

S.No.	State	Address of Property	Area (Sq. Mtr)	Competent Authority for Monetization
1	AP	TE, KONDAPALLI, ANDHRA PRADESH	6,000.00	GoM
2	AP	STORE YARD, TADEPALLIGUDEM, ANDHRA PRADESH	10,319.00	GoM
3	AP	VACANT LAND, S.ANNAVARAM, TUNI, ANDHRA PRADESH	6,377.00	GoM
4	AP	VACANT LAND, ADONI, KURNOOL, ANDHRA PRADESH	33,145.00	GoM
5	AP	STORE YARD COMPOUND, PALAKOLE, AP	4,180.00	GoM
6	Chhattisgarh	MW COMPOUND, RAJNANADGAON, CHHATTISGARH	2,180.00	BSNL
7	Gujarat	BTS, KANBIVAGA, BHARUCH	5,200.00	GoM
8	Gujarat	VACANT LAND, KARIMABAD, SURAT	5,359.00	GoM
9	Gujarat	STAFF COLONY, RANIP, AHMEDABAD	4,865.00	GoM
10	Gujarat	TELEPHONE EXCHANGE, MORBI, GUJARAT	2,832.00	GoM
11	Gujarat	TELEPHONE EXCHANGE, MARKETING YARD, RAJKOT	12,663.00	GoM
12	Gujarat	BSNL STAFF QUARTERS, BHAVNAGAR, GUJARAT	22636	GoM
13	Gujarat	TELEPHONE EXCHANGE, MIRZAPUR, AHMEDABAD	563.00	BSNL
14	HP	PLOT NO. 20G, SEC-1A, PARWANOO, HP	2,900.00	BSNL
15	Karnataka	STORE DEPOT-II, MAGADI MAIN ROAD, BENGALURU	7,500.00	GoM
16	Karnataka	STORE YARD, KADRI HILLS, MANGALORE	8,094.00	GoM
17	Kerala	TRAINING CENTRE, THIRUVANANTHAPURAM	37328	NLMC
18	Kerala	TE, CHOONDY, ALUVA , ERNAKULAM, KERALA	9,000.00	GoM
19	Kerala	VACANT LAND, KOTTARAKKARA, KOLLAM, KERALA	3,580.00	BSNL
20	Kerala	SQ COMPOUND, CHALAKUDY, THRISSUR	4,477.00	BSNL
21	Kerala	MW STAFF QUARTERS, KODUNGALLUR, THRISSUR	1,820.00	BSNL
22	Kerala	VACANT LAND, VITHURA, MARKET JN, THIRUVANANTHAPURAM	2,023.35	BSNL
23	Maharashtra	BSNL Staff Qrs. Andheri East Mumbai	3486.17	NLMC
24	Maharashtra	SANTA CRUZ, MUMBAI	11807	NLMC
25	Maharashtra	BORIVALI, MUMBAI	171718	NLMC
26	Maharashtra	TF TOWNSHIP, DEONAR, MUMBAI	184059	NLMC
27	Maharashtra	CTO BUILDING, CIVIL LINES, NAGPUR	18827	NLMC
28	Maharashtra	STAFF QUARTERS, JAIL ROAD, NASIK	23347.6	NLMC
29	MP	PLOT IN TELECOM FACTORY, RANITAL GARHA ROAD, JABALPUR	20250	NLMC

30	MP	PLOT IN TELECOM FACTORY, SNEHNAGAR ROAD, JABALPUR	20085	NLMC
31	MP	50 PLOTS, KALANI BAGH, DEWAS	12,172.00	GoM
32	MP	SANCHAR VIKAS BHAWAN, CIVIL LINES, JABALPUR	5,462.00	GoM
33	MP	26 PLOTS AT KRISHI UPAJ MANDI, VIJAY NAGAR, JABALPUR	5,686.00	GoM
34	MP	TE, RAJENDRA TALKIES, SHAHDOL, MP	2,683.65	BSNL
35	MP	STAFF QUARTERS COMPOUND, DAM DAM ROAD, SANKHEDA NAKA, PURANI ITARSI, MP	9,710.00	BSNL
36	MP	A-65, M/W COMPOUND, A.B.ROAD, KALANI BAGH, DEWAS CITY, MP	651.00	BSNL
37	MP	STAFF QUARTER COMPOUND, PLOT NO. A165 TO 174, NEAR ESI, KALANI BAGH, DEWAS CITY,MP	2,142.00	BSNL
38	MP	STAFF COLONY, KHATIWALA TANK, INDORE	1,185.00	BSNL
39	Puducherry	COAXIAL COMPOUND COLAS NAGAR, PUDUCHERRY	2,237.00	GoM
40	Punjab	RTTC, RAJPURA, PUNJAB	79537	GoM
41	Punjab	SCO 143, 144 FF, CHHOTI BARADARI, PATIALA	778.00	BSNL
42	Tamil nadu	KALLIKUPPAM, AMBATTUR, CHENNAI	24400	NLMC
43	Tamil nadu	VYASAR NAGAR, CHENNAI	120283	NLMC
44	Tamil nadu	STAFF QUARTERS, ROYAPETTAH, CHENNAI	21181	NLMC
45	Tamil nadu	TELEPHONE HOUSE, NSC BOSE ROAD, CHENNAI	4047	NLMC
46	Tamil nadu	WIRELESS STATION, ENNORE, CHENNAI	124531	NLMC
47	Tamil Nadu	TE, DINROSE, CHENNAI	4,047.00	GoM
48	Tamil Nadu	MW STATION, CHENGALPATTU, TAMIL NADU	29,097.00	GoM
49	Tamil Nadu	GODOWN AND STAFF QUARTERS, GANAPATHY, COIMBATORE	6,394.00	GoM
50	Tamil Nadu	TELEPHONE EXCHANGE, UDUMALPET, TAMIL NADU	4,267.00	GoM
51	Tamil Nadu	MICROWAVE STATION, METTUPALAYAM, COIMBATORE	2,929.00	GoM
52	Tamil Nadu	DTO, VILLUPURAM, TAMILNADU	2,396.00	GoM
53	Tamil Nadu	TELEPHONE EXCHANGE, SULUR, TAMILNADU	1,990.00	BSNL
54	Telangana	RTTC, Gachibowli, Hyderabad	155180	NLMC
55	Telangana	STAFF QUARTERS, MALAKPET, HYDERABAD	3,014.00	GoM
56	Telangana	TELEPHONE EXCHANGE COMPOUND, PATANCHERU, TELANGANA	3,000.00	BSNL
57	UP	Telecom Compound ,Vibuti Khand, Gomti Nagar,Lucknow	30484	NLMC
58	UP	S/Q, SECTOR-G, LDA COLONY, LUCKNOW	11,792.20	GoM

