

FIFTY-FIFTH REPORT
STANDING COMMITTEE ON
INFORMATION TECHNOLOGY
(2003)

(THIRTEENTH LOK SABHA)

MINISTRY OF INFORMATION & BROADCASTING
WORKING OF DIRECTORATE OF FIELD PUBLICITY

Presented to Lok Sabha on
Laid in Rajya Sabha on

11 6 DEC 2003



LOK SABHA SECRETARIAT
NEW DELHI

December, 2003/Agrahayana, 1925 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE
ON INFORMATION TECHNOLOGY
(2003)

Shri Somnath Chatterjee — *Chairman*

MEMBERS
Lok Sabha

- @2. Vacant
3. Shri Pawan Kumar Bansal
4. Prof. Dukha Bhagat
5. Shri Ajay Singh Chautala
6. Shri P.D. Elangovan
7. Shri Rama Mohan Gadde
8. Shri Jarbom Gamlin
9. Kumari Bhavana Pundlikrao Gawali
10. Shri T. Govindan
11. Shri Jawahar Lal Jaiswal
12. Shri K.K. Kaliappan
13. Shri A. Krishnaswamy
14. Shri K. Balrama Krishna Murthy
15. Shri Bhartruhari Mahtab
16. Shri Amarsinh Vasantao Patil
17. Shri Sheeshram Singh Ravi
18. Shri Saroj Tufani
19. Shri K.A. Sangtam
20. Shri C.N. Singh
21. Rajkumari Ratna Singh
22. Shri Nikhil Kumar Chowdhary
- *23. Vacant
24. Shri Vanlalawma
25. Shri Rajesh Varma
26. Smt. Kanti Singh
27. Shri Amir Alam Khan
28. Shri Charanjit Singh
29. Shri Arun Kumar
30. Dr. Bikram Sarkar

@Shri Yogi Aditya Nath ceased to be Member of the Committee *w.e.f.* 17 July, 2003.
*Vacancy caused *vice* appointment of Shri P.C. Thomas as Minister *w.e.f.* 24 May, 2003.

(iv)

Rajya Sabha

31. Shri Vijay J. Darda
32. Shri Dasari Narayana Rao
33. Dr. Prabha Thakur
34. Shri Suresh Pachouri
35. Shri S.S. Ahluwalia
36. Shri Balbir K. Punj
37. Shri Dina Nath Mishra
38. Smt. Sarla Maheshwari
39. Shri K. Rama Mohana Rao
40. Shri Shahid Siddiqui
41. Ms. Lata Mangeshkar
42. Shri Rajeev Shukla
43. Shri Sanjay Nirupam
- %44. Vacant
45. Shri Mukhtar Abbas Naqvi

SECRETARIAT

1. Shri P.D.T. Achary — *Additional Secretary*
2. Shri S.K. Sharma — *Joint Secretary*
3. Shri S.K. Sharma — *Officer on Special Duty (IT)*
4. Shri B.D. Swan — *Under Secretary*

*Shri Kartar Singh Duggal ceased to be Member of the Committee as his retirement from Rajya Sabha *w.e.f.* 26 August, 2003.

INTRODUCTION

I, the Chairman Standing Committee on Information Technology (2003) having been authorised by the Committee to submit the Report on its behalf, present this Fifty-Fifth Report on 'Working of Directorate of Field Publicity' relating to the Ministry of Information & Broadcasting.

2. The Committee took oral evidence of the representative of the Ministry of Information & Broadcasting and Directorate of Field Publicity (DFP) at its sitting held on 6 September, 2001 and 14 May, 2002.

3. The Committee wishes to express its thanks to the representatives of Ministry of Information & Broadcasting and Directorate of Field Publicity for appearing before the Committee and furnishing valuable information, that the Committee desired in connection with the examination of the subject.

4. The Report was considered and adopted by the Committee at its sitting held on 13 November, 2003.

5. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in the body of the Report.

NEW DELHI;
23 November, 2003
1 Kartika, 1925 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on
Information Technology.

REPORT

Introductory

The Directorate of Field Publicity is engaged in the task of publicizing various programmes and policies of the Government through its network of 268 Field Units under the control and supervision of 22 Regional Offices. Field Publicity came into existence in 1953 with 32 Field Units and 4 Regional Offices to supervise their work. The set-up created under the integrated publicity programme was named “Five Year Plan Publicity Organisation”. The Ministry of Information & Broadcasting directly exercises administrative control over the Units and Regional Offices. A full-fledged Directorate was constituted in 1959 to supervise and control the activities of the Field Units and it came to be called “Directorate of Field Publicity”.

2. The primary function of the Directorate is to publicize, inform, educate and communicate in rural areas, which are largely beyond the reach of electronic and print media. The field units conduct film shows, oral communication programmes, special interactive programmes, song and drama programmes, photo exhibitions etc, on themes like, national integration, communal harmony, strengthening of democracy and secularism, health and family welfare, removal of social evils such as untouchability, dowry, child marriage etc. New themes are added as and when required on the advice of various Ministries.

Schemes under 9th Plan

3. The emphasis in the schemes of Directorate of Field Publicity under the Ninth Plan was to strengthen the organisation by setting up more Field Publicity Units in various tribal areas with a view to increasing its reach to cover the entire country. Another emphasis was on vigorous steps towards modernisation of hardware/software and on computerisation of the Regional Offices. The Ministry approved an outlay of Rs.11 crore for the Directorate for the following Plan Schemes:-

S.No.	Name of the Schemes	Approved outlay
REVENUE:		Rs. in Lakhs
1.	Purchase of Films/Cassettes	Rs. 314.00
2.	Conducted Tours	Rs. 50.00
3.	Opening of new Field Units and Maintenance	Rs. 340.00
4.	Computerisation of Regional Offices	Rs. 40.00
	Sub-Total	Rs. 744.00
CAPITAL		
5.	Purchase of Video Projectors and Generators	Rs.356.00
	Sub-Total	Rs.356.00
	Grand Total	Rs.1100.00

Schemes under 10th Plan

4. The Plan Scheme “Purchase of Films/Cassettes” has been stated to be continuing in the 10th Five Year Plan also. A new scheme has been introduced in the 10th Plan to modernize and update the capital stocks of the Directorate. The tentative approved outlay for 10th Plan period has been stated to be as under:-

Sl.No.	Name of Scheme	Tentative Approved outlay (in lakhs)
1.	Purchase of Films/cassettes	250.00
2.	Modernisation and Update of capital Stock	850.00
3.	Procurement of Portable Video Projectors/Generators	356.00

Purchase of Portable Video Projectors (PVPs)

5. While examining the Demands for Grants (2001-02) of the Ministry of Information & Broadcasting, attention of the Committee was drawn to Press reports which alleged irregularities in the purchase of ‘portable video projectors’ by the “Directorate of Field Publicity” giving factually incorrect information to the Committee on the said purchases, grave misappropriation of funds, and undue favours to a particular company.

