

SIXTY-THIRD REPORT  
STANDING COMMITTEE ON  
INFORMATION TECHNOLOGY  
(2003)

(THIRTEENTH LOK SABHA)

MINISTRY OF INFORMATION & BROADCASTING

*[Action Taken by Government on the recommendations/observations  
of the Committee contained in its Forty-Ninth Report  
(Thirteenth Lok Sabha) on Demands for Grants (2003-2004)]*

*Presented to Lok Sabha on 22 Dec., 2003*

*Laid in Rajya Sabha on 23 Dec., 2003*



सत्यमेव जयते

LOK SABHA SECRETARIAT  
NEW DELHI

*December, 2003/Agrahayana, 1925 (Saka)*

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COMPOSITION OF THE STANDING COMMITTEE ON  
INFORMATIONS 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 Ram Mohan Gadde
8. Shri Jarbom Gamlin
9. Kumari Bhavana Pundilkrao 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 Vasantrao Patil
17. Shri Sheehram 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. Shrimati Kanti Singh
27. Shri Amir Alam Khan

28. Shri Charanjit Singh
29. Shri Arun Kumar
30. Dr. Bikram Sarkar

*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 Maheswari
39. Shri K. Rama Mohana Rao
40. Shri Shahid Siddiquie
41. Ms. Lata Mangeshkar
42. Shri Rajeev Shukla
43. Shri Sanjay Nirupam
44. @ Vacant
45. Shri Mukhtar Abbas Naqui

SECRETARIAT

- |                       |   |                                     |
|-----------------------|---|-------------------------------------|
| 1. Shri P.D.T. Achary | — | <i>Additional Secretary (P)</i>     |
| 2. Shri S.K. Sharma   | — | <i>Joint Secretary</i>              |
| 3. Shri S.K. Sharma   | — | <i>Officer on Special Duty (IT)</i> |
| 4. Shri D.R. Shekhar  | — | <i>Assistant Director</i>           |

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@ 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.

% 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 Sixty-Third Report on Action Taken by Government on the Recommendations/Observations of the Committee contained in its Forty-Ninth Report (Thirteenth Lok Sabha) on “Demands for Grants (2003-2004)” relating to the Ministry of Information & Broadcasting.

2. The Forty-Ninth Report was presented to Lok Sabha on 10 April, 2003 and was laid in Rajya Sabha on the same day. The Ministry furnished Action Taken Notes on the recommendations contained in the Report 5 August, 2003.

3. The Report was considered and adopted by the Committee at its sitting held on 19 December, 2003.

4. 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.

5. An analysis of Action Taken by Government on the recommendations contained in the Thirty-Second Report (Thirteenth Lok Sabha) of the Committee is given at Annexure-II.

NEW DELHI;  
*19 December, 2003*  

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*28 Agraphayana, 1925 (Saka)*

SOMNATH CHATTERJEE,  
*Chairman,*  
*Standing Committee on*  
*Information Technology.*

## REPORT

### CHAPTER I

This Report of the Standing Committee on Information Technology deals with the action taken by the Government on the recommendations contained in the Forty-Ninth Report (Thirteenth Lok Sabha) on “Demands for Grants (2003-2004)” relating to the Ministry of Information & Broadcasting.

2. The Forty-Ninth Report was presented to Lok Sabha on 10 April, 2003 and was laid on the table of Rajya Sabha on the same day. It contained 35 recommendations.

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. : 19, 50-53, 60, 77, 87, 88, 100, 108, 109 & 112  
Total : 13  
Chapter : II
- (ii) Recommendations/Observations which the Committee does not desire to pursue in view of the reply of the Government:  
Paragraph Nos. : 18, 47-49, 59, 61, 70, 71, 78, 95-96, 111 & 119-122  
Total : 16  
Chapter : III
- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:  
Paragraph Nos. : 54, 58 & 110  
Total : 3  
Chapter : IV

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

Paragraph Nos. : 55-57

Total : 3

Chapter : V

**4. The Committee trust that utmost importance will be given to the implementation of the recommendations accepted by the Government. In cases, where it is not possible for any reason to implement the recommendations in letter and spirit, the matter should be reported to the Committee with reasons for non-implementation. The Committee desires that Action Taken Notes on the recommendations/observations contained in Chapter-I and Final Action Taken Notes in respect of the recommendations contained in Chapter-V of this Report be furnished to it urgently and in no case latter than six months of the presentation of the Report.**

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

### **Vacancies in Prasar Bharati Board**

#### **(Para No. 54)**

6. The Committee in its Forty-Ninth Report had observed that there were four vacancies on the Prasar Bharati Board and had desired the Ministry to take up the matter for filling up of these vacancies particularly two vacancies pertaining to the representatives of the employees without further delay.

7. The Ministry in its Action Taken Note has stated that the recommendations of the Selection Committee headed by the Vice President of India in respect of Member (Personnel), was under examination in the Ministry. The post of Director General, Akashwani (*ex-officio* Member) was to be filled up by Prasar Bharati Board for which steps have been initiated. Besides, there were two vacancies pertaining to the representatives of the employees. Since all the employees of erstwhile AIR & DD continued to be Government Servants, the election of the representatives could not be held, till their services are transferred to Prasar Bharati, in accordance with the provisions of Prasar Bharati Act.

**8. The Committee takes a serious note of the fact that still there are four vacancies on Prasar Bharati Board even though this Committee has recommended repeatedly to fill up the vacancies expeditiously. The inordinate delay in this regard is bound to affect the efficient and effective working of Prasar Bharati. The Committee is not satisfied with the explanation of the Ministry and reiterates that Ministry should fill up four vacancies on Prasar Bharati Board expeditiously.**

### **Service Conditions of Prasar Bharati Staff**

#### **(Para No. 58)**

9. In the earlier report, the Committee had noted that the employees of DGs AIR and Doordarshan had been placed at the disposal of Prasar Bharati on existing terms and conditions of Government employees on deemed deputation basis, without deputation allowances with effect from 1 April, 2000. The Committee was perturbed that because of this change over, employees of the Prasar Bharati had been denied the status of being Government employees and the consequential benefits that were availed of by them earlier nor any other benefit had been granted to them as was being made available to the employees of newly constituted corporations/undertakings such as MTNL and BSNL. It had caused a lot of discontentment among them which required early redressal. The Committee held the view that erstwhile employees of Doordarshan and All India Radio could be transferred to Prasar Bharati in accordance with Provisions of Section – 11 of Prasar Bharati Act, only after the finalisation of Recruitment Rules and the terms and conditions of their services. The Committee had therefore, desired that the Prasar Bharati Board should take necessary steps urgently to formulate the rules and regulations and make appropriate recommendations to the Ministry so that the sense of deprivation that has developed among the employees of Prasar Bharati could be redressed suitably. The Committee desired that the Ministry should offer attractive benefits to all categories of employees of AIR and Doordarshan which would compensate them for loss of status and other perquisites that were available to them as Government employees when they would opt for the service of Prasar Bharati.

10. The Ministry in its Action Taken Note has stated that the main



intention was to make interim arrangement for facilitating the smooth functioning of Prasar Bharati and to allow it to exercise control and supervision on employees working against their posts. It has been added that these employees are still Government servants till their services are formally transferred to Prasar Bharati under Section-11 of the Prasar Bharati Act.

11. As regards the finalisation of rules and regulations for Prasar Bharati employees, Ministry has stated that while steps were being taken for speedy finalisation of rules and regulations, Joint Forum of Akashwani and Doordarshan Engineering Employees gave a call for strike by the employees demanding amongst other things, their association in the process of framing of these Rules and Regulations. Prasar Bharati management has, since signed a Memorandum of Understanding (MoU) with the Joint Forum of Akashwani and Doordarshan Engineering Employees. As per MoU, there would be a comprehensive review of recruitment rules and regulations including service conditions already notified under the Prasar Bharati Act as well as those rules and regulations which have yet to be notified. Fresh representations/suggestions received from Joint Forum of Akashwani and Doordarshan Engineering Employees by Prasar Bharati management would be reviewed in a time bound manner within a period of two years. For this purpose Prasar Bharati has set up three Committees comprising the representatives of the Management and the Associations. Prasar Bharati, has to take necessary steps in finalising the rules and regulations and make appropriate recommendations to this Ministry. The transfer of employees to Prasar Bharati, in accordance with the provisions of Prasar Bharati Act, could be considered only after the rules and regulations concerning Prasar Bharati employees are finalised.

