

SECOND REPORT  
STANDING COMMITTEE ON  
COMMUNICATIONS  
(1999-2000)

(THIRTEENTH LOK SABHA)

MINISTRY OF INFORMATION  
AND BROADCASTING

*[Action Taken by the Government on the Recommendations/Observations  
contained in the Fifteenth Report (Twelfth Lok Sabha) of Standing  
Committee on Communications on Demands for Grants (1999-2000)]*

*Presented to Lok Sabha on.....*

*Laid in Rajya Sabha on .....*



LOK SABHA SECRETARIAT  
NEW DELHI

*March, 2000/Phalguna, 1921 (Saka)*

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COMPOSITION OF THE STANDING COMMITTEE ON  
COMMUNICATIONS (1999-2000)

Shri Somnath Chatterjee — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Ambareesha
3. Shri Mahendra Baitha
4. Shri Pawan Kumar Bansal
5. Prof. Dukha Bhagat
6. Shri Tara Chand Bhagora
7. Shri Nikhil Kumar Chaudhary
8. Shri Adhir Ranjan Chowdhary
9. Shri T. Govindan
10. Adv. Uttamrao Dhikale
11. Shri Jawahar Lal Jaiswal
12. Shri K.K. Kaliappan
13. Shri Shreechand Kriplani
14. Dr. C. Krishnan
15. Shri Bhartruhari Mahtab
16. Shri Simranjit Singh Mann
17. Shri G. Ram Mohan
18. Shri A.K. Moorthy
19. Shri Karia Munda
20. Shri K. Balrama Krishna Murthy
21. Shri Sheeshram Singh Ravi
22. Shri K.A. Sangtam
23. Shri Saroj Tufani
24. Sardar Buta Singh

(iv)

25. Shri Chandra Vijay Singh
26. Rajkumari Ratna Singh
27. Shri Vinay Kumar Sorake
28. Shrimati D.M. Vijaya Kumari
29. Vacant
30. Vacant

*Rajya Sabha*

31. Dr. M.N. Das
32. Shrimati Veena Verma
33. Shri Balkavi Bairagi
34. Shri Shatrughan Sinha
35. Shri Narendra Mohan
36. Dr. Mahesh Chandra Sharma
37. Dr. Y. Radhakrishna Murthy
38. Shri Munavvar Hasan
39. Shri S. Agniraj
40. Shri Kartar Singh Duggal
41. Miss Lata Mangeshkar
42. Shri Cho. S. Ramaswamy
43. Shri R.N. Arya
44. Vacant
45. Vacant

**SECRETARIAT**

1. Dr. A.K. Pandey — *Additional Secretary*
2. Shri P.D.T. Achary — *Joint Secretary*
3. Shri S.K. Sharma — *Deputy Secretary*
4. Shri Bhupesh Kumar — *Assistant Director*



## INTRODUCTION

I, the Chairman Standing Committee on Communications (1999-2000) having been authorised by the Committee to submit the Report on its behalf present this Second Report on Action Taken by Government on the Recommendations/Observations of the Committee contained in its Fifteenth Report (Twelfth Lok Sabha) on Demands for Grants (1999-2000) relating to the Ministry of Information and Broadcasting.

2. The Fifteenth Report was presented to Lok Sabha on 21 April, 1999, and also laid in Rajya Sabha on 23 April, 1999. The Government furnished Action Taken Notes on the recommendations contained in the Report on 20th September, 1999.

3. The Report was considered and adopted by the Committee at its sitting held on 27 January, 2000.

4. For facility of reference and convenience, the Recommendations and Observations of the Committee have been printed in bold letters in the body of the Report.

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

NEW DELHI;  
11 February, 2000  
22 Magha, 1921 (Saka)

SOMNATH CHATTERJEE,  
Chairman,  
Standing Committee on Communications.

## CHAPTER I

### REPORT

This Report of the Standing Committee on Communications deals with the action taken by the Government on the Recommendations contained in the Fifteenth Report (Twelfth Lok Sabha) on Demands for Grants (1999-2000) relating to the Ministry of Information and Broadcasting.

2. The Fifteenth Report was presented to Lok Sabha on 21.4.1999 and was also laid on the Table of Rajya Sabha on 23.4.1999. It contained 24 Recommendations/Observations.

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

- (i) Recommendations/Observations which have been accepted by the Government:

Paragraph Nos. 7, 18, 19, 25, 33, 34 and 55

Total : 7

Chapter II

- (ii) Recommendations/Observations which the Committee does not desire to pursue in view of the reply given by the Government:

Paragraph Nos. 12, 32, 40, 41, 49, 56, 61, 72, 73, 74, 86, 87, 88 and 89

Total : 14

Chapter III

- (iii) Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration:

Paragraph Nos. 39 and 48

Total : 02

Chapter IV

- (iv) Recommendations/Observations in respect of which replies are of interim nature:

Paragraph No. 8

Total : 01

Chapter V

4. The Committee trusts that utmost importance would be given to the implementation of recommendations accepted by the Government. In cases, where it is not possible for the Government to implement the recommendations for any reason, the matter should be reported to the Committee with reasons for non-implementation. The Committee further desires that Action Taken Notes on the Recommendations contained in Chapter I and final Action Taken Note on the recommendation contained in Chapter V of this Report may be furnished to it urgently and in no case later than six months of the presentation of this Report.

5. The Committee will now deal with action taken by Government on some of its recommendations.

#### Paucity of funds faced by FTII, Pune (Para No. 32)

6. The Committee in its fifteenth report had noted that the premier film training institute FTII, Pune was facing resource crunch in the absence of adequate allocations. The Committee was of the view that the management should take measures to exploit its potential to generate resources from its own activities, as the Ministry would not be able to allocate more funds inspite of making best efforts with Planning Commission. The Committee had also desired that the incremental income over the plan allocation should be increased.

7. The Ministry in its Action Taken Notes has stated that the observations of the Committee have been noted for appropriate action and the Management was actively considering measures to increase the potential of the Institute to generate resources from its own activities for which details were being worked out. The financial dependence on the Government would be reduced gradually in a phased manner.

8. The Committee would like to know in detail the steps proposed to be taken for increasing the potential of the Institute to generate resources from its own activities. Further, the Committee would also like to know the extent to which such steps will prove



to be effective in reducing the financial dependence on the Government in a phased manner.

**Lesser Allocation of Funds to the National Film Development Corporation (NFDC) (Para No. 39)**

9. The Committee in its fifteenth report had observed that last year the total annual outlay for NFDC was estimated at Rs. 8.70 crores and it was reduced to Rs. 6.50 crores. For the year 1999-2000 the outlay has been further scaled down to Rs. 6.10 crores which will certainly have a negative impact on the achievement of targets.

10. The Ministry in its Action Taken Note has stated that the observations of the Committee have been noted. It has further stated that the allocation of Rs. 6.10 crores for 1999-2000 for the National Film Development Corporation Ltd. was approved by taking into consideration the estimated internal, resource generation, but the internal resources likely to be generated may be slightly lower, as the National Film Development Corporation has to pay back a loan of Rs. 3.72 crores to the Motion Pictures Export Association of America during the year. All efforts were being made by the Corporation that the financial performance shows a turn around during the current year and the plan performance will be as per targets set.

11. The Committee is not satisfied with the sketchy reply of the Ministry. The Committee is surprised to note that out of the allocation of Rs. 6.10 crores for the year 1999-2000 more than 50% of the approved allocation will have to be utilised to pay back the loan amount of Rs. 3.72 crores and NFDC will be left with a meagre amount of Rs. 2.38 crores only. The resources likely to be generated from internal resources by the Corporation has not been mentioned. In such a position, the claim of the Ministry that the performance will be as per targets seems to be a tall claim. The Committee therefore strongly recommends that in future such type of situations must be avoided. All the constraints must be properly analysed in advance so that the Corporation does not face financial problems at a later stage and the goals/targets are achieved invariably. The matter should be taken up with the Planning Commission and the Ministry

should bring to the knowledge of the Commission all its problems/ constraints so that higher allocation of funds may be secured.

**Reduction in plan outlay of Press Information Bureau  
(Para No. 48)**

12. The Committee, in its earlier report, had expressed serious concern at the reduction in plan outlay for PIB which plays crucial role in dissemination of information on Government policies. During the 8th Plan out of the Plan outlay of Rs. 1400.00 lakhs only Rs. 883.00 lakhs were allotted for Annual Plans and the Bureau could utilise only half of the outlay i.e. Rs. 439.02 lakhs which indicates unsatisfactory performance. The Committee also noted that on the achievement side, sites could not be prepared for building offices and posts were not sanctioned. The financial performance during 1997-98 was also discouraging since only Rs. 183.19 lakhs could be utilised out of Rs. 460.00 lakhs. During 1998-99 also there was no change in the position and the outlay for 1999-2000 has been further reduced.

13. The Ministry in its reply has stated that during the 8th Plan, only half of the outlay could be utilised mainly because the scheme 'Setting up of National Press Centre at New Delhi' with an outlay of Rs. 360.00 lakhs could not be implemented as the plot for setting up of National Press Centre was not handed over to PIB.

14. Similarly, under the scheme 'Opening of Branch offices of PIB' and 'Provision of Greater Mobility' due to non-sanction of posts and purchase of vehicles, sufficient proportion of the outlay could not be utilised during the 8th Plan as well as during 1997-98.