6. Due to paucity of time at that stage, the Committee could not look into the matter in detail. So the Committee decided to examine the functioning of the Directorate of Field Publicity (DFP) in details at a later date.

7. The Committee enquired about the need to purchase Portable Video Projectors (PVPs) by the DFP. In reply, it was stated that owing to the 16mm sound projectors going out of production and consequent upon the advent of the video technology, the Ministry of Information & Broadcasting decided to provide portable video projectors (PVP) to all the field publicity units. 286 PVPs were to be purchased between 1995 and 2000 for which a sum of Rs. 356 lakhs was provided under the Plan scheme ‘Procurement of Portable Video Projectors/ Generators in the IX Plan.

In pursuance of this, DFP started procuring the same with effect from the financial year 1995-96 from Plan funds the details of which are stated to be as under:-

<u>1995-96</u>						
Sl. No.	Supply Order	Date	Qty. Make	Rate	Remarks	Plan/non-Plan
1)	2/18/94-Tech	24.11.95	2 Nos. Eiki-3010	Rs.2,97,000/-	Single tender basis from ET & T Corp.	Non-Plan
2)	2/20/95-Tech	6/3/96	17 nos. Eiki-3010	Rs.2,65,000/-	Open-Tender basis from ET&T Corp.	Plan
<u>1996-97</u>						
1)	2/25/96-Tech	3/12/96	3 Nos. Eiki-3310	Rs.1,64,000/-	Open-Tender basis from	Non-Plan

					Infinity System	
2)	2/22/96-Tech	10/1/97	30Nos Eiki-3310	Rs.1,64,000/-	Open-Tender basis from Infinity System	Plan
3)	2//97-Tech	31/3/97	48 Nos. Eiki-3510	Rs.1,64,000/-	Open-Tender basis from Infinity System	Plan
<u>1997-98</u>						
1)	2/13/97-Tech	9/1/98	72Nos. Eiki-3610	Rs.1,61,500	Open-Tender basis from Infinity System	Plan
2)	2/33/97-Tech	26/2/98	8 Nos. Eiki-3610	Rs.1,61,500/-	Open-Tender basis from Infinity System	Plan
<u>1998-99</u>						
1)	2/9/98-Tech	23/2/99	58Nos. Sanyo- PLV20E (36Nos) Hitachi CP-S220 (22Nos.)	Rs.1,38,000/-	Open-Tender basis from Infinity System	Plan
<u>1999-00</u>						
1)	2/10/99-Tech	3/12/99	48 Nos. Hitachi CP-S220	Rs.1,83,500/-	Open-Tender basis from Infinity System	Plan

8. The Committee learnt from an internal note of the Directorate of Field Publicity that M/s. Infinity System, the selected supplier, had sought extension of time upto 15 March, 1997 for putting up the equipment for inspection which was ordered vide supply orders dated 3 December 1996 and 10 January 1997. It is evident from the note that the firm had failed to adhere to the supply schedule of two weeks, in the first instance, and it was granted extension to 20 February, 1997. It was further sought to be extended up to 15 March, 1997 when the Directorate of Field Publicity placed the third supply order dated 31 March, 1997 for supply of 48 PVPs. In the note, it was mentioned that if the firm failed to put up the equipment for inspection by 15 March, 1997, the supply orders would stand automatically cancelled and withdrawn besides warranting other actions as per the

tender conditions. However, it seems that no action was taken against the firm and the firm sought repeated extensions again and again for each of the supply orders.

9. In reply to a query by the Committee, the Ministry stated that the actual supply of video projectors against the last two supply orders i.e., 58 Nos. of 1998-99 and 48 Nos. of 1999-2000 got delayed inordinately and did not materialize during the respective financial years. In the former case, 24 PVPs were received during 1999-2000 and the remaining 34 during January 2001. Similarly, the supply for 1999-2000 of 48 PVPs spilled over to the next year, 15 PVPs were received as late as on 19 February, 2001 and the order for the remaining quantity of 33 Nos. was cancelled on 15 March, 2001 as per the instructions of the Ministry when the supplier could not execute the order. The payments are stated to have been made by revalidated cheques which were originally drawn in the years of the supply order without getting any supply of PVPs. It has also been stated that three cheques towards the cost of 29 of the remaining 33 video projectors were lying with the P&AO.

10. Clarifying the position further in reply to a query by the Committee, the Ministry elaborated that during August 2000, 22 video projectors were supplied against the supply order of 1998-99 and none of the 48 PVPs of the supply order of 1999-00 was delivered. At that stage, the firm came up with an offer to supply Hitachi CP-S220 Data/Video projector in place of Sanyo PLV-20E as the production of the latter model had discontinued. The firm offered to supply the Hitachi CP-S220 video projector at the same tendered price of 1,38,000/- each for the 22 items pending from the supply order of 1998-99 and at Rs.1,83,500/- (ex. of ST) for the 48 PVPs of the supply order of 1999-2000 even though the cost of the same was Rs.2,25,000/- in the market at that time. The changed model was acceptable to the Directorate of Field Publicity.

11. On a query about the actual supply of Portable Video Projectors for the years 1998-99 and 1999-2000, the DFP in reply stated that they had already procured the video projectors although the actual supply did not materialize and wrong information was reported to the Parliamentary Committee. It was also stated that the cheques which were issued against these orders were re-validated and payments were made at a later stage.