**12. The Committee takes serious note of the fact that the process of finalising the rules and regulations and transfer of employees to Prasar Bharati which started since April, 2000 has not been completed even after lapse of 3½ years. The Committee strongly disapproves the inordinate delay for which unconvincing reasons have been given which the Committee can not accept and reiterates that the Ministry must finalise the rules and regulations within a given time frame so that Prasar Bharati could have its own cadres, in accordance with the provisions of**

**Prasar Bharati Act, without further delay.**

### **Working of Children's Film Society, India (CFSI)**

#### **(Para No. 110)**

13. The Committee had observed in its earlier report that the Children's Film Society of India (CFSI) was facing a constraint in timely completion of films as it did not had adequate production staff and had proposed to appoint a Producer-in-charge for better monitoring of production work. The Committee had therefore, recommended that the Ministry should look into the staff requirement of CFSI so that it could complete its films on time and also effectively monitor production work.

14. In the Action Taken Note the Ministry has stated that Producer-in-charge in CFSI was responsible for monitoring the production targets, controlling costs and achieving the targets for production, purchase and/or acquisition of films for the Society. It has further stated that the post remained vacant since May 1997 and hence in terms of extant instructions, it was deemed to be abolished. The case for filling up the post on regular basis is stated to be under consideration. Meanwhile, in order to ensure that production projects are monitored properly, appointment of a Producer for each project on contractual basis is being considered.

15. The Committee notes with concern that the post of Producer-in-charge of Children's Films Society, India (CFSI) who monitored the production, costs, purchase and acquisition of films has been lying vacant since May, 1997. The case for filling up the post on a regular basis is under consideration. The Committee does not accept the reason put forward for keeping such an important post vacant for six years which has resulted in deemed abolition of the post. The Committee would like to be apprised of the reasons for such an important post remaining vacant for more than six years. The Committee also desires that post be filled up expeditiously.

## **CHAPTER II**

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

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

The Committee notes with concern that there has been an under utilisation of budgetary allocation provided during the year 2002-03 for continuing schemes including J&K Special Package, Upgradation Expansion, Modernisation, replacement and new schemes including North-East Special Package. The Committee further notes that out of 9 schemes targeted to be completed during the year 2002-03, the Ministry could complete 7 schemes, remaining 2 schemes are likely to be completed by March, 2003. Shortfall in Plan outlay till February was Rs. 91.50 crore which the Ministry has anticipated to be reduced to Rs. 19.50 crores by the end of March, 2003. Shortfall in Plan outlay is stated to be primarily due to less cost of equipments, Problem of Tenders for 200 KW MW Transmitter Najibabad, less requirement of equipments and delay in approval of schemes. The Committee is given to understand that substantial amount of Rs. 91.50 crores is anticipated to be spent by March, 2003 out of sanctioned grant of Rs. 197.00 crores. The Committee in its earlier Reports on Demands for Grants for 2002-03 had disapproved the manner in which the Ministry has been frequently making use of budgetary allocations at the fag end of the financial year. The Committee is of the view that if substantial financial allocations are spent at the last moment, it would be extremely difficult to make prudent assessment of use of allocations had monitoring of the execution of the schemes envisaged by the Ministry. The Committee, therefore, strongly recommends that Ministry should make concerted efforts for completion of its remaining two schemes by March, 2003 and for utilisation of budgetary allocations in prudent and realistic manner. The Committee hopes that as far as possible, the expenditure will be judiciously distributed over a period of time and the Ministry will avoid utilisation of substantial amount at the fag end of the financial year.

The Committee would like to be apprised of the progress made by the Ministry in this regard.

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

- Out of the remaining 2 schemes anticipated to be completed by March, 2003, the scheme namely Delhi-NBH, has since been achieved. However the other scheme namely Bhuj-20 KW MW Transmitter, could not be achieved as the supply of transmitter got delayed and is expected by September, 2003 after inspection at site.
- The observation of the Committee regarding utilisation of funds have been noted. Utilisation of funds throughout the financial year is planned judiciously. However, the procedure for procurement of equipment, award of works, release of funds etc. being such that most of the expenditure gets incurred during the last six months of the year and is generally more in the last quarter.

(Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003)

### **Recommendation (Para No. 50)**

The Committee notes that at present there are 133 working TV transmitters in North-East Region. Population-wise and area-wise, coverage of TV is 82% and 54% respectively; the Committee is given to understand that with implementation of Special Package for expansion and improvement of Doordarshan services in North-Eastern region, TV coverage is expected to become available to about 95% population of NE region. Adequate funds have been provided for Tenth Plan. The Committee trust that proper attention will be given to implement special package in a time bound manner.

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

Under Special North East Package, later considered by the EFC, the schemes for upgradation of 5 DD1 HPTs at Shillong, Kohima, Imphal, Aizwal & Itanagar (1KW to 10KW); 2 Earth station at Shillong & Aizwal; 160 Cable Head Ends (20 in each of 8 NE states) and satellite videophones were sanctioned. Orders for 10 KW HPTs (5 Nos.) and equipment for

2 Earth Stations have been placed and these projects are expected to be commissioned during 2004. Satellite videophones have been procured and are in use.

Under Special North East Package, the pilot project for setting up of cable head end systems in 160 villages of NE region (20 Cable head Ends in each of NE States including Sikkim) at a cost of Rs. 7.15 crores is already under implementation. The work of supply of Cable Head Ends equipment and their installation has been entrusted to M/s. BECIL. As on date, Cable Head Ends at 63 centres have been installed, which includes 20 villages in Sikkim, 20 in Mizoram, 7 in Tripura, 4 in Arunachal Pradesh, 8 in Nagaland and 4 in Manipur. At present 2431 households have been connected through these Cable Head Ends. The number of connections is increasing day-by-day. 5 DD Channels viz. DD-I, DD-II, DD-Bharati, DD-India and NE are being received through 'C' band. The response of villagers, where Cable Head Ends are being setup, is very good. The scheme is likely to be completed by the end of this year.

(Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003)

### **Recommendation (Para No. 51)**

As regards Special package for expansion and improvement of Doordarshan services in North-Eastern Region is concerned, the Committee is happy to note that as recommended by Expenditure Finance Committee (EFC), details of full package involving Rs. 355.10 crores (Hardware-232.46, Software-122.55 crores) have been worked out by the Ministry and action for approval of EFC to the package is being taken. The Committee desires that all efforts be made for seeking expeditious approval of the EFC so that benefits of the Doordarshan could be availed of by maximum people of North-East Region.

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

As desired by the Expenditure Finance Committee the EFC Memo was circulated to the appraising agencies. In view of the suggestion of Planning Commission and Ministry of Finance, the EFC Memo was modified/revised for re-circulating it to the appraising agencies.

Schemes for establishment of 9 HPTs and 18 VLPTs; upgradation of 3 LPTs and 23 VLPTs; augmentation of OB and postproduction facilities; 8 DSNG unit in NE region are included in the Phase-II for the above package.

Presently about 82% population of NE region is estimated to be covered by TV service. Consequent upon commissioning of the above projects, about 95% population of NE region is expected to be brought under TV coverage. Area-wise coverage is then expected to increase from the present 54% to 75%.

(Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003)

### **Recommendation (Para No. 52)**

The Committee notes that 197 in-house programmes were produced for DD Channels during the period 1998-2002 which is 40 percent of the total programmes telecast. Remaining 60% programmes were commissioned/acquired (24%) and sponsored (36%). The Committee finds that it has been a general complaint that new talented artists and producers are not permitted to come forward because established and well known producers are being given repeated extensions for unusually long duration and their programmes occupied the prime slots. The Committee, therefore, desires the Prasar Bharati not only to improve in-house production in various categories particularly for DD-1 National Service but also to maintain quality of programmes through fair and transparent selection process so as to enable new talented producers to produce good and quality programmes for Prasar Bharati.

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

Doordarshan have revised/formulated its Guidelines of Sponsorship of Programmes/Series on DD-I and DD-II. These Guidelines are for the consideration, processing and approval of proposals received from outside producers for telecast of TV Programmes under Doordarshan's Sponsorship Scheme.

Doordarshan from time to time assesses its programme requirements for specific designated time-bands. Accordingly Doordarshan publicises its requirements through Newspapers or on Screen Publicity to invite proposals from outside producers.

The proposals received against Doordarshan's advertisements from outside producers are considered and processed in two stages:—

### **Evaluation Committee**

It examines the proposals in detail taking into account the contents of the serial, capability of the production team, suitability of the serial for telecast, technical quality, market potential etc.

### **Selection Committee**

There is a panel of outside experts from the fields of films/TV Production, literature, journalism, history etc. It previews the pilots of the programmes and gives it recommendation with regard to approval or rejection as the case may be.

So far proposals for National Network of Doordarshan (DD-1) have been called for six times through advertisements for outside producers for consideration under sponsorship basis. Therefore, there is equal opportunity to all producers to offer their programmes. Their proposals are selected through fair and transparent selection process.

As per provision made under Guidelines under clause 4 (c) the requests of the producers for further extension of their serials are considered by DG: Doordarshan keeping in view the popularity of the serial as reflected by its TRP Rating and prospects of higher revenue generation in terms of Doordarshan Commercial Rate Card. If the TRP rating is poor, no extension to the concerned serial is accorded by Doordarshan.