15. The Committee is not satisfied with the reply furnished by the Ministry. It is unfortunate that the Ministry has not been able to get the possession of the plot. The Committee is of the view that this issue should have been resolved well in advance by the pursuing the matter vigorously with the authority concerned at an appropriate level. Now due to lack of foresight on the part of the Ministry the entire project is hanging fire and as a result, the Ministry has failed to utilise the allotted funds. The Committee therefore strongly



recommends that in future the Ministry should take all necessary steps, particularly in respect of those projects for which outlay has been sanctioned, to get all the contentious issues related to that project fully resolved well in time. The Committee would also like to know the steps taken by the Ministry, for taking the possession of the plot and the progress made in the matter.

Regarding sanctioning of posts and purchase of vehicles, the Committee recommends that the matter may be taken up with the appropriate authority at the highest level urgently, in an effective way so that the work of the Ministry proceeds smoothly and under utilisation of funds may be avoided in future.

## **CHAPTER II**

### **RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT**

#### **Recommendation (Para No. 7)**

The Committee is concerned about the steep reduction of 9th Plan outlay on the advice of Planning Commission from Rs. 6135.45 to Rs. 4898.00 crores and further to Rs. 2970.34 crores which will affect adversely the development/extension of Broadcasting Services. It has forced the Ministry to postpone modernisation, upgradation and purchase of equipments which in turn would leave negative impact on the over all development of the socio-economic life, on the strategy to counter foreign propaganda in border areas like J&K, North East and also Tribal areas. Reduced Plan outlay will also lead to lower generation of revenue by the Broadcasting Services.

#### **Action Taken by the Government**

The Ministry is in agreement with the views of the Committee. Consequent to the allocation of a Ninth Plan provision of Rs. 2970.34 crores (DBS Rs. 725.00 crores and IEBR Rs. 2245.34 crores) for Ministry of I&B in January, 1998 a further reduction in the Ninth Plan outlay was intimated by Planning Commission in March, 1999, to Rs. 2843.05 crores (DBS Rs. 680.95 crores and IEBR Rs. 2163.00 crores). The matter regarding restoration of the Ninth Plan outlay of this Ministry to the originally approved level has been taken up with Planning Commission and is under their consideration.

The Cabinet has approved an additional outlay of Rs. 430.07 crores for improvement of Doordarshan and All India Radio Services in J&K in the Ninth Plan period. Further, the Core Group of Secretaries on Media has approved a Special allocation of Rs. 12.5 crores for the North East (over and above, the 10% of budget of Ministry of I&B earmarked for the North East) and Rs. 2.00 crores for development of software to counter anti-India propaganda by pro-khalistani elements, for the year 1999-2000. The matter has been taken up with the Planning

Commission and Ministry of Finance for increasing the Plan outlay and additional budgetary allocations under Plan.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999)

#### **Recommendation (Para No. 18)**

The Committee notes with concern that only sixty percent of cinema houses were exhibiting the documentaries of the Films Division. The Ministry should take up the issue with concerned State authorities in all its earnest and take measures to ensure compliance by cinema houses to exhibit its documentaries. Besides, the Committee feels that if the Ministry manages to allot adequate slot on Doordarshan to telecast documentaries on DD-I or DD-II or even to start a separate channel for it, these documentaries would get the number of viewers that they deserve. Therefore, the Committee recommends that the Ministry should examine this proposal in all seriousness and implement the same at the earliest.

#### **Action Taken by the Government**

As per directions issued to the cinema licensees under Part III of the Cinematograph Act, 1952 and corresponding State Cinema Regulations, screening of approved films by the exhibitors at the start of each show is compulsory. All the State Governments and Union Territory Administrations have included it as one of the conditions on which the licence is granted to the exhibitors. However, some exhibitors/association of cinema theatre owners filed writ petitions in the Supreme Court challenging the validity of the above provision as well as collection of rentals by the Films Division in respect of its documentaries and newsreels. The Supreme Court remitted these writ petitions to the Delhi High Court for disposal. In its judgement of August, 1995, the Delhi High Court broadly upheld the validity of compulsory exhibition scheme. However, the Court held the Government's action to charge 1% of the net weekly revenue as rentals from the cinema theatre owners/exhibitors as invalid. The Government of India as well as some of the writ petitioners filed SLPs in the Supreme Court against the judgement of the High Court. The Supreme Court *vide* its judgement dated 15.7.99 has not only upheld the provision of law relating to compulsory exhibition but has also held the action of Films Division to charge 1% of the net collection from



cinema theater owners as valid. A copy of the judgement delivered by the Hon'ble Supreme Court has been received and letter has been written by Secretary (I&B) to all State Governments requesting them to ensure immediate compliance of the decision by all theatre owners.

As regards allotment of exclusive slot for Films Division's documentaries on DD-I and DD-II, the matter has been taken up with Prasar Bharati by Films Division. At the request of the Films Division, Doordarshan Kendras, Mumbai and Chennai, have started telecasting Films Division's documentaries on a regular basis. The Films Division is taking up the matter with other Regional Kendras.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### **Recommendation (Para No. 19)**

The Committee expresses serious concern on delay in taking a final decision on the recommendations of Shyam Benegal Report on Films Division which is hanging in fire for long. The Government should take an early decision on the issue.

#### **Action Taken by the Government**

The Shyam Benegal Committee has in its Report made a number of recommendations. Its major recommendation is to convert Films Division into an autonomous society under the Ministry of Information and Broadcasting. Most of the other recommendations flow from this major recommendation. Some other recommendations relate to improvement in infrastructure/procedure, etc. Government has carefully considered all the recommendations relating to conversion of the Division into a Society but have not accepted the recommendation relating to conversion of the Division into a Society as it is felt that this is not a workable proposition and that the objectives of the Division can be achieved by following improved practices and taking appropriate steps on the financial, operational and personnel side, keeping in view, the observations of the Committee. This decision has been taken in April, 1999. However, the recommendations of the Committee regarding

improved infrastructure, training of personnel, preservation of filmic material etc. have been accepted for implementation and action on these is being taken.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### **Recommendation (Para No. 25)**

The Committee notes with concern that there was no proper infrastructure nor regular faculty and the syllabus has also not been finalised and the Academic session has been started at the Satyajit Ray Film Institute. Besides, the Board of Directors has not been constituted so far and also there is no Governing Council and Academic Council. These are central issues essential for smooth functioning of a professional and autonomous institute like SRFTI. The Committee strongly recommends that the Ministry should take necessary steps urgently to constitute Board of Directors, Governing Council and Academic Council and to provide required faculty. The Chairman of the institute should be provided all necessary support to enable him to execute his decisions. The issue of finalisation of syllabus should be given more urgent attention.

#### **Action Taken by the Government**

The first phase of the infrastructural facilities is almost complete and about 30% of the second phase work is under completion. All infrastructural facilities are likely to be in place by the year 2000. On the faculty side, 90% of the posts have been filled up and action is in progress for filling up the vacancies.

The SRFTI Society has since been reconstituted and the Governing Council will be elected in the first meeting of the Society. The Academic Council will also be set up soon thereafter. The syllabus will be finalised by the Academic Council. (The Institute is a Registered Society and does not, therefore, have a Board of Directors.).

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]



### **Recommendation (Para No. 33)**

The Committee expresses serious concern at the prevailing atmosphere of tension between the teachers, students and the management. The sensitive issue like revision of syllabus which has left far reaching repercussions on the functioning of the Institute should have been handled with foresight and articulation. Deserving attention should be paid to the issues relating to faculty, equipment and Campus which are crucial ingredient of the institute.

### **Action Taken by the Government**

The Committee's recommendations have been noted. The Institute has completed an exercise to restructure the syllabi of FTII Courses, based on which the admission process is now being initiated. It is expected that fresh admissions will start from December, 1999. FTII is looking into issues related to faculty, equipment and campus in the light of revised syllabus.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]

### **Recommendation (Para No. 34)**

The Committee is pained to note that there was total stoppage of admissions after 1996. At present there are only 25 students studying in huge campus with large facilities and investment. The Committee has been left with the impression that the issues relating revision of syllabus, admission to new batches, and articulate management have been allowed to drift for too long. The Committee strongly recommends that the Management, the administrative Ministry and all other concerned take these issues with all seriousness and urgency that they deserve and take quick strong steps to resolve the same at the earliest.

### **Action Taken by the Government**

The recommendation of the Committee is accepted. It is submitted that the work relating to revision of syllabus was held up due to delay in the reconstitution of the FTII Society and the Governing Council. The FTII Society has been reconstituted in March, 1999 and

the revised syllabus is expected to be adopted soon. Admissions of students for the courses based on the revised syllabus will be made in December, 1999. These issues are being resolved by FTII on priority basis.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### **Recommendation (Para No. 55)**

The Committee takes a serious note of the fact that there is no streamlined and effective method to check the circulation of newspapers before issue of advertisements. Besides, the Committee is also concerned to note that newspapers which indulge in character assassination and black mailing of people and do not follow any code of conduct, continue to enjoy Government patronage. The Committee recommends that the Ministry should evolve a procedure to check unfair and unethical practices of such newspapers/journals and they should not be allowed to enjoy Government patronage.

#### **Action Taken by the Government**

As regards circulation figures of newspapers, in view of the concern expressed by the Committee, the Ministry has set up a Committee on 19.07.99 to examine the issue and the procedures involved in circulation verification and to suggest improvements. The Committee will also look into the recommendation for an intensive review to be undertaken in a few States or one district in each State to assess the circulation of newspapers.