12. Details of date wise delivery of video projectors were stated to be as follows:-

Year and date of the supply order	Date of delivery	No. of PVPs received	Cumulative till date
Eighth Plan			
<u>1995-96</u>		2 from Non-Plan funds)	2
		17 } 19	19
<u>1996-97</u>	17.3.97	33 (including 3 from Non-Plan funds)	52
3.12.96		} 81	
10.1.97			
31.3.97			
	10.06.97		16
	4.7.1997	16	84
	9.7.1997	16	100
<u>1997-98</u>			
8.1.98	12.2.1998	25	125
26.2.98	28.3.1998	14	139
	3.4.1998	22	161
	30.5.1998	8	169
	3.6.1998	11	180
		} 80	
<u>1998-99</u>			
23.2.99	30.10.1999	12	192
	16.2.2000	12	204
	19.6.2000	12	216
	4.1.2001	10	226
	24.1.2001	12	238
		} 58	
<u>1999-2000</u>			
3.12.99	1.2.2001	3 (from Non-Plan funds)	241
	19.2.2001	12	253
		} 15	

13. In this context, the Committee asked whether the Ministry was aware that the Parliamentary Committee had been misled and if so, whether any inquiry was ordered. The Secretary, Ministry of Information & Broadcasting admitted that wrong information

had been furnished to the Committee upon which an explanation was sought from the then DG, DFP who had submitted that there was a communication gap and he did not intend to mislead the Committee. The Secretary, Ministry of Information & Broadcasting further stated that on examination of the records of the Directorate of Field Publicity as also the administrative section in the Ministry, it was found that the DFP committed the following technical/procedural lapses and thus gave undue advantage to the supplier of PVPs.

- (a) Giving the benefit of increase in price over the quoted price to M/s. Infinity Systems in the year 1997-98 for the supply of 80 PVPs, on account of rise in customs duty and devaluation of rupee.
- (b) Repeated extensions of time for executing the supply orders.
- (c) Awarding the contract in the next year (1999-2000) to the same company despite the fact that it had not completed the supply order in the previous year (1998-99) on the ground of being lowest tenderer.
- (d) Enhancing the rate per unit of the PVPs in the supply order of 1999-2000, to accommodate the rise in customs duty.
- (e) Meeting the expenditure of 3 PVPs from the Non-Plan funds, during 1999-2000, without reference or advice from the Ministry.
- (f) Wrong reporting of the facts and figures relating to physical achievement under this Plan Scheme to the Ministry and to the Parliamentary Standing Committee on Information Technology.
- (g) Revalidation of cheques without exercising any check/control on propriety of expenditure and receipt of material.
- (h) Drawal of cheques for payment without receiving PVPs.

14. In view of the serious irregularities committed in the procurement of PVPs, the Committee called for internal noting exchanged between the Information Wing and the Internal Finance Wing of the Ministry of Information & Broadcasting. The Joint Secretary (P) in his note dated 20 January, 1998 had observed as under:-

“.....When we go to the tendered document it can be seen that the document has two parts, one concerning the prices of equipment and the other concerning general requirements. In the second part the tenderers was required to quote the amount for Annual Maintenance Contract

(AMC) after the warranty. Directorate of Field Publicity made its choice entirely on the prices of equipment and considered that the second part was not essential for decision making. A comparative study of the AMC's offered indicated that M/s Infinity Systems' percentage of AMC is 12.5%, as against 5% of M/s Entel Pvt. Ltd..... assuming that the equipment have a life span of 15 years this is a substantial difference in monetary terms."

The note further added

"Whether DFP was required to take into account these factors other than the prices, is a moot point. Considering the mandatory impact of this omission, in my view even though these are secondary aspects, should be adequately covered while placing orders."

"In view of the fact that price factor of the commodity has been adequately considered by the tendered Committee and M/s Infinity Systems has been chosen on the price of the main component and also taking into account of the lead-time required for the process. I suggested that Director(DFP) can be told to negotiate with M/s Infinity Systems for a 5% AMC and to enter into a legal binding undertaking with M/s Infinity Systems for supply of spare parts. If these attempts are failed, then DFP should go for re-tendering."

In the same note it has been further noted:-

"the total cost per PVP from M/s Infinity is Rs.1,71,360 (including, training, installation and delivery) and from M/s Entel it comes to Rs. 1,81,560/- (including installation and training). However, taking into account the AMC aspect, after the one year warranty period, approximately Rs. 22,070 (12.5% of equipment costs) would be incurred per year on PVP and screen from M/s Infinity, whereas only Rs.9,282/- approximately would be the yearly fees on supplies from M/s Entel. Thus, the difference in AMC burden is substantial over the 15-year period, i.e., Rs. 1.92 lakhs more in case of opting for M/s Infinity."

15. The Committee asked about the action taken against the delinquent officials after the abovementioned irregularities were noticed. In reply, the Secretary, Ministry of Information & Broadcasting stated that the matter was referred to the Central Vigilance Commission (CVC) which was of the opinion that there was prima facie evidence to show that the then DG, DFP was personally responsible for extending undue favours to M/s Infinity Systems Pvt. Ltd. The Commission has, therefore, advised initiation of proceedings against the then DG, DFP with a view to impose penalty in the form of cut-

in-pension. The case has been put up to the Minister, as stated by the Secretary, Ministry of Information & Broadcasting.

16. When asked about the details of the video projectors procured, the Secretary, Ministry of Information & Broadcasting stated in evidence that in 1995-96, nineteen video projectors were ordered and received in time. But in 1996-97, out of the 81 Projectors ordered, the supply extended beyond that fiscal year because orders for 48 Projectors were placed on 31 March, 1997. Asked to elaborate further, he stated that, 33 Projectors which were ordered by January, 1997 were received before 31 March, 1997, but 48 PVPs for which orders were placed late as mentioned above, were received in three installments i.e. 16 each in June, 1997, on 4 July and on 9 July, 1997.

17. Asked by the Committee to explain the position for the next fiscal i.e. 1997-98, the Secretary, I & B stated that 80 Projectors were ordered in the year 1997-98, (the first year of the Ninth Plan period) out of which 72 were ordered for the old units and 8 for the new ones. Giving a break up, the Secretary further stated that 39 Projectors were received before 31 March, 1998 while 22 were received on 3 April, 1998 and the remaining 19 in June, 1998.