59	UP	S/Q, VIKAS NAGAR, LUCKNOW	9,227.00	GoM
60	UP	STORE, TRANSPORT NAGAR, LUCKNOW	4,806.00	GoM
61	UP	TE, RAMPUR BANWARI, BIJNOR	3,800.00	GoM
62	UP	STAFF QUARTERS, SUHAG NAGAR FIROZABAD	4,750.00	GoM
63	UP	SARAI BEEKA, JAUNPUR	3,800.00	BSNL
64	UP	KARIYAON, MACHHALISAHAR, JAUNPUR	2,750.00	BSNL
65	UP	BELWAR, JAUNPUR	2,430.00	BSNL
66	UP	BADHWA BAZAR, MACHHALISAHAR, JAUNPUR	2,950.00	BSNL
67	UP	VACANT LAND, LEDUKA VILLAGE, JAUNPUR	2,180.00	BSNL
68	West Bengal	TF, GOPALPUR	182675	NLMC
69	West Bengal	MADHYAMGRAM, KOLKATA	44663	NLMC
70	West Bengal	OLD T.E. BLDG, BARRACKPORE, KOLKATA	2,711.39	GoM

Annexure-V

S. No	Unit	Product/services being undertaken	Manufacturing Infrastructure upgraded
1	Bangalore	Encryption products , Wi-Fi Access Product, Telecom Test Lab services, Data Center, High-Density Polyethylene (HDPE)	SMT Lines, Mechanical Infra, Injection Moulding, PCB Plant Upgradation, 3D Printing, Electromagnetic Interference (EMI)/Electromagnetic Compatibility (EMC) Lab, Safety Lab, HDPE manufacturing lines, Upgradation of R&D Infra, Infrastructure for Data Center
2	Raebareli	Gigabit Passive Optical Networks (GPON)- Optical Line Terminal (OLT) & Optical Network Terminal, equipment (ONT), Optical Fiber Cable (OFC), High-Density Polyethylene (HDPE) Duct, Switch Mode Power Supply (SMPS)	SMT Lines, HDPE & OFC Manufacturing lines, Test equipment for SMPS
3	Palakkad	Smart card, Component screening, Micro PC, Smart Energy Meter , HDPE Duct, Laptop,	SMT lines, Upgradation of PCB Plant, Smart Card manufacturing facility, HDPE manufacturing line, Environmental chamber & test jigs for Component screening
4	Naini Unit	Solar Panel	Solar Panel manufacturing line
5	Mankapur Unit	GPON-ONT, HDPE, FDMS	SMT Lines, Test set up for GPON ONT, HDPE manufacturing line

Part-II

OBSERVATIONS/RECOMMENDATIONS

DoT Budget

In adherence to the annual budgetary exercise, the Department of Telecom (DoT) under the Ministry of Communication laid their Demand No. 13 seeking allocation for the financial year 2023-24 on 08.02.2023 in the Lok Sabha. The Department Related Standing Committee on Communication and Information Technology in accordance with their mandate have thoroughly examined the Demands for Grants 2023-24 pertaining to the Department of Telecommunication (DoT) and have made certain Observations/ Recommendations which are detailed in the following paragraphs:

Budgetary Allocations and Utilizations during 2023-2024

1. The Committee note that the Department of Telecommunications have laid the Detailed Demands for Grants (2023-24) of the Department on 8th February, 2023 for a total amount of Rs.108153.25 crore. The Committee note that the BE for 2022-23 was Rs. 95547.80 crore, which was reduced to Rs. 84903.69 at RE 2022-23, whereas the actual expenditure had been Rs. 57666.02 crore upto December 2022 constituting 67.91 % fund utilization leaving 32.09 % of allocation to be utilized in the last two months of the financial year i.e. 2022-23. The Committee urge the Ministry to make earnest efforts to adhere to the expenditure control guidelines issued by the Finance Ministry and appropriately utilize the earmarked amounts. The Committee trust that all prudent measures would be taken up by the Ministry to utilize the remaining amount by the end of the Financial Year 2022-23.

2. The Committee note that the Department had proposed for a total grant of Rs. 84996.98 crore for 2023-24, whereas, there has been an increase of 27.2 per cent in total allocation under BE 2023-24. The Committee, while appreciating the significant increase in fund allocations call upon the Department to expedite important schemes and projects undertaken by the Department. Given the fact that the availability of requisite funds is critical for effective and smooth implementation of various schemes of the Department,

the Committee desire that every effort be made to fully utilize the allocations during the current financial year. The Committee would like to be informed of measures taken in pursuance of this recommendation.

3. Out of the total allocation of Rs.108153.25 crore under BE-2023-24, Revenue section accounts for Rs. 41461.43 crore and Capital section accounts for Rs. 66691.82. The amount is Rs.12605.45 crore more than the allocation made at BE for the year 2022-23. There is an increase of Rs.9025.05 crore under Revenue Section and also an increase of Rs.3508.4 crore under Capital Section when compared with the previous year. The increase under Revenue Section has been mainly under compensation to service provider for USOF, Grant of GST in 4G spectrum and Viability Gap Funding to BSNL. The increase under Capital Section has been mainly under the Head 'Capital Infusion for BSNL/ MTNL'. The Committee note that three schemes viz. TDTP (Technology Development & Investment promotion), PLI and Champion Service Sector Scheme have been brought under Domestic Industry Incentivisation Scheme with a total outlay of Rs. 915 Crore.

So far as utilization is concerned, the Committee note that an amount of Rs.32436.38 crore had been allocated at BE 2022-23 under Revenue Section which was increased to Rs. 46157.80 crore at RE stage and actual expenditure till December 2022 has been Rs. 24291.31 crore only. This amounts to only 52.6 per cent of the allocation made at RE. The increase in allocation of funds at RE under Revenue Section has been mainly under Viability Gap Funding to BSNL and USOF R&D. Under Capital Section, an amount of Rs.63111.42 crore had been allocated at BE during 2022-23 which was reduced to Rs.38745.89 crore at RE and actual utilization as on December 2022 has been only Rs.33374.71 crore. Under-utilization of funds have also been noticed in respect of some important schemes like Capital Infusion for BSNL/MTNL, Equity Infusion for ITI Revival, Wireless sets and Equipment (TEC), Telecom Testing and Security Certification Centre (TTSCC), Artificial Intelligence and Face Recognition Powered Solution for Telecom SIM Subscriber Verification (ASTR), Mandatory testing and Certification of Telecom Equipment (MTCTE), etc.

The Committee note that utilization of funds as on December 2022 under Revenue and Capital during 2022-23 with reference to RE has been 52.06 per

cent and 86.1 per cent respectively. The Committee note that under Revenue Section as against RE allocation of Rs.18127 crore an amount of Rs. 5000 crore only has been spent under Viability Gap Funding to BSNL up to December 2022. The Department has assured that utilization of fund is being constantly monitored at the highest level to ensure complete utilization of fund. Under-utilization has also been noticed under vital schemes viz. USOF(R&D), Champion Service Sector Scheme, Production Linked Incentive Schemes, Operational Cost of Mandatory Testing and Certification of Telecom Equipment (MTCTE), etc. The Committee note that there has been many schemes under Capital Section where utilization pattern is not up to the mark like OFC Network for Defence Services, Wireless Set and Equipment (TEC), Indigenous 5G Test Bed Capital Infusion to BSNL/MTNL, ITI Revival (Equity investment), Telecom Testing and Security Certification, during 2022-23. The Committee would like to impress upon the Ministry to leverage their spending pattern on those schemes where the utilisation percentage is low so as to ensure optimal achievement of the 2022-23 budgetary allocations by 31st March, 2023. The Committee may be informed about the efficacious steps taken by the Government in this regard.