Regarding release of advertisements to those newspapers, which indulge in unethical practices, it may be stated that DAVP releases advertisements to those newspapers/publications, which are empanelled with DAVP in pursuance of Advertising policy and Empanelment Guidelines. Though editorial policies and political affiliations are not taken into consideration, newspapers/journals, which incite or tend to incite communal passions, preach violence, offend the sovereignty and integrity of India or socially accepted norms of public decency and morals, are not released advertisements. While issuing advertisements, DAVP keeps in view the publicity requirements, target readership, area and budgetary provisions as well as recommendations of the client

Ministries/Departments. If any violation of the advertising policy guidelines is noticed or complaint received from any quarter, the cases of such publications are referred to PIB/State Governments for obtaining tone and trend report of writings of the publication and action is taken on receipt of the report.

As per Advertising Policy House journals/souvenirs etc. are not to be used for Government Advertisements. The publications, which have a minimum paid circulation of 2000 copies are considered for empanelment with DAVP, with relaxation in certain cases. As such, there is no provision for using college/university journals by DAVP, as these are not paid journals.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A, dated 20.09.1999]



### CHAPTER III

#### RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DOES NOT DESIRE TO PURSUE IN VIEW OF THE REPLY OF THE GOVERNMENT

##### Recommendation (Para No. 12)

The Committee notes with concern that for the Information Media and Film Media the plan outlay has been scaled down on account of slow progress on various vital projects like delay in construction of National Press Centre, Sookhna Bhavan, etc. During 8th Plan, out of the outlay of Rs. 884.00 lakhs for N'CYP only Rs. 593.69 lakhs could be utilised. During 1997-98 and 1998-99 also the Estimates were steeply reduced. On performance side also the picture is dismal. The production of Feature Films, TV serials and short Films meant for children was below target. The Committee is at a loss to understand how without the clearance and allotment of land for the project, the Ministry had made budgetary allocations. The Committee recommends that the Ministry should work in a realistic way. If it was unable to procure land for the project, the funds should have been channelised to some other more relevant project.

##### Action Taken by the Government

For the scheme "Setting up a National Press Centre", the issue of allotment of a plot in place of an envelope (with encroachment), has been taken up with Ministry of Urban Affairs and Employment at the highest level. As expenditure could not be incurred on the scheme during Annual Plan 1998-99, only a token provision of Rs. 20 lakhs has been made for the scheme in the Annual Plan 1999-2000. On merits this is an important project which Ministry feels should not be given up. A favourable decision from the Ministry of Urban Development in this regard is expected.

For the scheme 'construction of Phase IV of Sookhna Bhavan', encroachments in and around the plot have created hurdles in construction of the building as approved by the Expenditure Finance Committee. To overcome the problem, it was decided to change the

plan of the building, to avoid such encroachment. Since the revised plan involves structural changes, a revised EFC Memo is under consideration and the allocation made for the rest of the plan period is expected to be fully utilised.

Regarding production of children films, TV serials etc. by N'CYP, it is submitted that the shortfall in production was essentially due to the lack of suitable proposals from outside producers having adequate thematic/educational as well as cinematic value and potential. The observation of the Committee has, however, been noted and N'CYP has been advised to make efforts to ensure that in future, the physical and financial targets are fully achieved.

Regarding Children's Film Complex, it is submitted that the land which was allotted by the Government of Andhra Pradesh, free of cost, was taken over by N'CYP in September, 1997. The Government of Andhra Pradesh, had themselves evinced keen interest in the project. It was, therefore, felt that necessary clearance(s) from the local authorities including Hyderabad Urban Development Authority (HUDA) would be expeditiously given. The construction of the complex was expected to commence during 1998-99. On this basis, necessary budget provision was made in Sanctioned Budget Grant 1998-99. However, due to unforeseen environmental related objections from non-governmental organisations relating to construction on the plot as well as certain restrictive recommendations of the Heritage Conservation Committee of HUDA on the design and scope of construction, HUDA did not give its clearance for change in land use pattern. It was, therefore not possible to utilise the provision in SBG 1998-99.

Keeping in view the various constraints mentioned in the para above, it is now the considered view of N'CYP as well as the Ministry of I&B that it would not be possible or advisable to construct the proposed Complex at the site allotted by the Government of Andhra Pradesh. A decision has been taken, therefore, to surrender the land to the Andhra Pradesh Government. Necessary communication in this regard has already been sent to the Andhra Pradesh Government on 23.7.99.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]



#### **Recommendation (Para No. 32)**

It is a matter of serious concern that the premier film training institute FTIL, Pune is facing resource crunch in the absence of adequate allocations. The management should take measures to exploit its potential to generate resources from its own activities as the Ministry could not be able to allocate more funds inspite making best efforts with the planning Commission. The incremental income over the plan allocation should be increased on the allocation side.

#### **Action Taken by the Government**

The observations of the Committee have been noted for appropriate action. The management is actively considering measures to increase the potential of the Institute to generate resources from its own activities for which details are being worked out. The financial dependence on the Government shall be reduced gradually in a phased manner.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### **Recommendation (Para No. 40)**

The Committee also notes with concern that the management of NFDC is a mess as there is no full Board of Directors, no Chairman and no Governing Council. The Achievements of the Corporation are also much below the target. It could finance/produce only 13 films against the target of 20 during 1998-99 and only 100 films were imported against the target of 140 during the year 1998-99. The target for the current year has also been kept the minimal *i.e.* financing/production of 14 films and import of 100 films.

#### **Action Taken by the Government**

For the purpose of re-constituting the Board of NFDC, the search Committee of the Department of Public Enterprise recommends a few names for inclusion as non official members. The proposal is now with the Appointments Committee of the Cabinet for its approval.

The lower performance during 1998-99 both in physical and financial terms was due to the fact that many of the projects under the Corporation's plan schemes for producing and financing films were approved by the Board only in January, 1999 with the result that there

was no time for execution of the projects. Another reason for the drop in performance was due to the inability of the Corporation to generate adequate internal resources. The Ninth Plan does not envisage any budgetary support from the Government to the Corporation. The negative financial performance had a direct impact on the slow pace in plan performance.

To remedy the situation, in January 1999 the Board approved seven film projects with a total outlay of Rs. 185 lakhs which are presently under various stages of production. These films are likely to be completed during the year. Thus, it is expected that the corporation's financial performance will show a good turn around during the year and the plan performance will be as per targets set.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### **Recommendation (Para No. 41)**

The Committee recommends the Government to take urgent steps to resolve these outstanding issues and appoint the required personnel without further delay for tapping in full the potential of the institute. There is no dearth of talented professionals in the country. The Corporation/Administrative Ministry should take the initiative to tap their potential.

#### **Action Taken by the Government**

The Search Committee constituted by the Department of Public Enterprises has already recommended names for inclusion on non-official members of the Board of NFDC. The proposal is now with the Appointment Committee of the Cabinet (ACC) for its approval.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### **Recommendation (Para No. 49)**

The Committee regrets to note that in the construction of National Press Centre which was initiated in 1994, not a brick has been laid during the last five years. The budgetary provisions were also sometimes reduced. It is also a matter of grave concern that the Ministry could not open new branch offices and the existing offices



could not be upgraded because no buildings were available. It is a matter of serious concern to the nation that in border areas there was lack of required publicity. The Committee takes a serious note of it and strongly recommends a crash programme to open planned publicity offices particularly in border areas like J&K, North East, remote hilly and tribal areas, to streamline the existing offices, strengthen their machineries and ensure adequate publicity there to counter the harmful propaganda of the foreign neighbours.

#### **Action Taken by the Government**

The foundation stone for setting up of National Press Centre was laid in September '94. The issues like Floor Area Ratio (FAR), Road alignment with reference to Master Plan, construction norms for Building in LBZ, etc. relating to the Development of the Area were engaging the attention of DDA, CPWD and Ministry of UA&E, DUAC etc.. The decision in this regard was not within the purview of the Bureau. The Bureau has been pursuing the matter at the highest level for obtaining the physical possession of the land. On 14th June 99, Secretary (I&B) alongwith PIO met the Minister of Urban Development to expedite the delivery of possession of the land.

The Bureau also recognizes the need of opening PIB offices in remote and border areas to counter propaganda by neighbouring countries. Even though the Bureau wanted to propose opening of some more offices of PIB in the IX Five Year Plan, due to the resource crunch, it could pursue opening up of only one branch office at Itanagar which is a remote tribal area. Itanagar office can be opened as soon as the posts are sanctioned by the Ministry of Finance. The matter is pending for the study being undertaken by SIU of some representative offices of PIB to set norms for opening new offices of PIB.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### **Recommendation (Para No. 56)**

The Committee also notes with concern that there are some genuine and good journals published by colleges/universities but they do not get Government advertisements. The Committee recommends that the Ministry should have an intensive review of a few States or one District in each State as a model to assess the circulation of newspapers and to ensure that the advertisements are being issued proportionally.

### Action Taken by the Government

As regards circulation figures of newspapers, in view of the concern expressed by the Committee, the Ministry has set up a Committee on 19.07.99 to examine the issue and the procedures involved in circulation verification and to suggest improvements. The Committee will also look into the recommendation for an intensive review to be undertaken in a few States or one district in each State to assess the circulation of newspapers.

Regarding release of advertisements to those newspapers, which indulge in unethical practices, it may be stated that DAVP releases advertisements to those newspapers/publications, which are empanelled with DAVP in pursuance of Advertising policy and Empanelment Guidelines. Though editorial policies and political affiliations are not taken into consideration, newspapers/journals, which incite or tend to incite communal passions, preach violence, offend the sovereignty and integrity of India or socially accepted norms of public decency and morals, are not released advertisements. While issuing advertisements, DAVP keeps in view the publicity requirements, target readership, area and budgetary provisions as well as recommendations of the client Ministries/Departments. If any violation of the advertising policy guidelines is noticed or complaint received from any quarter, the cases of such publications are referred to PIB/State Governments for obtaining tone and trend report of writings of the publication and action is taken on receipt of the report.

