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**STANDING COMMITTEE ON
INFORMATION TECHNOLOGY
(2010-11)**

FIFTEENTH LOK SABHA

MINISTRY OF INFORMATION AND BROADCASTING

[Action Taken by the Government on the Recommendations/Observations of the
Committee contained in their Sixth Report (Fifteenth Lok Sabha) on
Demands for Grants (2010-11)]

NINETEENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

February, 2011/ Phalguna, 1932 (Saka)

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***Presented to Lok Sabha on 08/03/2011
Laid in Rajya Sabha on 08/03/2011***



**LOK SABHA SECRETARIAT
NEW DELHI**

February, 2011/ Phalguna, 1932 (Saka)

COMPOSITION OF STANDING COMMITTEE ON INFORMATION TECHNOLOGY
(2010-2011)

Shri Rao Inderjit Singh - Chairman

Lok Sabha

2. Shri Rajendra Agrawal
3. Shri Nikhil Kumar Choudhary
4. Shri Milind Deora
5. Dr. Charles Dias
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7. Smt. Darshana Vikram Jardosh
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22. Shri M.P. Achuthan
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30. Shri P. Rajeeve
31. Shri Jesudasu Seelam

SECRETARIAT

1. Shri T.K. Mukherjee - Joint Secretary
2. Smt. Sudesh Luthra - Director
3. Shri H.R. Kamboj - Additional Director

* **Nominated to the Committee w.e.f. 21st September, 2010.**

INTRODUCTION

I, the Chairman, Standing Committee on Information Technology (2010-11) having been authorized by the Committee to submit the Report on their behalf, present this Nineteenth Report on Action Taken by the Government on the Recommendations/Observations of the Committee contained in their Sixth Report (Fifteenth Lok Sabha) relating to Demands for Grants (2010-11) of the Ministry of Information and Broadcasting.

2. The Sixth Report was presented to Lok Sabha on 21 April 2010 and laid on the Table of Rajya Sabha on 22 April, 2010. The Ministry of Information and Broadcasting furnished their Action Taken Notes on 20 September, 2010.

3. The Report was considered and adopted by the Committee at their sitting held on 17 February, 2011.

4. For facility of reference and convenience, Recommendations/Observations of the Committee have been printed in bold in Chapter-I of the Report.

5. An analysis of Action Taken by the Government on the Recommendations/Observations contained in the Sixth Report (Fifteenth Lok Sabha) of the Committee is given at Appendix-II.

New Delhi
24 February, 2011
05 Phalguna, 1932 (Saka)

RAO INDERJIT SINGH
Chairman
Standing Committee on
Information Technology

CHAPTER I

REPORT

This Report of the Standing Committee on Information Technology (2010-11) deals with the Action Taken by the Government on the Recommendations/Observations of the Committee contained in their Sixth Report (Fifteenth Lok Sabha) on Demands for Grants (2010-11) pertaining to the Ministry of Information and Broadcasting.

2. The Sixth Report was presented to Lok Sabha on 21st April, 2010 and laid on the Table of Rajya Sabha on the same day. It contained 32 Recommendations/Observations.

3. Action Taken Notes by the Government in respect of all the Recommendations/Observations contained in the Report have been received from the Ministry of Information and Broadcasting and these have been categorized as under:

(i)	Recommendations/Observations which have been accepted by the Government Para Nos: 1, 2, 3, 4, 7, 8, 11, 12, 13, 14, 16, 18, 19, 20, 21, 23, 23, 24, 29, 31 and 32.	Total Chapter	21 II
(ii)	Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government Para No: Nil	Total Chapter	Nil III
(iii)	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and require reiteration Para Nos: 5,6,9,10,15 and 17.	Total Chapter	6 IV
(iv)	Recommendations/Observations in respect of which replies are of interim nature:- Para No: 25,26,27,28 and 30.	Total Chapter	5 V

4. The Committee trust that utmost importance would be given to implementation of the Recommendations/Observations accepted by the Government. In cases, where it is not possible for the Ministry to implement the Recommendations in letter and spirit for any reason, the matter should be reported to the Committee with reasons for non-implementation. The Committee further desire that Action Taken by the Government on the Recommendations/Observations contained in Chapter - I and final Action Taken by the Government to the Recommendations contained in Chapter-V of this Report should be furnished to them at an early date.

5. The Committee will now deal with Action Taken by the Government on some of their recommendations.

Utilization of outlay by Prasar Bharati

Recommendation (Para No.5)

6. The Committee had recommended as under:
"The Committee observe that Broadcasting sector has been allocated Rs.5547 crore during the year 2010-11 which works out to 87.8% of the total allocation made at BE stage. Despite getting the major chunk of allocation of the Ministry of Information and Broadcasting, the status of utilization of outlay during the Eleventh Plan particularly during the year 2008-09 and 2009-10 is highly unsatisfactory. During the year 2008-09, the allocation provided at BE stage was Rs.475 crore which was reduced to Rs.437.41 crore. However, Prasar Bharati could utilize Rs.278.20 crore, thus Rs.159.21 crore remained unspent. Similarly, during the year 2009-10, the allocation made at BE stage was to the tune of Rs.512 crore which was reduced to Rs.203.59 crore i.e. less than half of the allocation provided at RE stage. Prasar Bharati could utilize Rs.140.76 crore. The reasons put forth by the Ministry for low utilization of allocation by Prasar Bharati as informed to the Committee are litigation relating to procurement of transmitters, delay in approval of schemes specially digitalization scheme of Doordarshan and lengthy procurement procedure for machinery and equipments etc. Taking note of the gross under utilization of planned schemes of AIR and Doordarshan, the Committee in their Second Report on Demands for Grants (2009-10) had recommended that Prasar Bharati should streamline the procurement procedure and take remedial measures to ensure achievement of targets. The Committee find that no head way has been made in this regard. All the major schemes of Prasar Bharati viz. Digitalization of Transmitters, E-Governance, Setting up of Transmitters for Border Area of J&K etc. are still awaiting approval/clearances. Besides, efforts have not been made to streamline the procurement process. The various impediments that stand in the way of a long drawn procurement cycle for machinery/equipment still need to be identified. The Committee conclude from the aforesaid position that there are serious problem affecting the working of Prasar Bharati. The statement of the CEO Prasar Bharati during the oral evidence that there are certain systemic problems in the organization further reinforces the

views of the Committee. The Committee strongly recommend that such state of affairs should not be allowed to continue in an organization like Prasar Bharati, which is mandated with the task of Broadcasting sector. All the corrective action should be taken to address the various impediments in a stipulated time frame.”

7. The Ministry in their Action Taken Note have stated as under :-

(Rs in crore)

A. All India Radio		XI Plan outlay	Present status
I. Continuing Schemes			Cumulative Expenditure upto June,2010
1.	J&K Special Package	25.70	9.95
2.	Expansion of MW Services	2.00	1.08
3.	Expansion of FM Services	180.00	47.25
4.	Digitalization of Production Facilities	6.00	5.57
5.	Automation of Studio Facilities& Misc	83.10	38.95
6.	North East special package	150.00	26.49
7.	Accommodation for staff	20.00	16.68
Total of Continuing Schemes		466.80	155.97
II. New Schemes			EFC/SFC/CCEA
1.	Software Acquisition (AIR News)	100.00	The scheme has been approved by the Competent Authority and conveyed to Prasar Bharati on 29.6.2010.
2.	Upgradation of existing 250 kW SW Tr. For DRM operation at AIR High Power transmitter at Khampur and Aligarh	10.00	Competent authority's approval has been conveyed to PB on 18.12.2007 at a cost of Rs.9.80 cr.
3.	New Technology and Science & Technology (R&D) scheme	20.00	Approval of competent authority has been conveyed to PB on 20.8.2009 at a cost of Rs.19.70 crores
4.	Digitalization of transmitters, studios, connectivity and DTH Channel	924.20	The total allocation for Digitalization was Rs.924.20 crores, out of which scheme amounting Rs.57 crores was approved within the delegated powers to CEO, P.B and competent authority's approval conveyed on 18.12.2007 and 23.01.2008. Scheme for the balance amount of Rs.843.45 crores has been approved by CCI on 8.4.2010 and conveyed to PB on 27.04.2010
5.	E-Governance, training, Commonwealth Games, Resources, security, Addl. Office accommodation staff Quarters etc.	97.00	Scheme has been split into four parts as desired in Department of Expenditure O.M. No.21(2)PF.II/2009 dated 29.5.2009. (i) Improvement of facilities at existing stations (Rs.28.00 crore) P.B. Board has approved the scheme which was appraised on

			<p>21.7.2010. Minutes of the meeting is awaited, subsequent to which it will need the approval of competent authority.</p> <p>(ii) Staff qrts in North-East (Rs.20 crore). The scheme approved by the Competent Authority and conveyed to Prasar Bharati on 18.6.2010.</p> <p>(iii) Augmentation of STI (T)'s Schemes (Rs.20.00 crore). The scheme has been approved by the Govt. on 17/08.2010 and conveyed to PB/AIR on 31.08.2010.</p> <p>(iv) Schemes for Enterprise Resources Planning –e governance and IT facilities (Rs.29 crore) . SFC chaired by CEO, is yet to appraise the scheme.</p>
6.	Setting up of High Power TV and FM Transmitter in Border areas and low LPT FM in J&K.	389.00	Initially this scheme was not a part of approved 11 th Plan. However, an amount of Rs.100 crore was provided in the Budget for the scheme during 2009-10. As the scheme could not be approved during 2009-10, No expenditure was incurred during 2009-10. Now the scheme has been approved by the competent authority on 04.08.2010 at a cost of Rs.100 crore. The approval was conveyed to PB on 18.08.2010.
Total of New Schemes		1540.20	
Grand Total of AIR		2006.08	

(Rs in crore)

B. DOORDARSHAN		XI Plan Outlay	Present status
I. Continuing Schemes			Cumulative Expenditure upto June,2010
1.	J&K Special Package	314.17	115.83
2.	Production Facilities (Studio/OB)	165.00	75.10
3.	North East special package	219.83	124.61
4.	DTH	9.00	11.36
5.	HDTV	15.00	8.67
6.	Other spill over X Plan approved scheme (Earlier approved as Accommodation for staff, augmentation of infrastructure &	295.00	223.38

	Security)		
7.	Software Acquisition Normal & Misc.)	60.00	0.00
Total of Continuing Schemes		1078.00	618.84
II. New Schemes			EFC/SFC/CCEA
1.	Modernization, Augmentation & Replacement of Transmitter and Studio Equipment	299.00	Revised EFC Memo from PB has since been received which is under process.
2.	Digitalization of studios	620.00	The Scheme has been approved by CCI on 8.4.2010 and conveyed to Prasar Bharati on 27.4.2010.
3.	DTH: Modernization, Aug, replacement of satellite Broadcast equipment	210.00	Competent authority has approved Modernization, Aug, replacement of satellite Broadcast equipment Scheme at a cost of Rs.125.00 crore. Administrative approval conveyed to PB on 04.2.2009. DTH Scheme for an amount of Rs.75.43 crores has been approved by the competent authority on 4.8.2010 and conveyed to PB on 17.08.2010
4.	HDTV	165.00	Competent authority has approved the scheme and communicated to PB on 19.08.2009.
5.	Staff Quarters and Other Misc. Works	75.00	The scheme has been approved by the competent authority at cost of Rs.65 Crores and conveyed to PB on 23.02.2009.
6.	Software acquisition/production	485.00	EFC was examined by Secretary (Expenditure) who advised to take up the matter with Planning Commission for budget provision/assurance of funds during the year. An SFC proposal of Rs.142 crores was received in the Ministry from PB. However, during discussion it was decided to further reduce it to Rs.100 crore. PB has been requested to send a revised proposal which is still awaited.
Total Of New Schemes		1854.00	
Grand Total		2932.00	

Utilization of outlay by Prasar Bharati.

The outlay proposed, the actual allocation at BE stage, at RE stage and actual utilization during each of the annual Plan of the Eleventh Plan in respect of Prasar Bharati are given as under:

(Rs. in crore)

11 th Plan Outlay	Year	Allocation sought	Outlay approved in the Annual Plan		Actual expenditure
			At BE stage	At RE stage	
Continuing Scheme	2007-08	1677.30	385.59	329.87	323.67
1544.80	2008-09	931.49	475.00	466.03*	286.05**
New Schemes	2009-10	1150.07	657.00*	348.57*	203.20** (upto March,10)
3105.20	2010-11	1859.14	637.25*		55.98*** (Upto June'10)
Total 4650.00					

* Outlay includes Rs.145.00 crore and Rs.296.77 crore for CWG for 2009- 10 and 2010-11 respectively.

** Expenditure including CWG.

*** Expenditure including CWG.

COMMENTS OF THE COMMITTEE

8. The Committee regret to point out that the action taken note of the Ministry is silent on the recommendation of the Committee about the steps to be taken to streamline the procurement procedure and corrective action to address various impediments which are affecting the functioning of Prasar Bharati. The Committee had observed that despite getting major chunk of allocation of the Ministry of Information and Broadcasting, the utilization of outlay by Prasar Bharati during the years 2008-09 and 2009-10 has been highly unsatisfactory. The reasons for low utilization of outlay were stated to be litigation relating to procurement of transmitters, delay in approval of schemes and lengthy procurement procedure for machinery and equipments. Taking note of gross under utilization of outlay, the Committee in their previous Report has recommended that Prasar Bharati should streamline the procurement procedure and take remedial measures to ensure achievements

of targets. The Ministry in their reply has only indicated the status of continuing and new schemes of Doordarshan and AIR and utilization of outlay by Prasar Bharati. The Committee re-iterate their earlier recommendation and desire that Prasar Bharati should take result oriented steps to tackle various impediments within the stipulated time frame. The Committee are of the considered view that if Prasar Bharati is to survive in the present competitive broadcasting environment, it has to take expeditious steps to resolve all its systemic problems.

Recommendation (Para No.6)

9. The Committee had recommended as under:

“The Committee have been informed that the actual timeline for capital procurement of equipment as per DG&SD manual starting from publication of Notice Inviting Tender till placement of advance/final acceptance of tender is 52 weeks, which can be reduced to 32 weeks. The Committee are of the view that the remedy lies in taking corrective steps. Even the period of 32 weeks for purchase of capital goods and machinery can be further reduced by carrying out systematic changes in the procurement procedure. As such, early decision in this regard should be taken and the Committee informed accordingly.”