Universal Service Obligation Fund (USOF)- Fund allocation and utilization

4. The Committee note that in accordance with the Indian Telegraph Act, 1885, Licence Fee which includes Universal Access Levy (UAL) is charged at 5 per cent of the Adjusted Gross Revenue (AGR) of the telecom licensees. Since its inception, i.e. 2002-2003, UAL amounting to Rs.134076.96 crore has been collected and an amount of Rs.69590.89 crore has been utilized. As on 31.12.2022, the balance of UAL amount available as potential fund under USO is in tune of Rs.64486.07 crore. The Committee have also been informed that the fund collected under UAL goes to the Consolidated Fund of India and it is non-lapsable in nature. The Committee are, however, constrained to note that even though substantial amount is in the reserve under USOF, the Department have not been able to do much in terms of spending. During the year 2022-23, an amount of Rs.9000 crore had been allocated at BE 2022-23 which was

downsized to Rs.3010 crore at RE and actual utilization till 31.12.2022 has been only Rs.2067 crore. In view of the foregoing, there is an immense need to work on their strategies to improve utilization. For the year 2023-24, the Department have proposed an amount of Rs.11400 crore and an amount of Rs. 10400 has been allocated at BE 2023-24, including funds allotted under Research & Development viz. Rs. 130 crore for 2022-23 and 2023-24. The Committee are pleased to note that there is an enhancement of Rs. 1400 crore over the previous year. The Committee are aware that there are several prioritized ongoing schemes lined up under USOF, which include BharatNet for provision of broadband connectivity to all 6 lakh villages across India, Comprehensive Telecom Development Plan for North Eastern Region, Comprehensive Telecom Development Plan for Islands including laying of submarine cable from Kochi to Lakshadweep and Mobile connectivity in Andaman and Nicobar Islands, scheme for Mobile Services in uncovered villages of Himalayan States, Western border areas, scheme for Mobile services in Aspirational Districts and scheme for Mobile Communication Services in Left Wing Extremism (LWE) affected areas, etc. These capital intensive infrastructure projects with timely and effective implementation will greatly help in improving the telecom connectivity in areas which are uncovered and inaccessible currently. The Committee emphasize that availability of funds should not be a constraint for implementation of various schemes under USOF, considering that huge balance is already available as potential fund under USOF. The Committee are of the view that reduction of budgetary amount year after year at the revised stage reflects faulty planning on the part of the Department and this needs to be avoided. The Committee recommend that the Department ought to make efforts for optimum utilization of Rs.10400 crore allocated at BE for implementation of various schemes under USOF during 2023-24. The Committee may be apprised of the action taken in the matter.

Fund allocation and Utilization under BharatNet

5. The Committee note that fund allocation under BharatNet for 2022-23 was Rs. 7,000 crore and was reduced to Rs. 1500 crore at RE Stage. However, the expenditure has been to the tune of 85% i.e. Rs. 1280 crore upto 31.12.2022.

Further, the BE for 2023-24 has been Rs. 5,000 crore. While furnishing the reasons for reduction from BE to RE during 2022-23, it was stated that it was due to slow implementation under State Led Model and non-receipt of responsive bid in PPP tender of BharatNet. However, during the current financial year, the Department has been allocated Rs. 5,000 crore. The Committee are of the view that the allocations are based on the projections which have been prepared relying on the physical progress of projects that are in the pipeline and they would be utilized. Further, the Committee hope that the projects would be completed as planned. The Committee may be apprised in this regard.

Progress of Implementation of BharatNet

6. The Committee note that BharatNet is one of the biggest rural telecom projects of the world and is being implemented in a phased manner to provide broadband connectivity to all Gram Panchayats (GPs) (approx 2.6 lakh) in the country. Phase-I was completed in December, 2017 with the implementation of over 1 lakh GPs. Phase-II is under implementation. Examining the replies submitted by the Department, the Committee note that as on 31st December, 2022, an amount of Rs.36800 crore has been utilized, 611036 km. of OFC has been laid, 187096 GPs have been made service ready, Wi-Fi hotspots have been provided in 104664 GPs, 207222 FTTH connections have been provided, 58316 km. of dark fibre has been leased, etc. The Committee have also been informed that 5789 TB of data consumption has also been recorded and is expected to increase in the coming days. The Committee note that Wi-Fi hotspots are yet to be provided at 65,772 GPs which are service ready. The Committee find that the pace of implementation of BharatNet Phase-II during 2022-23 was slower as compared to the target. Reasons adduced were that BSNL suffered from capacity constraints because of its internal issues and financials and since, no responsive bid was received for which global tender was floated no expenditure could be incurred towards PPP model of BharatNet in F.Y. 2022-23. While acknowledging the constraints being faced by the Department, the Committee are of the view that proactive measures be initiated towards ironing out the bottlenecks, which are hampering the progress of the scheme. The

Committee would like to prevail upon the Department to make all out efforts to provide Wi-Fi hotspots to all the service ready GPs.

Further, during the deliberation of the Committee one of the pertinent issues that came to the fore was related to poor mobile connectivity of BSNL in the rural and remote areas. The Committee are disturbed to note petty reasons for BSNL mobile towers to remain non-operational for several days, such as tower battery is down, generator is non functional as diesel is unavailable, so on and so forth. It is unfortunate that BSNL is losing its customer base for such basic reasons. The Committee, therefore, expect the Department to take suitable advanced measures to address the concern raised by the Committee.

Enquiry of the work done by CSC e-Governance Service India Limited

7. The Committee note that the provisioning of Wi-Fi services in about 1.10 lakh GPs under Phase-I has been assigned to CSC e-Governance Service India Limited. Further, the Secretary, DoT deposed before the Committee that there are 5 projects under which CSC e-Governance Service India Limited has been given Rs. 4000 crore of work, which include maintenance, last-mile connectivity and Wi-Fi access points, etc. The Committee, further, note that a tripartite Agreement dated 15-07-2019 was entered into by USOF, BBNL and CSC-SPV wherein, CSC-SPV has been provided VGF for provisioning of 1 Wi-Fi and 5 FTTH connections to Government institutes in rural areas viz. School, Anganwadi, Ration shops, Health and Wellness Centres, Post Offices, etc in remaining BharatNet Phase-I Gram Panchayats. As per the mandate of the Agreement, CSC-SPV was tasked to provide service for 5 years. However, during the course of evidence, it was learnt that all the Wi-Fi and FTTH connections provided by CSC e-Governance Service India Limited have been disconnected due to non-payment of Internet Leased Line (ILI). The Committee are dismayed to note that even after expiry of agreement with CSC till date the Department apparently has not reviewed them. The Committee are of the view that there is a need to conduct a thorough review of the work done by CSC e-Governance Service India Limited in provisioning of 1 Wi-Fi and 5 FTTH connections to Government institutes in rural areas and GPs assigned to them

as per the Agreement. Further, the Committee call upon the Department to also verify actual number of Government institutes and Gram Panchayats provided free internet for one year after its installation. The Committee may also be apprised of the progress and outcome of the report of Third Party Agency set-up under USOF to look into physical and electronic verification of installed Wi-Fi/FTTH connections, within three months of the date of presentation of this report in Lok Sabha.