The position explained above, does/do implicit fair and transparent selection process and maintaining good quality of programmes for Prasar Bharati.

In order to enhance in-house production and to publicise various programmes/campaigns of various Ministries/Departments, Prasar Bharati have set up a separate Division namely Development Communication Division. A detailed note on this is attached.

## **Brief note on efforts of Development Communication Division to enhance “in-house preparedness”.**

1. The Development Communication Division was set up in Feb., 2001 to offer a single window service of both production and telecast of programmes to Union and State Ministries, PSUs and other autonomous bodies.

2. The Division has succeeded in revitalising in-house production activities within a short time. The first bi-media campaign for the Ministry of Rural Development involved production of 1007 half-hour programmes and 233 short duration sports in 29 languages and dialects at 32 Kendras.

3. DCD's campaigns at present include a health awareness weekly magazine programme “Kalyani” dealing with TB, Malaria, HIV/AIDS, Water borne diseases, Iodine deficiency, Cancer control and Anti-tobacco programmes. It was launched on May 30th, 2002 and is produced and telecast at Lucknow, Bhopal, Patna, Jaipur, Raipur, Ranchi, Bhubaneswar, Guwahati, for the Department of Health, Ministry of Health and Family Welfare. Inspired by the quality and impact of “Kalyani-I”, Department of Family Welfare, Ministry of Health and Family Welfare commissioned Doordarshan to produce another weekly programme on reproductive and child health issues at the above Kendras along with Dehradun.

The programme was launched on Oct. 7th, 2002 at Patna with a first-ever tele-bridge connecting 9 production centres for two-way interaction. In the year 2002-2003, DCD has produced **952 programmes** at **32 Kendras** involving more than **100 producers**, who have been motivated to produce good quality software. Going beyond TV production and in the true spirit of Public Service Broadcasting, Development Communication Division has created supportive environment in the field by setting up “Doordarshan Kalyani Clubs”, with the help of Nehru Yuvak Kendras, Panchayats, Mahila Mandals etc. So far, 522 clubs have been set up. **This has converted Kalyani into a Health Movement.**

4. Before the production activity is undertaken, dedicated production teams are established at each Kendra and the producers are oriented in National and Regional workshops organised to develop the content and to create networking in the field.



5. Base-line surveys are also conducted to assess awareness levels of target audience. Programmes are pre-tested for efficacy and impact evaluation is done by in-house research team.

6. The Division also holds mid-campaign reviews to ensure high quality in productions. Ten national orientation and review workshops have been organised in 2002 and 2003. More than 2500 programme personnel in various categories have been oriented in the workshops organised by DCD.

7. Though formal training is not a part of DCD's mandate, taking advantage of our partnership with the BBC WST the following training programmes for programme producers were organised for skill upgradation:—

- (i) Script and content development
- (ii) Operation of mini-DV cameras
- (iii) Reality TV
- (iv) Lighting and editing skills
- (v) Workshops for spot production

8. The matter of posting/tours of various categories of staff viz. production assistants, producers, cameramen, video editors, etc. was taken up with administration wing in DTE. The Admin. Wing has taken some steps.

9. With a view to widen the base of DCD productions at Kendras, the Division took up matter of providing more technical equipment at many campaign Kendras and upgradation of production facilities at some Kendras:—

- (i) Phone – in facilities were ensured at Lucknow, Bhopal, Patna, Jaipur, Raipur, Ranchi, Bhubaneshwar, Guwahati, Muzaffarpur, Gorakhpur, Shimla, Dehradun and Hissar (13 Kendras).
- (ii) Augmentation/upgradation in production and post-production facilities at campaign Kendras including Raipur and Ranchi.
- (iii) Non-linear editing facility is being installed at campaign Kendras, particularly, in Hindi belt. Eventually, all capital Kendras will get NLE facility which will enhance production quality.

- (iv) While construction of larger studios, provision of sound studios and other facilities is being contemplated for the recently elevated Kendras by the Directorate, it may take time due to nature of work and procedures involved. The Division has taken up the matter of creating effective stop-gap arrangements for routine production facilities like preview and basic editing etc. to maintain a uniformly high quality of production.

10. Programme producers have been issued mini DV cameras to shoot sensitive issues, which has added to the authenticity and quality of programmes.

11. While the number of DCD campaigns swells the burden at Kendras is increasing. Keeping in view the acute shortage of production staff DCD has devised the following strategies to increase the quantity and quality of in-house production and hence the revenue:—

- (i) Provide centrally produced inputs like design and provision of common sets, songs, scripts for quiz and drama — that also enhance the quality of productions.
- (ii) Programme exchange between the producers
- (iii) Usage of quality archival material

12. To motivate the producers, whose workload is increasing tremendously better facilities like mobile phones, e-mail and computers at Kendras have been provided.

13. Other bottlenecks in in-house productions have been addressed as follows:—

- (i) Preparation of separate rate structure for in-house productions at National & Regional levels.
- (ii) Taking up the issue of the enhancement of TA/DA of production teams proceeding outdoor for shooting.
- (iii) Need for research/reference library and adequate stock music.

14. The Division works closely with Engineering, Administration and Research Wings in the Directorate. The systems laid down have encouraged lateral co-ordination, which have significantly improved the environment for creating activity in the field.

(Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003)

### **Recommendation (Para No. 53)**

The Committee is given to understand that due to inadequate Budgetary Grants and delayed approval of Plan, the Ministry is constrained to curtail its new initiatives as envisaged by them which further adversely affects the overall desired developmental schemes of the Prasar Bharati Board. The Committee, therefore, desires that the Ministry take up the matter in right direction with the Ministries of Finance and Planning so as to get the Plan approved as envisaged by the Ministry to yield desired results in the execution of developmental and innovative schemes of the Ministry.

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

Prasar Bharati has informed that for expeditious implementation, approval of Plan schemes is consistently pursued with the concerned authorities. The observation of the Committee has been noted.

(Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003)

### **Recommendation (Para No. 60)**

The Committee notes with serious concern that there is huge outstanding for sponsored serials and in-house programmes against the major Kendras including National Channel, Kolkata, Mumbai, Chennai, Trivandrum, Bangalore, Hyderabad and Lucknow. The Committee, keeping in view the gravity and substantial amount involved, recommends adoption of appropriate steps like monthly monitoring of outstanding dues, suspend normal credit period, telecast on advance payment for defaulters. If the situation is not controlled, legal action may be initiated against the defaulting agencies. The Committee would like to be apprised of the progress made by the Ministry in this regard.

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

Doordarshan Commercial Service has evolved the procedure for monitoring the outstanding dues and ensuring that dues are recovered as per policy. The following steps have been taken and the instructions to all the Kendras including Kolkata, Mumbai, Chennai, Trivandrum, Bangalore, Hyderabad and Lucknow have also been regularly issued:—

- (i) The dues are monitored regularly on monthly basis.
- (ii) Advance notices to all the companies are issued reminding them of the due date of payment.
- (iii) The regular reminders are issued to all the companies to clear the dues within the stipulated time otherwise action as required under the rule is taken.
- (iv) If at any time, it is felt that the payment behaviour of any company is not upto mark and they are not adhering to the schedule for the clearance of DD dues, the companies are asked to pay the advance for their current programme and also to submit the repayment plan of the outstanding dues. If the company failed to pay as per repayment plan, the programmes are taken off the air.
- (v) The allotment of new programme/extension of the programme are considered keeping in view their outstanding dues. If the dues are not cleared, the extension is not being given.
- (vi) To safeguard DD's interest, the BGs equivalent to 6 episodes are being taken from the producer. If the company fail to pay the dues, the BGs given by them are encashed and notice for legal action are issued.
- (vii) The legal notices are issued in the cases where the agency did not respond and failed to pay the DD dues even after issue of several reminders.
- (viii) The companies given in Annexure-I have lost their accreditation status due to their default and they are not allowed any programme.

- (ix) In the case of companies given in Annexure–II, their accreditation status have been suspended and they are doing the business on advance payment.
- (x) In case of companies given in Annexure–III, the legal action has been initiated including issue of legal notices and the notices for appointment of arbitrator.
- (xi) Recently, Prasar Bharati Board has taken decision that any company who has outstandings will not be allowed to telecast the programme even on advance payment basis from 15th August, 2003, if they failed to submit the re-payment plan for the clearance of their outstanding dues.