10. The Ministry in their Action Taken Note has stated as under:

“Prasar Bharati has taken various measures for monitoring of speedy implementation of Plan Schemes, which includes constitution of Committees, such as the Procurement Committee, Monitoring Committee etc. The objective of the Procurement Committee is to reduce the processing time involved in procurement matter. The Monitoring Committees so constituted would review the progress of implementation of schemes at Zonal level, Directorate level by E-in-C/DG and finally at the level of CEO at Prasar Bharati Secretariat.”

COMMENTS OF THE COMMITTEE

11. The Committee note that Prasar Bharati has constituted Procurement Committee to reduce the processing time involved in procurement matters and Monitoring Committee to review the progress of implementation of schemes. However, the precise steps proposed to be taken to reduce the actual timeline in procurement matters have not been spelt out. The Committee are of the view that the purpose of Procurement Committee would be served only if

procurement procedure is streamlined and appropriate measures are taken to reduce the procedural commonalities for procurement of capital equipments. The Committee desire to be apprised about the specific steps taken by Prasar Bharati to shorten the actual time in procuring capital equipments.

ORGANIZATIONAL, CAPITAL AND FINANCIAL RESTRUCTURING OF PRASAR BHARATI

Recommendation (Para Nos. 9 and 10)

12. The Committee had recommended as under:
"Prasar Bharati came into existence on 23rd November, 1997. Even after more than a decade of its establishment, the Organization is in a state of transformation in crucial matters relating to organizational, capital and financial restructuring. The Committee in their Reports have consistently been recommending to take suitable measures on the above issues affecting the Ministry. Regarding organizational restructuring, the Committee note that the National Productivity Council (NPC), which has been engaged by Prasar Bharati to suggest suitable measures in this regard, has given its report to Prasar Bharati. The National Productivity Council also made presentation to the Board of Prasar Bharati in this regard. As per the information furnished to the Committee, it has been stated that the report is now under consideration with Prasar Bharati. During the course of examination of Demands for Grants of the previous year in October, 2009, the same status with regard to furnishing the proposal by Prasar Bharati was indicated. The Committee express their unhappiness over the way Prasar Bharati is delaying the proposal on such an important issue related to Organizational restructuring of Prasar Bharati."

"The Committee note that on the issue of financial restructuring and funding pattern as desired by the earlier Group of Ministers, the proposal formulated in consultation with Prasar Bharati, was forwarded to the Ministry of Finance (Department of Expenditure). The proposal was amended after several discussion and consultation based on the gap-funding approach. The observations of the Department of Expenditure are now under consideration of Prasar Bharati. Once the proposal is finalized and forwarded by Prasar Bharati to the Ministry, the same will be placed before the Group of Ministers. The Committee desire that Prasar Bharati may be asked to finalize its views and forward the Report to the Ministry by a stipulated date. Thereafter the Ministry may submit a comprehensive proposal before the re-constituted Group of Ministers so that the entire gamut of issues relating to financial, organizational and technological aspects is deliberated and a permanent solution is worked out."

13. The Ministry in their Action Taken Note has stated as under :-

"The reconstituted GOM has held two meetings on 16th April 2010 and 17th June 2010. On the issue of capital restructuring and funding pattern, the GOM recommended as under: -

- (i) 50% of the annual operating expenses of Prasar Bharati should be borne by Prasar Bharati from its Internal Extra Budgetary Resources and the remaining 50% will henceforth be met by Non-Plan grant-in-aid by the Government.

- (ii) The level of 50% Non-Plan support by the Government may be maintained for the next 5 years i.e. 2010-2011 to 2014-2015 and will be reviewed thereafter in order to scale down the quantum of Non-Plan support by the Government to Prasar Bharati.
- (iii) Space segment and Spectrum charges incurred by Prasar Bharati will also be included in computing the total operational expenses.
- (iv) Accumulated arrears of Space segment and Spectrum charges upto 31.3.2010 may be waived. A proposal to this effect may be moved by Prasar Bharati to Department of Expenditure.
- (v) Plan Capital funding by Government to Prasar Bharati may henceforth be in the form of grant-in-aid and not in the form of loan.
- (vi) Director General of Audit, Central Revenues (DGACR) will continue to be nodal auditor of Prasar Bharati and will be assisted by qualified commercial audit staff for audit of the annual accounts.
- (vii) Recommendations on non-cash proposals made by the earlier GOM were reiterated and follow up action may be taken accordingly.
- (viii) Prasar Bharati will take up the matter of whether there is any balance amount in the Non-Lapsable Fund available for transfer to Prasar Bharati, with the Controller General of Accounts and in case there is any amount required to be transferred the same shall be communicated to the Department of Expenditure for effecting transfer of the funds as per the provisions of the Act.
- (ix) Property and Assets will be transferred on book value to Prasar Bharati as per provisions of Section 16 (a) of the Prasar Bharati Act, 1990. Normal accounting principles will be followed to determine their future value.

GoM has recommended that the ban on recruitments in Prasar Bharati may be relaxed. Prasar Bharati has been asked to submit a proposal by July 9th, 2010 for filling essential categories of posts to Ministry of I&B /Department of Expenditure giving full justification for such recruitment and based on the report of the NPC. The Department of Expenditure would then process the case in accordance with the decision of the GoM by July 23rd, 2010. Prasar Bharati is required to immediately take steps to frame and notify Recruitment Regulations and Service conditions for its employees and set up Recruitment Boards as envisaged under the Prasar Bharati Act, 1990 for such recruitments. GoM has directed that the Recruitment Regulations and Service Conditions for all categories of employees and the proposal for constitution of the Recruitment Boards will be finalized in a time bound manner.

COMMENTS OF THE COMMITTEE

14. The Committee observe that in the two meetings of Group of Ministers held on 16th April and 17th June 2010, some decision has been taken on the issue of capital restructuring and funding pattern. The Committee note that GoM has recommended to relax the ban on recruitment in Prasar Bharati.

Accordingly for filling up essential categories of posts, Prasar Bharati was required to submit the proposal to the Ministry of Information and Broadcasting/Department of Expenditure by 9th July, 2010. The proposal would then be processed by the Department of Expenditure by 23rd July, 2010. The Committee hope that the desired proposal would have been submitted by now to the Department of Expenditure. The Committee would appreciate if the proposal is finalized expeditiously so that the recruitment process could start at the earliest.

The Committee have consistently been recommending to the Government to expedite organizational, financial and capital restructuring of Prasar Bharati. Regarding the organizational restructuring even when GoM has recommended that the ban on recruitments of Prasar Bharati may be relaxed, Prasar Bharati is required to frame and notify recruitment regulations and service conditions for its employees to enable the organization to undertake recruitments. With regard to the capital restructuring and funding pattern, the Committee find that GoM has made certain recommendations. The Committee while expressing serious concern over the delay in framing and notifying recruitment regulations and service conditions for employees of Prasar Bharati, emphasize Prasar Bharati to act fast so that the vacancies in Prasar Bharati can be filled. As recommended earlier the final decision with regard to Financial and Capital restructuring should be taken at the earliest so that the entire gamut of issues are addressed and a permanent solution is worked out.

CONTENT REGULATION MECHANISM

Recommendation (Para No.15)

15. The Committee had recommended as under:

“The Committee have been informed that the Ministry are in the process of drafting Broadcasting Services Regulation Bill to receive and dispose of complaints on content telecast by TV channels and to deal with other regulatory issues in the Broadcasting Sector. The Bill has been necessitated due to the concerns expressed by Hon’ble Courts, Parliamentary Committees, civil society organizations, viewers, media

critiques and the State Governments. The Committee have also been informed that views of the all the State Governments have been solicited on the above draft Bill. So far 18 State Governments and 6 UTs have submitted their comments on the proposed Bill. To take the process further, the Ministry has constituted a Task Force under the Chairmanship of the Secretary, Ministry of Information and Broadcasting with representatives from other agencies. The Task Force is holding consultations with all the stakeholders so that it could submit its findings to the Government at the earliest. The Committee have been informed that the process of consultation by the aforesaid Task Force with all the stakeholders was going on and hopefully by March end, the consultation would be over. The Committee hope that the consultations with all the stakeholders would have been over by now and the Task Force would have submitted the report to the Ministry. The Committee are of the strong opinion that the Ministry should at least now bring a comprehensive legislation covering the issues related to Broadcasting Regulation and Regulatory Authority without wasting further time."

16. The Ministry in their Action Taken Note has stated as under :

"The Task Force is in the process of finalizing its views and has so far held eight consultation meetings. As regards the timelines to complete the consultations process with stakeholders and submission of report/recommendations, the process is proposed to be completed by end of October 2010."

COMMENTS OF THE COMMITTEE

17. Expressing displeasure over the tardy progress, the Committee in their earlier Report had desired that the process of consultation should be completed in a time bound manner and the Broadcasting Services Regulation Bill introduced to Parliament. The Committee have now been informed that the process of consultation by the Task Force with the stakeholders and submission of report/recommendations, is proposed to be completed by the end of October, 2010. The Committee hope that by now the Task Force would have submitted its report to the Ministry. The Committee desire that the Ministry should take immediate steps to finalize the proposed Broadcasting Services Regulation Bill and for its introduction to the Parliament.

PRASAR BHARATI ACT

Recommendation (Para No. 17)

18. The Committee had recommended as under :

"The Prasar Bharati Act, 1990 contains provisions for the constitution of a Parliamentary Committee and a Broadcasting Council which have never been put into operation. During the course of examination of Demands for Grants of the previous year, the Committee have been informed that two

Committees of Prasar Bharati (Sengupta Committee in its report dated August, 1996 and subsequently the Narayanmurthy Committee in its report dated 20.5.2000) have recommended that there is no need for these provisions in the light of Standing and Consultative Committees of Parliament. The Committee note that apparently there are two alternatives before the Government i.e. (i) to constitute the Parliamentary Standing Committee or Broadcasting Council in the light of the mandatory provisions made in the Prasar Bharati Act, or (ii) to agree to the recommendations made by the aforesaid two Committees and bring suitable amendments to the Parliament. Even when almost 20 years have passed since the Act came into effect and 13 and 9 years respectively have passed since these two Committees have given their views, the Ministry is yet to take the decision in this regard. While deploring the way the Government has handled such an important issue, the Committee strongly recommends that the decision in this regard should be taken without any further delay."

19. The Ministry in their Action Taken Note has stated as under:-

"The issue of constitution of Parliamentary Committee and the Broadcasting Council has been considered by the reconstituted Group of Minister (GoM) on Prasar Bharati. GoM in its 2nd meeting held on 17th June 2010. After deliberating on the role envisaged for the Parliamentary Committee vis-à-vis the Standing Committee and after taking note of the categorical recommendation of the Shunu Sen Committee, the GoM had felt that not much purpose would be served by having a separate Parliamentary Committee. The GoM also noted that the role envisaged for the Broadcasting Council is advisory in nature with regard to redressal of consumer grievances and the discharge of functions by Prasar Bharati in accordance with the objectives set out in Section 12. GoM also felt that the Shunu Sen Committee's recommendation that there should be a single complaints mechanism for all broadcasters under the aegis of the proposed Broadcasting Authority deserves merit. However since Prasar Bharati cannot be equated with the private broadcasters in view of the mandate it carries, the proposed Broadcasting Authority can be assigned separate functions in relation to the private broadcasters and Prasar Bharati. If this is done then there will be no need to have a separate Broadcasting Council as envisaged under the Prasar Bharati Act. Keeping in view that the Act was enacted in 1990 and no substantive amendments had been made thereafter till date, the GoM has decided that the Ministry of Information & Broadcasting should have a comprehensive look at the provisions of the Prasar Bharati Act and recommend such amendments as are required to be made in the Act in the light of developments over the last twenty years, subsequent to the Shunu Sen Committee report."

COMMENTS OF THE COMMITTEE

20. Having observed that the provisions contained in the Prasar Bharati Act, 1990 regarding constitution of Parliamentary Committee and Broadcasting Council, have never been put into operation, the Committee had pointed out that there were two alternatives before the Government i.e. either to constitute the Parliamentary Committee and Broadcasting Council as per the

provisions of the Prasar Bharati Act, 1990; or to amend the Act in view of the recommendations of two Committees of Prasar Bharati (Sengupta Committee report dated August 1996 and Narayanmurthy Committee report dated 20.5.2000). The Ministry have now informed that the issue of constitution of Parliamentary Committee and the Broadcasting Council was considered by the re-constituted Group of Ministers (GoM) in meeting held on 17th June, 2010. After deliberating on the role envisaged for the Parliamentary Committee vis-à-vis the Standing Committee and taking note of the categorical recommendation of the Shunu Sen Committee, the GoM had felt that not much purpose would be served by having a separate Parliamentary Committee. The GoM also felt that Shunu Sen Committee's recommendation that there should be a single complaints mechanism for all broadcasters under the aegis of the proposed Broadcasting Authority deserve merit. The GoM has asked the Ministry of Information & Broadcasting to have a comprehensive look at the provisions of the Prasar Bharati Act and recommend such amendments as are required to be made in the Act in the light of developments over the last twenty years, subsequent to the Shunu Sen Committee report.