Revised Implementation Strategy of BharatNet to connect 6 lakh villages

8. The Committee note that on 30th June, 2021, Union Cabinet had accorded approval for revised implementation strategy of BharatNet through Public Private Partnership mode in 16 States of the country by August, 2023. BharatNet has now been enhanced to cover all 6.4 lakh inhabited villages. These 16 States are Kerala, Karnataka, Rajasthan, Himachal Pradesh, Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, West Bengal, Assam, Meghalaya, Manipur, Mizoram, Tripura, Nagaland, and Arunachal Pradesh. The revised strategy includes creation, upgradation, operation, maintenance and utilization of BharatNet network by the concessionaire/private service provider, who will be selected through a global competitive bidding process. The estimated maximum viability gap funding approved for the above PPP model is Rs. 19,041 crores for 16 states. An estimated 3.61 lakh villages including GPs will be covered. The Committee are given to understand that for implementation of the PPP model in 16 States, the Request for Proposal (RFP) has been floated. However, due to no response, it has been cancelled and a revised strategy for BharatNet Saturation by 2025 is under deliberations at advanced stage. The key reasons for non-responsive bidding cited by the Department include Low estimated project Low Estimated Project Cost (EPC) across States, Limited viability gap fund as per cent of EPC, Minimal visibility on the quality of assets (faulty/ lossy fiber) of existing BharatNet network, Non-exemption of RoW charges from Central agencies, lack of clarity on the exit clauses, large packages comprising of multiple States requiring significant investment from the Concessionaire, limited flexibility in leveraging OFC assets of existing service provider, etc. The Committee note that a revised model is being

prepared. The Committee are, however, concerned to note that the pace of implementation of BharatNet Phase-II has been slow due to reasons such as work being largely dependent on 8 States (around 65,000 GPs under State-led Model) and BSNL (23000 GPs in CPSU-led Model) where progress has been tardy, poor execution of projects by States and capacity constraints of BSNL due to its precarious financial conditions have also affected the progress under Phase-II. The Committee feel that the project has been delayed for inexplicable long duration of time and have unjustly deprived e-services and communication facilities to large section of rural populace. Thus, there is an urgent need to speed up the pace of implementation of the project since the target has now been extended to all inhabited villages, i.e., 6 lakh villages for last mile connectivity. Maintenance of the network created and increased utilization of the network also need to be given focussed attention. The Committee taking note of the constraints encountered in implementation of PPP model in 16 States, desire that revised model which is under preparation for BharatNet through PPP in 16 States be finalized at the earliest and the project implementation may take off without any further delay. The detailed progress and steps taken thereon may be apprised to the Committee.

BharatNet Udyami Scheme

9. With respect to utilization of BharatNet network, the Committee were informed that a pilot proposal of BSNL for rolling out of One Lakh FTTH connections using BharatNet through BharatNet Udyamies (BNUs) has been approved by the USOF with financial subsidy of Rs. 89 Crore from USOF for both Internet Leased Line (ILL) and capital incentives. The Committee have been informed that 1 lakh connections were provided by first week of January, 2023. Now the pilot has been extended for providing 5 Lakh FTTH connections using BharatNet through BharatNet Udyamies (BNUs) by December 2023. The Committee are given to understand that as on 13.02.2023, 2396 BNUs have been on-boarded as revenue sharing partner with BSNL under the pilot project. As on 14.02.2023, around 153990 FTTH connections have been provided under

the Pilot across country. The Committee are of the view that it is a step in the right direction and it would facilitate opening up of new employment avenues in the rural areas. The Committee was apprised that BBNL has been merged with BSNL for better synergies in BharatNet. Prima facia, response on the scheme is quiet encouraging, however, the Committee are of considered opinion that its success would depend upon constant monitoring. Since, the scheme has been implemented on Pilot basis, the Committee would like the Department to periodically assess the efficacy of the scheme so as to plug the possible loopholes and bring in further improvements, before rolling out in full scale. The Committee would like to be apprised of the action taken in this regard.

Implementation status of other ongoing activities under USOF:

10. Under USOF the Department has prioritized to provide access to mobile services, broadband connectivity and creation of infrastructures like OFC to remote and rural areas of the country. The Department has several prioritized ongoing schemes lined up which include Comprehensive Telecom Development Plan for North Eastern Region, Comprehensive Telecom Development Plan for Islands including laying of submarine cable from Kochi to Lakshadweep and Mobile connectivity in Andaman and Nicobar Islands, scheme for Mobile Services in uncovered villages of Himalayan States, Western border areas, scheme for Mobile services in Aspirational Districts and scheme for Mobile Communication Services in Left Wing Extremism (LWE) affected areas, etc. As per the information provided by the Department, implementation status of the ongoing activities are as follows:

A. Comprehensive Telecom Development Plan (CTDP) for the North-Eastern Region:-

Under CTDP, 3 programmes have been taken up to cover the unconnected villages of North-Eastern Region. In order to provide Mobile Services in Uncovered villages of Meghalaya and seamless coverage along National Highway, the work has been awarded to M/s Bharti Hexacom Ltd. The revised target under the programme provides for 758 villages and 11 National Highway sites and out of which 480 villages and 2 National

Highway sites have been covered, respectively. The Committee note that additional 723 villages have been added under their scope of M/s Bharti Hexacom Ltd for which, additional 18 month roll-out period has been provided. Thus, under the final revised scope, M/s Bharti Hexacom Ltd, has been tasked to provide 1094 sites covering 1481 villages and 9 NH Sites by 24.05.2024. The Committee recommend the Department to leverage proper and stringent monitoring of the ongoing project and no effort be spared to achieve the targets within the stipulated time-lines.

The Committee, further note that in order to provide Mobile Services in 1683 uncovered villages of Arunachal Pradesh and 2 Districts of Assam (691 Villages) agreements have been signed with M/s Bharti Hexacom Limited and M/s Reliance Jio Infocomm Limited for provision of services in Arunachal Pradesh and Assam, respectively at a total project cost is Rs. 1255.49 Crore. As per the data provided by the Department, out of 1683 villages, only 97 Villages of Arunachal Pradesh and out of 691 villages only 122 villages in 2 Districts of Assam have been covered so far. The Committee, therefore, recommend DoT to take regular stock of the situation and ensure fruition of the ongoing projects within the stipulated time. The Department should also constantly monitor the implementation of the projects and ensure adherence to the prescribed timeline for their commissioning. The Committee also urge the Department to ensure compliance through stricter directives and supervision. The Committee also desire to be apprised of the steps taken and the outcome thereof.

B. 502 Aspirational District villages (MP, UP, Rajasthan, Bihar):-

The Committee note that a Scheme for 502 uncovered villages across 112 Aspirational District over four States namely Uttar Pradesh, Bihar, Madhya Pradesh and Rajasthan with a total project cost is Rs. 421.65 Crore was targeted to be completed by March 2022. The work has been awarded to M/s Reliance Jio Infocomm Ltd for UP and MP States, M/s Bharti Hexacom Ltd for Rajasthan and M/s Bharti Airtel Ltd for Bihar in 2021. The Committee note that against the target of covering 529 Villages by installing 462 mobile towers, so far, only 146 Villages have been covered by installing 119 mobile towers in the States. The Committee, therefore, urge the

Department to ensure that ongoing schemes are effectively completed. To ensure timely completion of project, time bound deadlines may be set by the Department and every effort should be made to adhere to them by the companies. In this connection, the Department is requested to take stock of the matter on an urgent basis and furnish action taken on priority basis.