18. In reply to another query of the Committee, the Secretary, I&B stated the real deterioration started in 1998-99. In that year, order for 58 PVPs was placed on 23 February, 1999, just one month before the close of the financial year. But the supply was received much later i.e. 12 each in October, 1999 and February and June, 2000. The remaining 22 PVPs were received in January, 2001.

19. The Secretary further stated that for the year 1999-2000, although the order for 48 PVPs was placed in December, 1999 with the same firm, yet only 15 PVPs were received in February, 2001. The order for the remaining 33 PVPs was cancelled as by this time it had come to the notice of the Ministry that some irregularities were going on and that the Standing Committee had been misinformed.

20. On perusal of an internal note of the Directorate of Field Publicity dated 10 June, 1999, it came to notice that 58 video projectors for which supply order was issued on 23 February, 1999 were supposed to be put for inspection by 15 May, 1999 after grant of

extensions. However, the supplier came up with the request for another extension of time upto 30 June, 1999 and that too for part supply of the order and not all the 58 Nos. Thereafter, repeated extensions were granted to the firm without any valid reason. The supplier did not supply the projectors till 7 June, 2000. So the Directorate of Field Publicity who had already drawn the three cheques numbering 888120, 888121 and 888117 in favour of the firm on 17 February, 2000 for Rs. 16,55,338/-, Rs.16,55,338/- and Rs. 13,79,448/- respectively without any valid reasons, requested the Pay and Accounts Officer, Ministry of Information & Broadcasting in June, 2000 to revalidate these cheques.

21. The Committee enquired as to how the case was recommended for extension of time repeatedly and why extensions of time were given to the firm after it failed to honour the tender. In reply, the representative of the DFP stated that it was due to a condition in the tender. He justified it by stating that the firm was allowed four weeks time to produce the goods for inspection. He further stated as the article was one of important nature, the time allowed for delivery of products was unrealistic and firm would have asked for extension. When asked about the number of extensions given to the firm in executing the supply orders, he stated that the number of extension was eight to nine which spilled over two years.

22. The Committee enquired as to who looked after the Information Wing, the Secretary stated that the Secretary himself heads the Information Wing and one Joint Secretary looked after it. The Secretary further clarified that when wrong information was given to the Committee, at that point of time the then JS (Policy) was not aware that wrong information was given and he had no means to know that.

23. The Committee desired to know about the entire system of monitoring at the Ministry level to ensure proper implementation of Government policies and programmes by the DFP. In reply, it has been stated that there has been a review programme at the time of Budget formation and consideration of new schemes or special campaigns. Then, the discussion takes place normally with the DG, DFP at the Headquarters in consultation with the user Ministries and accordingly the policies are framed and get implemented. The Secretary, Ministry of Information & Broadcasting further added that as regards the

day to day or routine functioning of the DFP, there has been no monitoring at the Ministry level.

24. The Committee notes that, DFP initiated the process for procuring Portable Video Projectors (PVPs) in 1995-96 from Plan funds. Such procurement was stated to be necessitated by the advent of Video technology as well as due to obsolescence of 16 mm sound projectors which were in use at that time in the Directorate of Field Publicity. But what followed the procurement of PVPs, from the years 1995-96 to 1999-2000, has been proved to be recurring financial improprieties, gross irregularities, clear favoritism to the supplier firm by flouting established procedures and norms and causing loss to the exchequer and defiance of authority as has been brought out in the succeeding paragraphs.

25. The Committee finds that 48 PVPs, for which supply order was issued on 31 March, 1997, were delivered by the supplier in three instalments, the last being as late as in July, 1997. The Committee fails to understand the urgency for which orders were placed on the last day of the financial year 1996-97 when supply against the earlier supply orders dated 3 December, 1996 and 10 January, 1997 for 3 Nos. and 30 Nos. PVPs were pending and the supplier was seeking extension of time repeatedly.

26. Out of the 80 PVPs ordered in the year 1997-98, only 39 were received before the end of that financial year. The remaining PVPs were delivered in batches extending up to June 1998. Similarly, the supply of 58 PVPs ordered during the year 1998-99 actually materialised as late as in January, 2001. Out of the 48 PVPs for which supply orders were placed on 3.12.1999, 15 were received in February, 2001 i.e. after a lapse of 14 months and the order for the remaining 33 PVPs was cancelled because the Ministry had come to realise that some irregularities were committed. Secretary, Ministry of I&B's statement that the real deterioration started from 1998-99 onwards, does not impress the Committee for the irregularities were actually committed much before and even at the time of placing supply orders as has been narrated above. Even in the award of contract for supply of Portable Video Projectors, second part of the contract dealing with Annual Maintenance

Contract was completely ignored which had serious financial implications running into crores. Orders were being placed as late as on the last day of a particular financial year, supplies were executed much after the stipulated date, repeated extensions were given to the firm for effecting the supply without any convincing justification and all sorts of financial and procedural improprieties were committed. It is a matter of grave concern that serious financial irregularities were committed by the Directorate of Field Publicity by drawing the cheques in favour of the supplier even though the supply had not even commenced and the supplier was seeking repeated and unjustified extensions of time. No punitive action was taken against the supplier for repeated defaults on its part. The Directorate did not even bother to inform the Ministry about these irregularities. The matter came to the notice of the Ministry only when reports appeared in the media and the Committee took note of it. The Committee is perplexed at the generosity of the Directorate of Field Publicity in acceding to each request of the supplier for extension of time which ranged upto 18 months from March, 1999 to July, 2000. The Committee is also at a loss to understand why three cheques were drawn when there was only one supply order for 34 projectors. The Ministry should look into this aspect also to ensure that there was no malafide intention.

27. Moreover, the DFP met the expenditure of 3 PVPs from the Non-Plan funds during the year 1999-2000 without any reference or advice from the Ministry. It is also indication of the inadequate or even non-existent monitoring system on the part of the Ministry. The Committee gets the impression that the DFP was given a *Carte Blanche* to function in its own way disregarding all established norms. It was the responsibility of the Ministry of Information & Broadcasting to ensure that such irregularities were not committed by the DFP.