While expressing serious concern over the non-implementation of important provisions made under the Prasar Bharati Act, the Committee again emphasize to take the decision either to set up the Parliamentary Committee and the Broadcasting Council as mandated under the Act or to have a comprehensive look at the provisions of the Prasar Bharati Act without any further delay.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Budgetary Grants for the year 2010-11

Recommendation (Para No. 1)

The Committee observe that as per Demand No.59 pertaining to the Ministry of Information and Broadcasting, the Budgetary allocation is for a total amount of Rs.2604.25 crore, which include Rs.850.00 crore as Plan outlay and Rs.1754.25 crore as non-Plan outlay. As against this, the Budgetary support for the year 2009-10 was Rs.2568.07 crore (Plan Rs.800 crore + non-Plan Rs.1768.07), which was reduced to Rs.2107.07 crore at the Revised Estimates stage. The overall outlay for the year 2010-11 both for the Plan and non-Plan segment has, therefore, been increased by Rs.497.18 crore over the budgetary allocation for the year 2009-10, which is an increase of 23.5%. The Committee note that the total Plan allocation to the three sectors of the Ministry of Information and Broadcasting viz. Information Sector, Film Sector and Broadcasting sector is Rs.6311 crore. As against this, the actual expenditure during the first three years of the Eleventh Plan is Rs.1193.50 crore upto 18th March, 2010 (Information Sector Rs.149.71 crore, Film Sector Rs.101.23 crore and Broadcasting Sector Rs.942.56 crore) which is approximately 18.91% of the total budgetary allocation. The sector wise utilization of the Plan expenditure for the first three years of Eleventh Plan is 47.6% in respect of Information Sector, 22.4% in respect of Film Sector and 17% in respect of Broadcasting Sector. The analysis of the budgetary allocation speaks about the dismal performance of the Ministry in utilization of funds. The reasons for under utilization of funds has been stated to be delay in approval of schemes, long procurement process in Prasar Bharati for purchase of capital goods and litigation involved in implementation of some of the schemes of Prasar Bharati. Taking note of the under utilization of allocated funds, the Committee in their Second Report on Demands for Grants (2009-10) had recommended that all efforts should be made to ensure that financial and physical targets under each of the project/scheme are fully achieved. From the facts stated above, it is abundantly clear that it has not been possible for the Ministry to adhere to the physical targets as envisaged in the Eleventh Plan. What has caused concern to the Committee is that year after year the representative of the Ministry during oral evidence has been advocating that the Ministry has been closely monitoring the Plan schemes at various levels and the pace of implementation would be stepped up. But, the examination of the Demands for Grants depicts all-together a different story wherein under utilization of funds is a perennial problem with the Ministry. In the opinion of the Committee, the under utilization of allocation is an indicator of the Ministry's poor budgeting mechanism and the failure of its monitoring mechanism to review the implementation of various schemes /projects. The Committee, therefore, impress upon the Ministry to make the implementation more effective and step up the monitoring mechanism both qualitatively and quantitatively. The Committee also desire that the Ministry should make serious efforts to identify the weakness in the system and streamline the planning process so as to ensure effective utilization of Plan outlay i.e. Rs.850 crore during the year 2010-11.

Action Taken by the Government

The suggestion of the Hon'ble Committee has been noted for strict compliance and all efforts are being made to ensure effective utilisation of the Plan outlay in 2010.11.

[Ministry of I&B O.M. No. 4/11/2010-PC (Vol.V) dated -20.09.2010]

On-Going and New Schemes

Recommendation (Para No. 2)

The Committee note with concern that a number of schemes meant for implementation during 2010-11 are still awaiting approval/clearance. Out of 28 on-going schemes, the requisite approval/clearance in respect of 2 schemes viz. National Press Centre under Information Sector and Museum of Moving Images under Film Sector is still pending. Besides, out of total 38 new schemes included in the Annual Plan for 2010-11 of the Ministry, 13 schemes are still awaiting requisite approval. These include some important schemes like Converting Indian Institute of Mass Communication into Media University under Information Sector; Setting up of Centre of Excellence for Animation, Gaming and special Effects, Equity Participation of NFDC, National Film Heritage Mission under Film Sector; and Digitalization of Transmitters, E-Governance, Setting up of Transmitters for Border area of J&K etc. under Broadcasting Sector. The Committee in their Second Report on Demands for Grants (2009-10) had expressed serious concern over the delay in approval/clearance of the schemes. In spite of that 13 schemes are still awaiting approval/clearance even when precious three years of the Plan period have already passed. All this clearly indicates that there are serious problem in the whole planning process. The Committee find the extant situation not conducive for overall working of the Ministry. The Committee desire that the Ministry should vigorously pursue the matter with the Planning Commission so that these schemes get approval/clearance without any further delay. The Committee further emphasize that the Ministry should work out a more streamlined approval system and all clearances may be obtained well before the commencement of the Plan so that the uncertainty about a new scheme is eliminated and its implementation starts in right earnest from day one of the Annual Plan. Since the preparation for the Twelfth Plan would start shortly the Committee strongly recommend that the Ministry should take all the initiatives, so that the situation of non-clearance of the schemes during the major part of the Plan period does not repeat during the Twelfth Plan.

Action Taken by the Government

1. The suggestion of the Hon'ble Committee has been noted for compliance.
2. The position with respect to project clearance, as indicated in the observation of the Committee at para 2 of the Sixth Report, is as under:
 - (i) **National Press Centre:**
Approval of the Competent Authority has since been obtained on 30.10.2009.
 - (ii) **Museum of Moving Images (MOMI):**
Approval of the Competent Authority has since been obtained on 25.03.2010.
3. With respect to project clearance of 13 new schemes observed by the Committee at para 2 of the report, it is clarified that the following schemes have been approved
 - (i) Software Acquisition (AIR)
 - (ii) Digitalization of Transmitters (AIR)
 - (iii) Digitalization of Transmitters (DD)
 - (iv) Setting up of Transmitters for Border Areas and uncovered area of J&K State (AIR)
 - (v) DTH (Doordarshan)
 - (vi) Staff Quarters in North East and Augmentation of STI(T) Schemes (under E-Governance project)
 - (vii) Conversion of IIMC into International Media University.
 - (viii) Equity Participation of NFDC

4. The schemes which are yet to be approved and are at various stages of approval are as follows:-
- (i) Global Film School (FTII, Pune)
 - (ii) National Centre for Animation, Gaming & Special Effects
 - (iii) National Film Heritage Mission
 - (iv) Software Acquisition (Doordarshan)
 - (v) International Channel of Doordarshan.
 - (vi) Improvement of facilities at existing stations & Enterprise Resources Planning Schemes (under E-Governance project)
5. Special efforts will be made to expedite the approval of pending plan schemes. The Ministry will also take necessary steps to avoid a situation of non-clearance and delay in the approval of the new schemes during Twelfth Five Year Plan.
[Ministry of I&B O.M. No. 4/11/2010-PC (Vol.V) dated -20.09.2010]

Commonwealth Games

Recommendation (Para No. 3)

The XIX Commonwealth Games, mega sporting event, are scheduled to be held at New Delhi from 3rd to 14th October, 2010. The Commonwealth Games-Delhi 2010 will consist of 17 sports events spread over 12 competition venues and 5 non-competition venues besides the Opening and Closing ceremonies. While scrutinizing the Demands for Grants 2010-11 of the Ministry of Information and Broadcasting, the Committee have noted that for Commonwealth Games, the original estimate approved was for Rs.412.80 crore, which was revised to Rs.473.52 crore. Out of this, Rs.155.00 crore have been utilized and the balance amount is Rs.338.52 crore, which include Rs.232 crore for Prasar Bharati, Rs.21.75 crore for Press Information Bureau and Rs.64.77 crore for ITPO remain unutilized. Prasar Bharati is the host broadcaster for these games. The host broadcaster will generate and provide basic feed signal to the Right Holding Broadcasters of different countries at the IBC. The entire coverage of the games is planned in the High Definition (HDTV) format. In addition to setting up coverage facilities at various competition and non-competition venues at Delhi, the host broadcaster is also required to set up an International Broadcasting Centre at Pragati Maidan. As per the information made available to the Committee, the implementation of the projects is in progress. The detailed design, drawings of RFP documents for various media facilities for setting up of Main Press Centre for the Commonwealth Games have been finalized and the date for award of works is 30th April, 2010. For Production and coverage activities, the contract for execution of the work has been signed between the Prasar Bharati and the executing agency. Till date, hands on training for nine sports disciplines have been completed. The work of design, installation and operation of International Broadcasting Centre (IBC) has also been awarded by Prasar Bharati on 12th January 2010 and the contract was signed on 8th March, 2010. According to the Ministry, the rates quoted by the two bidders for the work relating to Booking cum Information activity were not reasonable as per the EFC report and therefore, the bids were discharged. The work is now being done by Doordarshan with technical support from NIC. The bids for Broadcasting facilities at venues are under process. The second World Broadcast Meeting has been scheduled to be held from 16th to 18th April, 2010 and necessary preparations for the meeting have been started.

The Committee are anxious about timely completion of the all the projects relating to Commonwealth Games. Since the countdown for the Commonwealth Games has already started, the Committee desire the Ministry to speed up the implementation of all the on-going projects so that there are no slippages in adhering to the targets assigned for timely completion of the projects. Since organizing the games is a national honour, the Committee hope that Prasar Bharati, which is the host broadcaster for the

event, will be able to meet all the challenges which lies ahead and the responsibilities assigned to the organization would be discharged in a highly professional manner.

Action Taken by the Government

Regarding the preparedness for the Commonwealth Games, the latest status report is as follows:

1. Production and Coverage activities:

- Contract between the Host Broadcaster, Commonwealth Games Delhi 2010 and engaged entity for 'production and coverage activities' for Commonwealth Games Delhi 2010 under HB assignment i.e. SIS Live was signed on March 5, 2010 at a contract value of Rs.246 cr.
- SIS Live has submitted Basic Production plan for coverage of the Games which has since been approved.
- Two instalments of payment to M/s.SIS Live have already been made.
- The facilities at all venues are likely to be made operational by 28-09-10.

2. IBC activities:

- The contract between the Host Broadcaster, Commonwealth Games Delhi 2010 and engaged entity for 'International Broadcast Centre Activities' for CWG Delhi 2010 under HB assignment i.e. Consortium of M/s.Global Television Services Pvt. Ltd., Australia and Shaf Broadcast India, was signed on March 8, 2010 at a contract value of Rs.65.90 Cr.
- The IBC has been made operational and inaugurated by Hon'ble MIB on 20-09-10.

3. World Broadcasters Meeting – II

- M/s. Wizcraft has been selected as the entity for Event management at a contract value of Rs.2.70 cr. and the contract has been signed with them. The first WBM was held from October 26, 2009 to October 28, 2009 at Hotel the Ashok, New Delhi.
- The second WBM was held from 16-18 April, 2010 at Hotel Shangri-La, New Delhi. The RHBs from Commonwealth Countries as Australia, New Zealand, South Africa, Asia Pacific Broadcasting Union (ABU), Canada and UK participated in the WBMII.

4. Booking-cum-Information Office and HB Website:

- The booking-cum-Information activity is being done by Doordarshan with technical support from NIC at a cost of Rs.2.16 Cr. The entire payment has been released to NIC for the project on 31.3.2010.
- The indicative rate card for the bookable facilities and services was distributed to the Right Holder Broadcasters during the WBM-I. The final rate card has been uploaded on the website and RHBs are in the process of booking facilities and services. RHBs have booked their first orders.

5. Broadcast Facilities at Venues:

- **BECIL** has been selected as the entity for 'Provision and customization for Broadcast facilities at Venues' under HB assignment for Commonwealth Games

Delhi 2010 for Rs.19.80 Cr. The assignment includes customization of Broadcast Compounds at Venues, Presentation studios, technical furniture, commentary tribunes, camera platforms, power supply distribution panels and air-conditioning etc.

Total budget allocated to Prasar Bharati for the year 2010-11 is as below:

Prasar Bharati	:	Rs.232.00 crore
ITPO	:	64.77 crore
Total	:	<u>Rs.296.77 crore</u>

[Ministry of I&B O.M. No. 2/8/2010-B (Fin) dated 20 .09.2010]

Functioning of Prasar Bharati

Recommendation (Para No. 4)

The Committee during the deliberations have observed that there is disagreement between the Ministry of Information and Broadcasting and Prasar Bharati on a number of issues. As per the information made available by the Ministry, the commercial receipts of both Doordarshan and AIR have been decreasing. When the CEO during the deliberations was asked to comment on this aspect, he straightaway disagreed with the data furnished by the Ministry. Again on the issue of Commonwealth Games, which is a proud event for the country, the CEO stated that he would not have liked Doordarshan to be the Host Broadcaster. Besides during the deliberations it emerged that CEO Prasar Bharati was not in favour of the existing arrangement whereby Prasar Bharati is accountable to Ministry of Information & Broadcasting. He was on record stating that the accountability of Prasar Bharati with the constitution of the Parliamentary Committee as per the provisions made in Prasar Bharati Act would be directly to the Parliament. The Committee conclude from the aforesaid situation that there is an apparent conflict between the Prasar Bharati and the Ministry of Information and Broadcasting. This is a sorry state of affairs and the Committee apprehend that it is affecting the overall functioning of Prasar Bharati. The Committee feel that there is an urgent need to sort out the differences between the Ministry and Prasar Bharati particularly the issue regarding accountability of Prasar Bharati to Ministry as emerged during the deliberations, expeditiously by the Government when the Commonwealth Games, a prestigious event for the country would be held shortly which would be telecast by Prasar Bharati. The concern of the Committee in this regard should be duly communicated to the Cabinet Secretary. All care should be taken by the Government that Prasar Bharati meets the expectations of the country by presenting world class telecast during the Commonwealth Games.

Action Taken by the Government

The position in regard to the commercial receipts of Doordarshan and All India Radio is as follows:-

On receipt of the questionnaire from the Standing Committee to furnish replies by 16th March, 2010, this Ministry vide its letter dated 12th March, 2010 addressed to CEO, Prasar Bharati, with a copy to Member (Finance), DG : Doordarshan and DG : All India Radio, required Prasar Bharati to furnish the requisite replies by 15th March, 2010. A reminder was also sent on 17th March, 2010. However, since no replies were forthcoming and since the furnishing of replies to Standing Committee was getting delayed, this Ministry was left with no other alternative but to call the officials of Prasar Bharati to prepare and furnish the replies. The data pertaining to the commercial receipts of both Doordarshan and All India

Radio was provided by Senior General Manager (Finance), Prasar Bharati and duly signed by her. The information submitted by Ministry to the Standing Committee, was thus based on the data given by Prasar Bharati. The disagreement expressed by CEO, Prasar Bharati regarding the data furnished by the Ministry is therefore not understood.

On the issue of Doordarshan being appointed as the Host Broadcaster for Commonwealth Games, 2010 and the views of CEO, Prasar Bharati thereon, it is submitted that when the bids were filed by OC as far back as the year 2003 for allocation of the games, Doordarshan was mentioned as the agency which will discharge the role of the Host Broadcaster under the Host City Contract and as per the CGF Guidelines. Therefore, Doordarshan / Prasar Bharati are now required to discharge their obligations as per commitments already made. Any personal opinions at divergence with the above decision, are irrelevant and uncalled for, particularly at this stage.