As per Advertising Policy House journals/souvenirs etc. are not to be used for Government Advertisements. The publications, which have a minimum paid circulation of 2000 copies are considered for empanelment with DAVP, with relaxation in certain cases. As such, there is no provision for using college/university journals by DAVP, as these are not paid journals.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]

### Recommendation (Para No. 61)

The Committee notes with concern that allocation of funds, for NFAI has been reduced during 1999-2000 as compared to 1998-99. It is also a matter of serious concern that the achievement on the financial



side was not satisfactory. Out of Rs. 600.00 lakhs outlay during 8th Plan, only Rs. 346.92 lakhs could be utilized. Similarly, during 1997-98 and 1998-99 out of the respective outlay of Rs. 220.00 lakhs and Rs. 252.00 lakhs only Rs. 122.16 lakhs and Rs. 60.32 lakhs could be utilized. The Committee observes that on the physical side also, the performance was equally dismal as specialised vaults for nitrate films could not be constructed. On the one hand the utilization of funds was half or even less than half whereas on the other hand the objectives like conversion of Jayakar Bungalow into a Museum of Cinema and augmentation of facilities in regional offices could not be achieved due to shortages of funds. All these facts reflect poorly on the management side. The Committee recommends that the management should be streamlined and the administrative machinery should work in a result oriented fashion.

#### **Action Taken by the Government**

The observations of the Committee are noted. The shortfall in utilisation of funds in 1998-99 was primarily due to non-commencement of construction work of the nitrate film vaults. The construction of the nitrate vaults could not be started because of delay in finalising Memorandum of Understanding with Film and Television Institute of India (to whom the land belongs) and finalisation of architectural drawings by the Civil Construction Wing.

The National Film Archive of India (NFAI) has taken steps to avoid shortfall in expenditure as under:—

- (i) The Civil Construction Wing of All India Radio has been directed to expedite the construction work of nitrate film vault as all preliminary work has now been completed.
- (ii) It is proposed to procure raw stock and readymade prints in a phased manner during 1999-2000 to ensure full utilisation of funds.
- (iii) It is proposed to implement the Jayakar Bungalow scheme on priority.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated, 20.09.1999]



### **Recommendation (Para No. 72)**

The Committee notes with concern that there is an unusually wide gap between financial outlays originally proposed for AIR for Ninth Plan and those finally approved by Planning Commission. The originally proposed outlay of Rs. 1774.00 crores was revised to Rs. 1477.00 crores on the advise of Planning Commission. The same was further drastically reduced to Rs. 848.34 crores at approval stage. Similarly, outlays for individual AIR projects were sharply reduced. It has forced the Ministry to drop 78 projects of setting up Radio Stations, Relay Stations and Transmitters. The Committee also notes that out of Rs. 102.42 crores outlay during 1997-98 the AIR, could utilise only Rs. 88.24 crores which resulted in low performance in various sectors. During 1998-99 also the AIR could not utilise fully the approved outlay of Rs. 150.00 crores. It could utilise only Rs. 107.84 crores i.e. 65 percent of the approved outlay. The Committee is not convinced with the reasons given for shortfall in financial expenditure like dropping/non approval of some schemes, non-availability of sites, contractual problems, and re-tendering of equipment. The Committee is distressed to note that various projects like 12 studio and 11 Transmitter projects which were targetted to be completed during 1998-99, (Some of them carried over from 1997-98) could not be completed and the same were carried over to 1999-2000 and 13 studio projects and 18 Transmitter projects which were expected to be commissioned during 1998-99 are still awaiting to be commissioned. Against the target of installation of 5 Broadcasting Centres, only one was completed. The Committee is constrained to observe that the performance is quite unsatisfactory both on the financial side as well on the physical side and indicates gross inefficiency which is highly deplorable. The Committee apprehends cost over-run due to such postponing of projects and feels strongly that the Ministry should take consistent concerted steps to streamline and strengthen its machinery to improve the performance. The original plan outlay to be submitted to Planning Commission should be decided realistically and thereafter the same should not be reduced.

### **Action Taken by the Government**

#### **Financial Performance**

The main reasons for shortfall in financial expenditure have been dropping/non-approval of some schemes, non-availability of sites/contractual problem and re-tendering of equipment besides law and

order problem at some places. Due to uncertainty and reduction in plan outlay, some of the schemes were dropped. Therefore, such schemes though initially proposed in Annual Plans 1997-98 and 1998-99 could not take off and as a result, the funds provided for these schemes could not be utilised and were surrendered.

The budget estimates of the year are proposed during September-October of the previous year based on the schemes provided in the Five Year Plan. Any subsequent reduction in the budget provision will result in dropping of some schemes depending on their *interse* priority. This dropping of some schemes will result in surrendering of funds to the extent they are provided for in the budget estimates.

Non-availability of sites in some cases has also resulted in under-utilisation of funds. In spite of frequent and close co-ordination, state Governments are sometimes not in a position to locate and make available technically suitable sites for AIR.

Surrendering of funds due to contractual problem cannot be foreseen. However, action is taken against the contractors as per rules. The re-tendering of equipment has sometimes to be resorted to due to administrative and legal problems. However, the following remedial measures have been taken to ensure timely completion of projects.

- (i) Monitoring has been further strengthened by introduction of modern management techniques like PERT and CPM.
- (ii) The Zonal Chief Engineers are taking monthly progress review meetings to identify the constraints and remedial measures are taken to remove them.
- (iii) At the Directorate level, the Engineer-in-Chief is taking monthly meetings to review the overall implementation of projects.
- (iv) Matters requiring action by the State Government are also being pursued.
- (v) Frequent visits to project sites are being undertaken to have an on the spot assessment of the problem and remedial measures are being taken accordingly.



**Statement Showing Revised Target Dates for  
the Projects Under Implementation**

**Physical Performance:**

The reasons for delay in respect of projects carried over to 1999-2000 are given below:—

**Studio Projects:**

**(a) Civil Works:**

| S.No. | Target                            | Remarks   |
|-------|-----------------------------------|---|
| 1     | 2                                 | 3   |
| 1.    | Delhi<br>(New Broadcasting House) | <p>There was delay in the award of work for construction of superstructure of the building due to the following reasons:</p> <ol style="list-style-type: none"> <li>1. The rock pattern turned out to be different than that was revealed during soil testing earlier. Excavation consumed more time than planned.</li> <li>2. A Doordarshan TRACT van/Dish had occupied space and relocating the same took time.</li> <li>3. Difference of opinion over tenders submitted resulted in delay in award.</li> </ol> <p>The work was awarded in April, 98 and the technical area is targetted for completion by 12/99.</p> |
| 2.    | Saraipalli                        | <p>The work was rescinded due to contractual problems. Fresh contract has been awarded on 17.5.99. Building is likely to be completed by December, 1999.</p>  |



|   |   |   |   |   |   |
|---|---|---|---|---|---|
| 1 | 2 | 3 | 3 | 2 | 1 |
|---|---|---|---|---|---|

3. Himmatnagar The work was awarded in December, 1998. The building is expected to be ready by December, 1999.

4. Macherla There was delay in award of work due to re-tendering. Work awarded in December, 1998. The building is expected to be ready by December, 1999.

(b) Studio projects which were to be made technically ready during 1998-99 but carried over to 1999-2000 are given below:

| S.No. | Target            | Remarks   |
|-------|-------------------|---|
| 1     | 2                 | 3   |
| 1.    | Bhadarwah         | Progress hampered due to law and order problem. Premises occupied by security forces.   |
| 2.    | Shillong (FM Ch.) | The site earlier selected for the set up was not cleared by Standing Advisory Committee on Frequency Allocation (SACFA). It has now been decided to locate the Transmitter at the Doordarshan site. Layout plans have since been finalised for preparation of building estimates. |
| 3.    | Khonsa            | Delay in handing over of the site by the State Government. Site now offered. Details awaited. TD-1999-2000.   |
| 4.    | Champhai          | Delay in handing over of the site by the State Government. Site offered. State Government has to construct approach road before taking over.  |
| 5.    | Phek              | Delay in handing over of the site by the State Government. Site now finalised. Installation is to be taken up. TD-1999-2000.  |

| 1  | 2                           | 3  |
|--|-----------------------------|--|
| 6.   | Nutan Bazar                 | Delay in handing over of the site by the State Government. Site now offered by the State Government. Survey is being arranged.                             |
| 7.   | Mandla                      | Delay in building work due to contractual problems. The technical area has now been completed. Installation is being taken up. TD-1999-2000.               |
| 8.   | Rajgarh                     | There was delay in completion of building, which was handed over in December 1998. The project is expected to be ready by 9/99.                            |
| 9.   | Churachandpur               | Progress hampered due to law and order problem. Security cover is being arranged for the installation team to complete the balance works. TD-1999-2000.    |
| The reasons for delay in respect of Transmitter projects carried over to 1999-2000 are given below:— |                             |  |
| <b>Transmitter Projects:</b>   |                             |  |
| <b>(A) Civil Works:</b>  |                             |  |
| S.No.  | Target                      | Remarks  |
| 1  | 2                           | 3  |
| 1.   | Delhi<br>(Shortwave 3 nos.) | Slow progress due to contractual problems. Building works now completed.   |
| 2.   | Saraipalli                  | The work had been rescinded due to contractual problems. Fresh contract has been awarded on 17.5.99. Building is likely to be completed by December, 1999. |

| 1  | 2           | 3   |
|----|-------------|---|
| 3. | Himmatnagar | The work was awarded in December, 1998. Civil works are in progress and the building is expected to be ready by December, 1999.               |
| 4. | Macherla    | There was delay in award of work due to re-tendering. Work awarded in December, 1998. The building is expected to be ready by December, 1999. |