*ANNEXURE-I*

**DOORDARSHAN COMMERCIAL SERVICE: NEW DELHI**

Name of Companies who have lost their accreditation status due to default on payment:—

S.No.	Name of Company
1.	A&A Films
2.	A.K. International
3.	Aaliya Productions
4.	Advance TV Network
5.	Advision Multi Media
6.	Anand Advtg.
7.	Art Advertising
8.	Asian Ad Age
9.	B4U Multimedia
10.	Balaji Telefilms
11.	Bidhan Advtg.
12.	Cinema Vision
13.	Clarion
14.	Concept Advtg.
15.	Copy Desk
16.	Corrum Comm.
17.	Creative Eye
18.	Drishty India
19.	Fame Comm.
20.	First Option Telefilms
21.	Future Comm.
22.	G.N. Communications

S.No.	Name of Company
23.	Global Entertainers
24.	Group Advtg. & Cons.
25.	Guruji Advertisers
26.	HMT
27.	Innovision Film & TV
28.	Jaya Advtg.
29.	Joslin Comm.
30.	Kine Scope
31.	KLI
32.	L.R. Enterprises
33.	Lehar Publicity Ser.
34.	Magic Box
35.	Magna Vision
36.	Market Movers
37.	Maya Entertainment
38.	MBM
39.	Media Asia
40.	Moulis Advertising
41.	Multi Channel
42.	NCYP
43.	Network 7
44.	Numero Uno
45.	Pinky Advertising
46.	Plus Channel
47.	PNC
48.	Prabha Films
49.	Prime Time Media
50.	Prominent
51.	Radha Publicity
52.	Sagar Enterprises

S.No.	Name of Company
53.	Shree Madhav
54.	Tracer Advertising
55.	Translink Television
56.	Uranus
57.	Vanguard Vision
58.	Vigyapan
59.	World Media
60.	Worldcom M/M



*ANNEXURE-II*

**DOORDARSHAN COMMERCIAL SERVICE: NEW DELHI**

Name of Producer & Marketing Agencies whose Accreditation has been cancelled/suspended:—

S.No.	Name of Company
1.	Aaliya Productions
2.	ABCL
3.	Advance TV Network
4.	Advision Multi Media
5.	Anand Advtg.
6.	Balaji Telefilms
7.	Bidhan Advtg.
8.	Cinema Vision
9.	Concept Advtg.
10.	Copy Desk
11.	Corrum Comm.
12.	Creative Channel
13.	Creative Eye
14.	Drishty India
15.	Fame Comm.
16.	Future Comm.
17.	G.N. Communications
18.	Global Entertainers
19.	Group Advtg. & Cons.
20.	Innovision Film & TV
21.	Jaya Advtg.
22.	Joslin Comm.

S.No.	Name of Company
23.	Kine Scope
24.	Lehar Publicity Ser.
25.	Magic Box
26.	Magna Vision
27.	Market Movers
28.	Maya Entertainment
29.	MBM
30.	Media Asia
31.	Moulis Advertising
32.	Multi Channel
33.	NCYP
34.	Numero Uno
35.	Plus Channel
36.	Prime Time Media
37.	Prominent
38.	Radha Publicity
39.	Tracer Advertising
40.	Translink Television
41.	Uranus
42.	Vigyapan
43.	World Media
44.	Worldcom M/M

*ANNEXURE-III*

**DOORDARSHAN COMMERCIAL SERVICE: NEW DELHI**

Details of companies against whom legal action has been taken and the notices served for appointment of arbitrator:—

S.No.	Name of the Advertising Agency
1.	M/s Aaliya Productions
2.	M/s Advance TV Network
3.	M/s Anand Advertising Agency
4.	M/s B4U
5.	M/s Concept Communications Ltd.
6.	M/s Corrum Communications Pvt. Ltd.
7.	M/s Drishti India Ltd.
8.	M/s Fame Communications
9.	M/s Future Communications
10.	M/s G.N. Communications
11.	M/s Global Entertainers
12.	M/s Guruji Advertisers Pvt. Ltd.
13.	M/s Jaya Advertising Agency
14.	M/s Joslin Communications
15.	M/s Kinescope
16.	M/s Lehar Communications
17.	M/s Maa Communications Pvt. Ltd.
18.	M/s Magic Box Productions Pvt. Ltd.
19.	M/s Market Movers
20.	M/s Media Asia
21.	M/s Megna Vision
22.	M/s Multi Broadcasting Media

S.No.	Name of the Advertising Agency
23.	M/s Multichannel India Ltd.
24.	M/s Neerja Films
25.	M/s Nimbus Communications Ltd.
26.	M/s Numero Uno International Ltd.
27.	M/s Plus Channel
28.	M/s Pritish Nandi Communications
29.	M/s TV Today Network
30.	M/s Universal Communications Pvt. Ltd.
31.	M/s Uranus Marketing Pvt. Ltd.
32.	M/s Western Co-op Bank (i) Shree Madhav Poly Products (ii) Steller Communications (iii) Maya Entertainment

(Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003)

### **Recommendation (Para No. 77)**

The Committee notes that for 2002-03 the outlay of Rs. 300 lakh was provided to Directorate of Advertising and Visual Publicity (DAVP) for execution of its scheme for the year 2002-2003. However, only Rs. 11.82 lakh could be spent by DAVP by the end of February, 2003. The Committee is concerned at the underutilisation of funds and non-implementation of proposed programmes in various schemes of DAVP. The reason for shortfall in target achievement is stated to be mainly due to recast of schemes so as to dovetail them with the Tenth Plan objectives of DAVP. The Committee is not satisfied with the reasons adduced by the DAVP. The Committee is of the opinion that this exercise should have been done by the DAVP well in advance to ensure timely execution of schemes and utilization of financial outlay for the first year of the Tenth Plan *i.e.* 2002-2003. The Committee, therefore, desires that budgetary exercise should be undertaken with seriousness so that the various schemes could be implemented in time and funds provided therefore be used judiciously.

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

A sum of Rs. 300.00 lakhs was approved for 3 schemes for the Annual Plan 2002-03. DAVP incurred expenditure of Rs. 263.81 lakhs as on 31-3-2003. The shortfall was due to dropping of the Scheme on 'Incentive to small and medium newspapers for ABC membership and Circulation verification' with an outlay of Rs. 30.00 lakhs. Further the scheme 'Setting up of a Museum on Print media' with an outlay of Rs. 2.00 lakhs is awaiting 'in principle approval' of the Planning Commission. DAVP utilized 98.44% of funds out of the remaining Rs.268.00 lakhs till 31-3-2003.

(Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003)

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

The Committee notes with concern that the approved Annual Plan (2002-2003) for Indian Institute of Mass Communication (IIMC) was Rs. 3.9 crore but Rs. 10 lakh only could be released on the flimsy ground that 2002-2003, being the first fiscal of the Tenth Five Year Plan, four new schemes out of six, could not be got approved by the Planning Commission

and therefore, Rs. 10 lakh as grants-in-aid only could be utilised. What is highly unsatisfactory is the fact that the Institute could spend Rs. 1 lakh only. The Committee deprecates such callous approach of the Ministry towards the important schemes of IIMC and the reason for not utilizing the funds cannot be accepted. Needless to say, the Ministry should expeditiously take up the matter with the Planning Commission/Finance Ministry so that their approval is obtained and funds are made available to IIMC and its schemes. IIMC, on its part, should make concerted efforts to see that funds allotted to it are optimally utilised so that the purpose of setting up of the Institute is well served.

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

As per the budgetary provisions under various SFC proposals grant-in-aid to the extent of Rs. 206 lakhs was released to IIMC in the year 2002-03 for implementation of four out of six schemes. Out of this amount, IIMC has reported the utilization of Rs. 202.47 lakhs (subject to audit). The matter of 'in principle' approval to the new schemes has already been taken up by the Ministry with Planning Commission.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

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

The Committee is pleased to note that there is no plan to close down the Dhenkanal branch of IIMC in spite of the recommendations of the Geethakrishnan Committee. The Committee will like the Ministry to extend all possible assistance to Utkal University in proper planning and efficient management of this prestigious institution located in an area where such facilities are not readily available. The people of such remote and less developed area cannot afford to send their wards at far off places to get such educational facilities.

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

The scheme of IIMC's collaboration with regional centres of learning seeks to make the outlying branches of IIMC more functional as also to encourage the growth of institutions for teaching of mass communication. The outlay for the scheme would be IIMC's share for organizing the courses.

Preliminary meetings of IIMC officials with the Vice-Chancellor, Utkal University in connection with the preparation of MoU have been held. IIMC has been asked to furnish the draft MoU in this connection.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 100)**

The Committee is constrained to note that due to delay in finalisation of Schemes by Central Board of Film Certification (CBFC) budgetary Allocations for the year 2002-2003 could not be utilized at all. The Committee observes that there has been a tendency of the Ministry to make comparatively higher budgetary estimates at Budget Estimates (BE) stage and reduce them at revised stage and ultimately ending up by spending only a small amount. This does not speak well of the planning process. The Committee is not satisfied with the reply furnished by the Ministry that amount could not be utilized due to delay in approval of schemes. This evidently speaks of lack of planning and foresight on the part of the Ministry. The Committee, therefore, desires that the Ministry should take up the matter with the Planning Commission to ensure early approval of the pending two schemes. The Committee would like to be apprised of the progress made by the Ministry in this regard. The Committee further desires that in future necessary steps should be taken well in advance to ensure timely approval and commencement of schemes so that allocated funds could be utilized as envisaged by the Ministry.