As per various provisions contained in Prasar Bharati (Broadcasting Corporation of India) Act, 1990, the Central Government has been assigned specific roles vis-a-vis Prasar Bharati. As per 'The Government of India (Allocation of Business) Rules, 1961', the work of administration of Prasar Bharati Act has been allocated to the Ministry of Information and Broadcasting. Therefore, it is the Ministry of Information and Broadcasting which is required to deal with all Parliamentary business concerning Prasar Bharati. Accordingly, as per the extant law the Ministry of Information and Broadcasting is required to discharge its responsibilities vis-a-vis Prasar Bharati despite any individual opinions to the contrary. In addition to the role envisaged for the Central Government the accountability to Parliament was also envisaged through the Parliamentary Committee as per Section 13 of the Prasar Bharati Act. This accountability towards Parliament is also being achieved through the Parliamentary Standing Committee and the Consultative Committee. Even if the Parliament Committee as envisaged under the Act had been constituted, the Central Government through the Ministry of Information and Broadcasting would have continued to play the role as envisaged under the Act.

On the concern expressed by the Standing Committee regarding the smooth conduct of the Commonwealth Games, it is submitted that regular reviews are being undertaken inter-alia at the level of this Ministry and the Cabinet Secretariat to ensure that Doordarshan / Prasar Bharati are able to complete the requisite preparations in time. A high level Oversight Committee, co-chaired by Minister of Information and Broadcasting & Minister of Law and Justice and consisting of senior officers from the Ministry, Prasar Bharati and other concerned Departments/organizations has also been constituted and has held meetings to review the progress of works relating to the Commonwealth Games. Cabinet Secretary has been holding regular review meetings on the progress of preparation for Commonwealth Games including issues of Broadcasting. Further, any issues which have been requiring the attention / intervention at the level of Cabinet Secretary are being brought to his notice by this Ministry or by Department of Sports for resolution.

[Min. of I&B, ID No.5/1/2010-BP&L, Dated-05/07/2010.]

Revenue earnings by Prasar Bharati

Recommendation (Para No. 7)

The Committee's examination has revealed that unsatisfactory performance of the Ministry was not confined to under utilization of funds, but extends to other areas also. The Committee note that the revenue earned by Prasar Bharati (All India Radio and Doordarshan) is mainly through commercial means (advertisements, sporting events etc.). However the commercial receipts have been gradually decreasing. During

the year 2007-08, the commercial receipts were Rs.936.78 crore, which came down to Rs.933.61 crore during 2008-09 and further reduced to Rs.762.58 crore (upto January, 2010) during 2009-10. Another problem area identified by the Committee during the course of the examination of the Demands for Grants pertains to increasing gap between the operational cost and revenue generation and increasing grant-in-aid (non-Plan). The Committee find that during the year 2007-08, the gap between operational cost and revenue generation was Rs.712 crore, which increased to Rs.1185 crore in the year 2008-09 and the gap further enlarged to Rs.1742 crore during 2009-10. The Committee have been informed that both All India Radio and Doordarshan can generate revenue by taking some policy decisions which inter-alia include sharing of Prasar Bharati infrastructure such as towers, building and land with private broadcasters, mobile service providers on licence basis; providing value added service such as IVRS and SMS based service to the listeners; rationalization of rate structure of the rental resources; turnkey solutions for establishing 50/100 watt community radio stations to Universities/Colleges/residential schools etc. The Committee are of the opinion that as an autonomous organization, Prasar Bharati should find out the ways and means to mobilize funds to reduce dependence on Government's grants to cover up the operational cost. The Committee feel that with vast infrastructure and skilled manpower, which private channels may not possess, Prasar Bharati can reasonably enhance its revenue by adopting suitable marketing strategies. In the opinion of the Committee to increase commercial revenue of both All India Radio and Doordarshan, the Ministry should take all possible measures including aggressive marketing, content improvement, increasing the quality of in-house programs by exploring better talent from professional theatre and film fields. The measures are essential in an organization like Prasar Bharati which is facing stiff competition from Private Channels. The Committee would like the Ministry to examine these suggestions and respond to the Committee.

Action Taken by the Government

Prasar Bharati has noted the suggestions made by the Committee with regard to increasing the revenue generation by taking policy decisions and would explore the various suggestions made by the Committee in this regard.

As already submitted to the Committee, Prasar Bharati being a Public Service Broadcaster is not guided by commercial motives and its primary object is to inform, educate and entertain the masses across the length and breadth of the country. Revenue generation can only be a by-product of its main focus.

However, Prasar Bharati has taken various steps to attract clients on Doordarshan Channels, which include discount schemes for direct booking of the advertisements on Doordarshan and the bases for telecast of Advertisement including the Government schemes and projects. Value addition is also being given to clients in the form of branded promos on DD Channels to promos the programme free of cost. As regards AIR rationalisation of rate card and aggressive marketing of the medium, content improvement are amongst the steps taken to attract more advertisements. Besides this, other steps are: a) In-house capability for marketing of programmes (b) Self Finance Commissioning success in DD National Channel is being extended to regional Kendras to achieve more revenue. (c) Under New guidelines of procurement of Hindi feature films, the films are to be procured from right holders directly, which would increase the revenue of the channel. It is expected that these steps would help improve revenue earning by Prasar Bharati considerably. The revenue earned by Prasar Bharati during 2009-10 and the projections of Revenue earning during 2010-11 are as under:

(Rs. in crore)

	Net revenue earned during 2009-10	Gross Revenue projections during 2010-11	Net Revenue projections during 2010-11
AIR	295.23	340.00	315.00

DD	835.75	1300.00	961.00
PB	25.00	26.00	26.00
Total	1155.98	1666.00	1302.00

[Ministry of I&B O.M. No. 2/8/2010-B (Fin) dated .09.2010]

Recommendation (Para No. 8)

Prasar Bharati is the host broadcaster for the Commonwealth Games, being held at New Delhi from 3rd to 14 October, 2010. Commonwealth Games is a prestigious event for the country when India would be showcasing its capabilities to the world. The Committee feel that it is a great opportunity for Prasar Bharati to meet the expectations of the country by presenting the world class telecast. Besides, it is also an opportunity for Prasar Bharati to bridge the gap between operational expenditure and revenue by earning through commercial advertisements. Prasar Bharati should chalk out the detailed strategy in this regard and take desired action.

Action Taken by the Government

Prasar Bharati is making preparations to provide a World Class coverage in High Definition TV format. The updated status of preparations is given in reply to Para 3. As regard the possible revenue earning from the telecast of CWG-2010, it is submitted that as per the agreement entered into between HB and OC, revenue sharing of all Net Revenue Realization arising out of International Broadcast Rights Sales by the OC of the Games from outside the territory of India has been agreed in the ratio of 70% to the account of OC and 30% to the account of Prasar Bharati, and revenue sharing of all Net Revenue Realization arising out of Television Broadcast & Radio Broadcast of the Games respectively by Doordarshan & Akashvani in the territory of India, in the ratio of 60% to the account of OC and 40% to the account of Doordarshan & Akashvani.

[Ministry of I&B O.M. No. 2/8/2010-B (Fin) dated .09.2010]

North East Special Package

Recommendation (Para No. 11)

The Committee note that the projects under the North East Special Package entails Rs.43.00 crore during the year 2009-10. However, out of the allocated amount, only Rs.6.81 crore could be utilized upto December, 2009. Several projects like commissioning of 19 new FM stations, 1 KW FM transmitters at Kolkata, 5 KW FM transmitters at Silchar, 10 KW FM transmitters at Gangtok, 1000 KW MW Transmitters at Chinsura, 100 watt FM relay centres in remote locations and procurement of equipment for DSNG/MSS terminals are at various stages of execution. The non-utilization of funds has been attributed mainly due to litigation, delay in construction of approach road to AIR sites at some places. The Committee have been informed that the litigation is now over and BECIL, a PSU under the Ministry of Information & Broadcasting is executing the project. Now, when the basic hurdle in the implementation of the programme is over, the Committee emphasize that Prasar Bharati should take up the project in right earnest and closely monitor the implementation of the projects to ensure that there are no slippages in terms of physical and financial targets.

Action Taken by the Government

North East Special Package

(Rs in crore)

Schemes	2009-10		2010-11
	Plan Outlay (BE)	Expenditure (upto March,10)	Plan Outlay (BE)
Capital	40.00	10.66	37.00

Revenue	3.00	0.00	3.00
Total	43.00	10.66	40.00

Timeline for completion of North East Special plan.

S. No.	Project	Status (as on 21.05.2010)	Targets expected to be achieved during the year 2010-11 with revised timelines showing the Quarterly Targets	Remarks
1.	19 New FM Stations with 1 KW FM Trs.	<p>(1) Acquisition of sites:</p> <p>In addition to 10 sites taken over last acquired during the current year at Lumding 7 Karimganj in Assam, Cherapunjee (Meghalaya), Kolasib (Mizoram) & Wokha (Nagaland).</p> <p>2. more sites also finalised at Anini (Arunachal Pradesh) and District authorities are being pursued to issue Demand notes. 2 more Sites remain to be acquired at Tamenglong (Manipur) and Ukhrul (Manipur)</p> <p>(2) Civil works</p> <ul style="list-style-type: none"> Boundary wall / Security fencing Wall completed at Udaipur & Nutan bazaar and fencing work is I progress at 8 places at Bomdila, Goalpara, Lumding, Daporijo, Khonsa, Tuepang, Champh 	<p>(1) Acquisition of sites:</p> <p>Q2- Remaining 4 sites are expected to be acquired.</p> <p>(2) Civil works</p> <p>Q1- Completion of Security fencing at 9 places and award of building works at 4 sites already taken over. Tendering of Towers for 6 palaces</p>	<p>There has been delay in handing over of sites by State Govt. At Tamenglong, district administration has shown inability to vacate the land earlier offered and has suggested alternative land. Matter is being pursued.</p> <p>- At Ukhrul, site will be available only after the district SP's office at site moves to new building of the District Secretariat which is likely by June 2010. Matter is being pursued.</p> <p>Progress of work is slow as concerned State Government have to construct approach road to AIR sites at Chemphai, Phek, Goalpara & Kolasib. Estimate awaited from local body for shifting HT line at Kolasib. Matter is being pursued.</p> <p>Installation/testing at six places will be complete this year. For 9 places the</p>

		<p>ai & Kolasib. At Changlang, civil work could not start even after clearance by court, due to problem at site. After pursuing the matter with DC, Changlang, work is expected to start shortly.</p> <ul style="list-style-type: none"> • Building Works- Foundation work of building is in progress at 6 places at Goalpara, Daporijo, Tuipang, Kolasib, Nutan Bazar and Udaypur. At 2 places at Changlag & Champhai, tenders are under process. Estimate for building is under process at 2 places for Khonsa & Lumding. • Building Works- Foundation works of building is in progress at 6 places at Goalpara, Daporijo, Tuipang, Kolasib, Nutan Bazar and Udaypur. At 2 places at Changlang & Chemphai, tenders are under process. Estimates for building is under process at 2 places for Khonsa & Lumding. <p>1 KW FM Trs received.</p>	<p>Q2- Completion of Security fencing at 4 places. Q3- Completion of Building and Start of installation at 6 places Q4- Completion of building at remaining 7 places</p>	<p>installation is expected to be completed by Dec,2012 and the remaining 4 places during 2012-13.</p>
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2.	Silchar-5 KW FM Tr.	Civil works are complete. Purchase proposal for Tr. Is under process. Order is yet to be placed as Internal Finance is yet to clear the proposal.	Q1- Ordering of Tr. Q3- Receipt of Tr. & start of installation Q4- Completion of installation & start of testing.	
3.	Gangtok- 10 KW FM Tr.-	Civil works are complete. Tr. Is part of the consolidated procurement proposal for 42 Trs. Purchase order could not be placed due to litigation. Presently formal AT has been placed.	Q1-. Formal AT for Tr. Q3- Receipt of Tr. & start of installation Q4- Completion of installation & start of testing	
4.	Chinsura – 1000 KW MW Tr.-	Outside civil works are complete. After decision of case by Supreme court in October,10, formal order for Transmitter has been placed with delivery expected in Dec.10.	Q1- Completion of civil modification works inside the Tr. Building Q4. Receipt of Tr. and Start of installation,	Completion of installation & testing is expected by Sept,2011
5.	DSNG systems	Purchase order for DSNG systems could not be placed due to retendering. Tenders not found technically acceptable. Tenders called again with revised specifications.	Q1- Receipt & scrutiny of tenders Q2- Technical Evaluation of tenders Q3- Opening of commercial bids and processing of purchase proposal Q4- Ordering of equipment.	DSNG systems are expected to be available by June,2011.
6.	MSS Terminals	For MSS terminals, order was placed. But the firm intimated a change in model number of equipment quoted which is not acceptable.	Procurement of MSS terminals is proposed to be dropped.	

		Proposal put up for cancellation of order.		
7.	100 Watt FM Relay Trs. At 100 places.	Installation has been completed at 80 places and is in progress at another 9 places. For the remaining 11 places (7 in Mizoram & 4 in Manipur), matter is being pursued with the concerned State Governments to finalise the locations.	Q1- Completion of installation at places which remain after March,2010. (Subject to availability of space by the State Govt.	Law and order situation in Manipur, Tripura, Nagaland and Karbi Anglong District of Assam. At some places the nodal officers of State Govt changed. Work got delayed in the process due to identification and finalization of new sites. Mizoram Govt. is yet to allot sites.

[Ministry of I&B O.M. No. 2/8/2010-B (Fin) dated .09.2010]

Digitalization of Transmitters, Studios, Connectivity and DTH channel

Recommendation (Para No. 12)

The Committee in their Second Report on Demands for Grants (2009-10) had expressed serious concern over the delay in approval/clearance of important projects of the Ministry of I&B during the Eleventh Plan. In the context of All India Radio, one of the important programmes is digitalization of transmitters, studios, connectivity and DTH channel. The Eleventh Plan allocation for the scheme is Rs. 924.20 crore out of which projects for Rs. 57 crore were sanctioned in 2007-08. As regards the balance amount of Rs. 867.20 crore, the Committee have now been informed that the project has been cleared at the level of EFC for an amount of Rs. 843.54 crore. A CCEA note has been submitted for consideration of the Cabinet. The Committee again express serious concern over the way the important projects/schemes are being processed by the Ministry. The major portion of such an important scheme of All India Radio is still to be finalized even when precious three years of the Eleventh Plan have already been over. The Committee emphasize that programme for the balance amount of Rs. 867.20 crore should be cleared expeditiously so that there is some headway at least during the remaining two years of Eleventh Plan.