(B) Transmitter projects targetted to be made technically ready during 1998-99 but carried over to 1999-2000 are given below:

| S.No. | Target            | Remarks  |
|-------|-------------------|--|
| 1.    | 2                 | 3  |
| 1.    | Bhadarwah         | Progress hampered due to law and order problem. Premises occupied by security forces.  |
| 2.    | Shillong (FM Ch.) | The site earlier selected for the set up was not cleared by SACFA. It has now been decided to locate the Transmitter at the Doordarshan site. Layout plans have since been finalised for preparation of building estimate. |
| 3.    | Khonsa            | Delay in handing over of the site by the State Government Site now offered. Details awaited. TD-1999-2000.   |
| 4.    | Champhai          | Delay in handing over of the site by the State Government. Site offered. State Government has to construct approach road before taking over.   |
| 5.    | Phek              | Delay in handing over of the site by the State Government. Site now finalised. Installation is to be taken up. TD-1999-2000.   |



| 1  | 2             | 3   |
|----|---------------|---|
| 6. | Nutan Bazar   | Delay in handing over of the site by the State Government. Site now offered by the State Government survey is being arranged.                           |
| 7. | Mandla        | Delay in building work due to contractual problems. The technical area has now been completed. Installation is being taken up. TD-1999-2000.            |
| 8. | Rajgarh       | There was delay in completion of building, which was handed over in December, 1998. The project is expected to be ready by 9/99.                        |
| 9. | Churachandpur | Progress hampered due to law and order problem. Security cover is being arranged for the installation team to complete the balance works. TD-1999-2000. |

[Reference Min. of I&B O.M. No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### **Recommendation (Para No. 73)**

The Committee is constrained to note that for staff quarters during 1998-99, the SBG of Rs. 967.80 lakhs was drastically reduced to Rs. 643.45 lakhs. A reduced SBG of Rs. 450.30 lakhs has been earmarked for 1999-2000 as compared with SBG during 1998-99. On the physical performance side, only 180 quarters were constructed against the target of 249. The reasons given for shortfall like recalling of tenders, and slow progress in Northern Region due to difficult terrain indicate inefficiency on Management part as well on the execution part. The availability of adequate number of staff quarters is essential to keep the efficiency of the staff high. As such, the Committee recommends that more outlay should be earmarked for this head and it should be accorded high priority.

### Action Taken by the Government

#### Financial Performance:

AIR is taking all possible action to construct adequate number of staff quarters to keep efficiency and morale of the staff high. However, as the total Five Year Plan allocation was reduced from proposed Rs. 1477 crores to Rs. 848.34 crores, corresponding reduction was made for staff quarters also. However, depending on the progress of the staff quarters during this year, additional funds if required, would be asked for at the RE stage.

#### Physical Performance:

As against the target of 249 staff quarters that were to be constructed during 1998-99, construction of 180 staff quarters has been completed and the balance are in advanced stage and likely to be completed in 3 months.

[Reference Min. of I&B O.M. No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### Recommendation (Para No. 74)

The Committee is also seriously concerned to note that 13 FM projects and 12 other projects involving the huge investment of about Rs. 74 crores are rusting for want of staff. The Prasar Bharati, inspite of getting autonomous status has not been able to recruit staff since 1997 as the matter is still being processed in the Ministry. It indicates that the Ministry is adopting an attitude of neglect and is least bothered to tap the potential of the huge assets constructed with scarce public money. The Committee strongly recommends that topmost priority be accorded to the issue and a special drive to recruit the necessary staff be made to ensure the commissioning of these projects at the earliest.

### Action Taken by the Government

The latest position for sanctioning of staff for the projects of All India Radio which are technically ready for commissioning is as

under:—

### FM Projects

1. Delhi 2nd FM Channel 5KW FM Tr. 16 posts sanctioned
2. Aligarh (UP) 6 KW FM Tr. 8 posts sanctioned
3. Guwahati (Assam) 10 KW FM Tr. 11 posts sanctioned
4. Ranchi (Bihar) VB 6 KW FM Tr. 5 posts sanctioned
5. Calcutta (WB) 5 KW FM Tr. 18 posts sanctioned  
(2nd channel)
6. Mumbai (Mah.) (2nd channel) 18 posts sanctioned  
5 KW FM Tr.
7. Jabalpur (MP) CBS 10 KW FM Tr. 12 posts sanctioned
- \*8. Bangalore (Karnataka) 2x5 KW FM 20 posts sanctioned\*  
Tr. Stereo Channel)
9. Thiruvananthapuram (Kerala) VB 4 posts sanctioned  
10 KW FM Tr.
10. Chennai (TN) (2nd Channel) 10 posts sanctioned  
5 KW FM Tr.
11. Visakhapatnam (AP) CBS 8 posts sanctioned  
10 KW FM Tr.

The proposal in respect of Kodaikanal Station with 10 KW FM Tr. is under consideration in Ministry of Finance and that of Jammu (J&K) CBS 10 KW Fm Tr. is under active consideration of the Ministry.

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\*This has been inadvertently indicated as Bangalore (Kar.) 6KW FM Tr. as AIR has no proposal to have 2nd FM Chennel in other places except at 4 Metros.



**Other Projects**

1. Allahabad (UP) 2x10 KW FM Tr. 7 posts sanctioned
2. Tawang (Arunachal Pradesh) 10 KW MW Tr. 13 posts sanctioned
3. Kurseong 1 KW MW Tr. (Reg. Serv.)
4. Kurseong 50 KW SW Tr. (upgd.) 6 posts sanctioned
5. Ranchi 50 KW SW Tr. (upgd.) With the creation of 5 posts for Ranchi VBS, this proposal for creation of one post of Sr. Engg. Asstt., stands withdrawn.
6. Williamnagar (Megh.) CRS 9 posts sanctioned
7. Mon (Nagaland) CRS 9 posts sanctioned
8. Saiha (Mizoram) CRS 9 posts sanctioned
9. Nongstoin (Meghalaya) CRS 9 posts sanctioned
10. Tuensang (Nagaland) CRS 9 posts sanctioned

**Additional Establishments:**

1. Bhuvaneshwar RSTI (T) The proposal is under consideration in M/o Finance.
2. North-East Zonal Office The proposal considered in consultation with Ministry of Finance. It has been decided to create 26 new posts and transfer 53 posts from East Zone, Calcutta to North-East Zone, Guwahati. Sanction for creation of 26 posts was issued and action for the transfer of 53 posts has been initiated.

It would be seen from the above, in most of the proposals, the posts have been sanctioned.

[Reference Min. of I&B O.M. No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### **Recommendation (Para No. 86)**

The Committee notes with concern that the Doordarshan's proposal for Plan outlay of Rs. 3992.28 crores for 9th Plan was revised to Rs. 3135.00 crores at the instance of Planning Commission and the finally approved outlay was drastically reduced to Rs. 1836.00 crores. The BE for 1998-99 (Rs. 449.40 Crores) have been pruned to Rs. 391.52 crores (BE 1999-2000). The Committee is distressed to note that this substantial reduction in plan outlay has forced the Ministry to curtail their developmental projects and to refix priorities. The Broadcasting Sector, which has a vital role in the overall progress of the country, will have to bear the brunt of the reduction. The outlay for HPTs, Studios and Satellites has been pruned to the extent of Rs. 30 crores, Rs. 200 crores and again Rs. 200 crores respectively. The Committee expresses its great concern at the reduction of outlay by Planning Commission which has resulted in dropping of various schemes in a phased manner. The Committee recommends that inspite of budgetary constraints, the Ministry should manage the budgetary shortfall by strengthening its machinery to generate more revenue. The Estimates should be prepared realistically and Planning Commission prevailed upon not to curtail the proposed outlay.

#### **Action Taken by the Government**

Outlay for IX Plan of Doordarshan has been fixed at Rs. 1836 Crores. Sanctioned Budget Grant for the year 1998-99 was Rs. 449.40 Crores (Capital Rs. 325.00, Revenue Rs. 124.40 Crore) Outlay for 1998-99 at Revised Estimates was reduced to Rs. 327.90 Crores (Capital Rs. 241.10 and Revenue Rs. 86.80). Reduction in outlay at Revised Estimates was due to the anticipated shortfall in commercial revenue of Doordarshan against the projected revenue figures for 1998-99. Under Capital, expenditure of Rs. 239.09 Crores (approximately) had been



proposed during 1998-99 Doordarshan had proposed an outlay of Rs. 659.20 Crores (Capital Rs. 515.20 and Revenue Rs. 144.00 Crores) for Annual Plan of 1999-2000. Outlay approved for Annual Plan 1999-2000 is Rs. 391.52 Crores (Capital Rs. 296.52 Crores and Revenue Rs. 95.00 Crore).

