

**GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA**

UNSTARRED QUESTION NO:6493
ANSWERED ON:07.05.2013
FUNDS TO PRASAR BHARATI
Joshi Dr. Murli Manohar;Roy Shri Arjun

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

- (a) whether the Government provides grants/financial assistance every year for the operation/functioning of Prasar Bharati;
- (b) if so, the details of the grants provided during each of the last three years and the current year;
- (c) whether the Government has taken effective steps to make this institution self reliant in the recent years;
- (d) if so, the details thereof; and
- (e) the time by which the said institution is likely to become self reliant?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF INFORMATION AND BROADCASTING (SHRI MANISH TEWARI)

(a)&(b): As envisaged under Section 17 of the Prasar Bharati Act, the Government provides financial support to Prasar Bharati (PB) for the purpose of enabling the Corporation to discharge its functions efficiently.

The details of grants under Non-Plan and Plan provided to Prasar Bharati during each of the last three years and the current year are given hereunder:

(Rs. in crore)

Year	Non-Plan	Plan	Total
2010-11	1412.35	581.80	1994.15
2011-12	1462.35	461.33	1923.68
2012-13	1650.00	412.50	2062.50
2013-14#	1730.00	514.00	2244.00

Budgeted Estimates

(c) to (e): Government has taken the following major initiatives in the recent past to make Prasar Bharati self reliant:

The Group of Ministers (GOM) on Prasar Bharati have undertaken a comprehensive review of Prasar Bharati and have made several recommendations including amendments to the Prasar Bharati Act, 1990. In pursuance of the recommendations of GOM, the Government has also approved the following package for financial restructuring of Prasar Bharati:-

Government would extend financial assistance to PB from Non Plan funds to meet 100% expenses towards its salary and salary related expenses during the next five years from 2012-13 to 2016-17. All other items of operating expenses shall be borne by PB from out of its internal resources.

Plan Capital support by the Government to Prasar Bharati henceforth be in the form of Grants-in-aid only.

Accumulated arrears of space-segment and spectrum charges of PB upto 31.03.2011 would be waived.

Interest on loan-in-perpetuity, interest on capital loan and penal interest thereon payable by PB to Government would be waived off and loan-in-perpetuity and capital loans provided to PB would be converted into grants-in-aid.

Property and Assets will be transferred on book value to PB as per provisions of section 16(a) of Prasar Bharati Act, 1990. Normal accounting principles would be followed to determine their future value.

GoM in the matter had also recommended that the matter would be reviewed after five years, if required. However, no specific timeline for Prasar Bharati to become self reliant has been indicated by GoM.

The Government has also constituted an Expert Committee under the chairmanship of Shri Sam Pitroda to undertake a review of Prasar Bharati with specific terms of reference enclosed at Annexure.

A specific exemption from Income Tax to the Prasar Bharati has been provided by inserting a new clause (23 BBH) in Section 10 of the I.T. Act, vide Finance Act, 2012 (provisions relating to Direct Taxes). As a result, all income of Prasar Bharati (receipts /revenues/interest accrued/ earned on fixed deposit /short term deposits with the banks etc.) will be exempted from Income Tax w.e.f. the F.Y. 2012-13 (assessment year 2013-14) onwards.