Action Taken by the Government

Cabinet Committee on Infrastructure (CCI) has approved the scheme of Digitalization of transmitters, studios, connectivity and DTH Channel of AIR (11th Plan) at a cost of Rs. 843.54 crores in its meeting held on 08.04.2010. Cabinet Secretariat has conveyed the approval of CCI to the Ministry vide their letter dated 12.04.2010 and accordingly sanction/approval has been conveyed to Prasar Bharati on 27.04.2010

[Ministry of I&B O.M. No. 2/8/2010-B (Fin) dated .09.2010]

Recommendation (Para No. 13)

The Committee are disappointed to note the progress of the various projects being implemented with Rs. 57 crore of the aforesaid scheme which were sanctioned in 2007-08. During the year 2008-09, an amount of Rs. 63.88 lakh was earmarked under the scheme. However, no expenditure could be incurred during the year. For the year 2009-10 allocation of Rs. 28 lakh was made and again expenditure up to December,

2009 as reported by the Ministry is nil. The Committee's examination has further revealed that low expenditure is on account of the long procurement cycle. As stated in the earlier part of the report, there are serious problems with regard to procurement procedure. As such the Committee again emphasize that urgent steps should be taken to streamline the procurement procedure. Immediate action in this regard should be taken and the Committee informed accordingly.

The Committee further find that a number of projects which are part of the scheme viz. replacement of 31 old MW DRM transmitters with captive power plant at Arunachal-China border, replacement of 6 nos. KW MW mobile by MW DRM transmitters and conversion of 36 existing DRM compatible MW transmitters to DRM are pending completion. The Committee in this regard urge the Ministry to give the detailed information about the aforesaid projects indicating the date of execution and timeline for completion of projects so as to know about the progress of these important projects.

Action Taken by the Government

With a view to streamlining the procurement procedure, Prasar Bharati has drawn a time schedule for the procurement activities with the approval of CEO. The activity chart for procurement in Prasar Bharati is enclosed at Annexure.

The total outlay under the Scheme "Digitalization of transmitters studios and connectivity and DTH Channels" is Rs.924.20 crore.

- 1.** Out of total outlay the following 3 Schemes were approved for Rs.57 crore. Present Status are as under:-

(i)	Upgradation and Replacement of 6 Nos. of 10 kW MW Mobile Transmitter	Order was placed on 9.12.2009. LC has been opened. Pre-dispatch inspection/testing of Transmitters by AIR Engineers is to be carried out before shipping of equipment
(ii)	Replacement of STL	NIT was issued on 20.06.2008 but none of the Tenders were found technically acceptable. Then re-tendering was done on 25.06.2009. One of the firms has now represented and issue is under consideration. in Prasar Bharati.
(iii)	C-Band RN Terminal	Re-tendering was done on 26.06.2010 and tender has been opened on 28.08.2010. The Technical Evaluation is under process

- 2.** Approval of rest of the Schemes for an amount of Rs. 843.54 crores including Replacement of 31 Old MW transmitters by MW DRM transmitters with Captive power plant at Twang, Passighat and Itanagar in Arunachal Pradesh and conversion of 36 existing DRM compatible MW transmitters to DRM Mode under digitalization of AIR network of 11th Plan, was conveyed to Prasar Bharati on 27th April, 2010.

The present status is:-

- As per timeline, NIT (Tender) has been issued for most of the equipment in the month of June, 2010 and Tender. opening would be completed during the month of September, 2010.
- Procurement committee has been constituted in AIR Directorate under the Chairmanship of DG:AIR, to review the procurement action of equipment fortnightly.

[Ministry of I&B O.M. No. 2/8/2010-B (Fin) dated 20 .09.2010]

Digitalization and modernization of production facilities (Studio/OB) Recommendation (Para No. 14)

For the Eleventh Plan, digitalization is one of the major schemes for upgrading the infrastructure and improving its operation both for All India Radio and Doordarshan. The scheme envisages digitalization and modernization of production facilities for enhancement of technical quality of programmes. The Committee note that digitization of transmitters will be a major steps towards `go digital'. The switch over from analog transmission to digital transmission has been necessitated due to advancement in technology as the analog transmitters will be switched off in 2017. During the year 2009-10, Rs.20.00 crore were earmarked, out of which Rs.8.96 crore (upto December, 2009) could be utilized. The reasons for low level of utilization have been stated to be delay in supply of equipments like multi camera OB van. The Committee also note that as in the case of other new schemes, this scheme is also awaiting approval from Expenditure Finance committee. While expressing their displeasure over delay in approval of the scheme and also tardy implementation of the digitalization process, the Committee desire that all necessary approvals should be expedited and the Ministry should endeavor towards expeditious implementation of the scheme.

Action Taken by the Government

Doordarshan has a total of 6 New schemes in 11th Plan. Out of these, 4 schemes viz. DTH augmentation, Modernization, augmentation & replacement of Satellite Broadcast equipment: High Definition TV (HDTV); Staff Quarters & other misc. works and Digitalization of Studios in DD Network have already been approved and are at different stages of implementation and remaining two schemes viz. (i) Replacement, Modernization & Augmentation of Transmitter & Studio equipment and (ii) Software Acquisition/Production are yet to be approved. The proposal pertaining to Replacement, Modernization/Augmentation of Transmitter & Studio Equipment, revised EFC has since been received which is under examination of the Ministry. In respect of Software Acquisition/Production, PB has been asked to submit a revised SFC proposal.

Doordarshan is taking every possible step to utilize the allocated funds for 2010-11. In order to cut short the time in procurement of equipment (NIT to order), a Procurement Committee with DG as Chairperson and E-in-C, CE (Purchase), CE (System Design), DDG (Fin.)/IFA and DE (Purchase) as members has been formed at Doordarshan Directorate. Monitoring mechanism has also been strengthened.

Switch off date for analog transmitters are mentioned as 2017. In this regard it is to mention that for digitalization of its terrestrial transmitter network, Doordarshan has planned establishment of 630 digital transmitters (HPTs-230, LPTs-400) to provide the current level of coverage as being provided by 1412 analog transmitters. Out of the above 630 transmitters, 40 transmitters are to be set up under 11th Plan. The remaining 590 transmitters will have to be set up subsequently. The digitalization projects, as approved under the present schemes, are expected to be completed by 2013. The complete digitalization of the network of Doordarshan/All India Radio is targeted to be completely by 2017 depending on the availability of Plan funding. Analog & digital transmission will have to continue simultaneously for some time.

[Ministry of I&B O.M. No. 2/8/2010-B (Fin) dated 20 .09.2010]

Recommendation (Para No. 16)

The Committee observe that now-a-days there are large choices of watching the content appearing on TV like internet, IPTV, DTH, Headend in the Sky etc. Besides, as stated by the representative of the Ministry, mobile TV when it comes into existence will actually be largely taking content from the already existing broadcasters. Since the internet is under the jurisdiction of the Department of Information Technology, there is

an urgent need to have a holistic approach on the issue of content regulation mechanism. The Committee, therefore, strongly recommend that the Ministry should ensure that the proposed regulatory mechanism addresses to the content of broadcaster appearing in various other services like IPTV, mobile TV internet etc. by having wider consultations with the Department of Information Technology and other related Departments.

Action Taken by the Government

In so far as content regulation is concerned, there is no independent regulator at the moment and the Ministry of I&B acts as a regulator. Every Broadcaster, through various Policy guidelines, has been mandated to follow the Programme and Advertising Codes prescribed under the Cable Television Networks (Regulation) Act, 1995 and Rules framed thereunder. These codes also apply to IPTV, DTH and HITS and will also be required to be followed by Mobile TV service providers, the policy for which is under consideration. However, Internet is not proposed to be covered by the Broadcasting Law and it is separately governed by the provisions of the Information Technology Act, administered by the Department of Information Technology. The proposed Broadcasting Authority is envisaged to regulate both the carriage and content of broadcasting services.

[Min. of I&B, ID No.5/1/2010-BP&L, Dated-05/07/2010.]

Community Radio

Recommendation (Para No. 18)

The Community Radio campaign in the country has been a recent development. The Community Radio, a low power radio station is installed and run by local communities, civil societies organization, established educational institutions including IITs/IIMs, Non-Governmental Organizations. The Committee have been informed that presently 52 Community Radio stations are functional in the country, which are run by 8 NGOs and 44 educational institutions. Presently about 340 applications are pending with the Ministry for grant of licence. The Committee are of the view that community radio can become an effective tool for development because community radio can focus on specific areas, highlighting the area specific problems and addressing those concerns, something which may not be possible through the conventional mass radio. The progress of setting up of Community Radio Station as stated above, indicates that the growth is very slow. As such there is an urgent need to evolve a strategy for popularizing and sustaining the community radio. Efforts should be made to replicate successful models in other States and there is need to ensure its long term survival.

Action Taken by the Government

Community Radio Stations, have a great potential to reach out to every person in the country with useful and constructive information. The Ministry is fully in agreement with the views of the Hon'ble Committee that there is an urgent need to evolve a strategy for popularizing and sustaining the Community Radio movement in the Country.

In order to popularize and spread awareness about Community Radio, the Ministry of Information and Broadcasting has been organizing State Level Workshops in which people who wish to set up a Community Radio Station have been invited to participate and learn about the policy, methodology, application processing and other technical details. For this purpose a special scheme was proposed by the Ministry in the Eleventh Five Year Plan under the Head " IEC Activities for Community Radio". Ministry has been organizing the Local Level Workshops in various States of the country for the purpose of spreading awareness. 10 Workshops were organized during 2007-2009 and 10 State Level Consultations were organized during 2009-10. Participants from various

states like North-East, Bihar, Madhya Pradesh, Uttar Pradesh etc., were invited. These Workshops are organized for a period of three days. Following areas are covered.

1. Participants are explained about CRS objectives, eligibility criteria, policy guidelines, how to fill up application and licensing procedure etc.. There is experience sharing with functional community radio operators, field visits are organised to villages for live demonstration on Community Radio Station by using mobile phones.
2. Different models of CR Stations, their installation, available technology of community radio and resources of funding from multilateral agencies, are discussed.
3. Details about types of programmes which can be broadcast on CRS, community participation in management of CRS and programme production etc., are discussed.

It is proposed to organise 12 State Level Consultations during 2010-11. These local level workshops have not only helped in creation of awareness, but have also helped in catalyzing the spurt in the receipt of applications from the applicants. 800 participants have participated in these Workshops. Letters of Intent have been issued to 231 organizations. 102 organizations have signed the Grant of Permission Agreement (GOPA), 57 Community Radio Stations are operational in the country.

With regard to the need to ensure the long term survival of various Community Radio Stations in India, Government has made a significant change in the policy in year 2006 wherein Community Radio Stations have been allowed to receive advertisements and make announcements relating to local events, business services and employment opportunities etc.. For this purpose a rate of Rs.1.00 per second has been permitted by the Ministry in the Policy. The Community Radio Station can broadcast advertisements up to 5 minutes per hour. This is expected to generate revenue for the Community Radio Stations to help them to meet the recurrent charges.

[Min. of I&B, ID No.503/106/2010-CRS, Dated-29/06/2010.]

Recommendation (Para No. 19)

The Committee note that per hour cost of Broadcasting by Community Radio is approximately Rs.5000. The Government is not providing any financial assistance to set up a Community Radio Station and the applicant has to arrange funds for establishment and to run a Community Radio Station. The Committee are of the opinion that the Government may consider extending financial and technical assistance for setting up Community Radio in the backward and remote areas of the Country.

Action Taken by the Government

With regard to extension of financial assistance for setting up of Community Radio Stations in backward and remote areas of the country, Ministry has held discussions with stakeholders in this regard, though at present there is no proposal to sanction funds to the community Radio Stations. However, Ministry is actively engaged in discussion with various stakeholders to arrive at a solution for formulating a suitable Plan Scheme to assist Community Radio Stations in the country in the XII Plan.

[Min. of I&B, ID No.503/106/2010-CRS, Dated-29/06/2010.]

Information Sector

Recommendation (Para No. 20)

The Committee observe that out of the allocation of Rs. 6311 crore as the DBS component, the Information Sector has been allocated Rs.314 crore, which works out to

4.9%, of the total allocation. The Committee's examination has revealed that there has been under utilization of Outlay. During the year 2008-09, the allocation at BE stage was Rs.51.28 crore, which was enhanced to Rs.75.89 crore at RE stage and the actual utilization was 66.86 crore, which comes to 88%. During the year 2009-10, RE stage allocation was Rs.76.00 crore, which was increased to Rs.85.27 crore out of which only Rs.47.58 crore, could be utilized upto February, 2010, which is 55.7%. What has caused concern to the Committee is that an important scheme under the Information Sector viz. Converting Indian Institute of Mass Communication into Media University is awaiting SFC approval. Therefore, the Committee desire that the process of seeking clearance to the pending schemes should be expedited and all corrective action may be taken so as to utilize the outlay effectively.

Action Taken by the Government

In this regard, it is submitted that the utilization of grants in the Information Sector was due to the following reasons:

1. Non-finalisation of the hiring of accommodation for the new office at Guwahati by RNI.
2. The revised cost estimate of Rs. 60 crore for setting up of National Press Centre got mandatory clearances from various authorities by December, 2009 only. Hence PIB surrendered Rs.1 crore at the RE stage.
3. Due to enforcement of model code of conduct for Lok Sabha Elections, 2009, no public information campaign could be organized between April 2009 to June 2009.
4. PIB could not also organize exchange of media persons under the Cultural Exchange Programme due to non-receipt of response from participating countries.

It is reiterated that all efforts are being made to increase utilization of funds by all the Media Units in the Information Wing by having periodical meetings at the level of Joint Secretary with the Heads of the Media Units.

As far as IIMC is concerned, during the year 2008-09, Rs. 1.00 crore was allocated for the Scheme for conversion of IIMC into an International Media University. However, the amount could not be utilized as the 'in-principle' approval of Planning Commission was received only in March, 2009. In 2009-10, Rs. 3.70 crores was earmarked in the BE/RE, which was reduced to Rs. 40.00 lakhs in Final Grant due to non-finalization of SFC Memo. IIMC has incurred an expenditure of Rs. 37.30 lakh on pre-investment activities during the financial year 2009-10. SFC Meeting was held on 15.07.2010 for consideration of IIMC's Plan Scheme "Converting IIMC into International Media University", which has been renamed as "Upgradation of IIMC to International Standards" in terms of the recommendations of SFC. The proposal as recommended by the SFC has since been approved by the competent authority.