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

Ministry has noted the Standing Committee's advice that in future necessary steps for approval of schemes should be taken well in advance to ensure timely approval and commencement of Schemes so that allocated funds are utilized as envisaged by the Ministry. The following information is submitted to the Committee as a report on the progress on CBFC's schemes:

1. Since certain new Plan schemes were to be started for CBFC, the approval of the Planning Commission was necessary, as per procedure. The same was obtained after regular dialogue with the Planning Commission.

2. Since one of the schemes involves opening of new Regional offices of the CBFC, it was imperative that the issue of creation of logistical and

manpower infrastructure be examined threadbare so that additional calls on public funds are minimal. The revised SFC memo for the opening of new offices has been received and the Ministry intends to accord early approval to a modified version of the scheme.

3. CBFC has made serious efforts in the 9th Plan to computerize and put on the web a number of its activities in order to make its functioning transparent. In the 10th Plan, there is a need for CBFC to upgrade and modernize its infrastructure so that its dependence on client agencies is reduced. During examination of the scheme, it was felt that additional infrastructure should be created in a phased manner and only where absolutely unavoidable. The CBFC has submitted a modified version of the scheme which is under the consideration of the Ministry.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 108)**

The Committee notes that the Children's Film Society of India (CFSI) could not fully utilize sanctioned funds though the plan outlay had been reduced to Rs. 450.00 lakh at the RE stage. The Committee is unhappy to note that under utilization has occurred because of the delay in the realistic assessment of funds requirement made by the Ministry for the approved schemes, after the plan allocation had been made.

### **Recommendation (Para No. 109)**

The Committee is surprised to note that even after the Tenth Plan objectives have been conceptualized and set forth, the society could not assess the realistic quantum of funds required for its schemes. The Committee feels that such exercise should have been commenced before hand so that schemes could be launched immediately with an objective to ensure timely completion of the same. However, the Committee is distressed to note that at very belated stage, the Ministry realized the requirement of making a realistic assessment of the schemes. The Committee strongly disapprove the loss of many precious months by the CBFC and strongly recommends that CFSI should take suitable steps to ensure early commencement of Tenth Plan Annual Schemes with a



view to ensure full utilization of Plan allocation.

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

2002-2003 was the first year of the 10th Five-Year Plan. Prior to taking up the work of implementation of the Plan Schemes, a lot of preparatory work had to be done. Identification of and tie-up with marketing and implementing agencies, working out the financial implications and putting the schemes in an executable form were the areas of concern. After this, necessary approvals had to be taken. Apart from above, in so far as the new schemes *i.e.* “Exhibition of Children’s Films in Municipal Schools” and “Digitalization & Webcasting of CFSI films” are concerned, in principle approval of the Planning Commission was also required to be obtained. As a result, the sanctions for the schemes could be issued only from November 2002 onwards. Owing to parallel preparations done by CFSI, it could spend an amount of Rs. 271.67 lakhs, or about 60.37% of outlay. With preparatory work already completed in all except one scheme, in the remaining years of the Plan, full-scale implementation is targeted.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 112)**

The Committee is given to understand that due to lack of funds CFSI is unable to take up production of animation films in the right perspective. The Committee feels that CFSI should earnestly consider production of animated films by taking advantage of cost competitiveness available in the country. The Committee, therefore, recommends that in view of the demand for animated films the Ministry should look into the funds requirement of CFSI so that it can take up production of animation films in India.

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

The library of CFSI contains 27 animation films (including puppet animation films). Further, 4 animated films are at various stages of production. CFSI is being encouraged in the purchase/production of animation films, keeping in view their entertainment value, appeal and ability to convey messages to the young audience being targeted by CFSI in addition, an award for Best Animation

Film has been instituted at the Golden Elephant International Film Festival for Children held in Hyderabad as a measure to encourage animation films.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

## **CHAPTER III**

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

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

The Committee notes that for Annual Plan 2002-03, Ministry had projected an outlay of Rs. 228.18 crores for the various schemes of All India Radio. However, the amount sanctioned by the Planning Commission was 197.00 crores. It was further reduced at Revised Estimates stage to Rs. 185.50 crores. The Ministry could utilise only Rs. 105.50 crores till February, 2003. The Ministry has assured the Committee that an additional expenditure of Rs.72 crores will be incurred during March 2003.

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

Total expenditure upto March 2003 was Rs. 172.85 crores (about 88% of SBG). During March, 2003 a sum of Rs. 67.35 crores was spent instead of Rs. 72 crores as earlier anticipated mainly due to the reason that the scheme of “distribution of low cost radio receivers to the public, provision of media centre at Jammu” etc., proposed under J&K Special Plan were not cleared by the Empowered Committee.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

#### **Recommendation (Para No. 47)**

The Committee notes that for Annual Plan 2002-2003, the Ministry had Projected an outlay of Rs. 854.70 crores for developmental schemes and other requirements. However, the amount sanctioned by Planning Commission was Rs. 626.00 crores. It was reduced at Revised Estimates Stage to Rs. 584.90. However, out of reduced outlay the Ministry could Utilize only Rs. 513.70 crores. For Annual Plan 2003-04 Plan Budget Estimates are

640.00 Crores as against the projection of Rs.731.16 crores made by the Ministry.

## Action Taken Note

### Doordarshan

#### 1. Financial Status Under Capital Grant (2002-2003)

(Rs. in crores)

Provisions	SBG 2002-03	RE. 2002-03 Approved	F.E. 2002-03 Approved	Expenditure 2002-03
G. Total	465.50	442.00	370.00	369.44

#### Reasons for shortfall

- (1) Major shortfall is due to reduction in cost of transmitter equipment.
- (2) Due to non-approval of KU band schemes (TV coverage in uncovered areas through multi channel digital satellite distribution through KU band).
- (3) Due to saving under establishment because of closure of CCW divisions.
- (4) Due to cancellation of tower work for HPT Tithwal, Gurej, Kupwara, Sambha due to non state of construction work as firm referred to B.I.F.R.

#### 2. Financial Status Under Revenue Grant (2002-2003)

(Rs. in crores)

Provisions	SBG 2002-03	RE. 2002-03 Approved	F.E. 2002-03 Approved	Actual Expenditure 2002-03
G. Total	160.50	142.90	143.71	132.36

#### Reasons for shortfall

Compared to SBG-2002-2003 of Rs. 160.50 crores. FE-2002-03 was of Rs. 143.71 crore against which an expenditure of Rs. 132.36 crore was

incurred. The lesser expenditure is mainly pertaining to software schemes and is attributable to revision of guidelines for commissioned programmes as well as acquisition guidelines and preparation of a fresh list of outside experts for the Evaluation Committees.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 48)**

The Committee is given to understand that the Ministry Projected a final expenditure of Rs. 256.49 crores upto February 2003 out of Rs. 626.00 crores provided for the year 2002-2003. The Ministry has also stated that an additional expenditure of Rs. 257.21 crore is anticipated to be incurred during March, 2003, which has resulted in the shortfall in achieving targets set by the Ministry for 2002-2003. The Committee notes that Ministry has adduced reasons for shortfall in achieving the targets and underutilization of funds for the Plan schemes in terms of non-acquisition/production of software (normal scheme), revision of guidelines for commissioned programme, seizure of number of programmes filed by the CBI in January 2002 under J&K Special Software Plan, delay in clearance of proposals and in North-East (NE), an inquiry conducted into the allegations of certain irregularities in receipt and processing of commissioned programmes. The Committee finds that with regard to J&K special Software Package, the same reason of seizure of number of Programmes by CBI was furnished by the Ministry at the time of the examination of Demands for Grants-2002-2003. The Committee is not convinced of the stereotype reply adduced by the Ministry and is unable to comprehend how attempts made by the Ministry could not yield results. The Committee is perturbed to note that even after the lapse of more than two years, the Ministry has not been able to revive the J&K Special Software Package. It speaks lack of foresight and lukewarm attitude in execution and completion of its schemes by the Ministry.

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

The Committee, therefore, desires that the Ministry should pursue its schemes with vigour in right direction and take Timely corrective measures to ensure uninterrupted progress in execution of Planned schemes/projects so that funds provided therefore could be utilized properly in the prescribed

time frame and people are not deprived of the benefits of the schemes. The Committee would like to be apprised of the steps taken by the Ministry for revival of special package for Software.

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

During 2002-03, the entire processing of Kashir Channel proposals has been completed. Oral presentation of pending proposals has been done on regular basis upto February, 2003. There is no delay in implementing the Special Package Scheme.

Conducting of oral presentations is a time consuming process. Everyday 20 to 25 producers were interviewed during the oral presentations and most of the undesirable proposals have been weeded out. The verification process is a time consuming affair. However, around 450 producers have been issued sanction letters. During the year 2003-2004, the rest of the approved producers will be cleared within two months.

