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**STANDING COMMITTEE ON
INFORMATION TECHNOLOGY
(2011-12)**

FIFTEENTH LOK SABHA

MINISTRY OF INFORMATION AND BROADCASTING

**[Action Taken by the Government on the Recommendations/Observations of the Committee
contained in their Twenty-second Report (Fifteenth Lok Sabha) on 'Demands for Grants (2011-12)']**

THIRTIETH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2012/Phalguna, 1933 (Saka)

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*Presented to Lok Sabha on 27.03.2012
Laid in Rajya Sabha on 27.03.2012*



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2012/Phalguna, 1933 (Saka)

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COMPOSITION OF STANDING COMMITTEE ON INFORMATION TECHNOLOGY

(2011-12)

Shri Rao Inderjit Singh - Chairman

Lok Sabha

2. Shri Rajendra Agrawal
3. Smt. Sarika D.S. Baghel
4. Shri Nikhil Kumar Choudhary
5. Shri H.D. Devegowda
6. Shri Charles Dias
- *7. Shri A. Ganeshamurthi
8. Shri Rajen Gohain
9. Smt. Darshana Jardosh
10. Dr. Tarun Mandal
11. Shri P.R. Natarajan
12. Shri Tapas Paul
13. Shri Tathagata Satpathy
14. Shri Rajiv Ranjan Singh *alias* Lalan Singh
15. Smt. Seema Upadhyay
16. Vacant
17. Vacant
18. Vacant
19. Vacant
20. Vacant
21. Vacant

Rajya Sabha

22. Shri M.P. Achuthan
23. Shri Mohammed Adeeb
24. Shri Salim Ansari
25. Shri Rajeev Chandrasekhar
26. Shri Rajkumar Dhoot
27. Shri Prabhat Jha
28. Prof. Alka Balram Kshatriya
29. Shri Ravi Shankar Prasad
30. Shri P. Rajeeve
31. Shri Jesudasu Seelam

SECRETARIAT

1. Shri T.K. Mukherjee - Joint Secretary
2. Smt. Sudesh Luthra - Director
3. Dr. Sagarika Dash - Deputy Secretary

* Nominated to the Committee w.e.f. 29th November, 2011.

INTRODUCTION

I, the Chairman, Standing Committee on Information Technology (2011-12) having been authorized by the Committee to submit the Report on their behalf, present this Thirtieth Report on Action Taken by the Government on the Recommendations/Observations of the Committee contained in their Twenty-second Report (Fifteenth Lok Sabha) on 'Demands for Grants (2011-12)' of the Ministry of Information and Broadcasting.

2. The Twenty-second Report was presented to Lok Sabha/Laid on the Table of Rajya Sabha on 4 August, 2011. The Ministry of Information and Broadcasting furnished their Action Taken Notes contained in the Twenty-second Report (Fifteenth Lok Sabha) on 16th February, 2012.

3. The Report was considered and adopted by the Committee at their sitting held on 7 March, 2012.

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 Twenty-second Report (Fifteenth Lok Sabha) of the Committee is given at *Appendix-II*.

New Delhi;
20 March, 2012
30 Phalguna, 1933 (Saka)

RAO INDERJIT SINGH,
Chairman,
Standing Committee on
Information Technology

CHAPTER I

REPORT

This Report of the Standing Committee on Information Technology (2011-12) deals with the Action Taken by the Government on the Recommendations/Observations of the Committee contained in their Twenty-Second Report (Fifteenth Lok Sabha) relating to Demands for Grants (2011-12) of the Ministry of Information and Broadcasting.

2. The Twenty-Second Report was presented to Lok Sabha/laid in Rajya Sabha on 4th August '2011. It contained 14 Recommendations/Observations.

3. Action Taken Notes in respect of all the Recommendations/Observations contained in the Report have been received and are categorized as under:-

- | | | |
|-------|---|----------------------------|
| (i) | Recommendations/Observations which have been accepted by the Government:
Para Nos.:- 1, 10, 12 & 14 | Total: 04
Chapter: II |
| (ii) | Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government:
Para No.:- Nil | Total: Nil
Chapter: III |
| (iii) | Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and require reiteration:
Para Nos.:- 2, 3, 4, 5, 6, 7, 8, 11 & 13 | Total: 09
Chapter: IV |
| (iv) | Recommendations/Observations in respect of which the replies of the Government are of interim in nature:
Para Nos.:- 9 | Total: 01
Chapter: 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 Department 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 Notes on the Recommendations/Observations contained in Chapter-I and final action taken replies 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.

Recommendations of the Committee (Para No. 2)

I. On-going and new schemes

6. The Committee had recommended as under:-

“According to the Ministry, at the beginning of the Eleventh Plan the Ministry had formulated 86 schemes. However, at the time of Zero Based Budgeting exercise undertaken by the Planning Commission in May, 2007, the total number of schemes was reduced to 65. During examination of the previous year Demands for Grants (2010-11), the Committee had noted that out of total 38 new schemes, 13 schemes were awaiting approval and out of 28 on-going schemes, approval for 2 schemes was pending. Thus in total 15 schemes were pending clearance/approval. Having observed that delay in approval of the schemes was one of the factors responsible for under utilization of outlay, the Committee in their Sixth Report on Demands for Grants (2010-11) had desired that the Ministry should work out a more streamlined approval system. In spite of that four important schemes of the Ministry which include Global Film School, Setting up of National Centre of Excellence for Animation, Gaming and Special Effects, National Film Heritage Mission under Film Sector and International Channel under Broadcasting Sector are still awaiting approval/clearance even when Annual Plan 2011-12 is the last year of Eleventh Plan. The Secretary of the Ministry during the course of oral evidence admitted that it is quite late particularly when the Eleventh Plan is going to end at the end of the current financial year. The Committee disapprove the way projects are being planned by the Ministry. All the above schemes were formulated at the beginning of the Eleventh Plan and in the process four precious years have already been lost and even then

the schemes of the Ministry are awaiting approval/clearance. It clearly indicates that there are serious problems in the whole planning process which is not conducive for the overall functioning of the Ministry. The Committee desire that the Ministry should work out a more streamlined approval system so that the situation of non-clearance of the schemes does not persist. The Committee recommend that the Ministry should take corrective measures so that the situation of non-clearance of schemes does not repeat during the Twelfth Plan."

Reply of the Government

7. The Ministry in their Action Taken Notes has *inter-alia* stated as under:-

"The suggestions of the Hon'ble Committee have been noted for compliance.

The Ministry has since obtained approval for the implementation of all major schemes during the 11th Plan except the following four schemes:

Film Sector:

- (i) Global Film School – A Detailed Project Report (DPR) for Global Film School was submitted by Ms Hewitt Associates India Pvt. Ltd. in September, 2010. However, the contents of the DPR were not found to be acceptable. A fresh DPR has since been prepared and accepted by the Governing Council of FTII.
- (ii) Setting up of National Centre of Excellence for Animation, Gaming and Special Effects: The proposal is under consideration of EFC.
- (iii) National Film Heritage Mission: This scheme was conceptualized in 2010-11. In-principle approval of the Planning Commission was received on 28.6.2011. The EFC Memo under finalization.

Broadcasting Sector:

- (iv) International Channel: A comprehensive proposal is under formulation.

8. While taking a serious note of late approval of various schemes inspite of these being formulated in the beginning of the Eleventh Plan and the resultant under utilization of Outlay, the Committee had opined that there are serious problems in the whole planning process and emphasized that the Ministry should work out a more streamlined approval system so that the situation of non clearance of schemes does not persist. The Committee had also recommended the Ministry to take corrective measures so that the non-clearance of schemes is not repeated during the

forthcoming Twelfth Five Year Plan. The Committee find from the Action Taken Notes furnished by the Ministry that though major schemes have been approved, the Ministry has not been able to get approval in respect of four important schemes viz. Global Film school, Setting up of National Centre of Excellence for Animation, Gaming and Special Effects, National Film Heritage Mission under Film Sector and International Channel under the Broadcasting Sector. The Ministry have informed that whereas a Detailed Project Report (DPR) has been prepared for the Scheme of Global Film School, the proposal in respect of the scheme for setting up of National Centre of Excellence for Animation, Gaming and Special Effects, is however, still under consideration. For the National Film Heritage Mission Scheme, the EFC Memo is under finalization and for the International Channel Scheme, a comprehensive proposal is under formulation. Keeping in view the fact that these are important schemes, the Committee deprecate the lack of seriousness on the part of the Government for not having the proposals expedited timely even as time and again the Committee had pursued the issue while examining the Demands for Grants of the Previous Years. The Committee, while expressing their displeasure over the delay in approval of the above four schemes reiterate their earlier recommendation and exhort the Ministry to address the issue more seriously and ensure that these important schemes are given due attention and approved in a time bound manner. To this end, the Committee desire the Ministry to work out a time bound formula for all such schemes at the beginning of the Twelfth Five Year Plan so that the schemes are cleared on time, implemented effectively and idling of funds earmarked for the schemes is avoided.

Recommendation of the Committee (Para Nos. 3 & 4)

II. Commonwealth Games

9. The Committee had recommended as under:-

"The XIX Commonwealth Games were held at New Delhi from 3rd to 14th October, 2010. Prasar Bharati was the Host Broadcaster for the games. The entire coverage of the games was telecast in High Definition (HDTV) format. A Gross revenue of Rs. 60.48 crore was realized by Prasar Bharati through commercial advertisements.

The Committee observe that post Commonwealth Games, various irregularities were reported in the media about award of contract by Prasar Bharati for execution of projects related to Commonwealth Games, 2010 particularly with regard to selection of M/s SIS Live, UK to carry out the work for Production and Coverage facilities. It was reported in the media that the contract awarded by Prasar Bharati to M/s SIS Live for Rs. 246 crore was outsourced by the entity to M/s Zoom Communications for Rs. 177 crore. About selection of M/s SIS Live, UK, the representative of the Ministry during the course of oral evidence informed the Committee that a transparent process was followed in the award of contract and they feel quite satisfied that there was no shortcoming on the part of the Ministry while giving its approval for the award of the contract. Regarding outsourcing of work by M/s SIS Live to M/s Zoom Communications, the Ministry have informed the Committee that neither they nor Prasar Bharati were aware of it and the fact came to their notice at a later stage. However, when the advice of the Law Ministry was sought, they opined that the sub-contract by M/s. SIS Live to M/s Zoom Communications was not in violation of the clause which existed in the contract between Prasar Bharati and M/s SIS Live.

In the wake of irregularities being reported in the media, the Government on 25th October, 2010 constituted a High Level Committee headed by Shri V.K. Shunglu to look into the issues relating to organizing and conduct of CWG, 2010 and lessons to be learnt for future. The Committee in January, 2011 submitted its report to the Government. The Committee have been informed that after seeking the explanation on each of the allegations contained in the report, the CEO, Prasar Bharati has been placed under suspension. The Ministry has also permitted CBI for registration of a regular case and initiation of criminal investigation under the provisions of Prevention of Corruption Act, 1988 against the CEO, Prasar Bharati. The then DG, Doordarshan has also been repatriated to her parent cadre. The Committee also note that the views of the Ministry on the recommendations of High Level Committee were placed before the Group of Ministers in the meeting held on 24th March, 2011 and the GoM has decided to deliberate the issue in its next meeting.