28. The Committee finds that the award of contract was continued with the same firm i.e. M/s Infinity System despite it being a defaulter; rate per unit of PVPs was arbitrarily enhanced at the request of the supplier on the pretext of enhanced customs duty and cheques were revalidated without exercising any check/control on the propriety of expenditure or even receipt of material. The Central Vigilance Commission (CVC) has off course advised initiation of cut-in-pension proceedings

against the then DG, DFP after finding him responsible for extending undue favours to the firm i.e. M/s Infinity Systems Pvt. Ltd. but the matter should not rest there. The Committee want the Ministry to devise suitable measures to strengthen the procedure to prevent occurrence of such lapses in future.

29. The Committee takes a serious view of the fact that wrong information was furnished to them by the Directorate of Field Publicity and no action has been taken by the Ministry. But for the media reports, this fact would have gone unnoticed. Stringent action is required to deal with such cases of willful neglect and disrespect to Parliament and its institutions. The Ministry should inform the Committee about the action taken in this regard.

Purchase of Films and Video Cassettes

30. Some of the important schemes of the Directorate during the IX Plan were purchase of films/cassettes, Utilization of Plan fund on 'Purchase of films/cassettes has been stated to be as follows:-

<i>Year</i>	<i>Approved Outlay</i>	<i>Allocation</i>	<i>Utilization</i>
1997-98	50,00,000.00	Rs.50,00,000.00	Rs.5,010,852.00
1998-99	100,00,000.00	Rs.75,22,000.00	Rs.74,50,123.00
1999-2000	50,00,000.00	Rs.50,00,000.00	Rs.48,34,831.00
2000-2001	75,00,000.00	Rs.80,00,000.00	Rs.78,88,065.00

31. When asked about the funds received from other Ministries/Government Departments/International bodies viz. UNICEF, BBC for carrying out field publicity campaign, the DFP in a note has stated that following funds were received by them from other Ministries/Departments/International bodies during 1998-99 to 2000-01.

<i>Ministry/Deptt/Orgn</i>	<i>(in rupees)</i>		
	<i>1998-1999</i>	<i>1999-2000</i>	<i>2000-2001</i>
NACO	1,50,00,000	50,00,000	50,00,000
Minis. H&FW(PPP)	Nil	1,50,00,000	50,00,000
Mins. H&FW(Iodine)	Nil	Nil	45,00,000
UNICEF	4,02,000	3,00,000	Nil
BBC	Nil	Nil	3,00,000
Mins. Of Labour	20,40,000	38,00,000	Nil
WHO	Nil	Nil	20,80,000

32. When inquired about the utilisation of funds, the DFP stated that the funds had been properly utilized and the utilization certificates have been furnished to the Ministry of Labour, UNICEF and WHO.

33. The Committee asked about the details of films procured under the plan during 1998-99, 1999-2000 and 2000-2001. In reply, the DFP has given the following details:-

<u>Year</u>	<u>No. films/documentaries</u>	<u>No. of VHS copies</u>
1998-99	56 docs. & 3 DD serials of total 36 episodes	17,203
1999-2000	1 DD serial of 13 episodes	6525
2000-2001	116 docs. & 2 DD serial of total 27 episodes	14256

34. In reply to a specific query about the funding of the films, the DFP has furnished the following details of the films which were procured during the IX Plan period with funds provided by various Ministries/agencies other than the Ministry of Information & Broadcasting.

(in Rs.)

<u>Ministry/Agency</u>	<u>Year</u>	<u>No. of films</u>	<u>Amount</u>
NACO	1997-98	4	35,49,600*
NACO	1998-99	5	37,63,200
NACO	1999-2000	4	32,52,240
(* the amount includes dubbing cost from the masters of 4 films provided by NACO)			
Mins. H&FW(PPI)	1999-2000	2	15,60,600
Mins. H&FW(PPI)	2000-2001	2	11,90,628
Mins. H&FW(Iodine)	2000-2001	2	12,18,128
Mins. Labour	1998-99	4	30,59,720
WHO	2000-2001	1	7,80,000
WHO	2001-2002	3	10,50,000

In House Production:

35. Each Field Unit of the Directorate of Field Publicity is headed by a Field Publicity Officer who visits rural areas to conduct film shows, oral communication programme and special interactive programmes. However, the main instrument of publicity is stated to be films on various subjects such as communal harmony, child labour and rights of women. These documentaries are stated to be of 20 minutes duration, on an average.

36. When asked about the programmes produced in-house by DFP, the Secretary, Information & Broadcasting stated that films were produced by Films Division while the mandate of DFP is that of distribution, exhibition and conducting of programmes and not of producing films. He further stated that the Ex-Director DFP demanded that he should be allowed to produce films instead of getting films made by Films Division. However, the Ministry did not agree and denied permission except for three films after Kargil conflict. But the Ex-Director went ahead and produced a number of films which were financed from sources other than the I&B Ministry, such as Ministry of Health, BBC, UNICEF and the Ministry of Labour.

37. The Committee enquired how the funds provided by outside agencies were monitored. In a note, the Ministry submitted that funds were provided by other Ministries/ Agencies on the basis of action plan submitted by the DFP. The Ministry further added that Ministry of Labour, UNICEF, WHO and BBC provided funds through Cheques whereas funds were routed through the Pay and Accounts office in the case of NACO and the Ministry of Health & Family Welfare. In this process, no representative of the Ministry of I&B was involved.

38. The Committee enquired, whether audit was conducted of the funds made available to the Directorate of Field Publicity, a representative of the Ministry replied that there was no audit of funds. Asked as to how the Ministry would ensure proper utilization of funds, the Secretary, I&B stated that the Ministry would get in touch with the C&AG on these matters.

39. The Secretary, Ministry of Information & Broadcasting admitted in reply to another query that things were not done according to the prescribed procedures. When asked by the Committee to state the action contemplated in this regard, the Secretary, stated that this matter would also be referred to the Central Vigilance Commission.