[Ministry of I&B I.D. No. 23/16/2010-IP&MC dated 4.08.2010]

Indian Institute of Mass Communication

Recommendation (Para No. 21)

The Ministry proposes to convert the Indian Institute of Mass Communication (IIMC) into an International Media University, which will allow it to award its own degrees in place of existing post graduate diploma courses. The Committee in their Second Report on Demands for Grants (2009-10) presented to Parliament on 16 December, 2009 had recommended that the Ministry should take up the project in right earnest and expedite approval of all mandatory clearances paving the way for conversion of IIMC into an International Media University. The Committee find that no headway has been made in this regard except seeking 'in-principal' approval of

Planning Commission on 23rd March, 2009. The comments of IIMC on the revised draft SFC memorandum are still awaited. Thereafter, the draft memorandum will be placed before SFC for its approval. In addition to mandatory approvals at the Ministry level, the recognition of the degrees to be awarded by IIMC will require approval of the Ministry of Human Resource Development in respect of their equivalence with MA degree. The matter is yet to be taken up with the Ministry of Human Resource Development. Further, 'no objection' from Jawahar Lal Nehru University will also be required for starting construction of the building as the land belongs to that University. With regard to the financial performance during the year 2008-09, a sum of Rs.1.00 crore was allocated to the Institute at BE stage, which was reduced to Rs.0.01 crore at RE stage and the actual expenditure was reported to be zero. During the year 2009-10, a sum of Rs.3.70 crore was allocated to the Institute both at BE and RE stage, but no expenditure could be incurred. The chain of events during the years 2008 and 2009 gives an impression that the scheme has been conceived in haste resulting in gross under utilization of outlay during each of the Eleventh Plan.

The Committee feel that the Ministry should have done adequate preparatory work before embarking upon the scheme. Once the scheme has been conceptualized, the reasons for under performance are untenable. The Committee desire that the Ministry should take up the project on priority basis and expedite approval of all mandatory clearances paving the way for conversion of IIMC into an International Media University.

Action Taken by the Government

The Indian Institute of Mass Communication (IIMC) has now completed the pre-investment activities, such as Topographical Survey, Soil Testing, Structural Survey, Site Plan, Line Drawings of proposed Constructions, etc. The Executive Summary of the detailed project for "Conversion of IIMC into an International Media University" has been revised accordingly. Keeping in mind the immediate requirement for converting One-year PG Diploma Courses to Two-year Advanced PG Diploma Courses and addition of two new Advanced PG Diploma Courses, IIMC has already sent a request to Ministry of Human Resource Development for equivalence of the proposed two year diploma course to PG Degree. The proposal is under consideration of Ministry of HRD and the necessary clearance is expected by the end of March, 2011.

Similarly, IIMC has also requested Jawaharlal Nehru University (JNU) for 'no-objection' certificate for addition of new floors on the existing buildings and also construction of new building on the available vacant land. Necessary clearance of the JNU is likely to be completed by December, 2010. IIMC has incurred an expenditure of Rs. 37.30 lakh on pre-investment activities during the financial year 2009-10. SFC Meeting was held on 15.07.2010 for consideration of IIMC's Plan Scheme "Converting IIMC into International Media University", which has been renamed as "Upgradation of IIMC to International Standards" in terms of the recommendations of SFC. The proposal as recommended by the SFC has since been approved by the competent authority.

[Ministry of I&B I.D. No. 23/16/2010-IP&MC dated 14.06.2010]

National Press Centre

Recommendation (Para Nos. 22 and 23)

The National Press Centre (NPC) has been continuing as a Plan scheme of the Ministry since Eighth Five Year Plan (1992-97). Despite the land being allotted at 7 Raisina Road in November/December 2001, the scheme has been pending completion for more than two decades. Since the time of sanctioning of the scheme, the project could hardly make any progress and the construction of the Centre has been delayed inordinately. During the 10th Plan, this scheme was approved with an outlay of

Rs.35.00 crore. The project was approved by the EFC in January, 2005. The MoU was signed with National Building Construction Corporation on 16th February, 2006 for construction of NPC within 18 months from the date of approval of drawings by statutory authorities. During the year 2009-10, Rs.4.37 crore were allocated at both BE and RE stage and the actual expenditure has been reported to be 'nil' due to the reasons that statutory approvals were received in November/December, 2008. Having noted that all the mandatory clearances are in place, the Committee in their Second Report on Demands for Grants (2009-10) had hoped that the construction work would now start. However that did not happen. The Committee have now been informed that due to increase in construction area, the estimated cost as well as the period of completion has increased from Rs.35.00 crore to Rs.60.00 crore and from 24 months to 30 months respectively. The revised cost has been approved by EFC on 15.09.2009 and fresh contract with NBCC is under finalization, following which the construction work would start.

(Recommendation No. 22)

The Committee would further like to highlight that in March, 2006, Rs.7.00 crore was released to NBCC as initial deposit as per MOU even when drawings/plans etc. were pending clearance from the statutory authorities and therefore, NBCC could not undertake any construction activities till 2009. Taking a serious note about release of Rs.7.00 crore to NBCC without undertaking any construction activities, the Committee in their Second Report on Demands for Grants (2009-10) had recommended that the matter should be thoroughly investigated. Now the Committee have been informed that the interest earned on the unspent amount of Rs.7.00 crore would be credited in the Government account. Again, at the instance of the Committee, to ensure timely completion of the project, penal provision has been made in the Agreement whereby in case of delay NBCC shall be liable to pay damages to PIB a sum calculated @ 0.5% of the agency charges of 9.5% for each week of delay subject to a maximum of 10% of the agency charges for the balance work. All these developments clearly indicate that there is lack of planning and vision on the part of the Ministry. To the solace of the Committee, the representative informed that the contract between PIB and NBCC has been signed. A sum of Rs.4.00 crore has also been released and the work will start very soon. The Committee trust that confidence shown by the representative will at least yield the desired result and the construction work would start so that the project is completed within the stipulated period of 30 months. The Committee strictly emphasize that at least now the programme of construction of the building should be closely watched so that there are no further delay and cost escalation.

(Recommendation No. 23)

Action Taken by the Government on Para 22 & 23:

- The implementation of the Project is being monitored closely by the Monitoring Committee under the chairpersonship of Pr. DG (M&C), PIB as well as at the level of AS&FA, M/o I&B.
- NBCC has awarded the work and excavation work has been started by the Contractor.
- NBCC has submitted a cheque Rs. 62,14,801/- on 13.05.2010 to PIB in r/o the interest earned by them on the initial deposit of Rs. 700 lakh after deducting expenditure of Rs. 35,85,199/- incurred during 01.04.2006 to 30.09.2009.

[Ministry of I&B I.D. No. 23/4/2010-Press, dated 14.06.2010]

Directorate of Advertising and Visual Publicity (DAVP) – Clearance of outstanding dues from Ministries/Departments

Recommendation (Para No. 24)

The Directorate of Advertising and Visual Publicity is the nodal multi media advertising central agency to execute publicity campaigns through advertisement etc. on behalf of various Ministries/Departments of Government of India, Autonomous Bodies and Public Sector Undertakings. The Committee are unhappy to note that total outstanding dues to DAVP from various Ministries/Departments of the Government of India at the end of 2008-09 were to the tune of Rs.48 crore. The Committee have been informed that the pendency is getting cleared. For the year 2009-10, the outstanding claims are to for Rs.45.39 crore as on 18th March, 2010. It seems that concerted efforts have not been made by DAVP to ensure settlement of dues in time. The Committee desire that the matter may be pursued vigorously and all the dues may be realized within a period of three months. The Committee also desire that DAVP should evolve a system whereby the Ministries/Departments may be asked to settle their dues within one month from the date of issue of Letter of Intent.

Action Taken by the Government

The total pendency was Rs.48.00 crore at the end of financial year 2008-09. In this regard it is stated that the total pendency was reduced to Rs.15.00 crore at the end of November, 2009 and Rs.33.00 crores have been paid to the newspapers and channels. This pendency of Rs.15.00 crores was due to the special drive launched to clear the backlog from the years 2004-07, which yielded bills of Rs.8.00 crore for newspapers and Rs.7.00 crore for Audio Visual channels. It is also submitted that DAVP has released the advertisement for Rs.31.00 crore (approx.) on commitment basis during the month of February and March, 2010 on behalf of the client Ministries/Deptt., Autonomous bodies and PSUs, with the result the outstanding again increased to Rs.46.00 crore at the end of 2009-10.

DAVP have been making vigorous efforts to clear the outstanding dues. Director General, DAVP has written a D.O. letter to the Secretaries of the client Ministries/Departments concerned to provide funds. Consequently, the client Ministries/Department have begun transferring funds to DAVP towards meeting their outstanding dues. In this regard, it is also informed that DAVP is not releasing the advertisement on behalf of the client Ministries/Departments without having fund provision in advance. Once again it is submitted that the concerted efforts are being made by DAVP to ensure that funds are received from the clients for settlement of dues in time.

[Ministry of I&B I.D. No. 10/10/2010-MUC, dated 29.07.2010]

Museum of Moving Images (MoMI)

Recommendation (Para No. 29)

The Committee note that setting up Museum of Moving Images (MoMI) by Films Division was started in the Tenth Plan and is continuing in Eleventh Plan with hardly any progress under the scheme. During the year 2009-10, a sum of Rs.12.5 crore was earmarked for the scheme. The amount was retained at RE stage. However, the actual expenditure upto 15th March, 2010 has been reported to be `nil'. The Committee express serious concern that the Ministry was unable to utilize the funds earmarked for the scheme `Museum of Moving Images'. The reasons for non-utilisation of funds have been stated to be the dilemma on the part of the Ministry whether to carry out the project in two phases or in one go so as to have the Museum ready by 2013 when India cinema is going to celebrate its centenary year. The scheme is also pending approval of EFC/SFC. The Committee deplore the sorry state of affairs of seeking funds both at budget estimates and revised estimates stage and then surrendering the amount without spending at all. It gives an impression that the scheme lacks clarity. Expressing

their deep concern over inordinate delay in implementation of the scheme, the Committee in their Second Report on Demands for Grants (2009-10) had recommended that definite time lines should be drawn up so that MoMI is set up within a definite time frame. Since for the year 2010-11, Rs.29.00 crore has been allotted under the scheme, the Committee desire that the Ministry should devise a clear cut strategy so that the funds allotted for the scheme could be utilized fully. The Committee recommend that expeditious steps may be taken for finalizing the scheme of MoMI. A periodic review of the progress of the project may be undertaken.

Action Taken by the Government

In this regard, it is submitted that the plan scheme "Museum of Moving Images" (MoMI) was appraised by the Expenditure Finance Committee (EFC) on 11.01.2010 and was approved by the competent authority on 25.3.2010. Further, Memorandum of Understanding (MoU) has been signed between Films Division and National Buildings Construction Corporation (NBCC) and in accordance with the same, Rs.10 crore was released to NBCC in the last financial year 2009-10. Timelines for implementation of the project have been devised and meetings are being held at the level of Joint Secretary with the implementing agencies of the project on a regular basis to review the progress of the construction of the museum. As submitted by Special Secretary, Ministry of Information and Broadcasting at the time of oral evidence, the project will take about 30 months to complete.

[Min. of I&B, ID No.H-11013/04/2010-F(A), Dated-08/07/2010.]

Children's Film Society, India

Recommendation (Para No. 31)

The Committee note that the proposal of CFSI to construct a film complex for in-house facilities for all aspects of film making has been a non-starter since Ninth Plan. Earlier Ministry had decided to construct CFSI film complex at Hyderabad. However, the project could not fructify. Now, the Government of Maharashtra has been requested to allot land in Film City for the benefit of children's cinema. The Committee have been informed that the Maharashtra Film Stage and Cultural Development Corporation Limited has offered 1600 sq. meters of land at Film City at Goregaon, Mumbai. The response of the Government of Maharashtra is awaited. Since the project has been languishing for the last more than a decade, the Committee desire that the matter for allotment of land at Mumbai may be taken up at the highest level and the definite timelines may be drawn for its expeditious implementation.

Action Taken by the Government

The matter was discussed in the 99th meeting of the Executive Council of CFSI held on 04/06/2010 and Executive Council of CFSI has authorized the Chairperson of CFSI to have a meeting with the Chief Minister of Maharashtra along with a detailed and comprehensive proposal in the matter.

[Min. of I&B, ID No.H-11013/04/2010-F(A), Dated-08/07/2010.]

Recommendation (Para No. 32)

The Committee also note that to attract budding talents and good scripts, CFSI had given advertisements in various newspapers inviting proposals for making children's films, stipulating the guidelines for submitting proposals for feature/short films and T.V. serials. In response to the same, CFSI had received 48 proposals out of which, two proposals were found suitable to produce children's films. Now, the Executive Council of CFSI has decided to approach the Film Institute and request them to encourage the students to do their diploma films on children's subject. Accordingly, CFSI has written to Director, FTII, Pune. A meeting is also being arranged between

Chairperson/CEO of CFSI with the Director and Faculty Members of FTII to impress upon the students to produce diploma films on children's subject. The Committee feel that there is no dearth of talents within the country in the field of creative writing and good scripts. Therefore, the Committee recommend that the Society should give wide publicity for its requirements. To attract budding talents, the Society should contact reputed Universities/Educational Institutions and encourage students for making children's film. The Society may also consider the proposal to provide scholarship to students for creative writings.

Action Taken by the Government

In response to the letter written by CFSI to various Film Institutes, a very good response from the Heads of following Institutes has been received for making children's films:

1. L.V. Prasad Film & T.V. Academy,
2. National Institute of Design, Ahmedabad,
3. City Pulse Institute of Films & TV ,
4. Digital Academy – The Film School.
5. SRFTI, Kolkata.
6. Asian Academy of Film & TV Institute, New Delhi.
7. FTII, Pune.

M/s Comet Media Foundation, an NGO, engaged by CFSI in spreading awakening and interest in children films has organized under its project 'Filmi Chasma' various workshops and interaction programmes and brain storming sessions with students and media institutes in Chitrabani, Kolkata, Birla Industrial and Technological Museum, Kolkata, FTII, Pune, L V Prasad Film and TV Academy, Chennai, FLAME School of Performing Arts, Pune and Consortium for Educational Communication, UGC, Delhi.

With regard to providing scholarship to students for creative writings as of now, there is no such plan scheme presently with CFSI.