(Recommendation No. 3)

The Committee are deeply concerned about the controversy surrounding the award of work for Production and Coverage facilities for the Commonwealth Games, 2010 to M/s SIS Live, UK for Rs.246 crore. The Ministry have justified the selection process as well as the cost estimates. However, the fact remains that the contract which M/s SIS Live got from

Prasar Bharati for Rs.246 crore was outsourced by the entity to M/s Zoom Communications for Rs.177 crore. The High Level Committee constituted by the Government under Shri V.K. Shunglu has estimated the work below Rs.100 crore. Although the basis for calculating the amount is not known to the Standing Committee, yet it raises a serious question mark about the reasonableness of the rate quoted by the selected firm. The Committee are also surprised to note the opinion given by the Law Ministry that the sub-contract was not in violation of the clause which existed between Prasar Bharati and M/s. SIS Live. The Committee note that the Ministry seems to be in dilemma as the Secretary during the course of oral evidence before the Committee, initially stated that the cost was excessive but subsequently he justified the cost estimate as the same figure was arrived at by a Committee constituted by the Ministry. The High Level Committee constituted by the Government under the chairmanship of Shri V.K. Shunglu after in-depth scrutiny of documents and conducting the inquiry, has submitted its report to the Government. The report of High Level Committee is pending before the Group of Ministers. As such, the Committee, at this stage, only urge the Government for early decision in the matter. The Committee also note that CBI is conducting investigation in this regard. The Committee desire that the alleged irregularities in the award of work for Production and Coverage facilities may be scrupulously probed by the investigating agency and the report submitted to the Government at the earliest. The recommendations of the Group of Ministers and the findings of CBI alongwith the action taken by the Ministry in this regard should be communicated to the Committee. "

(Recommendation No. 4)

Reply of the Government

10. The Ministry in their Action Taken Notes have *inter-alia* stated as under:-

"The suspension of Sh B S Lalli, the then CEO, Prasar Bharati was based on the findings in the report of Central Vigilance Commission in respect of a reference made to it by Prasar Bharati on the directions of High Court of Delhi. The CVC, in its report , *inter-alia*, held that Shri B S Lalli was responsible in respect of four allegations pertaining to (1) contracts for management of advertisement revenue arising from the telecast of cricket matches on Doordarshan (DD) during 2007 (ii) non-telecast by DD of T-20 cricket World Cup matches held in South Africa in September ,2007 (iii) engagement of legal entities to represent PB and (iv) purchase of Radio Broadcasting Rights for 13 Cricket series held during 2007-09 . After examination of the report, a Presidential reference has been made to the Supreme Court under section 7(1) of the Prasar Bharati Act 1990 for conducting an enquiry and report as to whether Sh. B.S.Lalli, CEO, PB ought to be removed from office of Member, Prasar Bharati on grounds of misbehavior. Further, in terms of section 7(2) of the Prasar Bharati Act, 1990, Sh. B.S.Lalli has been placed under suspension by an order of the President till such time the orders are passed by the President on the basis of report received from Supreme Court. Thus the suspension of Sh Lalli was not in respect of any matter arising out of Common Wealth Games, 2010.

With regard to the action taken on the report of the High Level Committee, which looked into the issues related to organizing and conduct

of Commonwealth Games, Delhi, 2010, CBI has registered a case under Section 120-B r/w sec 420 IPC r/w sec 13(1) (d) of Prevention of Corruption Act, 1988 against Shri B S Lalli, Shri Wasim Ahmed Delhi, M/s SIS Live, M/s Zoom Communications and others and is investigating into various alleged acts of omission and commission as reflected in the Shunglu Committee report.

In the backdrop of the High Level Committee(HLC) on Host Broadcasting, the Group of Ministers (GoM), set up to examine various issues pertaining to the functioning of Prasar Bharati, has also looked into the issue of relationship between the Government and Prasar Bharati as also between Chief Executive Officer, Prasar Bharati and the Prasar Bharati Board. The GoM has examined the existing governance structure and the provisions contained in the Prasar Bharati (Broadcasting Corporation of India) Act, 1990. The GoM, *inter-alia*, has made recommendations with regard to the composition of the Board, the eligibility criteria and the tenure of Chairperson and other Members of the Prasar Bharati Board, the procedure for appointment, suspension and removal of Chairperson and Members of Board, and the powers of Central Government to obtain information from and issue directions to Prasar Bharati. It is expected that these recommendations of the GoM will enable Government to effectively supervise the functioning of Prasar Bharati, improve governance within Prasar Bharati and make it's functionaries more accountable.

Based on the recommendations of the GoM, Ministry has initiated action for carrying out the amendments to the PB Act, in consultation with the Ministry of Law and Justice. The Ministry would seek the approval of the Cabinet for bringing out amendments to Prasar Bharati (Broadcasting Corporation of India) Act, 1990.

(Reply to Recommendation No. 3)

An elaborate examination of the overall cost estimates for Host Broadcasting activities for CWG 2010 was done at multiple levels in Prasar Bharati and the Government as per the prescribed norms and procedure. Prasar Bharati had on 3.7.07 initially forwarded an estimate of Rs.557 crore for CWG 2010. This was examined in the Ministry which directed Prasar Bharati to float Request for information (RFI) to seek information from service providers on the basis of which the cost estimates could be firmed up. On the basis of Request for information (RFI) received, the estimates were brought down to Rs.445 crore in the EFC proposal. The IFD in the Ministry recommended a further cut of Rs.79 crore and recommended it for consideration of EFC chaired by Secretary (Expenditure). To further scrutinize and firm up the costs estimates, a Cost Estimates Committee was constituted by EFC under the AS&FA, Ministry of I&B on 07-04-2008 with JS (Broadcasting), Economic Adviser, Director (Finance) and Dir (BD) from the Ministry of I&B, JS from Ministry of Youth Affairs & Sports, Chief Advisor (Costs) in Department of Expenditure and DDG (PD-CWG), Prasar Bharati. The Cost Estimates Committee on 16-05-2008 confirmed the cost estimates of Rs.366 crore for CWG, Delhi, 2010 and this was finally approved by the CCEA. The Financial Evaluation Committee of Prasar Bharati, at the time of evaluation of financial bids for production and coverage tender, found the price quoted by M/s SIS Live to be 17% lower than the similar

components/activities in the CCEA approved budget of about Rs.254 crore (after taking the impact of foreign exchange variations into account).

Apart from following due diligence and scrutiny for firming up cost estimates, the ultimate tool with any organization to discover the real market price is following a fair and transparent international bidding process. In response to the international EOI invitation, 10 EOI responses were received. Prasar Bharati recommended 4 of them to be short listed for issuance of RFP documents. After seeking legal advice from SG and AG, the Ministry added one more entity and approved 5 entities for issuance of RFP documents. The RFP document was drafted by a team constituted by the Ministry headed by DG:DD and consisting of officials from the HB Cell in Prasar Bharati, Engineering and Programme Wings of Prasar Bharati and officials from the Broadcasting and Finance Wings of the Ministry of I&B and two reputed outside consultants in accordance with Finance Ministry guidelines. The RFP document was then duly approved following further examination in Prasar Bharati and Ministry. Only two bids were received by the closing date, of which only M/s SIS Live could qualify technically. The other bidder M/s NCL could not qualify as its lead partner which met the eligibility criteria decided not to continue with them. Certain representations were received from others giving reasons for non filing of bids. These representations were examined in detail in consultation with Prasar Bharati/HBMC. The HBMC expressed the view that the entities themselves had not been serious enough in engaging with the HB to settle the issues during the time they had the opportunity to do so, their concerns were duly taken note of and responded to by HB and the issues raised were in the nature of afterthoughts and excuses for non-submission of bids. On the issue as to why it was different from a single bid situation and why re-bidding should not be resorted to, it was clarified by HBMC/Prasar Bharati 'that while, it could be presumed that there would have been chances of competitive pricing if there had been more than one financial bid to be opened but it is important to note that the entity whose Technical bid has qualified, was submitting its bid in what was clearly a 'competitive environment', as the entity was aware that there were five short listed players who had all attended the pre bid meeting. It was also important that two entities had submitted their technical and financial bids within the stipulated time. Hence there was no reason also to presume that the single entity whose technical bid emerged valid has not submitted a competitive financial bid.' HBMC unanimously felt that re-tendering was not a viable option. The Ministry allowed the financial bid of M/s SIS Live to be opened.

On the instructions of the Ministry, HBMC/Prasar Bharati also provided a detailed and comprehensive assessment ascertaining, inter-alia, the rates obtained in similar events covered elsewhere while establishing clearly the reasonability and acceptability of the financial bid so received. It was mentioned that the total evaluated cost was reasonable as it was:

- a) 17% lower than similar components/activities in the CCEA approved Budget which is Rs.253.6 crore (say Rs.254 crore), after taking the impact of foreign exchange variations into account.
- b) 26% lower than similar components/activities from the RFI.
- c) Though it is difficult to compare the costs with Doha Asian Games because of the dissimilarities mentioned in the report, the bid is 8% lower than similar components/activities from Doha Games.

- d) It was comparable to the Melbourne CWG about four and half years back.

On the directions of the Ministry HBMC conducted further negotiations with M/s SIS Live; however the entity did not agree to reduce the price any further. After considering the unanimous recommendations of HBMC, the Ministry granted its approval to the selection of the entity. The Ministry on two occasions, once after taking a decision on the acceptance of the recommendations of HBMC on TEC report and opening of the financial bids and the other after granting the final approval for selection of the entity, also apprised CVC of the circumstances under which the decision to select the entity was taken.

The estimation of HLC which is primarily based on the premise that the entire work was outsourced to M/s Zoom for Rs.177 crore and that M/s Zoom also made a profit of Rs.65 crore is based on wrong premise and facts. The HLC has relied upon the statement made before Income Tax authorities during income tax survey on 2010 of the office premises of M/s Zoom Communication where an official of Zoom had on oath declared a profit of Rs.75 crore on the estimated total revenue of Rs.208 crore during 2011. It has been argued that the gross revenue of Rs.208 crore included receipt of Rs.177 crore from SIS Live. Pro-rated, the profit of M/s Zoom from the contract with M/s SIS Live should at the least amount to Rs.65 crore. It has also been mentioned that in another survey of M/s SIS Live's accounts, a provisional assessment of Income Tax has assumed that the entire amount of difference between the SIS-Prasar Bharati and Zoom-SIS contract of Rs.69 crore is the profit of M/s SIS Live. It has thus been concluded that the profit component in the contracted amount is $Rs.69+65 = 134$ crore. HLC has also listed a number of items in Para 2.7.1 of the report and has concluded that keeping these in view the estimate for the total cost of contract should be less than Rs.100 crore.

HLC in Volume II of its report has annexed the complete contract document between M/s SIS Live and M/s Zoom Communication Limited. A break up of the project cost – summarized budget is given at Appendix C & D at pages 155 & 156 in Volume II. Appendix C shows the break up of Rs. 246 crore as Rs. 165.51 crore as M/s Zoom's cost, Rs. 58.42 crore as SIS cost and Rs. 22.07 crore as contingency and profit. In Appendix B, the break up of the project cost for M/s Zoom has been shown as Rs. 160.75 crore as the cost with Rs. 16.55 crore as the service tax totalling Rs. 177. 30 crore. Though the two figures would need to be reconciled, it broadly appears that it would be factually incorrect to assume that M/s SIS did not have to spend any amount. It would also be apparent from the schedule that M/s SIS was required to bring in a number of key personnel and equipments and provide various other services at its level to complete the task. As regards the reliance on the statement made during a tax survey, it needs to be taken into account that a number of presumptions have been made based on these preliminary statements in the midst of a financial year when the project was still under execution, the complete cost accounting was practically not possible at that stage and the actual filings would come only after the closure of the financial year. Thus a backward calculation on the basis of a statement made during a survey will not be factually correct and in fact would be misleading. The profits made would also depend on the efficient handling and management of the contract by the executing entity and it would not

be possible to make any recoveries based on the fact that the entity has made high profits.

The observation of the Secretary during the course of oral evidence referred in the para was in relation to the initial estimates furnished by Prasar Bharati as detailed above and not in respect of the final contract price of Rs 246 crore.

As mentioned in reply to para-3 the mandate of GoM on Prasar Bharati was very limited and did not go into the entire report. The recommendations of the GoM and action taken thereon have already been detailed in reply to para-3 above.

As per the information available with the Ministry, the matter is still under investigation of CBI and no findings have yet been made available to the Ministry."

(Reply to Recommendation No. 4)

11. Expressing their serious concern over the controversy surrounding the award of work for Production and Coverage facilities for the Commonwealth Games, 2010 to M/s SIS Live, UK for Rs. 246 crore, the Committee had desired that recommendations of the Group of Ministers and the findings of CBI along with the action taken by the Ministry in this regard should be communicated to the Committee. The Action Taken Reply of the Ministry on the issues relating to irregularities and the comments of the Committee thereto are as under:-

(i) The Committee had noted that the Ministry had justified the selection process as well as the cost estimates in the award of work for Production and Coverage Facilities for the Commonwealth Games, 2010 to M/s SIS Live, UK. However, the fact remains that the contract with M/s SIS Live got from Prasar Bharti for Rs. 246 crore was outsourced by the entity to M/s Zoom Communications for Rs. 177 crore. The High level Committee constituted by the Government under Shri. V.K. Shunglu had estimated the work below Rs. 100 crore. In the Action Taken Note furnished to the Committee it has been stated that Prasar Bharti had on 3rd July, 2007 initially forwarded an estimate of Rs. 557 crore. However on the basis of Request for Information (RFI) the estimates were

brought down to Rs. 445 crore in the EFC proposal, finally the Cost Estimate Committee on 16th May, 2008 confirmed the cost estimates of Rs.366 crore. The Financial Evaluation committee of Prasar Bharti , at the time of evaluation of financial bids for production and coverage tender, found the price quoted by M/s SIS Live to be 17% lower than the similar components/activities in the Cabinet Committee on Economic Affairs (CCEA) approved budget of about Rs.254 crore (after taking the impact of foreign exchange variations into account). The Committee would like to be informed about the reasons for mismatch in the calculation of the cost estimation occurred at various stages. As the matter is still under investigation of CBI, the Committee desire that the detailed information is placed before the Committee for their examination as soon as the findings are made available to the Ministry.