C. Remaining 7,287 Aspirational District villages (Andhra Pradesh, Chhattisgarh, Jharkhand, Maharashtra and Odisha):

The Committee note that the project entails provisioning of 4G based Mobile services in 7,287 uncovered villages of 44 Aspirational Districts of 5 States of Andhra Pradesh, Chhattisgarh, Jharkhand, Maharashtra and Odisha. An agreement with M/s Reliance Jio Infocomm Ltd for 3 States and M/s Bharti Airtel Ltd for 2 States have been signed on 20.05.2022 at a cost of Rs. 3765.47 crore. Target for completion of this project is November, 2023. So far, only survey work is in progress. As per the agreement, 7287 villages had to be covered by installing 4779 mobile towers. Considering the importance of the project, the Committee urge the Government to ensure projects assigned to M/s Reliance Jio Infocomm Ltd for 3 States and M/s Bharti Airtel Ltd are completed within the time schedule and the same are monitored closely for effective execution. The Committee also desire to be apprised of the steps taken and progress made in this regard.

Scheme for Mobile Communications Services in Left Wing Extremism (LWE) Affected Areas

11. The Committee note that LWE Phase-I had been implemented by BSNL by setting up of 2343 2G towers in 106 districts in the 10 affected States of Andhra Pradesh, Bihar, Chhattisgarh, Jharkhand, Maharashtra, Madhya Pradesh, Odisha, Telangana, Uttar Pradesh and West Bengal. The project has been awarded to BSNL since these sites belong to BSNL. The 4G upgradation and extension Operational and Maintenance of the existing 2G LWE Phase-I sites has been approved at an estimated cost of Rs.2426 crore. However, signing of agreement is still under consideration. The Committee also note that the Cabinet had approved LWE Phase-II project on 23.05.2018. Under LWE Phase-II, 2542 4G towers will be set up for which agreements have been signed

with Reliance Jio Infocomm Ltd. and Bharti Airtel Ltd. at an estimated cost of Rs. 2211.11 crore. The project is targeted to be completed by March, 2023. The Committee further note that target assigned for the FY 2022-23 was installation of 2000 towers, against which, only 284 towers have been installed. The Committee call upon the Department to think of ways and means to overcome this hurdle.

The Committee feel that provision of telecom services including 4G services in these areas will greatly help in bringing about various services to the doorsteps of the people and any further delay in execution of the project will only add to the connectivity woes of people in these areas. There is no second opinion about the fact that the project would be able to meet the timelines as per schedule i.e. March 2023. The Committee exhort the Department to fix realistic timelines for the projects after taking into account all the possible scenarios and timeline once set should be strictly adhered to. The Committee recommend that sincere efforts be made by the Department to ensure that the LWE Phase-II project is completed without any further delay. The Committee also recommend that plan for upgradation of 2343 2G towers to 4G under LWE Phase-I which is under consideration may also be finalized at the earliest. The Committee may be informed of the progress and targets achieved under the scheme.

Defence Spectrum: OFC based Network for Defence Services

12. The Committee note that OFC network for Defence Services is one of the most important schemes being implemented by BSNL on behalf of DoT. It is a government funded project, which is being implemented on turn-key basis for Defence tri-services. The projects entails provisioning of complete telecom network consisting of various network elements like optical fibre cable (OFC), transmission equipment, microwave, satellite, encryptors, end-point equipment, data centers, etc. The Committee acknowledged the submission of the Department that it is a highly complicated project and it involves laying of optical fibre cable in some of the most difficult terrains. The Committee are however, pleased to learn that despite constraints, out of 60,000 km., around

58740 km. i.e. 97.9 per cent of OFC has been laid. During the course of evidence, the Secretary, DoT was optimistic about completion of the project by the end of this year. The Committee trust that as assured by the Department, OFC network for Defence Services will be completed by the end of 2023. The Committee desire that earnest efforts be made in this regard and hope that the Department/ BSNL will fulfil the assurance given to the Committee during the evidence in letter and spirit. It may be reckoned in this connection that the project is at last leg of its completion and balance amount of Rs 2158 Cr has been asked for the year 2023-24, which has been allocated under BE 2023-24. The Committee, therefore impress upon the Department/BSNL to ensure utilization of the earmarked budgetary allocation under the project. The Committee would like to be apprised of the initiatives undertaken by the Department and the progress made in this regard.

Other Contemporary issues & Schemes:

Prime Minister's Wi-Fi Access Network Interface (PM-WANI):

13. The Department has submitted before that Committee that to accelerate proliferation of Broadband services through Public Wi-Fi networks in the country the Government has approved setting up of Public Wi-Fi Networks by Public Data Office Aggregators (PDOAs) and Public Data Offices (PDOs) on 9th December, 2020. During the course of evidence, it was informed that a total of 152 PDOs and total number of 144816 PM-WANI Units are in operation. The scheme will operate in grey spots where connectivity is a problem like inside malls, at airports, bus stands, Government hospitals, etc. The Committee find it a commendable step in right direction towards creating Digital India and a robust digital communications infrastructure across India. This will encourage technology entrepreneurs to develop and deploy Wi-Fi technology solutions triggering Make in India. This new eco-system will also enable new business models for shopkeepers as potential PDOs to provide high speed broadband services that will enhance incomes, employment, quality of life, ease of doing business, etc. Considering the importance of the scheme, initiatives taken by the Department need to be further strengthened, so as to boost economic

activities and create sizeable number of jobs in the country. The Committee, therefore, impress upon the Department to intensify their effort to indentify the connectivity gap and initiate action on priority basis. At the same time, the Committee would like to emphasize that periodic monitoring and evaluation must be ensured by the Department to facilitate proper implementation of scheme. The Committee would like to be apprised of the action taken in this regard.

Need to adopt policy on Universal Charging Device

14. During the deliberations of the Committee, one of the pertinent issues that came to the fore was related to universal charging device for all types of mobile phones. It goes without saying that universal charger would not only help in reducing inconvenience caused to the consumer due of multiple chargers but would also assist in reducing e-waste. In furtherance of the vision, it was informed that ITU-T has released a recommendation which prescribes for Universal Charger for mobile phones but the same is yet to be mandated in India. The Committee are of considered opinion that this practice is now gaining wide acceptance amongst European nations. Thus, an opportunity is waiting before India to set an example for the entire world to follow. Therefore, there is an imperative need to take proactive measures to ensure that India does not lag-behind in adopting best global practices in tune with the recommendation of ITU-T. The Department, further, enlightened the Committee that the Ministry of Consumer Affairs has been working with MEITY and the industry on this issue. Further, TRAI has issued a consultation paper on Green Telecom covering this issue as well and will be making recommendations on this shortly. Now when the recommendations of TRAI are underway, the Committee reserve its observations till the recommendation are out in public domain. However, considering the noble objective, the Committee call upon DoT in unison with MEITY, to take prudent measures towards bringing about coherence of Indian practice with global initiative as per the recommendation of ITU-T. The Committee may be apprised of the headway made in this matter within 3 months of presentation of the Report.