40. The Committee notes that exhibition of films constitutes one of the important activities in the publicity campaign of the DFP. The Committee notes that the mandate of the Directorate of Field Publicity is of distribution, exhibition showing films and conducting programmes and not production of films. However, funds had been received from other Ministries/Government Department International bodies such as UNICEF, BBC etc. by the Directorate of Field Publicity directly for giving publicity to some programmes. In this context, it is pertinent to note that the Director, DFP submitted proposals to the Ministry of I&B which happens to be the administrative Ministry to permit production of films through private producers instead of getting them made by any of the organs of the Ministry engaged in such activities like Films Division, NFDC etc. The Ministry also gave permission for 3 films as a special case after Kargil conflict. The Committee is not convinced by the reasons advanced by the Ministry in this regard when its own film Division was having ample infrastructure and was engaged in production of films. The Committee is surprised to note that the Director, DFP went ahead and got a number of films produced through private producers which were financed by sources other than the Ministry of I&B and funds were taken from these Government Ministries/International Agencies direct, and maintained outside the Ministry of I&B accounts. Thus, proper procedure was not followed by the DFP. The Committee feels that it is a clear deviation from the prescribed procedure. Notwithstanding the fact that the matter has been referred to the Central Vigilance Commission (CVC), the Committee is of the opinion that the Ministry must look into all these aspects and get the accounts audited to ensure that there was proper utilization of funds advanced by the different Ministries and other International Agencies. Proper measures should be taken to prevent recurrence of such incidents in future. The Committee expresses its dissatisfaction on the manner in which DFP handled funds advanced by the other Ministries/ Agencies for the procurements of films. There is no plausible explanation for preferring private producers when other

arms of the Ministry namely Films Division, NFDC and Children’s Film Society are engaged in production of films. It is a moot point whether these organizations were consulted at all for production of films. The Committee therefore, urges the Ministry to take up the matter with C&AG for auditing the accounts of funds to ensure proper utilization. The Committee will also like to be apprised of the action taken on the report of the CVC.

Subjects – Themes

41. The Committee desired to know the procedure followed in selecting topic/theme and the deciding authority in the publicity of materials as well as the interaction between the Directorate and other Ministries. In reply, the Secretary, Ministry of Information & Broadcasting stated that it depends on the pro-active role of the client Ministries as to how they want to propagate socially relevant ideas.

42. When asked about the selection of themes, the Director General, Directorate of Field Publicity stated that there are certain subjects, which are common and are continuing subjects, like national integration and communal harmony. The secretary, I&B added that new themes were selected in consultation with the Ministry. He further added that either Ministries could approach the Directorate directly or Directorate could approach the Ministries. Regarding the suitability of programme, the Directorate of Field Publicity reserves the final decision.

43. In reply to the format of publicity, the DG, DFP stated that they have two types of programmes. One is projection programmes where the films are projected and the field publicity officers explains to the people of the importance of the subject. The other is the interactive programme which consists of group discussions, elocution contest, small seminars and symposia.

44. The Committee wanted to know about the various types of films shown by DFP considering the importance of communal harmony throughout the country and the importance of population control and the scope of utilisation of funds allotted by the Ministry in production of films of specific interest to DFP. In reply, Secretary I&B stated

that according to the Allocation of Business Rules, on health matters as to what should be propagated, etc, the decision has to be taken by the Health Ministry and DFP can only advise them as to the best method of propagating the idea. Directorate of Field Publicity is therefore, stated to be the medium for propagation.

45. The Committee further asked whether there had been any prescribed procedure as to how the DFP officials would decide as to how many films are to be shown in a particular area and how the themes are chosen, the publicity officer, DFP in reply has stated that a particular theme has to be decided in consultation with the State officers. On matters of health the Health Department and State Governments are consulted.

46. The Committee further inquired whether the Directorate on matters of public interest, itself offers proposal to the concerned Ministry or waits for that Ministry to approach. In reply, it has been submitted that under normal circumstances the, Directorate does not initiates the proposal. Rather it expects the concerned Ministries to inform about the theme.

47. The Committee notes that selection procedure of themes depends on the proactive role of the client Ministries as to how they want to propagate socially relevant events. The Committee feels that DFP can play a greater role in the present scenario as it has greater penetration at the grass root level. DFP can also portray the exact depiction of society and can help in curbing social evils and in strengthening national integration and communal harmony. The Committee further wishes that while selecting subjects, the DFP should consult the people living in the rural and remote areas about their problems. This can lead to a two-way system of feed back which in the real sense can fulfill the objectives of DFP.

Functioning of DFP in North-East

48. The Committee learnt that after the Sino-India conflict in 1962 and the Indo-Pak war in 1965, some radical changes in the approach and working of DFP became necessary in view of the urgent need for boosting the nation's morale and for mentally

preparing the people to meet any external threat. Accordingly, 34 more units were added to the Directorate in 1963 and another 33 in 1965 for publicity exclusively in the border areas. Realizing the urgency of family welfare in the wake of the 1965-66 famine, Health & Family Welfare units were set up in the country for the first time in 1966. Out of the present strength of 268 field units, it is stated that 72 are border units and 30 Family Welfare Units.

49. In this regard, the Committee inquired about the steps taken for boosting publicity in the border areas after the Chinese aggression and the dubbing the films of social-economic issues in regional dialects which can be understood by the people of North-East region. In reply, the DG, DFP stated that a large number of field publicity units were created for publicizing and taking the people of North-East area into confidence and mobilizing their support. As regards the dubbing of films, it has been stated that films have been dubbed in 16 to 17 major languages. But because of the cost involved, the films cannot be dubbed into all the dialects. It has further been stated by DG, DFP that the Ministry has taken a decision to declare the cadre of officers, who would be operating in the border areas publicity units, as a dying cadre, so a number of vacancies have occurred which has been hampering the functioning of publicity units.

50 The Committee notes that there are large number of field publicity units which were created for publicizing and taking the people into confidence and mobilizing their support in the North-Eastern areas. The Committee regrets to note that Ministry has taken a decision to declare the cadre of officers who are operating in the border publicity units as a dying cadre and there are number of vacancies. As there is a need for looking into the problems of the people living in the North-East, programmes of national integration and communal harmony should be dubbed into major dialects, which are understood by the people of the North-Eastern States. This will ensure a wider diffusion of information in these areas. The Committee trusts that proper attention will be paid in this regard and believes that lack of funds will not hamper progress while implementing the same.