- (ii) From the Action Taken Reply furnished by the Ministry, the Committee are given to understand that the Group of Ministers (GoM), set up to examine various issues pertaining to the functioning of Prasar Bharati, had looked into the issue of relationship between the Government and Prasar Bharati as also between Chief Executive Officer, Prasar Bharati and the Prasar Bharati Board. The GoM had examined the existing governance structure and the provisions contained in the Prasar Bharati (Broadcasting Corporation of India) Act, 1990. The GoM, inter-alia, had made recommendations with regard to the composition of the Board, the eligibility criteria and the tenure of Chairperson and other Members of the Prasar Bharati Board, the procedure for appointment, suspension and removal of Chairperson and Members of Board, and the powers of Central Government to obtain information from and issue directions to Prasar Bharati. It is expected that these recommendations of the GoM will enable Government to effectively supervise the functioning of

Prasar Bharati, improve governance within Prasar Bharati and make it's
functionaries more accountable. Based on the recommendations of the
GoM, the Ministry has initiated action for carrying out the amendments
to the Prasar Bharti Act, in consultation with the Ministry of Law and
Justice and the approval of the Cabinet is being sought. The Committee
would like to be informed about the outcome of the consultation with
the Ministry of Law and Justice for bringing amendments to Prasar
Bharti (Broadcasting Corporation of India) Act, 1990 and the status of
approval from the Cabinet.

Recommendation of the Committee (Para No. 5)

III. Financial Status of Prasar Bharti

12. The Committee had recommended as under:-

"The Committee's examination of budgetary documents has revealed that the revenue receipts of Prasar Bharati have been gradually declining and the gap between the revenue receipts and expenditure has been steeply increasing. During the year 2009-10, against the revenue projections of Rs. 1247.52 crore, the revenue receipts were Rs. 1176.26 crore and expenditure was Rs. 2949.40 crore thus leaving a gap of Rs. 1773.14. The revenue projections for 2010-11 were Rs. 1562.37 crore against which the revenue receipts were Rs. 968.69 crore and the expenditure was Rs.2506.49 crore. The Committee find that the Group of Ministers had recommended that 50 per cent of the annual operating expenses of Prasar Bharati should be borne by Prasar Bharati from its Internal Extra Budgetary Resources (IEBR) and the remaining 50 per cent will be met from non-plan grants-in-aid from the Government. According to the Ministry, however, the revenue of Prasar Bharati has not increased as per earlier projections while the cost, particularly under the salary head, has gone beyond the projections.

After assessing the non-plan budgetary support provided by the Government during 2009-10, 2010-11 and projections for the year 2011-12 as also 10% growth in revenue during 2011-12, Prasar Bharati has estimated a deficit to the tune of Rs.804 crores for these three years. According to the Ministry, if this trend continues, the entire available reserves of Prasar Bharati would be wiped out, resulting in immense financial distress in the working of the corporation. Since Prasar Bharati is unable to bear 50 per cent to the annual expenses from its IEBR as recommended by GoM, it has now proposed a new funding pattern for re-fixation of Government support to meet its financial obligations. The new funding pattern is likely to be decided by the Group of Ministers in its next meeting.

The Committee expresses serious concern over the increasing gaps between the revenue projections and revenue receipts. The Ministry has rightly expressed apprehensions that this trend would result into wiping out the entire available reserve of Prasar Bharati and the organization may find itself in immense financial distress. While appreciating the fact that Prasar Bharati is a public service broadcaster and not principally guided by commercial consideration, the Committee are of the firm opinion that its mandate does not restrict it from generating adequate revenue to meet its operational cost. In fact, in the Outcome Budget 2011-12 it has specifically been mentioned that AIR can generate revenue through schemes like sharing of Prasar Bharati infrastructure such as towers etc., building and land with private broadcaster, mobile service providers on license 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 and through Data Audio Channel service. It is inexplicable as to why Prasar Bharati has not been able to implement the above schemes which in their own admission can generate revenue through Public Private Participation for the next 10 to 15 years. The Committee are of the firm opinion that Prasar Bharati by taking the desired initiatives as mentioned in the Outcome Budget as well as by adopting suitable marketing strategies, content improvement and introduction of DTH services can reasonably enhance its revenue. The Committee exhort Prasar Bharati to take all the required initiatives to increase the revenue. Besides, all the economic measures should be taken to reduce the working expenses of Prasar Bharati. The Committee at the same time would like the Government to bear the gap between support till Prasar Bharati is able to generate the mandate revenue to attain self sufficiency."

Reply of the Government

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

"Based upon the projections on income and expenditure provided by Prasar Bharati, GoM had initially recommended that 50 % of the annual operating expenses of Prasar Bharati should be borne by Prasar Bharati and the remaining 50% will be met from Non-Plan grants-in-aid by the Government. However, in view of the concerns expressed by Standing Committee on Information Technology during the course of examination of Prasar Bharati Amendment Bill, 2010 as also submissions made by various employee organizations of Prasar Bharati on the future financial health of the corporation, the GoM had re-visited its earlier recommendations based on the revised projection prepared by Prasar Bharati and decided that during the next five years, the Government non-Plan support would be extended for meeting 100% expenses towards salary and salary related expenses and augmentation /replacement of capital assets. All other items of operating expenses shall be borne by Prasar Bharati from out of its internal revenue earnings. It has also been decided that the Plan support by Government to Prasar Bharati may be in the form of grants-in-aid and not in the form of loan. Approval of the Cabinet will be taken on the revised funding pattern of Prasar Bharati.

14. While expressing their concern over the increasing gaps between the revenue projection and revenue receipts of Prasar Bharti, the Committee had opined that although Prasar Bharti, a Public Broadcaster may not be principally guided by commercial consideration but at the same time it should not restrict itself for only generating adequate revenue to meet its operational expenses. In this backdrop, the Committee had recommended that Prasar Bharti should take the desired initiatives mentioned in the Outcome Budget 2011-12 which had specially mentioned that All India Radio can generate revenue through schemes like sharing of Prasar Bharti infrastructure such as towers, building and land with a private broadcaster, mobile services providers on license basis, providing value added services such as, IVRS and SMS based services to listeners, rationalization of rate structure of the rental resources turnkey solution for establishing 50/100 Watt Community Radio Station to Universities/ colleges /residential schools etc and through Data Audio Channel Services to enhance its revenue. Besides, the Committee had also recommended that Prasar Bharti should adopt suitable marketing strategies to improve its earning capacity. However, the Committee are dismayed to find that the Ministry instead of addressing the specific issue of revenue generation as recommended by the Committee has stated that Group of Ministers (GoM) had revisited its earlier Recommendations and decided that during the next Five Years, the Government Non- Plan support would be extended for meeting 100 per cent expenses items towards salary and salary expenses and augmentation/replacement of Capital Assets. All other items of operating expenses shall be borne by Prasar Bharti from out of its internal revenue earnings and the approval of the cabinet will be taken on the revised funding pattern of Prasar Bharti. The steps taken by the Ministry on revenue generation by All India Radio through schemes do not find any mention in the action taken reply. The Committee feel that if the Ministry takes up the

initiatives seriously as outlined in the Outcome Budget 2011-12 it would certainly improve its financial health. While expressing their unhappiness that the Ministry has not taken the recommendation in right intent and acted on the lines suggested, the Committee would like to reiterate their Recommendation and exhort the Ministry to take all the desired initiatives as outlined in the Outcome Budget 2011-12 so as to improve its revenue earnings. The steps taken in this direction may be informed to the Committee within the three months of presentation of Report.

Recommendation of the Committee (Para Nos. 6 & 7)

IV. Filling up of essential categories of posts and finalization of Recruitment Rules in Prasar Bharati

15. The Committee had recommended as under:-

“One of the focal point of successive Reports of the Committee has been finalization of Recruitment Rules by Prasar Bharati. The Committee note that against the sanctioned strength of 48,172, there are 11, 498 vacancies in various cadres as on 31st March, 2010. There are 3452 essential categories of posts which are lying vacant in Prasar Bharati. To fill up such posts, the proposal submitted to the Department of Expenditure has been returned and Prasar Bharati has been requested to re-submit the proposal based on the report of National Productivity Council. The Committee have been informed that since Prasar Bharati is not in agreement with the NPC report, it proposes to reject the NPC report. Further Prasar Bharati has apprised the Group of Ministers about unacceptability of NPC Report in the meeting held on 24th March, 2011. The Committee find that there seems to be no solution in sight in the near future. The report of NPC is not acceptable to Prasar Bharati and the Department of Expenditure had desired Prasar Bharati to submit the proposal for filling up of essential categories of posts based on NPC report. The disagreement is bound to create further problems for Prasar Bharati which is already reeling under shortage of manpower. While appreciating the administrative comments raised by the Department of Expenditure, the Committee desire the Department of Expenditure to realize the problems that Prasar Bharati is facing due to vacant essential posts and as such some relief ought to be given to Prasar Bharati so as to enable it to augment its staff strength.”

(Recommendation No. 6)

About finalization of the Recruitment Rules, the representative of the Ministry during the course of oral evidence informed the Committee that the regulations for all 195 cadres in Prasar Bharati have been finalized and the same are being forwarded to the Department of Personnel and the Ministry of Law. After their scrutiny, these regulations would be

notified. The Committee are relieved that long pending issue of framing Recruitment Rules for various categories of Posts in Prasar Bharati, is coming to a logical conclusion. The Committee desire that the matter should be vigorously followed up with the department of Personnel and Ministry of Law to ensure that these Recruitment Rules are urgently examined and thereafter notified at the earliest."

(Recommendation No. 7)

16. The Ministry in their Action Taken Note has *inter-alia* stated as under:-

"The Ministry of Information and Broadcasting and Prasar Bharati have taken the following action to facilitate expeditious filling up of the vacant posts in Prasar Bharati:

- (i) A proposal approved by the Prasar Bharati Board for setting up of Prasar Bharati Recruitment Board for undertaking is currently under inter-ministerial consultation with the Deptt. of Expenditure. DoP&T have already concurred in the proposal.
- (ii) Simultaneously, another proposal for formulating Recruitment Regulations for about 198 cadres is also under inter-ministerial consultation with the DoP&T twice in August and September, 2011. After scrutiny of the proposal, DoP&T sought some additional information/documents, which have been furnished to them on 08.02.2012.
- (iii) The GoM had initially recommended that the ban on recruitments in Prasar Bharati may be relaxed. Prasar Bharati was directed to send a proposal for filling up 3452 essential categories of posts to the Deptt. of Expenditure (DoE), based on the report of the National productivity Council giving full justification for such recruitment. As regards the report of the National Productivity council, Prasar Bharati in various review meetings at the level of the Ministry has informed that NPC has not been able to factor in a number of organizational and structuring issues and that it cannot be relied upon. This matter was taken up again with the GoM and after considering all aspects, the GoM recommended that the NPC report may be delinked from the proposal for filling up essential category posts in Prasar Bharati and the proposal should be examined by DoE accordingly. In this regard, the Ministry is in the process of seeking cabinet approval, for which a cabinet note has already been circulated for inter-ministerial consultation. After obtaining the approval of the cabinet, Prasar Bharati shall undertake the process for filling up the essential category of posts."

(Reply to Recommendation Nos. 6 & 7)

17. The Committee have been expressing their serious concern over the delay in finalization of Recruitment Regulations and Service Conditions for the employees of Prasar Bharati and the filling up of essential posts lying vacant in the Prasar Bharati. During the oral evidence held in connection with the examination of 'The Prasar Bharati (Broadcasting Corporation of India)

Amendment Bill', the then CEO, Prasar Bharati had assured that the task of finalization of Recruitment Regulation and Service Conditions will definitely finish by 31st March, 2011. The Committee during the examination of Demands for Grants (2011-12) also had commented upon the need for augmenting the staff strength of Prasar Bharati and vigorously taking up the matter with Department of Personnel and Ministry of Law to ensure early examination and notification of Recruitment Rules. The Committee are however, constrained to note that even after an elapse of considerable time, the Ministry are still in the process of seeking Cabinet approval for which Cabinet Note is being circulated and the process for filling up of essential category of posts are yet to take place. While deploring the inordinate delay in the matter particularly when a commitment had been made to the Committee in this regard, the Committee reiterate their earlier recommendations and exhort the Ministry to take all necessary steps to expedite the matter regarding filling up of essential category of posts and finalizing the Recruitment Rules within a time frame without any further delay.