[Min. of I&B, ID No.H-11013/04/2010-F(A), Dated-08/07/2010.]

CHAPTER-III

**RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT
DESIRE TO PURSUE IN VIEW OF THE REPLIES OF THE GOVERNMENT**

--NIL--

CHAPTER-IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation (Para No. 5)

The Committee observe that Broadcasting sector has been allocated Rs.5547 crore during the year 2010-11 which works out to 87.8% of the total allocation made at BE stage. Despite getting the major chunk of allocation of the Ministry of Information and Broadcasting, the status of utilization of outlay during the Eleventh Plan particularly during the year 2008-09 and 2009-10 is highly unsatisfactory. During the year 2008-09, the allocation provided at BE stage was Rs.475 crore which was reduced to Rs.437.41 crore. However, Prasar Bharati could utilize Rs.278.20 crore, thus Rs.159.21 crore remained unspent. Similarly, during the year 2009-10, the allocation made at BE stage was to the tune of Rs.512 crore which was reduced to Rs.203.59 crore i.e. less than half of the allocation provided at RE stage. Prasar Bharati could utilize Rs.140.76 crore. The reasons put forth by the Ministry for low utilization of allocation by Prasar Bharati as informed to the Committee are litigation relating to procurement of transmitters, delay in approval of schemes specially digitalization scheme of Doordarshan and lengthy procurement procedure for machinery and equipments etc. Taking note of the gross under utilisation of planned schemes of AIR and Doordarshan, the Committee in their Second Report on Demands for Grants (2009-10) had recommended that Prasar Bharati should streamline the procurement procedure and take remedial measures to ensure achievement of targets. The Committee find that no head way has been made in this regard. All the major schemes of Prasar Bharati viz. Digitalization of Transmitters, e-Governance, Setting up of Transmitters for Border Area of J&K etc. are still awaiting approval/clearances. Besides, efforts have not been made to streamline the procurement process. The various impediments that stand in the way of a long drawn procurement cycle for machinery/equipment still need to be identified. The Committee conclude from the aforesaid position that there are serious problem affecting the working of Prasar Bharati. The statement of the CEO Prasar Bharati during the oral evidence that there are certain systemic problems in the organization further reinforce the views of the Committee. The Committee strongly recommend that such state of affairs should not be allowed to continue in an organization like Prasar Bharati, which is mandated with the task of Broadcasting sector. All the corrective action should be taken to address the various impediments in a stipulated time frame.

Action Taken by the Government

(Rs in crore)

A. All India Radio	XI Plan outlay	Present status
I. Continuing Schemes		Cumulative Expenditure upto June,2010
1. J&K Special Package	25.70	9.95
2. Expansion of MW Services	2.00	1.08
3. Expansion of FM Services	180.00	47.25
4. Digitalization of Production Facilities	6.00	5.57
5. Automation of Studio Facilities& Misc.	83.10	38.95
6. North East special package	150.00	26.49
7. Accommodation for staff	20.00	16.68
Total of Continuing Schemes	466.80	155.97
II. New Schemes		EFC/SFC/CCEA
1. Software Acquisition (AIR)	100.00	The scheme has been approved by

News)		the Competent Authority and conveyed to Prasar Bharati on 29.6.2010.
2. Upgradation of existing 250 kW SW Tr. For DRM operation at AIR High Power transmitter at Khampur and Aligarh	10.00	Competent authority's approval has been conveyed to PB on 18.12.2007 at a cost of Rs.9.80 cr.
3.New Technology and Science & Technology (R&D) scheme	20.00	Approval of competent authority has been conveyed to PB on 20.8.2009 at a cost of Rs.19.70 crores
4. Digitalization of transmitters, studios, connectivity and DTH Channel	924.20	The total allocation for Digitalization was Rs.924.20 crores, out of which scheme amounting Rs.57 crores was approved within the delegated powers to CEO, P.B and competent authority's approval conveyed on 18.12.2007 and 23.01.2008. Scheme for the balance amount of Rs.843.45 crores has been approved by CCI on 8.4.2010 and conveyed to PB on 27.04.2010
5.. E-Governance, training, commonwealth games, Resources, security, Addl. Office accommodation staff Quarters etc.	97.00	<p>Scheme has been split into four parts as desired in Department of Expenditure O.M. No.21(2)PF.II/2009 dated 29.5.2009.</p> <p>(i) Improvement of facilities at existing stations (Rs.28.00 crore) P.B. Board has approved the scheme which was appraised on 21.7.2010. Minutes of the meeting is awaited, subsequent to which it will need the approval of competent authority.</p> <p>(ii) Staff qrts in North-East (Rs.20 crore). The scheme approved by the Competent Authority and conveyed to Prasar Bharati on 18.6.2010.</p> <p>(iii) Augmentation of STI (T)'s Schemes (Rs.20.00 crore). The scheme has been approved by the Govt. on 17/08.2010 and conveyed to PB/AIR on 31.08.2010.</p> <p>(iv) Schemes for Enterprise Resources Planning –e governance and IT facilities (Rs.29 crore) . SFC chaired by CEO, is yet to appraise the scheme.</p>
6. Setting up of High Power TV and FM Transmitter in Border areas and low LPT FM in J&K.	389.00	Initially this scheme was not a part of approved 11th Plan. However, an amount of Rs.100 crore was provided in the Budget for the scheme during 2009-10. As the scheme could not be approved during 2009-10, No expenditure was incurred during 2009-10. Now the scheme has been approved by the competent authority on 04.08.2010 at a cost of Rs.100

		crore. The approval was conveyed to PB on 18.08.2010.
Total of New Schemes	1540.20	
Grand Total of AIR	2006.08	

(Rs in crore)

B. DOORDARSHAN	XI Plan Outlay	Present status
I. Continuing Schemes		Cumulative Expenditure upto June,2010
1. J&K Special Package	314.17	115.83
2. Digitalization & Modernization of Production Facilities (Studio/OB)	165.00	75.10
3. North East special package	219.83	124.61
4. DTH	9.00	11.36
5. HDTV	15.00	8.67
6. Other spill over X Plan approved scheme (Earlier approved as Accommodation for staff, augmentation of infrastructure & Security	295.00	223.38
7. Software Acquisition Normal & Misc.)	60.00	0.00
Total of Continuing Schemes	1078.00	618.84
II. New Schemes		EFC/SFC/CCEA
1. Modernization, Augmentation & Replacement of Transmitter and Studio Equipment	299.00	Revised EFC Memo from PB has since been received which is under process.
2. Digitalization of studios	620.00	The Scheme has been approved by CCI on 8.4.2010 and conveyed to Prasar Bharati on 27.4.2010.
3. DTH: Modernization, Aug, replacement of satellite Broadcast equipment	210.00	Competent authority has approved Modernization, Aug, replacement of satellite Broadcast equipment Scheme at a cost of Rs.125.00 crore. Administrative approval conveyed to PB on 04.2.2009. DTH Scheme for an amount of Rs.75.43 crores has been approved by the competent authority on 4.8.2010 and conveyed to PB on 17.08.2010
4. HDTV	165.00	Competent authority has approved the scheme and communicated to PB

		on 19.08.2009.
5. Staff Quarters and Other Misc. Works	75.00	The scheme has been approved by the competent authority at cost of Rs.65 Crores and conveyed to PB on 23.02.2009.
6. Software acquisition/production	485.00	EFC was examined by Secretary (Expenditure) who advised to take up the matter with Planning Commission for budget provision/assurance of funds during the year. An SFC proposal of Rs.142 crores was received in the Ministry from PB. However, during discussion it was decided to further reduce it to Rs.100 crore. PB has been requested to send a revised proposal which is still awaited.
Total Of New Schemes	1854.00	
Grand Total	2932.00	

Utilization of outlay by Prasar Bharati.

The outlay proposed, the actual allocation at BE stage, at RE stage and actual utilization during each of the annual Plan of the Eleventh Plan in respect of Prasar Bharati are given as under:

(Rs. in crore)

11 th Plan Outlay	Year	Allocation sought	Outlay approved in the Annual Plan		Actual expenditure
			At BE stage	At RE stage	
Continuing Scheme	2007-08	1677.30	385.59	329.87	323.67
1544.80	2008-09	931.49	475.00	466.03*	286.05**
New Schemes	2009-10	1150.07	657.00*	348.57*	203.20** (upto March,10)
3105.20	2010-11	1859.14	637.25*		55.98*** (Upto June'10)
Total					
4650.00					

* Outlay includes Rs.145.00 cr and Rs.296.77 cr for CWG for 2009-10 and 2010-11 respectively.

** Expenditure including CWG.

*** Expenditure including CWG.

[Ministry of I&B O.M. No. 2/8/2010-B (Fin) dated 20.09.2010]

Comments of the Committee

(Please see Para No. 8 of Chapter-I)

Recommendation (Para No.6)

The Committee have been informed that the actual timeline for capital procurement of equipment as per DG&SD manual starting from publication of Notice

Inviting Tender till placement of advance/final acceptance of tender is 52 weeks, which can be reduced to 32 weeks. The Committee are of the view that the remedy lies in taking corrective steps. Even the period of 32 weeks for purchase of capital goods and machinery can be further reduced by carrying out systematic changes in the procurement procedure. As such, early decision in this regard should be taken and the Committee informed accordingly.

Action Taken by the Government

Prasar Bharati has taken various measures for monitoring of speedy implementation of Plan Schemes, which includes constitution of Committees, such as the Procurement Committee, Monitoring Committee etc. The objective of the Procurement Committee is to reduce the processing time involved in procurement matter. The Monitoring Committees so constituted would review the progress of implementation of schemes at Zonal level, Directorate level by E-in-C/DG and finally at the level of CEO at Prasar Bharati Secretariat.

[Ministry of I&B O.M. No. 2/8/2010-B (Fin) dated 20.09.2010]

Comments of the Committee

(Please see Para No. 11 of Chapter-I)

Recommendation (Para Nos. 9 and 10)

Prasar Bharati came into existence on 23rd November, 1997. Even after more than a decade of its establishment, the Organization is in a state of transformation in crucial matters relating to organizational, capital and financial restructuring. The Committee in their Reports have consistently been recommending to take suitable measures on the above issues affecting the Ministry. Regarding organizational restructuring, the Committee note that the National Productivity Council (NPC), which has been engaged by Prasar Bharati to suggest suitable measures in this regard, has given its report to Prasar Bharati. The National Productivity Council also made presentation to the Board of Prasar Bharati in this regard. As per the information furnished to the Committee, it has been stated that the report is now under consideration with Prasar Bharati. During the course of examination of Demands for Grants of the previous year in October, 2009, the same status with regard to furnishing the proposal by Prasar Bharati was indicated. The Committee express their unhappiness over the way Prasar Bharati is delaying the proposal on such an important issue related to Organizational restructuring of Prasar Bharati.

(Recommendation Para. 9)

The Committee note that on the issue of financial restructuring and funding pattern as desired by the earlier Group of Ministers, the proposal formulated in consultation with Prasar Bharati, was forwarded to the Ministry of Finance (Department of Expenditure). The proposal was amended after several discussion and consultation based on the gap-funding approach. The observations of the Department of Expenditure are now under consideration of Prasar Bharati. Once the proposal is finalized and forwarded by Prasar Bharati to the Ministry, the same will be placed before the Group of Ministers. The Committee desire that Prasar Bharati may be asked to finalize its views and forward the Report to the Ministry by a stipulated date. Thereafter the Ministry may submit a comprehensive proposal before the re-constituted Group of Ministers so that the entire gamut of issues relating to financial, organizational and technological aspects are deliberated and a permanent solution is worked out.

(Recommendation Para. 10)

Action Taken by the Government on Para 9 & 10

The reconstituted GOM has held two meetings on 16th April 2010 and 17th June 2010. On the issue of capital restructuring and funding pattern, the GOM recommended as under: -

- (i) 50% of the annual operating expenses of Prasar Bharati should be borne by Prasar Bharati from its Internal Extra Budgetary Resources and the remaining 50% will henceforth be met by Non-Plan grant-in-aid by the Government.
- (ii) The level of 50% Non-Plan support by the Government may be maintained for the next 5 years i.e. 2010-2011 to 2014-2015 and will be reviewed thereafter in order to scale down the quantum of Non-Plan support by the Government to Prasar Bharati.
- (iii) Space segment and Spectrum charges incurred by Prasar Bharati will also be included in computing the total operational expenses.
- (iv) Accumulated arrears of Space segment and Spectrum charges upto 31.3.2010 may be waived. A proposal to this effect may be moved by Prasar Bharati to Department of Expenditure.
- (v) Plan Capital funding by Government to Prasar Bharati may henceforth be in the form of grant-in-aid and not in the form of loan.
- (vi) Director General of Audit, Central Revenues (DGACR) will continue to be nodal auditor of Prasar Bharati and will be assisted by qualified commercial audit staff for audit of the annual accounts.
- (vii) Recommendations on non-cash proposals made by the earlier GOM were reiterated and follow up action may be taken accordingly.
- (viii) Prasar Bharati will take up the matter of whether there is any balance amount in the Non-Lapsable Fund available for transfer to Prasar Bharati, with the Controller General of Accounts and in case there is any amount required to be transferred the same shall be communicated to the Department of Expenditure for effecting transfer of the funds as per the provisions of the Act.
- (ix) Property and Assets will be transferred on book value to Prasar Bharati as per provisions of Section 16 (a) of the Prasar Bharati Act, 1990. Normal accounting principles will be followed to determine their future value.

GOM has recommended that the ban on recruitments in Prasar Bharati may be relaxed. Prasar Bharati has been asked to submit a proposal by July 9th, 2010 for filling essential categories of posts to Ministry of I&B /Department of Expenditure giving full justification for such recruitment and based on the report of the NPC. The Department of Expenditure would then process the case in accordance with the decision of the GOM by July 23rd, 2010.

Prasar Bharati is required to immediately take steps to frame and notify Recruitment Regulations and Service conditions for its employees and set up Recruitment Boards as envisaged under the Prasar Bharati Act, 1990 for such recruitments. GOM has directed that the Recruitment Regulations and Service Conditions for all categories of employees and the proposal for constitution of the Recruitment Boards will be finalized in a time bound manner.

[Min. of I&B, ID No.5/1/2010-BP&L, Dated-05/07/2010.]