Review of functioning of PSUs

Bharat Sanchar Nigam Limited: Roadmap to roll-out its 4G services

15. The Committee note that Government has decided to develop and deploy indigenous telecom technology in BSNL. The Committee appreciate the efforts undertaken towards this. The Committee note that Government has given 1.64 Lakh crore package for revival of BSNL and that BSNL has become EBITDA positive. In the opinion of the Committee telecom business is currently being driven by the mobile data and internet speed and in the event of delay in 4G rollout by BSNL both data and speed are missing. The Secretary, DoT was also candid enough to accept this fact that data is the key to the success of telecom companies. As per the statistics provided by the Department, BSNL/MTNL consumes less than 1 per cent share of the total data usage by private TSPs. Needless to mention hear that the BSNL/MTNL are losing their subscriber base at a fast pace, therefore, there is an imperative need for the Department/BSNL to act on a war footing. As per the submissions of the Department, the company is expected to be in net profit for 2026-27. The Committee, therefore, exhort the Department to accelerate the process of equipment procurement of BSNL for which tender has already been floated and provide all necessary support to BSNL in rolling out its 4G services, without any further delay, so that its true potential can be harnessed. The Committee also hope that BSNL will be allotted 4G spectrum as per its roll-out requirement in a timely manner. It will be highly appreciated if the desired action is taken at the earliest.

Monetization of assets of BSNL and MTNL

16. The Committee are fully aware of the fact that BSNL and MTNL have a large number of land assets as well as buildings. Monetization of land/building and tower assets is one of the components for the revival of BSNL and MTNL. As per the information provided by the Department, the total value of land/building assets identified for monetization is Rs. 67,000 Crore in BSNL. During the current year, a total number of 70 Land & Building assets worth Rs. 20000 crore have been identified for monetization for BSNL and Rs.18000 crore

for MTNL. BSNL and MTNL have two types of assets, core and non-core. The non-core assets are the land parcels and the core assets are fibre and towers. The Committee has been informed during the deliberation that BSNL is already utilizing all the vacant space in the constructed building for renting, and last year, BSNL earned Rs 212 crores from rental income and it would be more than Rs 260 crore, this year. Similarly, in MTNL, they have earned nearly Rs 350 crore as rental income, and they have monetized nearly Rs. 200 crore of assets. The Committee have further been informed that there are challenges/hurdles in other properties due to conditional assignments made long time ago and permissions required from State Governments or local bodies, which are being pursued by the Department along with BSNL and MTNL. With regard to MTNL, the Committee note that most of the assets in Mumbai are having issues of Reservation/Designation and this is hampering the monetization prospect of these properties. MTNL is pursuing with the Maharashtra Government for removal of reservation/designation. The Committee are of the considered view that huge core and non-core assets that are lying with BSNL and MTNL, with proper monetization of core and non-core assets, can generate huge resources for them which can be used not only for their revival but also for maintaining a steady revenue stream. The Committee further feel that book value of the assets are not represented well and if book value of assets is reflected on the current value then lot of financial issues currently being faced by BSNL/ MTNL would be taken care of. Thereafter, successful monetization of assets will also help the cause of revival process of the two companies without burdening the Government exchequer or the public sector banks. The Committee note that the Department/BSNL have taken up the issue of reservation and designation with the concerned State Governments and local bodies for amicable resolution and successful monetization of the assets. The Committee are of the considered opinion that useful utilization of these assets which otherwise are lying unutilized will be in the larger interest of both BSNL/MTNL and the concerned State Governments/local bodies. Hence, the matter may be scrupulously pursued with the State Government at the appropriate level and take it to its logical end. The Committee may be kept apprised of the achievement made in this regard including the income from auction of assets,

which may take place. The Committee would like to be informed of measures taken in pursuance of this recommendation at the earliest.

Capital Infusion for BSNL/MTNL

17. The Committee note that an amount of Rs. 52937 crore has been allocated at BE 2023-24 for implementing various revival measures during 2023-24. The Committee were informed during the deliberations that despite not having 4G services, BSNL has been able to maintain its revenue over the last 4 years. There is a 14 per cent growth in the revenue i.e. Rs. 1600 crore from last year. With continuous monitoring, the company has been able to contain the operational expenses. With the savings in employees cost accruing to the company following the VRS and the savings in Opex, BSNL has been able to achieve positive EBITDA for almost three years now. While 4G for BSNL is yet to be rolled out, the Committee note that the company is trying hard to earn revenue from other sources. The projected revenue earning from rental income during this year would be more than Rs. 260 crore. BSNL plans to add more revenue by adding more towers on sharing basis. With reutilization of assets by leasing out surplus built up space, a total of 202 crore of revenue has been earned till January, 2023. The Committee have also been informed that fibre based FTTH connections is a growth and success story of BSNL. It was informed that revenue from FTTH has increased from Rs. 1119 crore last year to Rs. 1506 crore. The Committee note that implementation of VRS has led to massive decrease in the salary expenditure of the BSNL. However, more efforts still need to be made to decrease the projected loss of BSNL in the coming years. The Committee are optimistic that with allocation of spectrum and launch of 4G services in 2023-24 and Capex support, the revenues are expected to significantly increase in coming years. This would also help the company expand the network, resulting into higher availability of services and increase in revenues. The Committee while expressing hope that these initiatives will be helpful in increasing profitability of BSNL recommend that the Department/BSNL continue with their sustained efforts to fully harness their revenue earning potential. The Committee would also expect BSNL to diversify

their offerings to meet the ever growing needs of the customers. The Committee would like to be apprised of the progress made in this regard.

Mahanagar Telephone Nigam Limited

18. The Committee note that projected revenue and expenditure of MTNL for the year 2023-24 is Rs. 17500 crore and Rs 4970.78 crore, respectively. However, against the income target of Rs. 1810 crore in 2023, MTNL has been able to achieve only Rs. 775.89 crore. The Department has informed the Committee that reasons for missing the targets are primarily attributable to limited market area, over saturated market, hyper competition, fast technology changes, so on and so forth. The Committee are fully aware of the difficult situation MTNL is in. As 31st January 2023, the total outstanding debt of MTNL is Rs. 28581 crore. The Committee have been informed that in view of unsustainable debt of MTNL, matters such as asset monetization, AGR dues, debt resolution, a further course of action for merger of MTNL with BSNL has been taken up before a Committee of Secretaries comprising of Secretary Expenditure, Secretary Telecom, Secretary DIPAM and Secretary Department of Public Enterprises, to recommend the way forward for restructuring and operational integration of the Telecom PSUs. In this regard, BSNL has appointed a Transaction Advisor. He has already submitted detailed process in its report, which is under examination. The Committee recommend that the Department to spruce up its effort for finalization of the ongoing exercise of merging BSNL and MTNL, without any further delay. The Committee also desire to be apprised of the steps taken and the outcome thereof.