Recommendation of the Committee (Para No. 8)

V. Prasar Bharti Act 1990

18. The Committee had recommended as under:-

"The Committee in their successive Reports have been recommending the Ministry to implement the provisions contained in the Prasar Bharati Act, 1990 relating to constitution of a Parliamentary Committee and a Broadcasting Council. Having observed that the above provisions were never put into operation, the Committee in their Sixth Report on Demands for Grants (2010-11) had observed 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 20th May, 2000) according to which there is no need for these provisions in the light of Standing and Consultative Committees of Parliament.

The Committee observe that proposal with regard to comprehensive amendments to 'The Prasar Bharati Act, 1990' was placed before the Group of Ministers in the meeting held on 24 March, 2011. As informed by

the Ministry, the proposal in brief seeks to amend the present provisions with regard to composition of Prasar Bharati Board, eligibility criteria, term of office and appointing authority for the Board Members, the role of the Government, the mandate given to Prasar Bharati, issues relating to status of staff as well as action procedure and grounds for removal of Members of the Board. The Committee find that in spite of continuous pursuance of the issue in various reports, the Ministry have neither taken action for constitution of a Parliamentary Committee and a Broadcasting Council as per the provisions of the Prasar Bharati Act, 1990 nor any mention has been made in the draft proposal for deletion of the provision relating to constitution of the two bodies as recommended by the two Committees set up Prasar Bharati. The Ministry while reviewing the provisions of the Prasar Bharati Act, 1990 should have taken a decision in the matter. While deploring the way the Ministry has handled the issue, the Committee exhort the Ministry to take decision in this regard without any further delay."

Reply of the Government

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

"The GoM had undertaken a comprehensive review of Prasar Bharati, 1990 and recommended certain amendments to the Acts. While examining the Act, the GoM also considered the matter relating to the constitution of Parliament Committee and Broadcasting Council as per the provisions of the Prasar Bharati Act in view of the recommendations given in the Shunu Sen Committee Report. Having considered the role envisaged for Parliamentary Committee vis-à-vis Standing Committee, and after taking note of the categorical recommendations of the Shunu Sen Committee, the GoM was of the view that not much would be served by having a separate Parliamentary Committee and, accordingly, recommended to omit the provision relating to the constitution of Parliamentary Committee in the Prasar Bharati Act.

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. It was also felt by the GoM that the Shunu Sen Committee's recommendations that there should be a single complaints redressal 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 & 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. Accordingly, the GoM had recommended for deletion of sections 14 & 15 relating to the constitution of Broadcasting Council.

The Ministry has prepared a Cabinet Note on various recommendations of the GoM and circulated the same for inter-ministerial consultation. Besides the GoM recommendations on financial and manpower issues of Prasar Bharati, the aforesaid Cabinet Note contained certain legislative proposals relating to amendments to the Prasar Bharati Act, 1990, as suggested by the GoM. It was subsequently felt that some of the

recommendations of the GoM in regard to financial restructuring of Prasar Bharati and filling up essential category posts are to be implemented on priority basis with the approval of the Cabinet. Accordingly, the proposal for amendments to Prasar Bharati Act has been de-linked and a fresh cabinet note on financial restructuring of Prasar Bharati and filling up of essential category posts has been prepared and circulated for comments from the concerned Ministries/Departments. The Ministry would prepare a separate Cabinet Note on the rest of the recommendations of the GoM, including amendments to Prasar Bharati (Broadcasting Corporation of India) Act, 1990.”

20. The Committee had expressed their serious concern that inspite of the continuous pursuance of the issue in their various reports, the Ministry has neither taken action for constitution of a Parliamentary Committee and a Broadcasting Council as per the provisions of Prasar Bharti Act 1990 nor any mention has been made in the draft proposal for deletion of provision relating to constitution of the two bodies as recommended by the two Committees set up by Prasar Bharti. They, therefore, had recommended that the Ministry should take a decision in this regard without any further delay. However, the Committee regret to note that the Ministry has not addressed the recommendation of the Committee in the right perspective as could be seen in the backdrop of the recommendations of Shunu Sen Committee, GOM had recommended to omit the provision relating to the constitution of a Parliamentary Committee in the Prasar Bharti Act as well as deletion of Section 14 & 15 relating to the constitution of Broadcasting Council and going by GoM’s wisdom the proposal for amendments to Prasar Bharati Act has been de-linked and a fresh cabinet note on financial restructuring of Prasar Bharati and filling up of essential category posts has been prepared and circulated for comments from the concerned Ministries/Departments. The Committee are not convinced with the stand taken by the Ministry and are of the opinion that the Ministry should have addressed the issue of constitution of Parliamentary Committee or Broadcasting Council along with the financial and manpower restructuring

of Prasar Bharti through amendments to Prasar Bharti Act. They, therefore, reiterate their earlier recommendation and emphasize that the issue of constitution of a Parliamentary Committee and the Broadcasting Council should not be sidelined and the decision for amendments to Prasar Bharti Act should be taken up expeditiously to resolve the issue.

Recommendation of the Committee (Para No. 11)

VI. Press Council of India

21. The Committee had recommended as under:-

"Press Council of India is a statutory autonomous body created by Parliament. In the discharge of its twin fold function of preserving the freedom of the press and maintaining and improving the standards of the press, the Council performs a multi-faceted role. It acts on the one hand as a quasi judicial authority with all powers of the civil court and on the other, in its advisory capacity; it guides the press as well as the authorities on any matter that may have a bearing on the freedom of the press and on its preservation. The Committee note that under Section 16 of the Press Council Act, 1978, the Council collects levy of fees from registered newspapers/periodicals in the country and news agencies. The total amount of fee collected by the Council during 2009-10 was Rs. 34,27,128 and it was Rs. 37,29,542 during 2010-11. The Committee have been informed that all the registered newspapers/periodicals and news agencies are not regularly paying their dues to the Council and as on 31st March 2010, a total demand of Rs. 4,13,48,186 was outstanding as arrears. Considering the quantum of outstanding dues involved, the Committee feel that not only legal action should be taken against the defaulters but also the matter should be pursued vigorously by the Council to recover the outstanding dues. The Committee also desire that strict action may be taken against the habitual defaulters by the Council."

Reply of the Government

22. The Ministry in their Action Taken Note has *inter-alia* stated as under:-

"Section 16(2) of the Press Council Act, 1978 provides that any fee payable to the Council under sub-section (1) may be recovered as arrear of land revenue. As prescribed in Rule 10(2) of the Press Council Rules, 1979, the notices in respect of demand are sent under registered A.D. covers to registered newspapers and news agencies calling for the remittance of fees. In addition to this, the matter was also taken up with the concerned District Magistrates, Chief Secretaries and Director, Information & Public Relations Department of all State/Union Territories Governments requesting them to assist in the recovery of fees. Vigorous and earnest efforts are being made by the Press Council of India to recover the fees as per the procedure specified in the Press Council Act and the rules."

23. Having observed that all the registered newspapers/periodicals and news agencies are not regularly paying their dues to the Press Council of India, the Committee had desired that strict legal action be taken against the habitual defaulters so as to enable the Council to collect the outstanding arrears of Rs. 4,13,48,186 at the earliest. However, from the Action Taken Notes the Committee have a feeling that the Press Council of India (PCI) seems to be satisfied with just issuing Notice under Rule 10 (2) of the Press Council Rules, 1979 to the defaulting newspapers/periodicals and newspaper agencies. The Committee have been informed that the matter has been taken up with the concerned District magistrate, Chief Secretaries and Directors, Information and Public Relation Departments of all States/Union Territories Governments to assist in recovery of fees. The Action Taken Note is completely silent on the punitive action taken against the defaulting agencies. The Committee, while deploring the inaction on the part of the Ministry/Council once again emphasize that strict legal action be taken against the defaulting newspapers/periodicals and newspaper agencies and the matter should be pursued vigorously by the Council to recover the outstanding arrears at the earliest and the Committee be informed accordingly. The Committee also recommend the Ministry to direct the Press Council to issue suitable instructions to the registered newspapers and agencies to pay their dues to the Council regularly on time.

Recommendation of the Committee (Para No. 13)

VII. Indian Institute of Mass Communication (IIMC)

24. The Committee had recommended as under:-

“Established on 17th August, 1965, the Indian Institute of Mass Communication has been conducting a number of Post Graduate Diploma courses to meet the diverse requirements of rapidly changing media and communication industry in modern times. As of now, the Institute cannot award degrees which is seriously hampering its potential as a premier institute vis-à-vis other institutions in the field of mass communication. Therefore, the Ministry proposes to convert IIMC into International Media University to allow it to award its own degree in place of existing Post Graduate diploma courses. For that purpose an Act of Parliament deeming IIMC ‘An Institution of National importance’ would be required, which according to the Ministry, is under preparation and will be finalized in consultation with the Ministry of Law and introduced in Parliament after approval of Cabinet. The committee also note that the Ministry of Human Resource Development has been requested to give its approval to make Post Graduate Diploma courses of IIMC equivalent to Master degree. The Executive Council of IIMC have decided to start two-year course only after equivalence is granted by the HRD Ministry.

The Committee are disappointed to note that the Ministry has been extremely slow in implementing the scheme. The scheme was initiated at the beginning of the Eleventh Plan and four years later, the committee find that various preparatory work and approvals are still pending. The approval of the Ministry of HRD is still awaited to upgrade one year Post Graduate Diploma course into two year advance Post Graduate Diploma course to make it equivalent to Master degree. The Institute as of now cannot award degree for which an Act of Parliament is required. The Ministry of Law is being consulted to prepare the draft Bill for this purpose. The Committee are pained to note that the Ministry have not acted on the recommendations contained in its Sixth Report on Demands for Grants (2010-11) to expedite clearance of all preparatory work. The Committee therefore, would like the Ministry to put the scheme on fast track and introduce the Bill to Parliament to enable IIMC to award its own degree and allow international collaboration. The committee also desire that the Ministry of HRD may be requested to give its approval to make Post Graduates Diploma course of IIMC equivalent to Master degree so that the two years course starts at the earliest.”

Reply of the Government

25. The Ministry in their Action Taken Note has *inter-alia* stated as under:-

“In the Standing Finance Committee (SFC) meeting held on 15th July 2010 to consider Indian Institute of Mass Communication (IIMC)’s 11th Plan Scheme, it was inter-alia decided that in the first instance the emphasis may be on seeking equivalence to Masters Degree for the Two-Year PG Diploma Courses from Ministry of Human Resources Development. Eventually, steps may also be taken for seeking Parliamentary enactment. Accordingly, IIMC had approached the Ministry of HRD seeking its approval to make PG Diploma courses of IIMC

equivalent to Master degree. However, the Ministry of HRD/University Grant commission (UGC) has not agreed with the proposal and observed that the courses/syllabi proposed by IIMC for its PG Diploma Programmes have not been found to be of Masters Level in their present form. IIMC has been advised by the Ministry of HRD to resubmit the revised proposal after taking into consideration the observations of UGC so that further necessary action could be taken by them. The observations/comments of UGC & need for an act of parliament for upgradation of IIMC to an Institution of National Importance are being examined in the Ministry.”

26. While observing that various preparatory work and approvals with regard to converting Indian Institute of Mass Communication (IIMC) into International Media University are still pending and the Ministry is extremely slow in getting the approval to make the Post Graduate Diploma Courses of IIMC equivalent to Master’s Degree from the Ministry of Human Resource Development and University Grants Commission, the Committee had recommended that the matter may be taken up expeditiously and measures should be taken for introducing a Bill to the Parliament which will enable IIMC to award its own degree and allow international collaboration. However, it is disheartening to note from the Action Taken Reply furnished by the Ministry that the Ministry of Human Resource Development and University Grants Commission have not agreed with the proposal as the courses/syllabi proposed for its PG Diploma Programmes of IIMC have not been found to be of Master’s level in their present form and IIMC has been advised to resubmit the proposal. The Committee are extremely disappointed to see that IIMC which was established way back in 1965 has not been able to update its curriculum/programme and syllabi with the changing scenario and the present demand of information/mass media. The Committee are also of the view that before advancing in the matter further, the Ministry should have been extremely cautious and visualized the requirement keeping in view the media courses in other countries. The Ministry should also have advised the IIMC much before so that the matter would not have come to such an impasse.