Comments of the Committee

(Please see Para No. 14 of Chapter-I)

Recommendation (Para No. 15)

The Committee have been informed that the Ministry are in the process of drafting Broadcasting Services Regulation Bill to receive and dispose of complaints on content telecast by TV channels and to deal with other regulatory issues in the Broadcasting Sector. The Bill has been necessitated due to the concerns expressed by Hon'ble Courts, Parliamentary Committees, civil society organizations, viewers, media critiques and the State Governments. The Committee have also been informed that views of the all the State Governments have been solicited on the above draft Bill. So far 18 State Governments and 6 UTs have submitted their comments on the proposed Bill. To take the process further, the Ministry has constituted a Task Force under the Chairmanship of the Secretary, Ministry of Information and Broadcasting with representatives from other agencies. The Task Force is holding consultations with all the stakeholders so that it could submit its findings to the Government at the earliest. The Committee have been informed that the process of consultation by the aforesaid Task Force with all the stakeholders was going on and hopefully by March end, the consultation would be over. The Committee hope that the consultations with all the stakeholders would have been over by now and the Task Force would have submitted the report to the Ministry. The Committee are of the strong opinion that the Ministry should at least now bring a comprehensive legislation covering the issues related to Broadcasting Regulation and Regulatory Authority without wasting further time.

Action Taken by the Government

The Task Force is in the process of finalizing its views and has so far held eight consultation meetings. As regards the timelines to complete the consultations process with stakeholders and submission of report/recommendations, the process is proposed to be completed by end of October 2010.

[Min. of I&B, ID No.5/1/2010-BP&L, Dated-05/07/2010.]

Comments of the Committee

(Please see Para No. 17 of Chapter-I)

Recommendation (Para No. 17)

The Prasar Bharati Act, 1990 contains provisions for the constitution of a Parliamentary Committee and a Broadcasting Council which have never been put into operation. During the course of examination of Demands for Grants of the previous year, the Committee have been informed that two Committees of Prasar Bharati (Sengupta Committee in its report dated August, 1996 and subsequently the Narayanmurthy Committee in its report dated 20.5.2000) have recommended that there is no need for these provisions in the light of Standing and Consultative Committees of Parliament. The Committee note that apparently there are two alternatives before the Government *i.e.* (i) to constitute the Parliamentary Standing Committee or Broadcasting Council in the light of the mandatory provisions made in the Prasar Bharati Act, or (ii) to agree to the recommendations made by the aforesaid two Committees and bring suitable amendments to the Parliament. Even when almost 20 years have passed since the Act came into effect and 13 and 9 years respectively have passed since these two Committees have given their views, the Ministry is yet to take the decision in this regard. While deploring the way the Government has handled such

an important issue, the Committee strongly recommends that the decision in this regard should be taken without any further delay.

Action Taken by the Government

The issue of constitution of Parliamentary Committee and the Broadcasting Council has been considered by the reconstituted Group of Minister (GOM) on Prasar Bharati. GoM in its 2nd meeting held on 17th June 2010. After deliberating on the role envisaged for the Parliamentary Committee vis-à-vis the Standing Committee and after taking note of the categorical recommendation of the Shunu Sen Committee, the GOM had felt that not much purpose would be served by having a separate Parliamentary Committee. The GOM also noted that the role envisaged for the Broadcasting Council is advisory in nature with regard to redressal of consumer grievances and the discharge of functions by Prasar Bharati in accordance with the objectives set out in Section 12. GOM also felt that the Shunu Sen Committee's recommendation that there should be a single complaints mechanism for all broadcasters under the aegis of the proposed Broadcasting Authority deserves merit. However since Prasar Bharati cannot be equated with the private broadcasters in view of the mandate it carries, the proposed Broadcasting Authority can be assigned separate functions in relation to the private broadcasters and Prasar Bharati. If this is done then there will be no need to have a separate Broadcasting Council as envisaged under the Prasar Bharati Act. Keeping in view that the Act was enacted in 1990 and no substantive amendments had been made thereafter till date, the GOM has decided that the Ministry of Information & Broadcasting should have a comprehensive look at the provisions of the Prasar Bharati Act and recommend such amendments as are required to be made in the Act in the light of developments over the last twenty years, subsequent to the Shunu Sen Committee report.

[Min. of I&B, ID No.5/1/2010-BP&L, Dated-05/07/2010.]

Comments of the Committee

(Please see Para No. 20 of Chapter-I)

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES ARE OF INTERIM IN NATURE

Press Council of India

Recommendation (Para No. 25)

The Press Council is the repository of the trust of the Parliament in guiding the press to high standards of its functioning and preservation of its freedom against any onslaught. Press Council of India, established under an Act of Parliament in 1978, acts as an independent quasi Judicial Authority having adjudicatory, advisory and regulatory functions. In the discharge of its twin functions of preserving the freedom of the press and maintaining and improving the standards of the press, the Council performs a multi faceted role. The Committee are shocked to note from the information furnished by the Ministry that various representations have been addressed to the Press Council of India with reference to the alleged payment taken/received by media during the Lok Sabha elections conducted in April/May 2009 for coverage relating to candidates. The Press Council of India has constituted a sub-Committee on the issue which has already submitted its report which is to be considered by full Council.

The Committee find that the phenomena of 'paid news' is a serious matter for the country which can cause harm to Parliamentary democracy and the Parliamentary system. While expressing deep concern over the phenomena of 'paid news' which influences the functioning of the free press, the Committee strongly recommend that the Ministry should look into the matter seriously. Since the Press Council of India is already seized of the matter and the sub-Committee is examining the issue, the Ministry should ensure that the report of the Press Council is placed before the Ministry within the definite time frame. The findings of the sub-Committee along with the action taken by the Ministry should be communicated to the Committee.

Action Taken by the Government

The Press Council of India released its "Report on Paid News" on 20th July, 2010. The recommendations made by PCI in the Report are under consideration in the Ministry for further action by the Government.

[Ministry of I&B I.D. No. 23/4/2010-Press, dated 14.06.2010]

Recommendation (Para No. 26)

During the examination of Demands for Grants of the previous year, the Committee had been informed that to give more powers, a proposal to amend the Press Council Act is under consideration of the Government. In view of the aforesaid development, the Committee emphasize that urgent action should be taken to amend the Press Council of India Act so as to provide adequate powers to the Council to enable it to deal with such a serious issue like 'paid news'.

Action Taken by the Government

The proposal to amend the Press Council Act, 1978 is under examination.

[Ministry of I&B I.D. No. 23/4/2010-Press, dated 14.06.2010]

Publication Division

Recommendation (Para No. 27)

The mandate of the Division is production, sale and distribution of popular books and journals. The Division is the largest publishing house in the public sector and publishes priced books, journals and other printed material in English, Hindi and regional languages on a wide variety of subjects. The Publication Division is selling its books and journals through a network of sales emporia located in various parts of the country. The Committee are of the opinion that there is a need for Publication Division to maintain effective tie-up with the libraries in the country particularly at the State and district levels to broaden its readership and also to improve the financial resources. The Committee desire that an exhaustive list of district and State levels libraries should be prepared and all such institutions be directly contacted to facilitate purchase of books, journals and other printed material brought out by the Publication Division.

Action Taken by the Government

As recommended by the Standing Committee on Information Technology (2010-11), an exhaustive list of State and District level Libraries is being prepared to contact them to facilitate purchase of books and journals being brought out by Publications Division.

These libraries would be approached to consider Division's book and journals for bulk purchase.

[Ministry of I&B's I.D. Note No. 3/2/10-FS dated 04.06.2010]

Film Sector

Recommendation (Para No. 28)

The Committee observe that the Film Sector has been allocated Rs.450 crore, which works out to 7.1%, of the total allocation made at Budgetary Estimates stage. The trend of under utilization persists with the Film Sector as is the case with Broadcasting and Information Sector. During the year 2008-09, the allocation at BE stage was Rs.67 crore, which was reduced to Rs.50.06 crore at RE stage and the actual utilization was 37.69 crore, which comes to 75.2%. During the year 2009-10, RE stage allocation was Rs.60 crore, which was increased to Rs.66.84 crore out of which only Rs.34.54 crore could be utilized upto February, 2010. From the information made available to the Committee, the Committee again note that some of the important schemes viz. Setting up of Centre of Excellence for Animation, Gaming and Special Effects and National Film Heritage Mission are is pending 'in principal' approval of Planning Commission. The Committee would again like to emphasize that schemes of national importance should not be allowed to languish for years together and the system of approval should be expedited. The pending schemes should at last now be approved without any further delay.

Action Taken by the Government

In this regard, it is submitted that the utilization of grant in the Film Wing during the previous financial year 2009-10 was Rs. 63.52 crore as against an allocation of Rs. 66.84 crore. It is, therefore, submitted that utilization in 2009-10 has improved considerably over 2008-09. It is reiterated that all out efforts are being made to increase utilization by all the Media Units in the Film Wing by having monthly meetings at the level of JS(Films) with the Heads of the Media Units.

It is submitted that with respect to the above mentioned two schemes i.e. Setting up of National Centre of Excellence for Animation, Gaming and Visual Effects and National Film Heritage Mission, the task of preparation of Detailed Project Report (DPR) is currently underway. It is pertinent to point out here that the DPR of National Film Heritage Mission is under preparation and during the current financial year of the 11th Plan a token outlay of Rs. 1 crore has been made.

(O.M.No. 110/12/2010-F (I) dated- 20.07.2010.)

National Centre of Excellence for Animation, Gaming and Special Effects

Recommendation (Para No. 30)

In view of the growing demand for skilled manpower in the areas of animation, gaming and special effects, the setting up of a National Centre of Excellence for Animation, Gaming and Special Effects has been envisaged as a new scheme in the Eleventh Plan. As the proposed Centre is essentially being created to address the issue of shortage of skilled manpower in the field of animation, gaming and special visual effects, the Committee in their Second Report on Demands for Grants (2009-10) had recommended that the project may be implemented at the earliest. However, the Committee are concerned to note that not much has been done towards implementation of the project. The scheme is still awaiting 'in-principal' approval of the Planning Commission. The Ministry has engaged an agency for preparation of a detailed project report so that the same could be placed before the Planning Commission for seeking its approval. Keeping in view the importance of the scheme which envisages to meet growing demand for skills in animation, gaming and special effects, the Committee recommend that the scheme may be implemented at the earliest.

Action Taken by the Government

The Ministry would like to assure the Hon'ble Committee that the Scheme is being pursued in right earnest and making all out efforts to implement the scheme at the earliest. In this regard, it is further submitted that when 'in-principle' approval was sought earlier from Planning Commission, they had directed us to submit to them an Executable Detailed Project Report (EDPR). We had been further requested to examine, inter alia, the need for such a Centre in the light of existing Film & Television Schools at Pune and Kolkata and the Indian Institute of Mass Communication (IIMC). In principle approval was sought from Planning Commission on the basis of a detailed HR Gap study carried out by a Consultant which had submitted its finding, as per which there is a definitive HR Gap between the demand and the supply of human resources for animation, gaming and special effects, which is expected to grow further particularly where high-end skills are required. The Consultant had categorically recommended to set up the proposed Centre of Excellence. The Consultant had carried out a study on the requirements of different skill sets for this industry at present and changes to come about in future years.

The consultant was further mandated to prepare an Executable Detailed Project Report, as required by Planning Commission. The DPR will be submitted by October, 2010.

New Delhi
February, 2011
Phalguna, 1932 (Saka)

RAO INDERJIT SINGH
Chairman
Standing Committee on
Information Technology

**STANDING COMMITTEE ON INFORMATION TECHNOLOGY
(2010-2011)**

MINUTES OF THE SEVENTH SITTING OF THE COMMITTEE

The Committee sat on Thursday, the 17th February, 2011 from 1500 hours to 1700 hours in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Rao Inderjit Singh –Chairman

MEMBERS

Lok Sabha

1. Shri Rajendra Agrawal
2. Shri Nikhil Kumar Choudhary
3. Shri Milind Deora
4. Dr. Charles Dias
5. Shri Mithilesh Kumar
6. Shri Inder Singh Namdhari
7. Shri Abdul Rahman
8. Shri Tufani Saroj
9. Dr. Bhola Singh
10. Shri Dhananjay Singh
11. Shri Sushil Kumar Singh,

Rajya Sabha

12. Shri M.P. Achuthan
13. Shri Salim Ansari
14. Shri P. Rajeeve
15. Shri Jesudasu Seelam

SECRETARIAT

1. Shri T.K. Mukherjee - Joint Secretary
2. Smt. Sudesh Luthra - Director
3. Shri H.R. Kamboj - Additional Director

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee convened to consider and adopt two draft Action Taken Reports and to have preliminary meeting with the Department of Telecommunications on the subject 'Current status of Indian Telecom development growth and policy including the status as well as measures to accelerate penetration and availability of Cellular, Broadband and Rural Telephony'.

3. The Committee then took up for consideration the following two Reports:-

(i) Draft Action Taken Report on the Recommendations/Observations contained in their Sixth Report on Demands for Grants (2010-11) relating to the Ministry of Information and Broadcasting; and

(ii) *****

4. The draft Action Taken Report on the Eighth Report relating to the Department of Telecommunications was adopted by the Committee without any modification. The draft Action Taken Report on the Sixth Report relating to the Ministry of Information and Broadcasting was adopted with modification in Para No. 14 of the Chapter – I of the Report.

5. The Committee, then, authorized the Chairman to finalize the two Action Taken Reports in the light of factual verifications made by the Ministry/Department concerned and present the same to the House on a date convenient to him.

6. *****

A copy of verbatim proceedings of the sitting has been kept.

The Committee, then, adjourned.

* Matters not related to the Report.

**ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE
RECOMMENDATIONS/ OBSERVATIONS CONTAINED IN THEIR SIXTH REPORT
(FIFTEENTH LOK SABHA)**

[Vide Paragraph No. 3 of Introduction]

(i)	Recommendations/Observations which have been accepted by the Government Paragraph Nos:- 1,2,3,4,7,8,11,12,13,14,16,18,19,20,21,22,23,24,29,31 and 32	Total Percentage	21 65.63
(ii)	Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government Paragraph No:- Nil	Total Percentage	Nil 0
(iii)	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and require reiteration Paragraph Nos:- 5,6,9,10,15 and 17	Total Percentage	6 18.75
(iv)	Recommendations/Observations in respect of which replies are of interim nature:- Paragraph Nos:- 25,26,27,28 and 30	Total Percentage	05 15.62