Pending Clearance of old proposals, fresh proposals could not be invited and to avoid court litigations, the rejection of all the producers are being sent from March, 2003 onwards.

For the year 2003-2004, for the full utilization of the sanctioned budget, efforts are being made to invite fresh proposals. The guidelines for the new proposals are under submission to Prasar Bharati Board and on receipt of the approval, announcement will be made to invite fresh proposals.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 59)**

As regards the Conditional Access System for viewing the pay channel which are expected which are expected to be installed by Broadcaster, multi-system operators (MSOs), Cable operators or consumers, the Committee notes that Government does not have any control over the quality and supply of Set Top Box. The Committee, therefore, feels that the Ministry and Prasar Bharati should ensure that private operators would supply on demand, Set Top Box for viewing the pay channel so as to ensure availability, affordability and quality of Set Top Boxes to the People.

## **Action Taken by the Government**

The comments are as under:—

### **1. Quality**

#### **(a) General: Requirements under the legal system**

The Bureau of Indian Standards (B.I.S.) has already published standards both for analogue and digital STBs and each and every STB must conform to these prescribed standards.

It has been provided in the above standards that the manufacturer and service provider shall declare to the subscriber the capability of the STB and its interoperability on various networks in the instruction manual to be supplied with the box. It has further been provided that the manufacturer should ensure the compatibility/interfaces of the STB with standard consumer electronic goods such as television, audio system and VCRs.

Testing mechanism is also been instituted to ensure quality control. Sample testing of boxes has commenced. The cable operator will also indicate the warranty period of the STB purchased by the customer.

The Cable Television Networks (Regulation) Rules, 1994 have been amended by the Government through the issue of a notification on 6th June, 2003. It has been provided in Rule 13 of the said amendment Rules that the cable operator shall make provisions for rent and security deposit, or refund thereof as well as warranty, repair and maintenance in the manner notified by the Government.

#### **(b) Specific initiatives taken by the Ministry of I&B**

- Broadcasting Engineering Consultants India Limited (BECIL), a Government of India enterprise, has tested the boxes to be used by Siticable and Hathway.
- They also visited the Siti Cable office, a Multi-System Operator, in Delhi for inspection of the stored boxes and have certified that the quality conforms to the standard requirements and have also conducted

on-the-spot inspection of boxes manufactured by M/s. HUMAX, South Korea and being imported by Hathway.

- On a request being made to the Central Board of Excise and Customs in the Ministry of Finance for reduction of customs duty on the import of STBs and crucial components required for its manufacture, the duty reduction has been effected through the issue of a notification on 28th May, 2003 from the existing 50.8% to 5% and on components, through the issue of another notification on 24th June, 2003, from the existing 25% to 5%. Through another notification by the Central Excise, in order to boost the growth of indigenous industry, the Central Excise duty element of 16% on STBs manufactured locally, has also been dispensed with.

## **(2) Affordability**

1. With the reduction of customs duty on the import of STBs and their crucial components, it has been estimated that an analogue STB would cost around Rs. 2,500/- and a digital STB between Rs. 2,700 and Rs. 3,000/-. It is also expected that with the volume, due to increasing demand and indigenous production, the prices may decrease further.

2. The Multi-System Operators (MSOs) and the cable operators, etc. have come out with different options to subscribers for purchase of STBs. *i.e.*, through instalments/hire-purchase/outright purchase, loan schemes, etc. The costs to the subscribers would, therefore, be affordable.

3. It will also be ensured that in order to obviate financial hardship to subscribers on change of residence, clear-cut and specific terms and conditions are laid down for return of the STB and refund of the deposit.

## **(3) Availability**

- Set Top Boxes can be imparted as well as manufactured locally and discussions with MOSs has revealed that importation and placement of orders on local industry is already underway.
- Further, supply is a function of demand and once the consumers' choice is known, a clearer picture of numbers of boxes needed would emerge.



It is expected that consumers would take some time to finally decide. Interactions with MSOs have indicated that they would be able to meet consumer demand through imports and local industry.

- The Government has taken note of the concern expressed by the Committee that the Ministry of I&B as well as Prasar Bharati shall ensure that private cable operators would supply the STBs, on demand for viewing of pay channel programmes.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 61)**

The Committee takes a serious note that inspite of the recommendation of this Committee in its 25th Report on working of Prasar Bharati that Corporation should have a clear and firm policy on private participation in news based Programme of Doordarshan, yet in utter violation of Prasar Bharati Act, a news Programme (Khas Khabar) managed by a private producer was allowed to use the official channel and that it is now continuing under the protection of Court orders. The Committee, therefore, desires that Prasar Bharati should take efficacious steps for early vacation of stay orders. It is a sad commentary on the functioning of Prasar Bharati and the Ministry that contrary to the policy and interest of the Government and Prasar Bharati, no effective step, if at all, has been taken to get the stay orders vacated either by filing application for vacation of stay order or by appeal. Such failure is quite unexplainable and Committee strongly resents such inaction which has helped the private producer to continue with the misuse of the official channel. The Committee would like to be apprised of the concrete steps taken by the Prasar Bharati in this regard.

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

Doordarshan Kendra/Prasar Bharati has taken all possible/effective steps for terminating the telecast of “News Based Current Affairs” programme “Khas-Khabar” after the programme was approved and allowed to be telecast on DDK-Kolkata. Each time, when such a decision was taken, the same was challenged by the producer by moving a Writ petition and the decision of Prasar Bharati was stayed by the Hon’ble High Court at the interim stage.

Subsequently, after hearing of the case on affidavits each time the Hon'ble Court, was pleased to quash/set-aside the concerned termination notice served upon the producers for discontinuation of the telecast of the said programme.

DDK-Kolkata/Prasar Bharati has contested the disputes raised by the producers' vigorously. At the time when the first dispute was initiated by the producers' in the years 1998-99 not only an Appeal was preferred before the Division Bench but when, the Appeal Court also declined to grant any relief/reliefs as prayed for by the Prasar Bharati A.S.L.P. was also moved before the Hon'ble Supreme Court. The same was finally dismissed by the Hon'ble Apex Court.

Thereafter, based upon certain decisions taken from time to time, the producers were served with fresh termination notices for discontinuation of this programme, which were challenged by the producers and stayed by the Hon'ble Courts despite the same were opposed vehemently. The last such notice was served on 20th of March, 2001 which was also challenged by the producers' and was stayed by the Hon'ble High Court at the interim stage. After hearing of the matter on "Affidavits", a detailed judgement was delivered by the Single Judge on the 14th February, 2002 thereby setting aside the notices of termination served upon the producer. An appeal was preferred by the Prasar Bharati before the Division Bench. Subsequently, the matter was also mentioned *inter-alia* praying for an early hearing. The Hon'ble Appeal Court was pleased to refuse to grant such prayers made by Prasar Bharati.

Thereafter, even during the pendency of the above 'Appeal' before the Division Bench, DDK-Kolkata made a move for introducing new programmes on the slots of Khas Khabor. This move was also contested by the Producer by moving another Writ application before the Hon'ble High Court at Kolkata on the 26th of December, 2002, when the Advocates were on a cease-work movement. In the writ petition, the Petitioner took a stand amongst others, that the programme Khas Khabor is entitled to get extension, as per the terms and conditions agreed to by Doordarshan on the basis of revenue earnings, potential and popularity etc. Despite this, DDK-Kolkata / Prasar Bharati was represented by its officials who at the time of hearing opposed the matter vehemently. After hearing, the Hon'ble Court

was pleased to direct for filing of Affidavits. In compliance to the said order, the Affidavit-in-Opposition was promptly filed by Prasar Bharati, within the period stipulated by the Hon'ble Court. The writ petitioners/producers have also filed their Affidavit-in-reply to the above and the matter is now ready for hearing and the same is due to be listed for hearing and final disposal by the Hon'ble Court after the reopening of the Court after summer vacation and will be disposed off accordingly. It was advised by the Counsels representing Doordarshan/Prasar Bharati that, under the circumstances stated herein above and particularly when the Appeal preferred against the previous judgement dated 14th February, 2002 was also pending before the Appeal Court, no fruitful purpose will be served by filing Vacating petition was not filed in order to avoid multiplicity of proceedings before different Courts and more particularly that the matter is now ready for hearing and disposal by the Hon'ble High Court. As such, no laxity whatsoever, has ever been shown in contesting any of the orders/decisions taken by the Hon'ble High Court in favour of the producers of "Khas-Khabor" at any stage. In fact, all possible attempts have been made for discontinuation of the telecast of the said programme as and when the same was taken up for adjudication/disposal. Prasar Bharati will continue to contest the matter in a vigorous manner in future also so that, the decision taken by Prasar Bharati for the discontinuation of this programme can be implemented/given effect to as early as possible.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 70)**

The Committee notes that out of the annual budgetary allocation of Rs. 250 lakhs for Song and Drama Division Rs. 55.52 lakhs only could be utilized till 28th February, 2003. The shortfall in this regard appears to be mainly due to delay in according 'in-principle' approval by the Planning Commission. The Committee is of the opinion that the sanctity of Plan should be maintained at all costs as these are the goals set by the nation for its development and as per assurance given by the Government to make service available to the people. Keeping in view the Division's utmost importance in presenting programmes on national themes such as Communal harmony/ National Integration, Secularism etc. The Committee desires the Ministry to take up the matter with the concerned authority on priority basis to get the

schemes approved as envisaged. The Committee would like to be informed of the progress/achievement made in this regard.