Therefore, while taking a serious note of the way the issue has been handled by the Ministry, the Committee reiterate their recommendation and impress upon the Ministry that the revised proposal to make the PG Diploma course of IIMC equivalent to the Master's Degree is taken up on fast track and approval from Ministry of Human Resource Development and University Grants Commission are taken at the earliest and the Committee be informed accordingly.

CHAPTER-II

RECOMMENDATIONS / OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 1)

Budgetary Grants for the year 2011-12

The Committee observe that as per Demand No. 60 relating to the Ministry of Information and Broadcasting, the Budgetary allocation is for a total amount of Rs. 2643.71 crore which include Rs. 861 crore as Plan Outlay and Rs. 1782.71 crore as non-Plan outlay. As against this, the Budgetary support for 2010-11 was Rs. 2604.25 crore (Plan Rs. 850 crore + Rs. 1754.25 crore as non-Plan) which was increased to Rs. 2618.13 crore at the Revised Estimates stage. The Committee note that on the Revenue (Plan) side, the outlay has been decreased from Rs. 326.36 crore (RE) in 2010-11 to Rs. 273.46 crore (BE) during 2011-12. However, on the Revenue (non-Plan) side the outlay has been enhanced from Rs. 1768.13 crore (RE) in 2010-11 to Rs. 1782.71 crore during 2011-12. On the Capital (Plan) side the outlay has been enhanced from Rs. 523.64 crore (RE) in 2010-11 to Rs. 587.54 crore during 2011-12. The overall outlay for 2011-12 has been increased by Rs. 25.58 crore over the Budgetary Allocation (RE) for 2010-11, which works out to insignificant increase of 0.97%.

The Committee note that for the Eleventh Plan (2007-12) Planning Commission has approved total outlay of Rs. 5439 crore. During Mid Term Appraisal, the outlay was enhanced to Rs. 6311 crore due to additional outlay for 'High and Lower Power Transmitters for J&K Border Areas' and 'Commonwealth Games, 2010 and Related Programmes'. The actual expenditure during the first four years of the Eleventh Plan is Rs. 1917.42 crore (Information Sector Rs. 254.83 crore, Film Sector Rs. 198.25 crore and Broadcasting Sector Rs. 1464.38 crore) which is just 30.38 per cent of the total Budgetary allocation. The figures speak out the unsatisfactory performance of the Ministry in utilization of outlay. Expressing serious concern over inability of the Ministry to fully utilize the outlay, the Committee in their Sixth Report on Demands for Grants (2010-11) had pointed out that under utilization of funds is a perennial problem with the Ministry, which is an indicator of its poor budgeting mechanism and failure of monitoring mechanism to review the implementation of various schemes/projects. In spite of that underutilization still persists under different schemes/projects in all three sectors of the Ministry. Besides inability of the Ministry to fully utilize the outlay, delay in approval of important schemes of the Ministry, as discussed in the subsequent part of the report, are areas of concern. The Committee, therefore, impress upon the Ministry to take steps to make the implementation mechanism more effective. The Committee, therefore, desire that the Ministry should endeavour to analyze the reasons for under utilization of outlay scheme/sector-wise and gear up its monitoring mechanism to ensure that the allocated funds are fully utilized. Further all the on-going schemes may be strictly monitored to keep pace with the expenditure. The Committee would like to be apprised about the specific steps taken by the Ministry in this regard.

Action Taken by the Government

The suggestion of the Hon'ble Committee has been noted for strict compliance. All out efforts are being made to ensure full utilization of budgeted funds. To this end, the implementation of plan schemes and related expenditure thereon is regularly reviewed at the Ministry and also by the Implementing agency.

The plan performance of the Ministry depends mainly upon how Prasar Bharati utilizes its plan funds since 80 to 85 per cent of the plan outlay of the Ministry is allocated to Prasar Bharati. Certain remedial measures have been taken which are expected to lead to the improvement in plan utilization. Some of these measures include:

- (i) A Monitoring Committee has been constituted under the Chairmanship of Addl. Secretary to monitor the progress of Plan Projects.
- (ii) A High Level Committee has been constituted under the Chairmanship of CEO, Prasar Bharati for project monitoring and implementation. The Director Generals and Engineers-in-Chief of AIR & Doordarshan are Members of the Committee. This committee regularly monitors the progress of execution of various projects and takes corrective action, wherever required.
- (iii) An Empowered Committee of Finance has been constituted to examine and resolve all issues related to finance. The Director Generals of AIR & Doordarshan and Sr. General Manager (B&A) of Prasar Bharati are Members of the Committee.
- (iv) A Monitoring Committee has been constituted under the Chairmanship of Director General, AIR to monitor the progress of implementation of AIR projects.
- (v) Nodal Officers have been nominated for each scheme.
- (vi) The sanctioning power of DG has been restored to Rs.20 crore.
- (vii) A Procurement Committee with DG has been constituted at AIR/Doordarshan to expedite equipment procurement. The Procurement Committee regularly reviews procurement related issues. As a result, the procurement process has been reduced from 52 weeks to 26 weeks.
- (viii) Time schedules for procurement and all other major activities have been drawn for each major project against which progress is monitored.
- (ix) Regular meetings are being held at Zonal Offices and Civil Construction Wing to review the implementation of various projects.

[Ministry of Information and Broadcasting O.M. No. 4/8/2011-PC (Vol.III) dated 14.11.2011]

Recommendation (Para No. 10)

Information Sector

The Committee observe that out of total Plan allocation of Rs. 6311 crore for the Eleventh Plan, the Information sector has been allocated Rs. 314 crore, which works out to 4.9% of the budgetary allocation. The Committee's examination reveal that there has been under utilization of outlay. During the year 2009-10, the RE stage allocation was Rs. 76 crore, which was enhanced to Rs. 85.27 crore and the actual expenditure was Rs. 78.49 crore which comes to 92.04%. During the year 2010-11, the BE stage allocation was Rs. 121.75 crore which was increased to Rs. 128.41 crore at RE stage out of which only Rs. 74.21 crore could be utilized up to February, 2011, which works out to 57.79%. As compared to the year 2009-10, the performance during 2010-11 under the Information Sector is clearly unsatisfactory. The Committee desire that

various projects/schemes being implemented under the Information Sector should be critically analyzed and remedial action taken to effectively utilize the outlay.

Action Taken by the Government

As stated that during the year 2010-11, the BE stage allocation for the Information Wing was Rs121.75 crores which was increased to Rs.128.41 crores at RE stage, out of which only Rs.74.21 crores could be utilised upto Feb. 2011 which works out to 57.79% . However, it is further added here that the allocation was revised again in Final Grant 2010-11 to Rs.116.63 crores and against this, Rs.114.63 crores were utilised till 31st March,2011, which comes to 98.29% and the expenditure was 94.15% of the SBG 2010-11, all the measure schemes in the Information Sector such as Setting up of Nation Press Centre (PIB), Developmental Publicity Programme (DAVP), Construction of Soochna Bhavan etc. are now being monitored regularly at the level of Joint Secretary, Additional Secretary and Secretary in the Ministry and suitable remedial measures are taken accordingly. As a result of close monitoring till the end of December,2011 as against SBG allocation of Rs 162.99 crores for the year 2011-12, Rs.105.99 c crores has been utilised which comes to 65.03%.

[Ministry of Information and Broadcasting I.D. No. 23/4/2010-Press, dated _____]

Recommendation (Para No. 12)

Press Council of India

The Committee also observe that Rule 10 of the Press Council of India Rules, 1979 provides the structure for collection of levy fee. The Council collect levy fee from the registered newspapers/periodicals whose circulation figure is above 5000. The fee was fixed in the year 1979 and was last revised in 1988. The Committee have been informed that no periodicity has been laid down in the Rules for enhancement in the rates of levy fee. The enhancement in the rates of levy fee requires an amendment to Rule 10 of the Press Council Rules, 1979 by the Central Government. Keeping in view the fact that no revision in levy fee has taken place since 1988, the Committee recommend that the same may be suitably enhanced. The Committee further recommend that the Press Council Act, 1979/Rules may be suitably amended to incorporate the provision for periodic enhancement in the rates of levy fee.

Action Taken by the Government

Regarding periodic enhancement in the rates of levy fee, it is stated that a provision providing for automatic increase in levy of fee upon the newspapers, @ 10% every three year has been suggested in the proposed 'Amendment to the Press Council Act, 1978'. The proposed amendments to the Press Council Act, 1978 are under examination in the Ministry and final view will be taken after wide consultation with all stake holders.

[Ministry of Information and Broadcasting I.D. No. 23/4/2010-Press, dated _____]

Recommendation (Para No. 14)

The Film Institute was set up in 1960 in Pune, as a premier Institute for imparting training in art and technique of Film making. The Institute has been conducting Post Graduate Diploma in Film and Television in various disciplines, namely, Direction, Cinematography, Audiography, Editing etc. FTII also runs various short courses for working professionals. The Committee have been informed that PG diploma courses in various disciplines of film and television, awarded by the institute do not enable the students to take up higher studies and research. Therefore, the possibility of getting equivalence status for its PG Diplomas from the Ministry of HRD/Association of Indian Universities as in the case of National School of Drams is being explored. Simultaneously, recognition of FTII as an "Institute of National Importance" through Act of Parliament is also being considered to upgrade the position of FTII at the national and international levels to attract talented faculty, staff and students and to start high level research and innovation schemes related to Film, TV and allied media. The Committee are concerned to note that the Post Graduate Diploma courses awarded by the Institute do not enable the students to take up research and higher studies. The Institute was set up in 1960 and no initiatives have been taken to upgrade the status of FTII. The Ministry is still exploring the possibilities of getting equivalent status for its diploma courses from the Ministry of HRD. Further recognition of FTII as an 'Institute of National Importance' through an Act of Parliament is also being explored. The Committee desire the Ministry to upgrade FTII to global standards with due promptness. The Committee would like to be apprised about the definite plan of the Ministry for completion of the proposal for this purpose at the earliest.

Action Taken by the Government

In order to upgrade the Film & Television Institute of India, Pune to international standards, a new Plan Scheme was launched in the 11th Five Year Plan for which Rs.52 crore was sanctioned. A consultant was appointed to conduct a study and prepare a Detailed Project Report (DPR). However, this report was not found suitable and therefore a Group of Experts was constituted to prepare a fresh DPR which is in tune with the vision and ideas of FTII. This new DPR has been accepted by the Governing Council of FTII. The report has been sent to the Ministry for approval.

As per the DPR, the upgradation plan of the Institute includes starting of new courses; upgradation of infrastructure in terms of new studios, hostels for students, modern equipments; having a new syllabus which is in tune with the latest practices in the film and television education; renovation of various buildings etc. The DPR has projected an amount of about Rs.200 crores to be spent in next two to three Plan periods on the development and upgradation of the Institute. During the last year of the 11th Plan and during entire 12th Plan period, the DPR has projected to spend about Rs.90 crore.

In terms of granting equivalence status to the Post-Graduate Diplomas awarded by the Institute and making them equivalent to the Masters Degree, the Institute has taken up the matter with the Ministry of Human Resource Development (MHRD) through the Ministry of Information & Broadcasting. Meetings have been held with the senior officials of the MHRD by officials of MIB and the matter is being pursued.

The Ministry of Information and Broadcasting has drafted a National Institutes of Film and Television Bill, 2011 for the Film and Television Institutes under the Ministry of Information & Broadcasting. The Draft Bill is being discussed with the stake holders i.e. the Film and Television Institutes, Representatives of Film and Animation Industries

Associations etc. The Draft Bill along with a Cabinet Note will be circulated to the concerned Ministries before submitting to the Cabinet for approval.