Indian Telephone Industries (ITI) Limited

19. The Committee note that the total income of ITI during 2021-22 was Rs.2115 crore and the net profit was Rs.121 crore. However, during 2022-23, the total ITI net loss has been Rs. 200 crore as on 30th September, 2022. The Committee have been informed that main reasons for the net loss of ITI during 2022-23, were due to shortage of components and chip in international market due to Covid-19 pandemic and delay in Proof of Concept (POC) of indigenous 4G technology, delay in placing purchase order by BSNL. The Committee note

that during 2022-23, the annualized value for 9 months for expenditure stands at Rs. 596 crore and the total income stands at Rs. 396 Crore, ITI Limited is, therefore, expected to make a loss this year. ITI is, however, hopeful to achieve the revenue targets by the end of financial year 2022-23 and best efforts are being made to execute the available orders to maximum extent. Further, in-house manufactured products are being utilized for project requirements giving them additional revenue. The Committee have been informed that projected income and expenses of ITI for the year 2023-24 are Rs. 2972 crore and Rs.2853 crore, respectively and thus the expected net profit is Rs. 119 crore. With regard to capital expenditure, the Committee note that an amount of Rs.200 crore has been allocated at BE 2022-23, which was reduced to 187.82 at RE and actual utilization has been hovering around 42.7% of RE up to December 2022. The Committee have been informed that the first two quarters of FY 2022-23 have been low in achievement and ITI hopes to recover the performance by the end of the FY 2022-23. For the year 2023-24, against the proposed amount of Rs. 220 crore an amount of Rs.160 crore has been allocated at BE 2023-24 for 'ITI Revival (Equity Investment)'. The Committee are of considered opinion that ITI Limited need to focus on executing the projects under pipelines with healthy margins such as ASCON IV project, BharatNet Phase-II projects and in-house manufactured goods viz. Solar Panels, HDPE ducts, OFC to improve its performance over the last year. Further, company is foreseeing "new product (Multi Post e Voting Machine) and upcoming project 4G manufacturing", the Committee, therefore, expect that if the Manufacturing capacity of ITI Limited is optimally utilized, ITI Limited could achieve turnaround and increase the revenue earnings in the coming years. The Committee also expect that sincere efforts will be made to fully utilize the funds allocated for the year 2023-24 and if needed raise the demand for more funds at RE stage. The Committee hope that the Department will extend all possible help and ITI will be able to achieve optimum utilization of funds allocated. The Committee would like to be apprised of the action taken in this regard.

Indian Telephone Industries (ITI) Limited: Its Revival Plan & Way Forward

20. During the course of examination, the Committee were apprised that NITI Aayog in its meeting held on 05.04.2021, had recommended that ITI limited be taken up for strategic disinvestment. Thereafter, a meeting of the Core Group of Secretaries on Disinvestment was held on 24th June, 2021, wherein, it has inter alia been recommended that 'ITI Limited may not be retained as bare minimum public sector entity with in its sector' and ITI Limited should be taken up for strategic disinvestment, after demerger of its land. Thereafter, DoT has given a green signal and had requested DIPAM for taking necessary action through Alternative Mechanism. The matter is currently under consideration of DIPAM. The Committee further note that monetization of the immovable assets, Land/Building owned by ITI Limited could be one of the major components for the revival of ITI Limited. As per the information provided by the Department, the total area of the immovable assets, Land/Buildings owned by ITI Limited is 1390.337 acres. The Committee are of the firm opinion that proper implementation of monetization of assets could generate huge resources for them which can be used not only for their revival but also for maintaining a steady revenue stream. The Committee, therefore, recommend that a proper study must be conducted on how to put such huge assets of the companies

into best productive use. The Committee, further urge the Department to contemplate possibility of merging ITI into any existing PSUs having better synergy with ITI, in order to avoid disinvestment. The Committee would like to be informed of measures taken in pursuance of this recommendation at the earliest.

New Delhi;
March, 2023
Phalguna, 1944(Saka)

PRATAPRAO JADHAV,
Chairperson,
Standing Committee on
Communications and Information
Technology.

**STANDING COMMITTEE ON COMMUNICATIONS AND
INFORMATION TECHNOLOGY (2022-23)**

MINUTES OF THE TENTH SITTING OF THE COMMITTEE

The Committee sat on Wednesday, the 15th February, 2023 from 1100 hours to 1320 hours in Committee Room No. 1, Extension to Parliament House Annexe, New Delhi.

PRESENT

Shri Prataprao Jadhav - Chairperson

MEMBERS

Lok Sabha

2. Smt. Sunita Duggal
3. Shri Jayadev Galla
4. Ms. Mahua Moitra
5. Shri Santosh Pandey
6. Shri Shatrughan Prasad Sinha

Rajya Sabha

7. Dr. Anil Agrawal
8. Dr. John Brittas
9. Shri Syed Nasir Hussain
10. Shri Kartikeya Sharma
11. Shri Jawhar Sircar
12. Shri Lahar Singh Siroya

Secretariat

- | | | |
|------------------------|---|------------------|
| 1. Shri Satpal Gulati | - | Joint Secretary |
| 2. Smt. A. Jyothirmayi | - | Director |
| 3. Shri Nishant Mehra | - | Deputy Secretary |

List of Witnesses

Ministry of Communications (Department of Telecommunications)

Sl. No.	Name	Designation
1.	Shri K. Rajaraman	Secretary (T) & Chairman DCC
2.	Shri Manish Sinha	Member (F), DCC
3.	Shri Sanjeev Agrawal	Member (T), DCC
4.	Shri S.K. Mishra	Advisor (F), DoT
5.	Shri V.L. Kantha Rao	Addl. Secretary (T), DoT & Administrator USOF
6.	Shri Srikanta Panda	DG (NICF)
7.	Shri Gulab Chand	Joint Wireless Advisor
8.	Shri Anand Singh	Joint Secretary (T)
9.	Smt. Yashashri Shukla	Jt. Administrator (F), USOF
10.	Shri Sanjay Kumar Varshney	DDG (II), USOF
11.	Ms. Aprajita Sharma	DDG (B& PEF)
12.	Shri B.K. Nath	DDG (SU)
13.	Shri R.K. Pathak	DDG (IC)
14.	Shri R. Shakya	DDG (PM)
15.	Shri Mukesh Mangal	DDG (SPPI)
16.	Shri P.K. Singh	DDG (SA)
17.	Shri Dindyal Tosniwal	DDG (NT)
18.	Shri Asit Kadayan	DDG (AI & DIU)
19.	Shri P.K. Purwar	CMD, BSNL, MTNL & BBNL
20.	Shri R.C. Tiwari	CMD, ITI
21.	Dr. Raj Kumar Upadhaya	CEO, C-DoT
22.	Shri Kaushal Kishore	Pr. Advisor (FEA), TRAI

23.	Shri Mahendra Srivastava	Pr. Advisor (QoS), TRAI
24.	Ms. Jaspreet Kaur	Director (Budget)
25.	Shri Ranvijay Singh	Director (PEF)

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee convened to take evidence of the representatives of the Ministry of Communications (Department of Telecommunications) on Demands for Grants (2023-24) of the Department of Telecommunications.