### **Recommendation (Para No. 71)**

The Committee is concerned to note that the schemes for formation of Regional Centres at Dehradun and Raipur and sub-centres at Agartala and Aizawl including creation of 26 posts for the purpose as envisaged by the Ministry for the year 2002-2003 could not materialize. The Committee keeping in view the importance of Song & Drama Division in furthering National Integration recommends that the Ministry of Information & Broadcasting should take up the matter with the Planning Commission to get the schemes approved. The Ministry of Finance & Company Affairs may also be approached with convincing reasons to get the approval of 26 posts sanctioned for running the above Regional and Sub-Centres smoothly.

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

Ministry had approved the implementation of Song and Drama Division's continuing schemes under Annual Plan 2002-2003 and 10th Plan 2002-2007 with an outlay of Rs. 159.00 lakhs and Rs. 1135.00 lakhs respectively. "In-principle" approval in respect of new schemes under Tenth Plan 2002-07 is still awaited from the Planning Commission. The matter is being pursued by this Ministry. However out of Rs. 159.00 lakhs approved for the implementation of continuing schemes under Annual Plan 2002-03 the Division has incurred an amount of Rs. 138 lakhs till upto 31.03.2003.

The new scheme for creation of two regional centres one each at Dehradun and Raipur and sub-centres at Agartala and Aizawl envisaging creation of 26 posts in all would be taken up again with Ministry of Finance for seeking the approval to the creation of the above mentioned posts in order to implement this new scheme as soon as 'in-principle' approval of the Planning Commission is received.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 78)**

The Committee notes with concern that the DAVP has not prescribed any ratio for coverage of news contents and advertisements in newspapers.

The matter has been entirely left to the Press Council of India, considering that it may not be taken by the newspapers as interference affecting their independence. However, the Committee feel that the Ministry should formulate some guidelines in this regard as of late a tendency is being noticed in the leading newspapers to provide more and more space for advertisements at the cost of news items. Here, it is pertinent to mention that the basic purpose of newspapers for which they are given subsidized newsprint is to provide news on various aspects to the populace in general. If the Ministry does not consider it appropriate to take up this issue itself, it may take up the matter with the Press Council of India to frame appropriate guidelines in this regard.

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

The issue “ratio for coverage of news contents and advertisements in newspapers” was considered by the First and Second Press Commission. The First Press Commission Report (1954) had observed that advertisements occupy a substantial portion of space in newspapers. It is imperative to ensure that the reader gets an adequate proportion of news and views and that advertisements are not reduced in effectiveness because there are too many of them. It is the reader who pays the net cost of the paper partly as its price and partly through advertised goods that he purchases. The Commission laid down the following suggestions:—

- (a) The maximum number of pages that could be sold for the price;
- (b) The maximum number of pages that must be offered for the price; and
- (c) The minimum of news and editorial matter that each issue must contain.

As regards (c), the Commission was firmly of the view that the quantum of advertisement should not exceed 40% of the total area.

2. With a view to implementing the above recommendations Parliament enacted the Newspapers (Price and page) Act, 1956 to regulate the prices of newspapers in relation to their pages and sizes and to regulate the allocation of space for advertising matter. The daily newspapers (price and page) order, 1960, made under this Act fixed the number of pages that could be published by a newspaper according to the prices charged. However,

both the Act and the order were struck down by the Supreme Court in “Sakal Newspapers Vs. Union”. The Supreme Court held that the provisions of Newspaper (Price and page) Act, 1956, and the Daily Newspaper (price and page) Order, 1960 were violative of the right guaranteed under Art. 19(1)(a) in as much as:—

- (i) The freedom of the newspaper to charge whatever price it chose had been taken away;
- (ii) Reduction in the size of the newspaper necessitated by the provisions would have the effect of compelling it to restrict the dissemination of news and views;
- (iii) The newspaper’s right to publish any number of pages for carrying its news and views (unless it raised the selling price as provided in the Order) was affected; and
- (iv) The curtailment of the area of advertisement in a newspaper would have the effect of pushing up the selling price of the newspaper which in turn would bring down the circulation of the newspaper.

3. However, the need for a price-page schedule was reiterated by the Enquiry committee on Small Newspapers in 1965 by a five : four majority in the following terms:

“Competition is fair when the units function in similar circumstances. In the case of daily newspapers, which by their very nature, do not possess a long-term reading value, the choice of a reader is governed, among other things, by the number of pages that a newspaper gives for the same price. Therefore, the only way to create a condition of fair competition is to fix a minimum price at which a paper of a particular size can be sold, so that the determining factor influencing circulation will not be the number of pages and the volume of advertisements, but the quality of editing, production and news”. The committee was of the view that no more than 40% of the space in a newspaper should be occupied by advertisements.

4. The Fact Finding Committee on Newspaper Economics which submitted its report in 1975 was opposed to the price-page schedule as it felt

that with the shortage of newsprint and the large increase in its price there was no longer any danger of a large paper trying to outsell a small paper by charging a low price. The committee agreed with the general principle that a newspaper should devote the greater part of its space to news and that a 60:40 ratio between news and advertisement would be commendable. However, the Committee advocated a news to advertisement ratio of 50:50 so long as newsprint was in short supply.

5. The Second Press Commission appointed in 1978 had come to the conclusion that the news to advertisement ratio should be fixed at 60:40 for big, 50:50 for medium and 40:60 for small newspaper. The Commission observed as follows:— “No doubt Article 19(1) (a) has been held to be a basic structure of the Constitution; but a law prescribing a price-page schedule or news-to-advertisement ratio is not a measure which will destroy or damage that freedom; on the contrary, its objective being promotion of competition and prevention of monopoly, the law will advance freedom of speech and expression. S/Shri Girilal Jain, Rajendra Mathur, S.K. Mukherjea and H.K. Paranjape are opposed to the prescription of price-page schedule and news-to-advertisement ratio”.

6. The observation and the argument given in support of the constitutionality of the recommendations made by the Second Press Commission was noted by the Ministry and in its Action Taken Report to the observations made by the Commission, the Government considered that an Expert Committee may be set up to go into the question of working out a price-page schedule and news-to-advertisement ratio in view of the decision of the Supreme Court. However, owing to legal and constitutional complexities involved in the matter, setting up of an Expert Committee to look into the matter did not materialize.

7. Press Council of India has intimated that it has not considered/ formulated any opinion on the issue of news-advertisement ratio. It has in 1982-83, initially considered taking up a study of the same and even set up a sub-Committee for the purpose, but later in the year, the Council decided not to proceed further in the matter. The Council has also not laid down the ratio in any of its adjudications till date.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

The Committee notes that setting up of National Press Centre at New Delhi was approved as a Plan Scheme of Press Information Bureau (PIB) in the 8th Five Year Plan. The Committee also notes that the actual possession of the land has been given to PIB on 16th October 2002 at 7, Raisina Road, New Delhi which was totally encumbrance free. It has also been decided to award the construction work to any agency other than CPWD, on turn-key basis. Ministry of Urban Development has conveyed its 'no objection' to the proposal in terms in GFR 136 and the proposal has also been referred to Ministry of Finance for their concurrence. The Committee is distressed to note that the scheme which was initiated in the 8th Five Year Plan for construction of National Press Centre is still under consideration of the Government. The Committee is of the view that precious time has been lost by the Ministry. The Plan scheme since its approval has already been kept pending for the one decade. The Committee desires that the process of sanctioning, detailed concept and extra element that is required should have been worked out in advance before sending the proposal and asking for funds from the Planning Commission. The Committee hopes that since Plan scheme has now been approved after a long time, construction of the centre will be commenced immediately in right earnest by the PIB without further delay. The Committee desires that the progress made in the matter should be apprised to the Committee.

