

**Production of electronic digital switching for telephone system**

2185. SHRI NITYANANDA MISRA : Will the Minister of COMMUNICATIONS be pleased to state :

(a) whether according to Swedish research study, India has paid over three times more than the Brazilians for obtaining similar know how for the production of electronic digital switching for the telephone system;

(b) whether this has landed India in a high cost technology;

(c) whether any efforts were made to find out from different sources as to on what terms this technology was sold to other countries; and

(d) what are the other findings of the research study about our telecom. industry and Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI SONTOSH MOHAN DEV) : (a) Government is aware of the study published by two Swedish nationals. It is true that the study stated that India has paid nearly three times compared to the Brazilians for obtaining similar know-how for the production of the electronic digital switching systems. However, at the same time the study also mentioned that the Indians have managed to get better terms during the final negotiations in connection with the price of the product.

The comparisons made by the study are not strictly valid because of the following reasons :

- (i) The transfer of technology in case of Brazil was from a Swedish multinational firm to a Brazilian joint venture in which the multinational holds major shares (to the extent of 64%) while in case of India, the Government has bought the technology out-

right from M/s. CIT Alcatel of France.

- (ii) The Swedish multinational has also supplied 8,00,000 lines of electronic switching systems to Brazil compared to only 2,00,000 lines imported by India from CIT Alcatel of France. The study, as stated earlier has brought out that India has managed to get better terms in this respect.

However, as per the information available in the study, a full comparison is not possible.

(b) No, Sir. In view of what has been stated above.

(c) India had invited global tenders for obtaining know-how for electronic digital switching systems in which the Swedish multi-national did not participate. The technical evaluation of the tender bids revealed that M/s. CIT Alcatel of France were the only manufacturer who met the required conditions in regard to provenness of the equipment. Based on this, and a bilateral Government to Government offer, it was decided to enter into an agreement with M/s. CIT Alcatel.

(d) The main findings of the study about our telecom industry are given below :

- (1) From a situation existing at the time of Independence when virtually there was no indigenous technological capability, India has progressed to an extent where increasing amounts of telecom equipment are produced within the country and the development of this sector rests in our hands and does not depend solely on external factors.
- (2) A competitive element has been introduced in the equipment sector where private sector companies in some areas have been allowed to enter

the areas traditionally reserved for the state sector. Given the strict regulations involved in the new policy, however, it is not self-evident that the desired increase in competition and efficiency will materialize.

- (3) One reason for the present low quality of products and services is the restrictions imposed on the sector e.g. on import of components. These restrictions are obviously intended to enhance the indigenous technological capability and to substitute for local production in the long run. However, in short run, these restrictions adversely effects the quality of the output in the sector.
- (4) There is a need not only for a policy clearly defining the objectives, but also for a policy flexible enough to recognize and take into account the sometimes conflicting short term and long term objectives.

Government have taken note of the views expressed in the study by the 2 Swedish Research Scientists.

#### Package offer to private sector in power

2186. SHRI ARIF MOHAMMAD KHAN : Will the Minister of ENERGY be pleased to state :

(a) whether Government propose to have a fresh look at the package offer to the private sector to attract investment in power;

(b) the hurdles pointed out by the private sector prohibiting acceptance of package offer; and

(c) the steps taken to remove the hurdles ?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRIMATI SUSHILA ROHTAGI) : (a) to (c) The policy regarding private sector participation in power generation continues to be regulated by the Industrial Policy Resolution of 1956. The Resolution does not preclude private sector participation in power generation when the national interest so requires.

The difficulties indicated by the private sector mainly relate to the quantum of investment, return on investment and import of equipment & customs duty, etc. Specific proposals from private enterprises for installing generating capacity would be examined on merits in the context of the additionality of resources proposed to be brought in.

#### Reserved trained pool staff in R. M S.

2187. SHRI BALASAHEB VIKHE PATIL : Will the Minister of COMMUNICATIONS be pleased to state :

(a) the number of Reserved Trained Pool Staff Sorting Assistants working in RMS in different circles and since when;

(b) after how many years of service they are normally taken as regular Sorting Assistants in the Department;

(c) the norms in this regard;

(d) whether it is a fact that in the RMS 'B' Division, Pune there are some Short Duty Assistants working on daily wages as mail sorters since 1982; and

(e) if so, when they are likely to be absorbed in the Department on regular basis ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI SONTOSH MOHAN DEV) : (a) A statement showing the number of R.T.P. Sorting Assistants in the R.M.S. in diffe-