[Ministry of Information and Broadcasting O.M. No .H-11013/4/2011-F(FTI) Dated 05.10.2011]

CHAPTER –III

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

--NIL--

CHAPTER –IV

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

Recommendation (Para No. 2)

On-going and new schemes

According to the Ministry, at the beginning of the Eleventh Plan the Ministry had formulated 86 schemes. However, at the time of Zero Based Budgeting exercise undertaken by the Planning Commission in May, 2007, the total number of schemes was reduced to 65. During examination of the previous year Demands for Grants (2010-11), the Committee had noted that out of total 38 new schemes, 13 schemes were awaiting approval and out of 28 on-going schemes, approval for 2 schemes was pending. Thus in total 15 schemes were pending clearance/approval. Having observed that delay in approval of the schemes was one of the factors responsible for under utilization of outlay, the Committee in their Sixth Report on Demands for Grants (2010-11) had desired that the Ministry should work out a more streamlined approval system. In spite of that four important schemes of the Ministry which include Global Film School, Setting up of National Centre of Excellence for Animation, Gaming and Special Effects, National Film Heritage Mission under Film Sector and International Channel under Broadcasting Sector are still awaiting approval/clearance even when Annual Plan 2011-12 is the last year of Eleventh Plan. The Secretary of the Ministry during the course of oral evidence admitted that it is quite late particularly when the Eleventh Plan is going to end at the end of the current financial year. The Committee disapprove the way projects are being planned by the Ministry. All the above schemes were formulated at the beginning of the Eleventh Plan and in the process four precious year have already been lost and even then the schemes of the Ministry are awaiting approval/clearance. It clearly indicates that there are serious problems in the whole planning process which is not conducive for the overall functioning of the Ministry. The Committee desire that the Ministry should work out a more streamlined approval system so that the situation of non-clearance of the schemes does not persist. The Committee recommend that the Ministry should take corrective measures so that the situation of non-clearance of schemes does not repeat during the Twelfth Plan

Action Taken by the Government

The suggestions of the Hon'ble Committee have been noted for compliance.

The Ministry has since obtained approval for the implementation of all major schemes during the 11th Plan except the following four schemes:

Film Sector:

- (iv) Global Film School – A Detailed Project Report (DPR) for Global Film School was submitted by Ms Hewitt Associates India Pvt. Ltd. in September, 2010. However, the contents of the DPR were not found to be acceptable. A fresh DPR has since been prepared and accepted by the Governing Council of FTII.
- (v) Setting up of National Centre of Excellence for Animation, Gaming and Special Effects: The proposal is under consideration of EFC.
- (vi) National Film Heritage Mission: This scheme was conceptualized in 2010-11. In-principle approval of the Planning Commission was received on 28.6.2011. The EFC Memo under finalization.

Broadcasting Sector:

- (iv) International Channel: A comprehensive proposal is under formulation.

[Ministry of Information and Broadcasting O.M. No. 4/8/2011-PC (Vol.III) dated 15.11.2011]

**Comments of the Committee
(Please see Para No. 8 of Chapter I)**

Recommendation (Para No. 3)

Commonwealth Games

The XIX Commonwealth Games were held at New Delhi from 3rd to 14th October, 2010. Prasar Bharati was the Host Broadcaster for the games. The entire coverage of the games was telecast in High Definition (HDTV) format. A Gross revenue of Rs.60.48 Crore was realized by Prasar Bharati through commercial advertisements.

The Committee observe that post Commonwealth Games, various irregularities were reported in the media about award of contract by Prasar Bharati for execution of projects related to Commonwealth Games, 2010 particularly with regard to selection of M/s SIS Live, UK to carry out the work for Production and Coverage facilities. It was reported in the media that the contract awarded by Prasar Bharati to M/s SIS Live for Rs.246 crore was outsourced by the entity to M/s Zoom Communications for Rs. 177 crore. About selection of M/s SIS Live, UK the representative of the Ministry during the course of oral evidence informed the Committee that a transparent process was followed in the award of contract and they feel quite satisfied that there was no shortcoming on the part of the Ministry while giving its approval for the award of the contract. Regarding outsourcing of work by M/s SIS Live to M/s Zoom Communications, the Ministry have informed the Committee that neither they nor Prasar Bharati were aware of it and the fact came to their notice at a later stage. However, when the advice of the Law Ministry was sought, they opined that the sub-contract by M/s SIS Live to M/s Zoom Communications was not in violations of the clause which existed in the contract between Prasar Bharati and M/s SIS Live.

In the wake of irregularities being reported in the media, the Government on 25th October, 2010 constituted a High Level Committee headed by Shri V.K. Shunglu to look into the issues relating to organizing and conduct of CWG, 2010 and lessons to be learnt for future. The Committee in January, 2011 submitted its report to the Government. The Committee have been informed that after seeking the explanation on each of the allegations contained in the report, the CEO, Prasar Bharati has been placed under suspension. The Ministry has also permitted CBI for registration of a regular case and initiation of criminal investigation under the provisions of Prevention of Corruption Act, 1988 against the CEO, Prasar Bharati. The then DG, Doordarshan has also been repatriated to her parent cadre. The committee also note that the views of the Ministry on the recommendations of High Level Committee were placed before the Group of Ministers in the meeting held on 24th March 2011 and the GoM has decided to deliberate the issue in its next meeting.

Action Taken by the Government

3.1 The suspension of Sh. B S Lalli, the then CEO, Prasar Bharati was based on the findings in the report of Central Vigilance Commission in respect of a reference made to it by Prasar Bharati on the directions of High Court of Delhi. The CVC, in its report , *inter-alia*, held that Shri B S Lalli was responsible in respect of four allegations pertaining to (1) contracts for management of advertisement revenue arising from the telecast of cricket matches on Doordarshan (DD) during 2007 (ii) non-telecast by DD of T-20 cricket World Cup matches held in South Africa in September ,2007 (iii) engagement of legal entities to represent PB and (iv) purchase of Radio Broadcasting Rights for 13 Cricket series held during 2007-09 . After examination of the report, a Presidential reference has been made to the Supreme Court under section 7(1) of the Prasar Bharati Act 1990 for conducting an enquiry and report as to whether Sh. B.S.Lalli, CEO, PB ought to be removed from office of Member, Prasar Bharati on grounds of misbehavior.

Further, in terms of section 7(2) of the Prasar Bharati Act, 1990, Sh. B.S.Lalli has been placed under suspension by an order of the President till such time the orders are passed by the President on the basis of report received from Supreme Court. Thus the suspension of Sh Lalli was not in respect of any matter arising out of Common Wealth Games, 2010. With regard to the action taken on the report of the High Level Committee, which looked into the issues related to organizing and conduct of Commonwealth Games, Delhi, 2010, CBI has registered a case under Section 120-B r/w sec 420 IPC r/w sec 13(1) (d) of Prevention of Corruption Act, 1988 against Shri B S Lalli, Shri Wasim Ahmed Delhi, M/s SIS Live, M/s Zoom Communications and others and is investigating into various alleged acts of omission and commission as reflected in the Shunglu Committee report.

3.2 In the backdrop of the High Level Committee(HLC) on Host Broadcasting , the Group of Ministers (GoM), set up to examine various issues pertaining to the functioning of Prasar Bharati, has also looked into the issue of relationship between the Government and Prasar Bharati as also between Chief Executive Officer, Prasar Bharati and the Prasar Bharati Board. The GoM has examined the existing governance structure and the provisions contained in the Prasar Bharati (Broadcasting Corporation of India) Act, 1990. The GoM, *inter-alia*, has made recommendations with regard to the composition of the Board, the eligibility criteria and the tenure of Chairperson and other Members of the Prasar Bharati Board, the procedure for appointment, suspension and removal of Chairperson and Members of Board, and the powers of Central Government to obtain information from and issue directions to Prasar Bharati. It is expected that these recommendations of the GoM will enable Government to effectively supervise the functioning of Prasar Bharati, improve governance within Prasar Bharati and make it's functionaries more accountable.

3.3 Based on the recommendations of the GoM, Ministry has initiated action for carrying out the amendments to the PB Act, in consultation with the Ministry of Law and Justice. The Ministry would seek the approval of the Cabinet for bringing out amendments to Prasar Bharati (Broadcasting Corporation of India) Act, 1990.

[Ministry of Information and Broadcasting, File No. 2/8/2011-B(Fin) Date 21.10.2011]

**Comments of the Committee
(Please see Para No. 11 of Chapter I)**

Recommendation (Para No. 4)

Commonwealth Games

The Committee are deeply concerned about the controversy surrounding the award of work for Production and Coverage facilities for the Commonwealth Games, 2010 to M/s SIS Live, UK for Rs. 246 crore. The Ministry have justified the selection process as well as the cost estimates. However, the fact remains that the contract which M/s SIS Live got from Prasar Bharati for Rs.246 crore was outsourced by the entity to M/s Zoom Communications for Rs.177 crore. The High Level Committee constituted by the Government under Shri V.K. Shunglu has estimated the work below Rs.100 crore. Although the basis for calculating the amount is not known to the Standing Committee, Yet it raises a serious question mark about the reasonableness of the rate quoted by the selected firm. The Committee are also surprised to note the opinion given by the Law Ministry that the sub-contract was not in violation of the clause which existed between Prasar Bharati and M/s. SIS Live. The Committee note that the Ministry seems to be in dilemma as the Secretary during the course of oral evidence before the Committee, initially stated that the cost was excessive but subsequently he justified the cost estimate as the same figure was arrived at by a Committee constituted by the Ministry. The High Level Committee constituted by the Government under the chairmanship of Shri V.K. Shunglu after in-depth scrutiny of documents and conducting the inquiry, has submitted its report to the Government. The report of High Level Committee is pending before the Group of Ministers. As such, the Committee, at this stage, only urge the Government for early decision in the matter. The Committee also note that CBI is conducting investigation in this regard. The Committee desire that the alleged irregularities in the award of work for Production and Coverage facilities may be scrupulously probed by the investigation agency and the report submitted to the Government at the earliest. The recommendations of the Group of Ministers and the findings of CBI alongwith the action taken by the Ministry in this regard should be communicated to the Committee.

Action Taken by the Government

An elaborate examination of the overall cost estimates for Host Broadcasting activities for CWG 2010 was done at multiple levels in Prasar Bharati and the Government as per the prescribed norms and procedure. Prasar Bharati had on 3.7.07 initially forwarded an estimate of Rs.557 crore for CWG 2010. This was examined in the Ministry which directed Prasar Bharati to float Request for information (RFI) to seek information from service providers on the basis of which the cost estimates could be firmed up. On the basis of Request for information (RFI) received, the estimates were brought down to Rs.445 crore in the EFC proposal. The IFD in the Ministry recommended a further cut of Rs.79 crore and recommended it for consideration of EFC chaired by Secretary (Expenditure). To further scrutinize and firm up the costs estimates, a Cost Estimates Committee was constituted by EFC under the AS&FA, Ministry of I&B on 07-04-2008 with JS (Broadcasting), Economic Adviser, Director (Finance) and Dir (BD) from the Ministry of I&B, JS from Ministry of Youth Affairs & Sports, Chief Advisor (Costs) in Department of Expenditure and DDG (PD-CWG), Prasar Bharati. The Cost Estimates Committee on 16-05-2008 confirmed the cost estimates of Rs.366 crore for CWG, Delhi, 2010 and this was finally approved by the CCEA. The Financial Evaluation Committee of Prasar Bharati, at the time of evaluation of financial bids for production and coverage tender, found the price quoted by M/s SIS Live to be 17% lower than the similar components/activities in the CCEA approved budget of about Rs.254 crore (after taking the impact of foreign exchange variations into account).

Apart from following due diligence and scrutiny for firming up cost estimates, the ultimate tool with any organization to discover the real market price is following a fair and transparent international bidding process. In response to the international EOI invitation, 10 EOI responses were received. Prasar Bharati recommended 4 of them to be short listed for issuance of RFP documents. After seeking legal advice from SG and AG, the Ministry added one more entity and approved 5 entities for issuance of RFP documents. The RFP document was drafted by a team constituted by the Ministry headed by DG:DD and consisting of officials from the HB Cell in Prasar Bharati, Engineering and Programme Wings of Prasar Bharati and officials from the Broadcasting and Finance Wings of the Ministry of I&B and two reputed outside consultants in accordance with Finance Ministry guidelines. The RFP document was then duly approved following further examination in Prasar Bharati and Ministry. Only two bids were received by the closing date, of which only M/s SIS Live could qualify technically. The other bidder M/s NCL could not qualify as its lead partner which met the eligibility criteria decided not to continue with them. Certain representations were received from others giving reasons for non filing of bids. These representations were examined in detail in consultation with Prasar Bharati/HBMC. The HBMC expressed the view that the entities themselves had not been serious enough in engaging with the HB to settle the issues during the time they had the opportunity to do so, their concerns were duly taken note of and responded to by HB and the issues raised were in the nature of afterthoughts and excuses for non-submission of bids. On the issue as to why it was different from a single bid situation and why re-bidding should not be resorted to, it was clarified by HBMC/Prasar Bharati 'that while, it could be presumed that there would have been chances of competitive pricing if there had been more than one financial bid to be opened but it is important to note that the entity whose Technical bid has qualified, was submitting its bid in what was clearly a 'competitive environment', as the entity was aware that there were five short listed players who had all attended the pre bid meeting. It was also important that two entities had submitted their technical and financial bids within the stipulated time. Hence there was no reason also to presume that the single entity whose technical bid emerged valid has not submitted a competitive financial bid.' HBMC unanimously felt that re-tendering was not a viable option. The Ministry allowed the financial bid of M/s SIS Live to be opened.