[Reference Min. of I&B O.M. No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### **Recommendation (Para No. 87)**

The Committee further notes with concern that on the side of financial performance as well as physical performance, the scenario is dismal. During 1998-99, out of the approved outlay of Rs. 449.40 Crores Doordarshan could utilise only Rs. 124.84 crores and against the target of completion of 9 HPTs and 13 Studios only 1 HPT and 9 Studios could be completed. The reasons given for shortfall like delay in construction of towers and studio buildings and shortage of staff etc. indicates that management and monitoring machinery of Doordarshan are not upto the mark. The Committee is constrained to observe that the target of dissemination of information may not be realised under the prevailing situation. Therefore, the Committee recommends to streamline the executive machinery and ensure full utilisation of funds and full realisation of objectives. The Committee is also deeply concerned to note that the border areas like J&K, areas touching Nepal and Bangladesh, North-East and Tribal Areas are inadequately covered by Doordarshan Transmission. In some pockets of North-East particularly in Nagaland, Arunachal Pradesh, Manipur and also in Rajasthan the areawise coverage is much below the national average. It is only 15.3% in Arunachal Pradesh, 32.1% in Manipur, 68.6% in Nagaland and 65.3% in Rajasthan. The coverage in J & K is also much below the national average i.e., 33.7%. The Committee is of the view that the development of border areas particularly J&K and North East is very crucial in view of national security. The people of these areas feel cut off from the national mainstream due to inadequate development of communication and transmission facilities. The Committee recommends that these areas may be accorded top priority and special package/crash programmes should be formulated for extension of media transmission there.

#### **Action Taken by the Government**

Budget provision for TV Broadcasting was reduced from 449.40 crores to Rs. 327.90 crores at R.E. stage. Against this, the expenditure



incurred by Doordarshan was Rs. 307.02 crores which was more than 90% of Revised Estimates.

Nine HPT projects at Calicut, Rajamundry, Fazilka, Sambalpur, Bhju, Hassan, Banda, Kathua and Churachandpur had been targetted to be completed during 1998-99. HPT, Hassan project was completed during the year. Also, installation of metro Channel HPT at Srinagar, though not targetted, was completed. The projects at Calicut, Rajamundry, Fazilka, Sambalpur, Bhuj and Banda could not be completed due to delay in completion of tower works at these places by the concerned agencies. HPTs at Calicut, Rajamundry, Fazilka & Bhuj are already operational in interim set ups with their antennae mounted on temporary towers. HPT at Sambalpur has been installed and tested on dummy load, pending completion of tower works. Law and order situation at Churachandpur is bad and as a result, it has not been possible for CCW to complete the construction of building there. Meanwhile, a VLPT has been commissioned at Churachandpur as an interim measure. HPT, Kathua project has got delayed due to delay in building construction.

Studio projects at Bhawanipatna, Rajkot, Shantiniketan, Allahabad, Varanasi, Vijayawada, Pune and Sambalpur were completed during 1998-99. Installation of Mumbai studio was almost completed during 1998-99 and the studio has since been inaugurated on 2.6.1999. Studio projects at Mathura, Patiala, Trichur and Ranchi have got delayed due to delay in completion of building works.

Target as regard LPT & VLPT projects (94 Nos.) was fully achieved.

Monitoring mechanism at Doordarshan headquarters as well as Zonal offices has been strengthened to the extent possible. All Doordarshan projects are being closely monitored by the Zonal offices as well as Directorate. Zonal Chief Engineers are holding monthly meetings with concerned CCW officers to review the progress of civil works. Regular meetings are being held with the agencies involved in construction of towers, at Directorate. Meetings at E-in-C's level are being held regularly with zonal officers and CCW officers to review the progress of implementation of projects.

Priority is assigned to expansion of TV coverage in border areas of the country (including those in J&K and North East region) and the tribal areas, while formulating the plans of TV expansion. A Plan for

massive expansion of Doordarshan coverage in J&K involving an outlay of Rs. 218 crores has been approved by the Cabinet. The Plan, *inter alia*, includes establishment of 6 HPTs (DD 1); 7 HPTs (DD 2); 1 HPT (Kashmir Channel); 12 Mobile LPTs; 60 VLPTs; 3 Earth Stations; 1 Studio; 10 Maintenance Centres and augmentation of 11 existing VLPTs. Another proposal for expansion of coverage in North East region involving outlay of Rs. 225 crores has been formulated and is under consideration of Ministry. These plans envisage establishment of transmitters in addition to those being set up as part of IX Plan. At present, about 82% population of North East region is covered by TV service. Population-wise coverage in J&K is about 91.7%. As regards coverage of tribal areas, 347 transmitters out of the total 1044 transmitters in Doordarshan network are presently functioning in TSP districts, and all the TSP districts are covered by T.V. service wholly/ partially. For further expansion of TV coverage in TSP districts, 99 transmitters of varying power are under implementation in these districts.

208 transmitters (DD1-195, DD2-13) are presently functioning in border districts of the country and 47 additional transmitter projects (DD1-41, DD2-6) are under implementation in these districts for further expansion of coverage.

[Reference Min. of I&B O.M. No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### **Recommendation (Para No. 88)**

The Committee also notes that the coverage of the population is stagnating at 87 percent for the last many years. The Ministry should boost its implementation machinery and show result.

#### **Action Taken by the Government**

Expansion of TV coverage follows the law of diminishing returns. It is generally estimated that the investments involved in covering the last 5% population would be the same as those involved in covering the first 95% population.

Primary channel (DD1) coverage was available to about 86.9% population at the end of March, 1998. Area-wise coverage was about 71.8%, 87 transmitters (DD1) were commissioned during 1998-99. With the commissioning of these transmitters, primary channel coverage, population-wise, increased from 86.9% to 87.6% Area-wise coverage



increased from 71.8% to 72.9%. With the commissioning of aforesaid 87 transmitters, the quality of reception in certain areas, which earlier received weak signals has also improved.

[Reference Min. of I&B O.M. No. G-20016/2/99-B&A, dated 20.09.1999]

#### **Recommendation (Para No. 89)**

The Committee regrets to note that the revenue of the Electronic Media is declining sharply after the peak generation of Rs. 572 crores in 1996-97. In 1997-98 it came down to Rs. 490 crores and in 1998-99 it has declined further to about Rs. 400 crores. The reasons advanced by the Ministry that there are internal pressures, their marketing system is not so strengthened and tuned as that of private sector, stiff competition from private channels, indicate that the policy, programme implementation and monitoring machinery of the Ministry could not rise to the occasion. The Committee is of the view that if firm steps are not taken, by the Doordarshan, it will be in a totally disadvantageous position in the competitive environment. The Committee desires that corrective steps are devised urgently to arrest the declining trend in revenue generation which in turn will help them to have more outlay at their disposal for quick development of the Electronic Media.

#### **Action Taken by the Government**

Commercial advertisements in Doordarshan were introduced from 1.1.1976 with the objective to mobilise additional resources for improvement of the services etc. Gross revenue collection of Doordarshan from 1976-77 onwards including projections for the revenue collection for the current financial year is given at Annexure - I. It may be seen that revenue increased steadily from 1976 - 77 upto 1996-97. The highest revenue was Rs. 572.72 crores i.e. in the year 1996-97. Till 1990, Doordarshan was enjoying a monopoly in the field of advertising on TV. Thereafter the advent of satellite/private channels began and consequently advertisements also began on such channels. Naturally a tough competition came up in the field of TV advertisements.

Revenue collection in 1998-99 was Rs. 400 crores as against the revenue collection of 1997-98 of Rs. 490.15 crores. Prasar Bharati have



intimated that the study of the economy in recent years and its impact on the advertising has revealed the following points:—

#### **(I) Drop in Advertisement Growth Rate**

One of the first victim of sluggishness of the economy has been the advertising industry where the growth has dropped dramatically during the last 3 years. Before 1997 advertisement growth rates ranged between 20% to 25% per annum. However, in 1998 this growth slumped to only 13% over 1997. Graph at Annexure-II gives a picture of the growth of advertisement industry during the period 1991-98. This has prompted clients and advertising agencies to go in for low cost cable and satellite channels, often at the cost of terrestrial channels. Private channel are able to maximise their revenue because of the flexibility in their Rate Card and also by ensuring good quality programmes matching with profile of the viewership, leading to a well-defined viewership base and thereby advertising base. Doordarshan's share in the overall TV business now stands at 43% (Annexure - III).

#### **(II) Actual Profits not Reflected in Revenue**

Doordarshan's actual commercial earnings have not been reflected in the commercial earnings of Doordarshan on account of arrangements of direct payments by private parties on behalf of Doordarshan. During the years upto 1997-98, the cost component of sports programmes like license fee and other expenses were met from the expenditure heads and total of advertisement was shown as commercial revenue. During 1998-99, ten sports events were marketed by the sport consortium members and cost component with license fee etc., were met from advertisement revenue and only carriage cost was included in the commercial revenue of Rs. 400 crores realised during 1998-99. During 1998-99, the cost of the TV Rights Fee, carriage fee etc. amounted to Rs. 105.4 crore. These payments were made by the agencies from the advertisements revenue they booked after giving Doordarshan's agreed MG amount. Strictly speaking if Doordarshan had paid the rights fee from its own accounts, this 105.4 crores would have been reflected in the gross commercial revenue for the period 1998-99. In other words nationally the commercial revenue would come to around Rs. 505.4 crores (Rs. 400 crores actually earned + Rs. 105.4 crores. On account of sports event rights paid by agencies from commercial booked by them). A statement of ten sports events and net/gross amount paid on account of cost component of sports events is at Annexure - IV.

### (III) Ads Cut by Major Advertisers

Advertising industry has recorded a negative growth in several categories especially in consumer durables. Major advertisers have slashed their Ad budget drastically.

