

[19 August, 2004]

RAJYA SABHA

**Merger of ITI Limited with BSNL**

1665. SHRI A. VIJAYARA GHAVAN: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether any letter was submitted during the months of May-June, 2004 to the competent authority by the ITI employees for merging ITI Limited with BSNL as the production wing of the latter;

(b) if so, the action taken thereon;

(c) whether there is any attempt to upgrade the technology level of ITI to the required level;

(d) if so, the details thereof;

(e) whether there is any attempt for treating ITI Limited as the manufacturing partner of M/s BEL in the implementation of National ID Card project; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) Yes Sir, this was one of the point in the memorandum submitted by Unions/Associations of ITI Ltd., Bangalore addressed to Hon'ble MOC & IT

(b) Since this merger is not likely to enhance business synergy or improve competitiveness BSNL emphasised to stick to its core area of operation of telecom service provider and did not favour this merger.

(c) and (d) Yes Sir, ITI has taken action to acquire new technologies for its upgradation, for example GSM Technology from M/s Alcatel of France, IP TAX from M/s TEKLECK of USA, optical equipments from M/s TEJAS etc.

(e) and (f) Yes Sir, the company has approached M/s BEL to associate for the manufacture and supply of national ID cards project. It is for M/s BEL to decide.