On the instructions of the Ministry, HBMC/Prasar Bharati also provided a detailed and comprehensive assessment ascertaining, *inter-alia*, the rates obtained in similar events covered elsewhere while establishing clearly the reasonability and acceptability of the financial bid so received. It was mentioned that the total evaluated cost was reasonable as it was:

- e) 17% lower than similar components/activities in the CCEA approved Budget which is Rs.253.6 crore (say Rs.254 crore), after taking the impact of foreign exchange variations into account.
- f) 26% lower than similar components/activities from the RFI.
- g) Though it is difficult to compare the costs with Doha Asian Games because of the dissimilarities mentioned in the report, the bid is 8% lower than similar components/activities from Doha Games.
- h) It was comparable to the Melbourne CWG about four and half years back.

On the directions of the Ministry HBMC conducted further negotiations with M/s SIS Live; however the entity did not agree to reduce the price any further. After considering the unanimous recommendations of HBMC, the Ministry granted its approval to the selection of the entity. The Ministry on two occasions, once after taking a decision on the acceptance of the recommendations of HBMC on TEC report and opening of the financial bids and the other after granting the final approval for selection

of the entity, also apprised CVC of the circumstances under which the decision to select the entity was taken.

The estimation of HLC which is primarily based on the premise that the entire work was outsourced to M/s Zoom for Rs.177 crore and that M/s Zoom also made a profit of Rs.65 crore is based on wrong premise and facts. The HLC has relied upon the statement made before Income Tax authorities during income tax survey on 2010 of the office premises of M/s Zoom Communication where an official of Zoom had on oath declared a profit of Rs.75 crore on the estimated total revenue of Rs.208 crore during 2011. It has been argued that the gross revenue of Rs.208 crore included receipt of Rs.177 crore from SIS Live. Pro-rated, the profit of M/s Zoom from the contract with M/s SIS Live should at the least amount to Rs.65 crore. It has also been mentioned that in another survey of M/s SIS Live's accounts, a provisional assessment of Income Tax has assumed that the entire amount of difference between the SIS-Prasar Bharati and Zoom-SIS contract of Rs.69 crore is the profit of M/s SIS Live. It has thus been concluded that the profit component in the contracted amount is $Rs.69+65 = 134$ crore. HLC has also listed a number of items in Para 2.7.1 of the report and has concluded that keeping these in view the estimate for the total cost of contract should be less than Rs.100 crore.

HLC in Volume II of its report has annexed the complete contract document between M/s SIS Live and M/s Zoom Communication Limited. A break up of the project cost – summarized budget is given at Appendix C & D at pages 155 & 156 in Volume II. Appendix C shows the break up of Rs.246 crore as Rs.165.51 crore as M/s Zoom's cost, Rs.58.42 crore as SIS cost and Rs.22.07 crore as contingency and profit. In Appendix B, the break up of the project cost for M/s Zoom has been shown as Rs.160.75 crore as the cost with Rs.16.55 crore as the service tax totalling Rs.177.30 crore. Though the two figures would need to be reconciled, it broadly appears that it would be factually incorrect to assume that M/s SIS did not have to spend any amount. It would also be apparent from the schedule that M/s SIS was required to bring in a number of key personnel and equipments and provide various other services at its level to complete the task. As regards the reliance on the statement made during a tax survey, it needs to be taken into account that a number of presumptions have been made based on these preliminary statements in the midst of a financial year when the project was still under execution, the complete cost accounting was practically not possible at that stage and the actual filings would come only after the closure of the financial year. Thus a backward calculation on the basis of a statement made during a survey will not be factually correct and in fact would be misleading. The profits made would also depend on the efficient handling and management of the contract by the executing entity and it would not be possible to make any recoveries based on the fact that the entity has made high profits.

- 4.2 The observation of the Secretary during the course of oral evidence referred in the para was in relation to the initial estimates furnished by Prasar Bharati as detailed above and not in respect of the final contract price of Rs 246 crore.
- 4.3 As mentioned in reply to para-3 the mandate of GoM on Prasar Bharati was very limited and did not go into the entire report. The recommendations of the GoM and action taken thereon have already been detailed in reply to para-3 above.
- 4.4 As per the information available with the Ministry, the matter is still under investigation of CBI and no findings have yet been made available to the Ministry.

[Ministry of Information and Broadcasting, File No. 2/8/2011-B(Fin) Date 21.10.2011]

**Comments of the Committee
(Please see Para No. 11 of Chapter I)**

Recommendation (Para No. 5)

Financial Status of Prasar Bharati

The Committee's examination of budgetary documents has revealed that the revenue receipts of Prasar Bharati have been gradually declining and the gap between the revenue receipts and expenditure has been steeply increasing. During the year 2009-10, against the revenue projections of Rs.1247.52 crore, the revenue receipts were Rs. 1176.26 crore and expenditure was Rs.2949.40 crore thus leaving a gap of Rs.1773.14. The revenue projections for 2010-11 were Rs.1562.37 crore against which the revenue receipts were Rs.968.69 crore and the expenditure was Rs.2506.49 crore. The Committee find that the Group of Ministers had recommended that 50 per cent of the annual operating expenses of Prasar Bharati should be borne by Prasar Bharati from its Internal Extra Budgetary Resources (IEBR) and the remaining 50 per cent will be met from non-plan grants-in-aid from the Government. According to the Ministry, however, the revenue of Prasar Bharati has not increased as per earlier projections while the cost, particularly under the salary head, has gone beyond the projections.

After assessing the non-plan budgetary support provided by the Government during 2009-10, 2010-11 and projections for the year 2011-12 as also 10% growth in revenue during 2011-12, Prasar Bharati has estimated a deficit to the tune of Rs.804 crores for these three years. According to the Ministry, if this trend continues, the entire available reserves of Prasar Bharati would be wiped out, resulting in immense financial distress in the working of the corporation. Since Prasar Bharati is unable to bear 50 per cent to the annual expenses from its IEBR as recommended by GoM, it has now proposed a new funding pattern for re-fixation of Government support to meet its financial obligations. The new funding pattern is likely to be decided by the Group of Ministers in its next meeting.

The Committee expresses serious concern over the increasing gaps between the revenue projections and revenue receipts. The Ministry has rightly expressed apprehensions that this trend would result into wiping out the entire available reserve of Prasar Bharati and the organization may find itself in immense financial distress. While appreciating the fact that Prasar Bharati is a public service broadcaster and not principally guided by commercial consideration, the Committee are of the firm opinion that its mandate does not restrict it from generating adequate revenue to meet its operational cost. In fact, in the Outcome Budget 2011-12 it has specifically been mentioned that AIR can generate revenue through schemes like sharing of Prasar Bharati infrastructure such as towers etc., building and land with private broadcaster, mobile service providers on license 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 and through Data Audio Channel service. It is inexplicable as to why Prasar Bharati has not been able to implement the above schemes which in their own admission can generate revenue through Public Private Participation for the next 10 to 15 years. The Committee are of the firm opinion that Prasar Bharati by taking the desired initiatives as mentioned in the Outcome Budget as well as by adopting suitable marketing strategies, content improvement and introduction of DTH services can reasonably enhance its revenue. The Committee exhort Prasar Bharati to take all the required initiatives to increase the revenue. Besides, all the economic measures should be taken to reduce the working expenses of Prasar Bharati. The Committee at the same time would like the Government to bear the gap between support till Prasar Bharati is able to generate the mandate revenue to attain self sufficiency.

Action Taken by the Government

Based upon the projections on income and expenditure provided by Prasar Bharati, GoM had initially recommended that 50 % of the annual operating expenses of Prasar Bharati should be borne by Prasar Bharati and the remaining 50% will be met from Non-Plan grants-in-aid by the Government. However, in view of the concerns expressed by Standing Committee on Information Technology during the course of examination of Prasar Bharati Amendment Bill, 2010 as also submissions made by various employee organizations of Prasar Bharati on the future financial health of the corporation, the GoM had re-visited its earlier recommendations based on the revised projection prepared by Prasar Bharati and decided that during the next five years, the Government non-Plan support would be extended for meeting 100% expenses towards salary and salary related expenses and augmentation /replacement of capital assets. All other items of operating expenses shall be borne by Prasar Bharati from out of its internal revenue earnings. It has also been decided that the Plan support by Government to Prasar Bharati may be in the form of grants-in-aid and not in the form of loan. Approval of the Cabinet will be taken on the revised funding pattern of Prasar Bharati.

Comments of the Committee (Please see Para No. 14 of Chapter I)

Recommendation (Para Nos. 6 & 7)

Filling up of essential categories of posts and finalization of Recruitment Rules in Prasar Bharati

One of the focal point of successive Reports of the Committee has been finalization of Recruitment Rules by Prasar Bharati. The Committee note that against the sanctioned strength of 48,172, there are 11, 498 vacancies in various cadres as on 31st March, 2010. There are 3452 essential categories of posts which are lying vacant in Prasar Bharati. To fill up such posts, the proposal submitted to the Department of Expenditure has been returned and Prasar Bharati has been requested to re-submit the proposal based on the report of National Productivity Council. The Committee have been informed that since Prasar Bharati is not in agreement with the NPC report, it proposes to reject the NPC report. Further Prasar Bharati has apprised the Group of Ministers about unacceptability of NPC Report in the meeting held on 24th March, 2011. The Committee find that there seems to be no solution in sight in the near future. The report of NPC is not acceptable to Prasar Bharati and the Department of Expenditure had desired Prasar Bharati to submit the proposal for filling up of essential categories of posts based on NPC report. The disagreement is bound to create further problems for Prasar Bharati which is already reeling under shortage of manpower. While appreciating the administrative comments raised by the Department of Expenditure, the Committee desire the Department of Expenditure to realize the problems that Prasar Bharati is facing due to vacant essential posts and as such some relief ought to be given to Prasar Bharati so as to enable it to augment its staff strength. 36

About finalization of the Recruitment Rules, the representative of the Ministry during the course of oral evidence informed the Committee that the regulations for all 195 cadres in Prasar Bharati have been finalized and the same are being forwarded to the Department of Personnel and the Ministry of Law. After their scrutiny, these regulations would be notified. The Committee are relieved that long pending issue of framing Recruitment Rules for various categories of Posts in Prasar Bharati, is coming to a logical conclusion. The Committee desire that the matter should be vigorously followed up with the department of Personnel and Ministry of Law to ensure that these Recruitment Rules are urgently examined and thereafter notified at the earliest.

Action Taken by the Government

The Ministry of Information and Broadcasting and Prasar Bharati have taken the following action to facilitate expeditious filling up of the vacant posts in Prasar Bharati:

- (i) A proposal approved by the Prasar Bharati Board for setting up of Prasar Bharati Recruitment Board for undertaking is currently under inter-ministerial consultation with the Deptt. of Expenditure. DoP&T have already concurred in the proposal.
- (ii) Simultaneously, another proposal for formulating Recruitment Regulations for about 198 cadres is also under inter-ministerial consultation with the DoP&T twice in August and September, 2011. After scrutiny of the proposal, DoP&T sought some additional information/documents, which have been furnished to them on 08.02.2012.
- (iii) The GoM had initially recommended that the ban on recruitments in Prasar Bharati may be relaxed. Prasar Bharati was directed to send a proposal for filling up 3452 essential categories of posts to the Deptt. of Expenditure (DoE), based on the report of the National productivity Council giving full justification for such recruitment. As regards the report of the National Productivity council, Prasar Bharati in various review meetings at the level of the Ministry has informed that NPC has not been able to factor in a number of organizational and structuring issues and that it cannot be relied upon. This matter was taken up again with the GoM and after considering all aspects, the GoM recommended that the NPC report may be delinked from the proposal for filling up essential category posts in Prasar Bharati and the proposal should be examined by DoE accordingly. In this regard, the Ministry is in the process of seeking cabinet approval, for which a cabinet note has already been circulated for inter-ministerial consultation. After obtaining the approval of the cabinet, Prasar Bharati shall undertake the process for filling up the essential category of posts.

Comments of the Committee (Please see Para No. 17 of Chapter I)

Recommendation (Para No. 8)

Prasar Bharati Act, 1990

The Committee in their successive Reports have been recommending the Ministry to implement the provisions contained in the Prasar Bharati Act, 1990 relating to constitution of a Parliamentary Committee and a Broadcasting Council. Having observed that the above provisions were never put into operation, the Committee in their Sixth Report on Demands for Grants (2010-11) had observed 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 20th May, 2000) according to which there is no need for these provisions in the light of Standing and Consultative Committees of Parliament.