In order to compete with the satellite/private channels, Doordarshan have chalked out the following strategies:—

#### (i) Telecast of high quality programmes:

Several steps are being taken to improve the programming content of the channels which will eventually lead to more revenue. Several revenue generating programmes are being introduced.

Prime time slots on DD-1 have been re-arranged in such manner to facilitate introduction of better quality programmes which can gain popularity among the viewers. Such example is of the newly created band between 9.00 p.m. to 9.30 p.m. where programmes like family drama, love story, thriller, crime detection and cultural magazine are being aired. 9.30 p.m. band now offers long duration, high revenue generating programmes which are a mix of mythological, count-down and historical themes. A new band at 10.30 p.m. is being built up containing programmes on crime detection, satire and humour themes with an effort to attract more viewership and also increase the revenue generation. In addition, Sunday evening prime time slot which was upto now; very low revenue earning slot, has now been re-arranged and programmes of higher revenue generation like programmes/serials on mythological themes beginning at 7.30 p.m. count-down at 9.30 p.m. and variety entertainment at 10.30 p.m. and business magazine at 11.00 p.m. are being introduced. A preview team in Doordarshan has been constituted to monitor the quality of the programmes.

#### (ii) Revision in Fixed Point Chart and Rate Card:

The whole fixed point chart of DD-1 and DD-2 is being revised so that optimum levels of revenue generation can be reached. Both the channels have been made 24 - hours channel and is being transmitted on digital mode which will improve the signal quality and will be comparable to other private/Satellite Channels.



Doordarshan Rate Card was framed in 1996. However, rationalisation are made in the Rate Card from time to time as per the market situation and the feedback received from the producers/advertisers. Increase in slot fees of 50% has been introduced for the programmes continued after 52nd episode and in the case of daily soaps, 50% hike will be applicable after the completion of 130 episodes. The marketing agencies/producers having outstanding dues are not being given new serials/extension of serials till they clear their dues. The continuation of programmes is, however, given on advance payment of the telecast fees.

**(iii) Increase regional programming**

It has been decided to have fixed chunk of time for rural programmes as well as to Government Ministries on the National Channel. Similar steps are being taken at the Regional Kendras to maximise revenue.

**(iv) Improving marketing network and introduce commercial activities even at smaller Kendras**

Doordarshan has acquired marketing rights from BCCI for five years for the telecast of cricket matches played in India. Efforts are being made to produce inhouse programmes and get them sponsored. The same measures are being applied in the case of Regional Kendras also.

**(v) To improve DD's overall audience share especially in high spending segments**

Number of episodes offered at the time of slotting has been reduced to 26 episodes as against 52, 104, 130 or more in the past so that a close watch is kept on the quality, popularity and payment of the programme and only those programmes performing well on these counts are extended.

Doordarshan is the only network which has satellite channels for almost all major languages. Quality programming on these channels and increase in the number of hours will help Doordarshan to face the challenge of stiff competition and increase its share in advertising revenue consequently. As explained in the foregoing paras above constant efforts are being made in this direction.

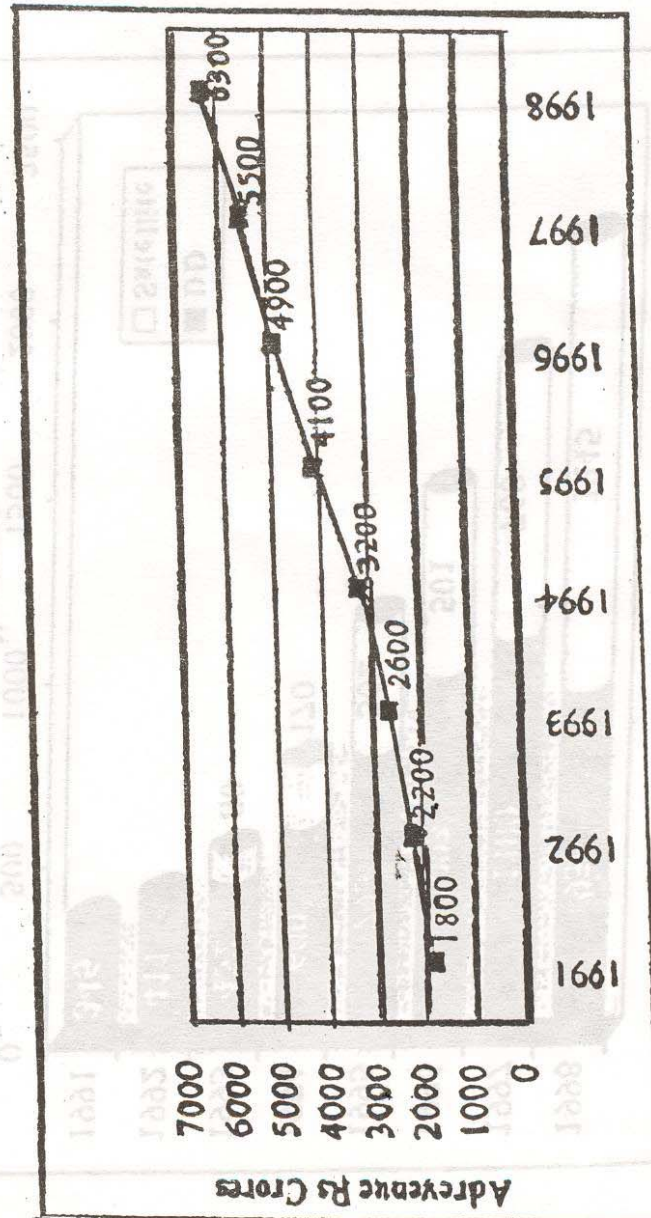


## ANNEXURE I

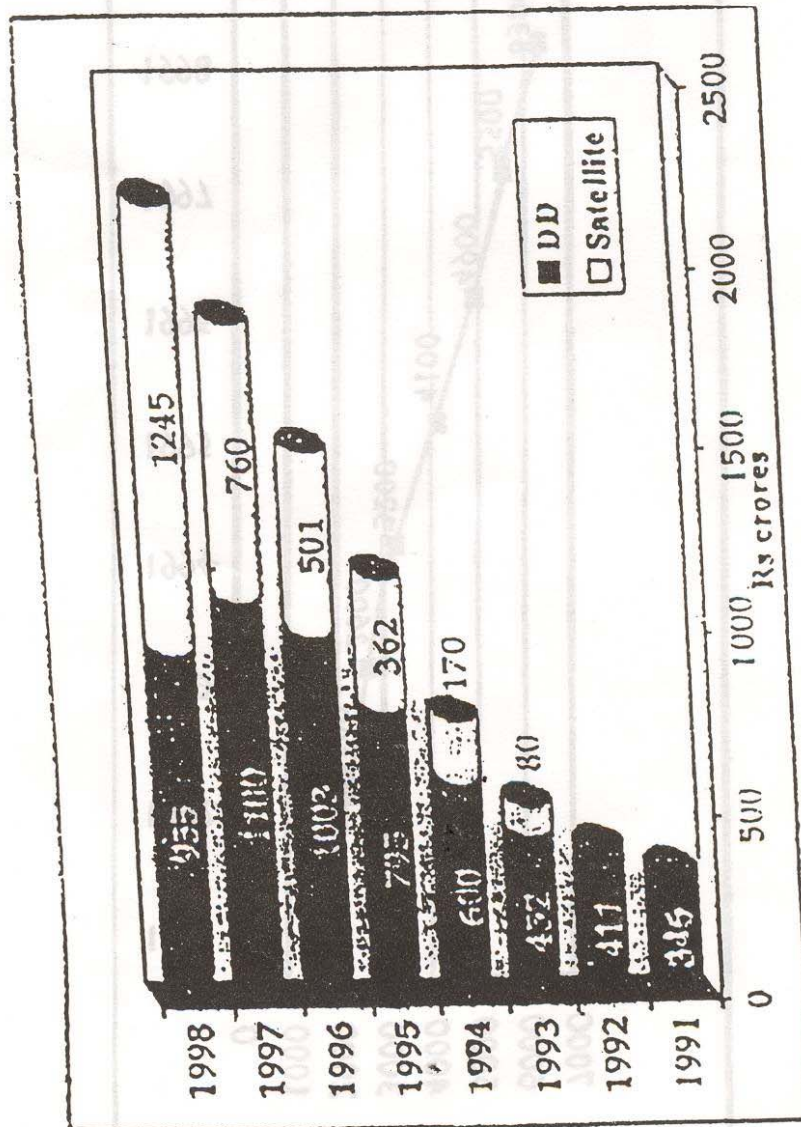
## GROSS REVENUE COLLECTION

| Year      | Amount in crores |
|-----------|------------------|
| 1976-1977 | 0.77             |
| 1977-1978 | 2.07             |
| 1978-1979 | 4.97             |
| 1979-1980 | 6.16             |
| 1980-1981 | 8.08             |
| 1981-1982 | 11.27            |
| 1982-1983 | 15.89            |
| 1983-1984 | 19.79            |
| 1984-1985 | 31.43            |
| 1985-1986 | 60.20            |
| 1986-1987 | 98.00            |
| 1987-1988 | 136.29           |
| 1988-1989 | 161.26           |
| 1989-1990 | 210.13           |
| 1990-1991 | 253.85           |
| 1991-1992 | 300.61           |
| 1992-1993 | 360.23           |
| 1993-1994 | 372.98           |
| 1994-1995 | 398.02           |
| 1995-1996 | 430.13           |
| 1996-1997 | 572.72           |
| 1997-1998 | 490.15           |
| 1998-1999 | 400.00           |
|           | [Projected]      |