(The representatives of DoT were then called in)

3. After welcoming the representatives of the Ministry of Communications (Department of Telecommunications) to the sitting of the Committee, the Chairperson drew their attention to the allocations made during the year 2022-23 at Budget Estimate (BE) and Revised Estimate (RE) stage under Revenue and Capital Sections. An amount of Rs. 32436.38 crore had been allocated at BE 2022-23 under Revenue Section which was increased to Rs. 46,157.80 crore at RE stage and actual expenditure till December, 2022 had been Rs. 24,291.31 crore only, which amounted to 52% of the total fund allocations. He further pointed out that under Capital Section, downsizing and underutilization of funds have been noted in respect of some important schemes like Capital infusion for BSNL/MTNL, Wireless Sets and equipment (TEC), Telecom Testing and Security Certification Centre, Telecom Computer Emergency Response Team (T-CERT), Indigenous 5G Test bed, Digital Intelligence Unit Project, etc. He desired to know the reasons for under-utilization of funds allocated for the year 2022-23.

4. Thereafter, he asked the Department to provide detailed status of implementation of several schemes under USOF including BharatNet, comprehensive Telecom Development Plan for North-Eastern Region and Islands, scheme for Mobile Services in 354 uncovered villages of border areas and Aspirational Districts and Scheme for Mobile Communication Services in Left Wing Extremism Affected Areas. The Chairperson then sought to know the reasons for sloppy utilization of the huge corpus available with the Department. The Chairperson also drew attention towards utilization of funds under BharatNet scheme. So far, an amount of Rs. 36,800 crore had been utilized, 1,87,096 GPs had been made service ready and 1,04,664 GPs were provided with Wi-Fi hotspots. He observed that very little progress had been made in the last financial year viz. only about 17,000 Gram Panchayats had been made service ready and only 405 GPs were provided with Wi-Fi hotspots. He desired to know the reason for this slow progress.

5. Thereafter, the representatives of DoT made a power-point presentation covering various aspects such as functions and responsibilities of the Department, market share of telecom service providers, DoT Budget at a glance covering Revenue and Capital expenditure during 2021-22, 2022-23 and BE and targets for 2023-24, and so on. The presentation also included the performance of flagship schemes of the Department viz. major schemes under USOF such as

- (i) Progress and implementation of BharatNet.
- (ii) Revised implementation strategy of BharatNet connect in 6 lakh villages through various models;
- (iii) Comprehensive Telecom Development Plan (CTDP) for the North-Eastern Region;
- (iv) Submarine Cable connectivity in Islands;
- (v) Aspirational Distric Scheme;
- (vi) 502 Aspirational District villages (MP, UP, Rajasthan, Bihar) and remaining 7,287 Aspirational District villages (Andhra Pradesh, Chhattisgarh, Jharkhand, Maharashtra and Odisha);
- (vii) Scheme for Mobile Communication Services in Left Wing Extremism (LWE) Affected Areas
- (viii) LWE and other uncovered villages schemes, mobile services in 7287 villages in Aspirational Districts,

6. The Committee were also informed about the work done in PLI scheme for telecom and networking products, setting up of Telecom Technology Development Fund, Champion Sector Service Scheme. The Department inter alia highlighted the present status of implementation of important schemes like Network for Spectrum for Defence Services, revival measures for BSNL and MTNL, ITI Limited, Telecommunications Consultants India Ltd., performance and Telecommunications Engineering Centre, Centre for Development of Telematics, National Institute of Communications Finance, etc.

7. The Committee enquired about details of the fiberized towers in the country, reasons for under-utilization of funds allocated to provide services in Tribal and LWE Areas, details of PDOs to be set up under PM-WANI Scheme, about policy of TRAI to bring about universal charger for different mobile products, steps taken by the Department to curb unsolicited and telemarketing phone calls, auctioning the satellite spectrum and its implication on the growth of the broadcasting sector, details of funds spent from the Telecommunication Technology Development Fund on Startups and MSMEs, roadmap regarding utilization of increased allocation made to Telecom Computer Emergency Response Team (T-Cert), and so on.

8. Thereafter, Members further sought clarifications on issues such as the present status of implementation of Revival Plan of BSNL and MTNL including status of roll out of 4G spectrum by BSNL, implementation of VRS scheme, declining market share of BSNL/ MTNL, vacancy of posts in BSNL, level playing field for BSNL vis-à-vis private players in

procurement of equipment, financial position of BSNL and MTNL, monetization of assets of two companies, and so on. The Committee also discussed the performance of ITI Ltd., measures required to salvage MTNL, progress of implementation of BharatNet, reasons for not meeting the IEBR targets by BSNL/ MTNL, etc.

9. The representatives of the Department replied to the queries raised by the Members. The Chairperson then directed that written replies to points on which information was not readily available may be furnished to the Committee in writing.

10. The Chairperson, then, thanked the representatives of Department of Telecommunications (DoT) for deposing before the Committee.

[The witnesses then withdrew]

Verbatim proceedings of the Sitting have been kept on record.

The Committee, then, adjourned.

Appendix-II

STANDING COMMITTEE ON COMMUNICATIONS AND INFORMATION TECHNOLOGY (2022-23)

MINUTES OF THE TWELFTH SITTING OF THE COMMITTEE

The Committee sat on Friday, the 17th March, 2023 from 1000 hours to 1045 hours in Main Committee Room, Parliament House Annexe, New Delhi.

PRESENT

Shri Prataprao Jadhav

MEMBERS

Lok Sabha

2. Shri Karti P. Chidambaram
3. Shri Nishikant Dubey
4. Shri Santosh Pandey
5. Shri Sanjay Seth
6. Shri Ganesh Singh
7. Dr. T. Sumathy (A) Thamizhachi Thangapandian

Rajya Sabha

8. Dr. Anil Aggarwal
9. Dr. John Brittas
10. Shri Syed Nasir Hussain
11. Shri Kartikeya Sharma
12. Shri Jawahar Sircar
13. Shri Lahar Singh Siroya

SECRETARIAT

- | | | | |
|----|--------------------|---|------------------|
| 4. | Shri Satpal Gulati | - | Joint Secretary |
| 5. | Smt. A.Jyothirmayi | - | Director |
| 6. | Shri Nishant Mehra | - | Deputy Secretary |

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee convened to consider and adopt Draft Reports on Demands for Grants (2023-24) relating to the Ministries/Departments under their jurisdiction.

3. The Committee, then, took up the following draft Reports for consideration and adoption.

- (i) Draft Report on Demands for Grants (2023-24) of the Ministry of Communications (Department of Telecommunications).
- (ii) Draft Report on Demands for Grants (2023-24) of the Ministry of Communications (Department of Posts)
- (iii) Draft Report on Demands for Grants (2023-24) of the Ministry of Electronics and Information Technology, and
- (iv) Draft Report on Demands for Grants (2023-24) of the Ministry of Information and Broadcasting.

4. After due deliberations, the Committee adopted the Reports with modifications. The Committee then placed on record their appreciation of the Hon'ble Chairperson under whose guidance and leadership the Study Visit to Hyderabad, Bengaluru, Pune and Mumbai from 19.01.2023 to 24.01.2023 was conducted successfully.

5. The Committee authorized the Chairperson to finalize the draft Reports arising out of factual verification, if any, and present the Reports to the House during the current Session of Parliament.

The Committee, then, adjourned.