The Committee observe that proposal with regard to comprehensive amendments to 'The Prasar Bharati Act, 1990' was placed before the Group of Ministers in the meeting held on 24 March, 2011. As informed by the Ministry, the proposal in brief seeks to amend the present provisions with regard to composition of Prasar Bharati Board, eligibility criteria, term of office and appointing authority for the Board Members, the role of the Government, the mandate given to Prasar Bharati, issues relating to status of staff as well as action procedure and grounds for removal of Members of the Board. The Committee find that in spite of continuous pursuance of the

issue in various reports, the Ministry have neither taken action for constitution of a Parliamentary Committee and a Broadcasting Council as per the provisions of the Prasar Bharati Act, 1990 nor any mention has been made in the draft proposal for deletion of the provision relating to constitution of the two bodies as recommended by the two Committees set up Prasar Bharati. The Ministry while reviewing the provisions of the Prasar Bharati Act, 1990 should have taken a decision in the matter. While deploring the way the Ministry has handled the issue, the Committee exhort the Ministry to take decision in this regard without any further delay.

Action Taken by the Government

The GoM had undertaken a comprehensive review of Prasar Bharati, 1990 and recommended certain amendments to the Acts. While examining the Act, the GoM also considered the matter relating to the constitution of Parliament Committee and Broadcasting Council as per the provisions of the Prasar Bharati Act in view of the recommendations given in the Shunu Sen Committee Report. Having considered the role envisaged for Parliamentary Committee vis-à-vis Standing Committee, and after taking note of the categorical recommendations of the Shunu Sen Committee, the GoM was of the view that not much would be served by having a separate Parliamentary Committee and, accordingly, recommended to omit the provision relating to the constitution of Parliamentary Committee in the Prasar Bharati Act.

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. It was also felt by the GoM that the Shunu Sen Committee's recommendations that there should be a single complaints redressal 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 & 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. Accordingly, the GoM had recommended for deletion of sections 14 & 15 relating to the constitution of Broadcasting Council.

The Ministry has prepared a Cabinet Note on various recommendations of the GoM and circulated the same for inter-ministerial consultation. Besides the GoM recommendations on financial and manpower issues of Prasar Bharati, the aforesaid Cabinet Note contained certain legislative proposals relating to amendments to the Prasar Bharati Act, 1990, as suggested by the GoM. It was subsequently felt that some of the recommendations of the GoM in regard to financial restructuring of Prasar Bharati and filling up essential category posts are to be implemented on priority basis with the approval of the Cabinet. Accordingly, the proposal for amendments to Prasar Bharati Act has been de-linked and a fresh cabinet note on financial restructuring of Prasar Bharati and filling up of essential category posts has been prepared and circulated for comments from the concerned Ministries/Departments. The Ministry would prepare a separate Cabinet Note on the rest of the recommendations of the GoM, including amendments to Prasar Bharati (Broadcasting Corporation of India) Act, 1990.

Comments of the Committee (Please see Para No. 20 of Chapter I)

Recommendation (Para No. 11)

Press Council of India

Press Council of India is a statutory autonomous body created by Parliament. In the discharge of its twin fold function of preserving the freedom of the press and maintaining and improving the standards of the press, the Council performs a multi-faceted role. It acts on the one hand as a quasi judicial authority with all powers of the civil court and on the other, in its advisory capacity; it guides the press as well as the authorities on any matter that may have a bearing on the freedom of the press and on its preservation. The Committee note that under Section 16 of the Press Council Act, 1978, the Council collects levy of fees from registered newspapers/periodicals in the country and news agencies. The total amount of fee collected by the Council during 2009-10 was Rs.34,27,128 and it was Rs.37,29,542 during 2010-11. The Committee have been informed that all the registered newspapers/periodicals and news agencies are not regularly paying their dues to the Council and as on 31st March 2010, a total demand of Rs. 4,13,48,186 was outstanding as arrears. Considering the quantum of outstanding dues involved, the Committee feel that not only legal action should be taken against the defaulters but also the matter should be pursued vigorously by the Council to recover the outstanding dues. The Committee also desire that strict action may be taken against the habitual defaulters by the Council.

Action Taken by the Government

Section 16(2) of the Press Council Act, 1978 provides that any fee payable to the Council under sub-section (1) may be recovered as arrear of land revenue. As prescribed in Rule 10(2) of the Press Council Rules, 1979, the notices in respect of demand are sent under registered A.D. covers to registered newspapers and news agencies calling for the remittance of fees. In addition to this, the matter was also taken up with the concerned District Magistrates, Chief Secretaries and Director, Information & Public Relations Department of all State/Union Territories Governments requesting them to assist in the recovery of fees.

Vigorous and earnest efforts are being made by the Press Council of India to recover the fees as per the procedure specified in the Press Council Act and the rules.

[Ministry of Information and Broadcasting I.D. No. 23/4/2010-Press, dated _____]

Comments of the Committee (Please see Para No. 23 of Chapter I)

Recommendation (Para No. 13)

Established on 17th August, 1965, the Indian Institute of Mass Communication has been conducting a number of Post Graduate Diploma courses to meet the diverse requirements of rapidly changing media and communication industry in modern times. As of now, the Institute cannot award degrees which is seriously hampering its potential as a premier institute vis-à-vis other institutions in the field of mass communication. Therefore, the Ministry proposes to convert IIMC into International Media University to allow it to award its own degree in place of existing Post Graduate diploma courses. For that purpose an Act of Parliament deeming IIMC 'An Institution of National importance' would be required, which according to the Ministry, is under preparation and will be finalized in consultation with the Ministry of Law and introduced in Parliament after approval of Cabinet. The committee also note that the Ministry of Human Resource Development has been requested to give its approval to make Post Graduate Diploma courses of IIMC equivalent to Master degree. The Executive Council of IIMC have decided to start two-year course only after equivalence is granted by the HRD Ministry.

The Committee are disappointed to note that the Ministry has been extremely slow in implementing the scheme. The scheme was initiated at the beginning of the Eleventh Plan and four years later, the committee find that various preparatory work and approvals are still pending. The approval of the Ministry of HRD is still awaited to upgrade one year Post Graduate Diploma course into two year advance Post Graduate Diploma course to make it equivalent to Master degree. The Institute as of now cannot award degree for which an Act of Parliament is required. The Ministry of Law is being consulted to prepare the draft Bill for this purpose. The Committee are pained to note that the Ministry have not acted on the recommendations contained in its Sixth Report on Demands for Grants (2010-11) to expedite clearance of all preparatory work. The Committee therefore, would like the Ministry to put the scheme on fast track and introduce the Bill to Parliament to enable IIMC to award its own degree and allow international collaboration. The committee also desire that the Ministry of HRD may be requested to give its approval to make Post Graduates Diploma course of IIMC equivalent to Master degree so that the two years course starts at the earliest.

Action Taken by the Government

In the Standing Finance Committee (SFC) meeting held on 15th July 2010 to consider Indian Institute of Mass Communication (IIMC)'s 11th Plan Scheme, it was inter-alia decided that in the first instance the emphasis may be on seeking equivalence to Masters Degree for the Two-Year PG Diploma Courses from Ministry of Human Resources Development. Eventually, steps may also be taken for seeking Parliamentary enactment. Accordingly, IIMC had approached the Ministry of HRD seeking its approval to make PG Diploma courses of IIMC equivalent to Master degree. However, the Ministry of HRD/University Grant commission (UGC) has not agreed with the proposal and observed that the courses/syllabi proposed by IIMC for its PG Diploma Programmes have not been found to be of Masters Level in their present form. IIMC has been advised by the Ministry of HRD to resubmit the revised proposal after taking into consideration the observations of UGC so that further necessary action could be taken by them.

The observations/comments of UGC & need for an act of parliament for upgradation of IIMC to an Institution of National Importance are being examined in the Ministry.

[Ministry of Information and Broadcasting File No. 23/10/2011-IP&MC Dated; 08/11/2011]

Comments of the Committee (Please see Para No. 26 of Chapter I)

CHAPTER –V
RECOMMENDATION / OBSERVATIONS IN RESPECT OF WHICH REPLIES ARE OF
INTERIM IN NATURE

Recommendation (Para No. 9)

Policy for introduction of mobile television

The Committee note that the Ministry has been working to frame a suitable policy enabling the private players to provide mobile television services in India. The proposed policy for mobile television would be based on the recommendations of TRAI. The policy is proposed to be finalized on availability to adequate spectrum and resolution of other issues with the Department of Telecommunications which inter-alia include nature of technology to be used for mobile television, license area, tenure of license, cross holding restrictions, FDI limits, contention regulation mechanism etc. The Committee have also been informed that the Ministry proposes to follow e-auction process in awarding mobile television. The Committee desire that all pending issues viz. identifying and allocation of spectrum for mobile operators, determining the service area of licenses and number of service providers/licenses in each service area etc. may be urgently resolved with the Department of Telecommunications to finalized the policy for introduction of mobile television. The Committee would like to be apprised about the measures taken by the Ministry in the above context.

Action Taken by the Government

Action Taken: The Ministry has held a series of discussions with Department of Telecommunications to locate adequate spectrum for Mobile TV services. Though a broad solution has been arrived at, certain issues such as relocating Defence Services from the spectrum identified for Mobile TV are still to be completed. The Ministry has requested Department of Telecommunications to sort out these issues with Ministry of Defence.

[Ministry of Information and Broadcasting O.M. No. 5/1/2011-BP&L dated 28.09.2011]

New Delhi
20 March, 2012
30 Phalguna, 1933 (Saka)

RAO INDERJIT SINGH,
Chairman,
Standing Committee on
Information Technology.

**STANDING COMMITTEE ON INFORMATION TECHNOLOGY
(2011-2012)**

MINUTES OF THE EIGHTH SITTING OF THE COMMITTEE

The Committee sat on Wednesday, the 7th March, 2012 from 1100 hours to 1300 hours in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Rao Inderjit Singh –Chairman

MEMBERS

Lok Sabha

2. Shri Rajendra Agrawal
3. Smt. Sarika D.S. Baghel
4. Shri Nikhil Kumar Choudhary
5. Dr. Charles Dias
6. Shri A. Ganeshamurthi
7. Smt. Darshana Vikram Jardosh
8. Dr. Tarun Mandal
9. Shri P.R. Natarajan
10. Shri Tapas Paul
11. Shri Rajiv Ranjan Singh *alias* Lalan Singh

Rajya Sabha

12. Shri M.P. Achuthan
13. Shri Mohammad Adeeb
14. Shri Raj Kumar Dhoot
15. Shri P. Rajeeve
16. Shri Jesudasu Seelam

SECRETARIAT

1. Shri T.K. Mukherjee - Joint Secretary
2. Smt. Sudesh Luthra - Director
3. Shri Y.M. Kandpal - Additional Director
4. Dr. Sagarika Dash - Deputy Secretary

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee convened for consideration and adoption of Draft Action Taken Report on Demands for Grants (2011-12) of the Ministry of Information and Broadcasting.

3. The Committee, then, took up for consideration and adoption the Draft Action Taken Report on Demands for Grants (2011-12) of the Ministry of Information and Broadcasting. It was suggested by the Members that Recommendation Numbers 6 & 7 relating to filling up of essential categories of Posts and finalisation of recruitment rules in Prasar Bharati may be reiterated and commented upon in Chapter-I of the Report. The Committee then adopted the Draft Report with the above modification and also authorized the Chairman to finalise and present the Report to the House at a date convenient to him.

4.	xxx	xxx	xxx
5.	xxx	xxx	xxx
6.	xxx	xxx	xxx
7.	xxx	xxx	xxx

The Committee, then, adjourned.

xxx Matters not related to the Report.

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

[Vide Paragraph No. 3 of Introduction]

(i)	Recommendations/Observations which have been accepted by the Government		
	Para Nos.:- 1, 10, 12 & 14		
		Total	04
		Percentage	28.57
(ii)	Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government		
	Para No.:- Nil		
		Total	Nil
		Percentage	0.00
(iii)	Recommendations/Observations in respect of which replies of the government have not been accepted by the Committee and require reiteration		
	Para Nos.:- 2, 3, 4, 5, 6, 7, 8, 11 & 13		
		Total	09
		Percentage	64.28
(iv)	Recommendations/Observations in respect of the reply which is of interim nature		
	Para Nos.:- 9		
		Total	01
		Percentage	7.15