## THE INDIAN ADVERTISING INDUSTRY



## TV AD SPEND TRENDS 1998





STATEMENT OF COMPONENT COST OF SPORTS EVENTS  
(Rs. in crores)

| S.No.       | Name of the Events                          |       | Amount (NFT) |
|-------------|---|-------|--------------|
| 1.          | Pepsi Triangular Series                     | 3/98  | 6.50         |
| 2.          | Coca Cola Cup<br>(India-Kenya-Bangladesh)   | 3/98  | 1.38         |
| 3.          | French Open Tennis                          | 6/98  | 0.981        |
| 4.          | Singer Akai Independent Cup<br>in Sri Lanka | 6/98  | 14.66        |
| 5.          | World Cup Soccer '98                        | 6/98  | 2.60         |
| 6.          | Wimbledon Tennis                            | 6/98  | 1.357        |
| 7.          | Hero Cup India-Zimbabwe                     | 10/98 | —            |
| 8.          | ICC Knockout Tournament                     | 11/98 | 37.4213      |
| 9.          | Sharjah Cup                                 | 11/98 | 23.60        |
| 10.         | Asian Games                                 | 12/98 | 1.09         |
| Total (Net) |   |       | 89.5893      |
| Gross       |   |       | 105.40       |

Source — Doordarshan Commercial Service.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]

## CHAPTER IV

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

#### Recommendation (Para No. 39)

The Committee is at a loss to note that last year the total annual outlay was estimated at Rs. 8.70 crores and it was reduced to Rs. 6.50 crores. For 1999-2000 the outlay has been further scaled down to Rs. 6.10 crores which will certainly reflect negatively on the achievement of targets.

#### Action Taken by the Government

The observations of the Committee are noted. It may be stated that the allocation of Rs. 6.10 crores for 1999-2000 for the National Film Development Corporation Ltd. was approved taking into consideration the estimated internal resource generation. However, the internal resources likely to be generated may be slightly lower, as the National Film Development Corporation has to pay back a loan of Rs. 3.72 crores to the Motion Pictures Export Association of America during the year. All efforts are being made by the Corporation that the financial performance shows a turn around during the current year and the plan performance will be as per targets set.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### Comments of the Committee

Please see Para No. 11 of Chapter I.

#### Recommendation (Para No. 48)

The Committee expresses its concern at the reduction in plan outlay of Press Information Bureau which plays crucial role in dissemination

of information on Government policies. During 8th Plan, out of the Plan outlay of Rs. 1400.00 lakhs only Rs. 883.00 lakhs were allotted for Annual Plans and the Bureau could utilise only half of the outlay i.e. Rs. 439.02 lakhs which indicates unsatisfactory performance. On the achievement side, the performance was dismal as sites could not be prepared for building offices and posts were not sanctioned. The financial performance during 1997-98 was also discouraging as only Rs. 183.19 lakhs could be utilised out of the outlay of Rs. 460.00 lakhs. Similar was the position during 1998-99. The outlay for 1999-2000 has been further reduced.

#### Action Taken by the Ministry

During the 8th Plan, only half of the outlay could be utilized mainly because the scheme 'Setting up of National Press Centre at New Delhi' with an outlay of Rs. 360.00 lakhs could not be implemented as the plot for setting up of National Press Centre was not handed over to PIB.

Similarly, under the Schemes 'Opening of Branch Offices of PIB' and 'Provision of Greater Mobility', due to non-sanction of posts and purchase of vehicles, sufficient proportion of the outlay could not be utilized during the 8th Plan as well as during 1997-98.

[Reference Min. of I&B O.M.No. G-20016/2/99-B&A,  
dated 20.09.1999]

#### Comments of the Committee

Please see Para No. 15 of Chapter I.



## CHAPTER V

### RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

#### Recommendation (Para No. 8)

The Committee is of the view that without adequate financial resources the Ministry may not be able to achieve the physical targets. As such, it recommends that the Ministry should put forth its case before the Planning Commission more convincingly and assertively. The Ministry should also resort to strategic restructuring to ensure more generation of revenue in order to get more financial outlay.

#### Action Taken by the Government

For the Ninth Five Year Plan, the Ministry of Information and Broadcasting had originally projected a requirement of Rs. 6135.45 crores with budgetary support at Rs. 2049.95 crores. The Planning Commission had fixed the Ninth Plan outlay of the Ministry of Information and Broadcasting at Rs. 2970.34 crores with a budgetary support provision of Rs. 725 crores. *Vide* their Communication dated 31.3.1999, Planning Commission have unilaterally slashed the total outlay further to Rs. 2843.05 crores with budget support reduced to Rs. 680.05 crores. As this reduced Ninth Plan outlay would adversely affect the plans for modernisation of the Media Units especially in the Broadcasting Sector, the matter for restoration of Ninth Plan outlay to the earlier approved level of Rs. 2970.34 crores has been taken up with the Dy. Chairman, Planning Commission by the Minister of Information and Broadcasting. The matter is still under consideration in the Planning Commission. Reorganisation and restructuring of Prasar Bharati can potentially lead to savings and generation of additional revenue but reorganisation

and restructuring has to necessarily await stability in management structure of Prasar Bharati. Ministry is expecting this to come about in near future.

[Reference Min. of I&B O.M. No. G-20016/2/99-B&A, dated 20.09.1999]

NEW DELHI;  
11 February, 2000  
22 Magha, 1921 (Saka)

SOMNATH CHATTERJEE,  
Chairman,

Standing Committee on Communications.

Members

Lok Sabha

1. Shri Ambareesh
2. Shri Mahendra Bhatia
3. Shri Tawan Kumar Bansal
4. Shri Nishil Kumar Chaudhary



## APPENDIX I

### MINUTES OF THE SECOND SITTING OF THE STANDING COMMITTEE ON COMMUNICATIONS (1999-2000)

The Committee sat on Thursday, the 27th January, 2000 from 1500 hours to 1700 hours in Committee Room No. 53, Parliament House, New Delhi.

#### PRESENT

Shri R.N. Arya — *in the Chair*

#### MEMBERS

#### *Lok Sabha*

2. Shri Ambareesha
3. Shri Mahendra Baitha
4. Shri Pawan Kumar Bansal
5. Shri Nikhil Kumar Chaudhary
6. Shri T. Govindan
7. Shri Jawahar Lal Jaiswal
8. Shri K.K. Kaliappan
9. Dr. C. Krishnan
10. Shri Bhartruhari Mahtab
11. Shri Simranjit Singh Mann
12. Shri G. Ram Mohan
13. Shri A.K. Moorthy
14. Shri K. Balrama Krishna Murthy
15. Shri K.A. Sangtam
16. Shri Saroj Tufani
17. Shri Chandra Vijay Singh
18. Rajkumari Ranta Singh
19. Shri Vinjay Kumar Sorake
20. Shrimati D.M. Vijaya Kumari

*Rajya Sabha*

21. Shrimati Veena Verma
22. Shri Balkavi Bairagi
23. Shri Shatrughan Sinha
24. Shri Narendra Mohan
25. Dr. Mahesh Chandra Sharma
26. Dr. Y. Radhakrishna Murthy
27. Shri S. Agniraj
28. Shri Kartar Singh Duggal

## SECRETARIAT

- |                       |   |                           |
|-----------------------|---|---------------------------|
| 1. Shri P.D.T. Achary | — | <i>Joint Secretary</i>    |
| 2. Shri S.K. Sharma   | — | <i>Deputy Secretary</i>   |
| 3. Shri A.S. Chera    | — | <i>Under Secretary</i>    |
| 4. Shri Bhupesh Kumar | — | <i>Assistant Director</i> |

2. As the Chairman was not present, the Committee authorised Shri R.N. Arya, to preside over the Sitting of the Committee Under Rule 258(3). The Chairperson then, on behalf of the Chairman, welcomed the Members who could not attend the First Sitting of the Committee which was held on 12 January, 2000.

3. \*\*\*

4. The Committee also considered the Draft Second Report on Action Taken by Government on the recommendations of the Committee contained in its Fifteenth Report on Demands for Grants (1999-2000) relating to the Ministry of Information and Broadcasting and adopted the same without any amendments/modifications.

5. The Committee then authorised the Chairman to finalise and present the above mentioned Reports to the House.

6. Some of the Members of the Committee suggested that a Sub-Committee may be constituted to consider Action Taken by Government on those recommendations of the Committee made in its earlier Reports which have been accepted by the Government.

*The Committee then adjourned.*

## APPENDIX II

(Vide Para 5 of Introduction of Report)

### ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE FIFTEENTH REPORT OF STANDING COMMITTEE ON COMMUNICATIONS (TWELFTH LOK SABHA)

- (i) Recommendations/observations which have been accepted  
by the Government:

Para Nos. 7, 18, 19, 25, 33, 34 & 55

Total 07

Percentage 29.2%

- (ii) Recommendations/observations which the Committee does  
not desire to pursue in view of the reply of the Government:

Para Nos. 12, 32, 40, 41, 49, 56, 61, 72, 73, 74, 86, 87, 88 &  
89

Total 14

Percentage 58.3%

- (iii) Recommendations/observations in respect of which replies  
of the Government have not been accepted by the  
Committee and which require reiteration:

Para Nos. 39 & 48

Total 02

Percentage 8.3%

- (iv) Recommendations/observations in respect of which replies  
are of interim nature:

Para No. 08

Total 01

Percentage 4.2%