SHORTAGE OF STAFF

51 After a perusal of the documents furnished to the Committee it is learnt that the DFP, from time to time, has been expressing its helplessness in carrying out appropriate field publicity in view of shortage of Field Publicity Officers. In a note in 1998, the then Director, Field Publicity had pointed out that out of the 248 sanctioned posts of Field Publicity Officers who formed the backbone of DFP as they are the ones who operate directly in the field, 97 posts remained vacant for the past several years and as a result of these vacancies, many Field Publicity Units continued to be run by Field Publicity Assistants (who are basically audio-visual technicians, with most of them having been promoted from the categories of drivers/peons), and according to him this was having an adverse affect on the overall functioning of the DFP. In 1999 also, the DFP in a communication to the Ministry of Rural Development and Employment had pleaded that in view of the fact that out of the total 268 Field Publicity Units, no less than 110 were without a field Publicity Officer. As the need for suitable film-based software became imperative, it could not be expected that the Field Publicity Assistants, who were basically semi-literate technical hands, to explain the finer nuances of the Rural Development Schemes.

52. The Committee desired to know whether vacancies still existed in the DFP especially at the level of the Field Publicity Officers. A representative of the DFP submitted that there have been a large number of vacancies still existing at the cutting edge-level.

53 The Committee is concerned to note that the performance of the DFP has hampered due to shortage of staff especially in the field publicity units where 110 units are functioning without field officers. The Committee recommends that the Ministry should take urgent steps to address the concern of shortage of staff in the Directorate with special attention to the grades of field publicity officers.

Conducted Tour

54 Under a Plan scheme, the Directorate of Field Publicity has been organizing conducted tours of opinion leaders from remote rural areas, especially those belonging to

the tribal and other backward sections of the society to other parts of the country. The opinion leaders include progressive farmers, village panchayat functionaries, village artisans, teachers, etc. The purpose is to expose these people to the progress achieved by the nation in various fields such as industry, defence, agriculture, etc. and also in the diversity of culture that the nation is proud of. This is aimed at generating national integration and patriotism among the people, and also for imbibing the farming practices prevalent in the progressive states.

55. When asked about the details of conducted tours, it has been stated that a conducted tour party consists of about 20 opinion leaders. Selection of these leaders is made by a Field Publicity Officer from whose region the conducted tour is being taken out. Available funds on this scheme are distributed to the Regions on rotational basis; however, priorities are given to those regions in the North-East and other regions having significant concentration of tribal and other backward classes.

56. The Committee asked about the impact of such conducted tours. In reply, it has been stated that the main purpose of the conducted tours was to take the opinion from one part of the country to the other and familiarize them about what is happening in other parts of the country. It has further been stated that these tours have been effective and they receive a report of a conducted tour.

57. The Committee is happy to note that the DFP has been organising conducted tours to remote rural areas, especially for those belonging to the tribal and other backward sections of the society. The aim of conducted tours has been to generate national integration and patriotism amongst the people, and also to imbibe the farming practices practised in the progressive states. It is a commendable job, which needs to be encouraged. The Committee, therefore, feels that the frequency of tours should be increased and more and more funds be allocated for the same. The Committee, would however, like to emphasize the fact that proper monitoring should be adhered to so that funds earmarked for conducted tours are not misutilised.

MINUTES OF THE FORTY-FIRST SITTING OF THE STANDING
COMMITTEE ON INFORMATION TECHNOLOGY (2001)

The Committee sat on Thursday, 6 September, 2001 from 1130 hours to 1250 hours in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee—*Chairman*

MEMBERS

Lok Sabha

2. Shri Pawan Kumar Bansal
3. Prof. Dukha Bhagat
4. Shri Nikhil Kumar Chaudhary
5. Adv. Uttamrao Dhikale
6. Shri Jawahar Lal Jaiswal
7. Shri K.K. Kaliappan
8. Dr. C. Krishnan
9. Shri Bhartruhari Mahtab
10. Shri G. Ram Mohan
11. Shri K. Balrama Krishna Murthy
12. Shri K.A. Sangtam
13. Shri Saroj Tufani
14. Sardar Buta Singh
15. Rajkumari Ratna Singh
16. Shri Vinay Kumar Sorake
17. Shri A. Krishnaswamy

Rajya Sabha

18. Shri Balkavi Bairagi
19. Shri Narendra Mohan
20. Dr. Y. Radhakrishna Murthy
21. Shri Kartar Singh Duggal
22. Shri R.N. Arya
23. Shri K. Rama Mohana Rao
24. Shrimati Kum Kum Rai
25. Shri Rajiv Shukla

SECRETARIAT

1. Shri P.D.T. Achary — *Additional Secretary*
2. Shri S.K. Sharma — *Deputy Secretary*

Representatives of Ministry of Information & Broadcasting

1. Shri Pawan Chopra, Secretary (I&B)
2. Smt. Aruna Makhan, AS&FA (I&B)
3. Shri Sudhir Sharma, J.S. (Admn. & Policy)
4. Shri Sudhir Bhandari, Chief Controller of Accounts
5. Smt. Esther Kar, Director (F&PC)
6. Shri V. Sahay, D.S. (Vigilance)
7. Smt. Sheyphali B. Sharan, Officer on Special Duty (IP)

Representatives of Directorate of Field Publicity

1. Shri Sahab Singh, DG: DFP
2. Shri Maheswar Rao, Joint Director, DFP
3. Shri N. Mozui, Deputy Director, DFP
4. Shri A.R.K. Prasad, Senior Technical Officer, DFP

2. At the outset, the Chairman welcomed the Secretary, Ministry of Information & Broadcasting and officers accompanying him.

3. Thereafter, the Chairman and members of the Committee sought information from the representatives of the Ministry of Information & Broadcasting and Directorate of Field Publicity on various issues about the 'Working of Directorate of Field Publicity' and issues relating to alleged irregularities committed in the purchase of Portable Video Projectors. The Committee also enquired how incorrect and misleading information on the purchase of PVPs was furnished to the Committee.

4. In response to a specific query by the Committee on reasons for delay in taking action against officials found responsible for furnishing incorrect and misleading information. Secretary, I&B admitted that the Ministry had taken a longer time in ascertaining whether the issue amounted to vigilance case also and whether it should be referred to the Central Vigilance Commission. He assured the Committee that two matters would now be separated. The Secretary also promised to

furnish factual note by 30 September, 2001 on the action taken by the Ministry into the matter as desired by the Committee. The Committee decided to examine the matter after receipt of the desired information from the Ministry.

5. A verbatim record of the sitting has been kept.

The Committee, then adjourned.

MINUTES OF THE TWENTY THIRD SITTING OF THE STANDING
COMMITTEE ON INFORMATION TECHNOLOGY (2002)

The Committee sat on Tuesday, May 14, 2002 from 1500 hours to 1720 hours in Committee Room 'A', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee—*Chairman*

MEMBERS

Lok Sabha

2. Shri Nikhil Kumar Chaudhary
3. Shri Jarbom Gamlim
4. Shri K.A. Sangtam
5. Rajkumari Ratna Singh
6. Shri Pawan Kumar Bansal
7. Shri Amarsinh Vasanttrao Patil
8. Shri C.N. Singh
9. Shri Bhartruhari Mahtab
10. Dr. C. Krishnan
11. Shri Vanlal Zawma
12. Shri G. Mallikarjunappa
13. Shri Rattan Lal Kataria
14. Shri Vinay Katiyar
15. Dr. Bikram Sarkar
16. Shri Chandra Vijay Singh

Rajya Sabha

17. Shri K. Rama Mohan Rao
18. Shri Kartar Singh Duggal

SECRETARIAT

- | | | |
|---------------------|---|-------------------------|
| 1. Shri S.K. Sharma | — | <i>Deputy Secretary</i> |
| 2. Shri B.D. Swan | — | <i>Under Secretary</i> |

Representatives of Ministry of Information & Broadcasting

1. Shri Pawan Chopra, Secretary (I&B)
2. Smt. Aruna Makhan, AS&FA (I&B)
3. Shri Sudhir Sharma, J.S. (Admn. & Policy)
4. Smt. Esther Kar, Director (F&PC)
5. Shri V. Sahay, D.S. (Vigilance)
6. Smt. Sheyphali B. Sharan, Officer on Special Duty (IP)

Representatives of Directorate of Field Publicity

1. Shri Sahab Singh, DG, DFP
2. Shri Maheshwar Rao, Joint Director, DFP
3. Shri N. Mozui, Deputy Director, DFP
4. Shri A.R.K. Prasad Senior Technical Officer, DFP

2. Before calling the witnesses to examine the 'Working of the Directorate of Field Publicity' the Hon'ble Chairman apprised the Committee of the contents of the communication received from the Ministry of Information & Broadcasting *vide* their OM No. 17/5/IT/2002 dated 3 May, 2002 in which the Ministry had clarified that the Central Vigilance Commission (CVC) to whom, file in connection with the irregularities committed in purchase of Portable Video Projectors was referred to had advised initiation of cut-in-pension proceeding against Shri Suresh Chopra the then DG, DFP. The Committee decided to leave the matter to the Ministry to initiate the action as per rules.

3. The Chairman further apprised the Committee of the Communication dated 11 April, 2002 received from the Ministry of Home Affairs regarding provision of WLL Telecom Services in North-Eastern States as desired by the Committee during examination of Demands for Grants for 2002-2003 of the Ministry of Information & Broadcasting. The Ministry of Home Affairs had stated that an inter-ministerial meeting of the representatives of the Ministries of Home Affairs, Defence and Department of Telecommunications was held and after considering the issue in detail it had been decided not to allow extension of the WLL based telecom services in the North-Eastern States excepting Arunachal Pradesh (excluding Tirap and Changland Distt.), Mizoram and Sikkim. The Committee desired that the matter be discussed in an inter-ministerial meeting of the three Ministries at

the highest level keeping in view the legitimate aspirations of the people of the North-East to have WLL telecom services and that those observations of the Committee be conveyed to the Ministry in the action taken report.

4. Then the witnesses were called in and the Chairman welcomed the Secretary, Ministry of Information & Broadcasting and other officials accompanying him.

5. The Committee then, sought clarifications on the issues relating to the subject "Working of Directorate of Field Publicity" and the representatives of the Ministry responded to the queries of the Members.

6. The Chairman, then, thanked the representatives of the Ministry of Information & Broadcasting for appearing before the Committee and for furnishing valuable information that the Committee desired in connection the examination of the subject.

7. A verbatim record of the sitting has been kept.

The witness, then withdrew.

The Committee, then adjourned.

MINUTES OF THE THIRTY-FIRST SITTING OF THE STANDING
COMMITTEE ON INFORMATION TECHNOLOGY (2003)

The Committee sat on Thursday, the 13 November, 2003 from 1500 hours to 1530 hours in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee—*Chairman*

MEMBERS

Lok Sabha

2. Shri Pawan Kumar Bansal
3. Prof. Dukha Bhagat
4. Shri T. Govindan
5. Shri K.K. Kaliappan
6. Shri Amarsinh Vasantryo Patil
7. Shri Sheeshram Singh Ravi
8. Shri Saroj Tufani
9. Shri K.A. Sangtam
10. Shri C.N. Singh
11. Shri Nikhil Kumar Chaudhary
12. Shri Vanlal Zawma
13. Shri Rajesh Varma
14. Shri Charanjit Singh

Rajya Sabha

15. Shri S.S. Ahluwalia
16. Shri Dina Nath Mishra

SECRETARIAT

1. Shri P.D.T. Achary — *Additional Secretary*
2. Shri S.K. Sharma — *Officer on Special Duty (IT)*
3. Shri B.D. Swan — *Under Secretary*

2. The Committee took up for consideration the following Draft Reports:—

- (i) Working of National Informatics Centre (NIC) relating to the Department of Information Technology.
- (ii) Working of Directorate of Field Publicity relating to the Ministry of Information & Broadcasting.

3. During the course of the meeting some Members pointed out that they could not go through the Draft Report on "Working of National Informatics Centre" (NIC) due to paucity of time. The Committee, therefore, decided to defer the consideration of that Draft Report to a later date. However, the Draft report on "Working of Directorate of Field Publicity" was adopted without any modification/ amendment.

4. The Committee, then, authorised the Chairman to finalise and present the Report on working of Directorate of Field Publicity to the House in light of the factual verification received from the Ministry.

The Committee, then, adjourned