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

In this connection, it is mentioned that planning of the National Press Centre, to make it at par with any equivalent facility world wide will take time at the planning stage and will take the major part of the current financial year as projects of this nature and magnitude can not be implemented without proper study and assessment of the exact requirements. This is one of the major reasons for delay in implementation of this scheme apart from the delay in handing over of the plot physically to PIB. The Nodal Agency and Architect, through whom the project is to be got completed, have yet to be finalized/appointed and, hence, the physical and financial targets cannot be fixed at this stage. It will be only after the appointment of the Nodal Agency and the Architect that the work will be undertaken in right earnest. The Ministry of I&B is actively pursuing clearance of the single — tender enquiry with the Ministry of Finance so that implementation can be taken up in the



next few months.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 96)**

The Committee notes that PIB Raipur and PIB Gangtok have been selected for setting up of MMC-Soochna Kendra. However, there is gross under-utilization of funds allotted in this regard. The PIO, PIB submitted that they expected to spend the amount allotted as and when matter is approved by Standing Finance Committee (SFC). The Committee feels that most of the Plan schemes are lagging behind the schedule or showing under-utilisation of funds due to awaiting approval of SFC/Planning Commission approval in-principle. The Committee, therefore, desires that the Ministry should take the matter with SFC/Planning Commission to ensure timely completion of the ongoing and new projects/schemes and proper utilisation of Funds provided for the purpose.

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

Setting up of Soochna Kendras (MMC) at Raipur and Gangtok is a part of the scheme “Modernization and Computerization of Activities of PIB” and no expenditure, out of the budgetary allocation of Rs. 18.00 lakhs kept aside for the two MMCs could be incurred pending approval of the SFC. Being the first year of the Plan, detailed examination and other pre-implementation formalities took time. In respect of Plan Scheme “Modernisation and Computerisation of activities of PIB”, it was decided to constitute a Committee to study and evaluate the scheme in the background of PIB’s functional requirements and keeping a 10-year perspective of Modernisation and Computerisation of PIB. The Committee submitted its Report in the month of February 2003. The SFC memo on this Scheme was considered by SFC in its meeting held on 28.3.2003. The SFC memo for the remaining period of 10th Plan period is under consideration in the current financial year. Pending approval of SFC, no major expenditure could be incurred on either of the components of this scheme. Under the Plan Scheme “Construction of buildings for PIB offices in the North-East and where the land has been allotted by the Government”, the funds could not be utilised as the land has not yet been allotted to PIB Aizawl by the Government of Mizoram.

Under the Scheme “Press tours for NE, J&K and Tribal areas” which has already been approved by PIO in consultation with CCA, three press tours were conducted during the year 2002-03 and an expenditure of Rs. 1.79 lakh was incurred on this account.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 111)**

The Committee further notes that CFSI is encountering constraints in implementing its scheme “Exhibition of Children Films in Municipal Schools”, as it is unable to meet the transport cost for bring children to dedicated cinema halls, the Committee feels that while CFSI is making films meant for children, it should ensure greater accessibility of films to children in general and especially to children belonging to the economically weaker sections of the society in particular as it would not only help in achieving the objective of CFSI but also in nation building. The Committee, therefore, recommends that the Ministry should take up the matter with the concerned authorities to seek efficacious remedial steps so that children belonging to cross sections of the society are not deprived of access to good quality films.

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

The Government is committed to providing healthy entertainment to children from all sections of society in the country, for which the scheme “Exhibition of Children’s films in Municipal Schools” has been framed. The scheme envisages screening of films in Government Municipal, Kendriya & Navodaya Vidyalaya etc. Under the scheme, in 2002-2003, films were screened in the following states:—

- |    |                |   |                  |
|----|----------------|---|------------------|
| 1. | Maharashtra    | - | 14 districts     |
| 2. | West Bengal    | - | 5 districts      |
| 3. | Jharkhand      | - | 2 districts      |
| 4. | Madhya Pradesh | - | All 44 districts |
| 5. | Haryana        | - | 3 districts      |
| 6. | Uttar Pradesh  | - | 3 districts      |
| 7. | Uttaranchal    | - | 1 district       |

- |    |            |   |             |
|----|------------|---|-------------|
| 8. | Tamil Nadu | - | 9 districts |
| 9. | Karnataka  | - | 6 districts |

Currently, CFSI's films are being screened in the North-East region *i.e.* in the districts of Assam, for children of municipal schools. Apart from these, CFSI has screened films in Rajasthan for school dropouts with the cooperation of the Rajasthan State Government. The Bal Chitra Manch has been set up from 1.1.2003, by dedicating auditorium III in the Sirifort Complex to Children's films, in Delhi for screening films for children. Regular efforts are made by the CFSI and the Ministry where required to ensure the extensive out-reach of children's films.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 119)**

The Committee is concerned to note that Films Division could utilise only Rs. 108.89 out of the approved outlay of Rs. 565.00 lakhs Budget Estimates (BE) provided during 2002-2003. The reasons for under utilisation are stated to be *inter-alia* delay in SFC/Annual approval for the plan schemes, and the need for a careful scrutiny of the continuing schemes.

### **Recommendation (Para No. 120)**

The Committee is of the opinion that once a scheme has been approved and included in the plan outlay for which the funds have been provided for in the annual Plan, it becomes imperative that the Ministry should ensure early clearance of the schemes so that the Plan schemes which are envisaged to be completed in that particular year, could be completed in a stipulated time frame and benefits of the same are made available to the people.

### **Recommendation (Para No. 121)**

The Committee, therefore, recommends that the Ministry in future should ensure early approval of the plan/schemes of Films Division for timely commencement and completion of Annual schemes targeted for the Tenth Plan.

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

The observations/recommendations made by the Committee have been noted for compliance.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 122)**

The Committee further notes that the Ministry, keeping in view the recommendation of Expenditure Reforms Commission (ERC) to abolish Films Division, has decided to reorient it and that the Ministry has not drawn any specific blue print for the same so far. The Committee is not in agreement with the recommendation. The Committee feels that the Ministry should initiate a thorough study into the structural modifications required in Films Division to make it contemporary and provide it with a mission objective which it can follow. The Committee considers it to be a desirable initiative and would like to be apprised of the steps taken in this regard.

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

Ministry of I&B has taken a number of initiatives to reorient Films Division to make it contemporary and provide it with a mission objective. The steps taken in this regard have been enumerated below:—

- (i) Films Division has been directed to produce short and creative documentaries with scientific and educational content, incorporating social messages, relevant for the audience. The need for production of animation films of scientific and educational nature with a strong social theme by outside animation producers has also been underlined.
- (ii) Such films as mentioned at (i) above, are to be shown on a mandatory basis in terms of instructions issued under the provisions of the Cinematograph Act, 1952, and corresponding State legislations. Chief Secretaries of all the State Government/Union Territories have been addressed for strict enforcement of the licensing conditions pertaining to compulsory exhibition of 'approved films' under the Cinematograph Act, 1952 / State legislations, as applicable, so that the social messages disseminated through these films reach the targeted audience.
- (iii) Films Division is one of the pioneers of animation in the country. However,

of late its Cartoon Film Unit (CFU) has become stagnant in its growth and has been found to be lagging behind in terms of technology as compared to its peers in the private sector. A decision has been therefore, taken for resuscitation of the Cartoon Film Unit of Films Division, both in terms of manpower and equipment. For this purpose, Films Division has been requested to submit a detailed proposal, *inter alia*, for considering the farming out of work to private animation houses in order to develop and utilise the capacities of indigenous industry in the private sector. The feasibility for training/re-training requirement of the existing staff in the Cartoon Film Unit and the possibility of periodical contracting of trained manpower are being worked out.

- (iv) Films Division has already started transferring its films into the digital format (DVD). The archival films are on celluloid format which has a limited life span and can deteriorate rapidly if not properly stored. Keeping this in view, a scheme for transfer of these films into the digital format has been approved by the Ministry in the Tenth Plan as the transfer into digital format provides a second line of defence against deterioration of valuable archival footage. With the fast changing media scenario, internet and television have become important media for dissemination of information and it has become essential for Films Division also to look to these outlets and change the mode of distribution of its instructional, motivational and educative films apart from maintaining the prevailing ones. After digitalisation, the retrieval of the same for various purposes including production of various versions of the film, storing and handling become more convenient. The digitalised films are used as base for webcasting.
- (v) Films Division has launched online streaming of films (webcasting) through its website [www.filmsdivision.org](http://www.filmsdivision.org) from 3.7.2003. 700 selected films have already been put on website and this effort of Films Division has received wide attention in the Print & Electronic Media. After the launch on 3.7.03, eight lakhs hits have been recorded on the website and great numbers of requests are being received for stock shots, VHS & VCDs, hiring of equipments and premises. Market enquiries for strategic alliance for promoting the website and marketing of Films Division films are being received from many parties.

- (vi) There is a proposal for setting up of a Museum on Moving Images (MOMI) in the Films Division Complex at Mumbai so that the long and glorious history of Indian cinema and its dynamic development can be preserved and showcased for the future generation. The objective of this project is to encapsulate the socio-cultural history of India as revealed through the evolution of cinema, to develop a research centre focusing on the effect of cinema on the mind and society and to serve as a living museum.
- (vii) Films Division is being modernised by replacement of obsolete equipment by modern equipment in a phased manner.
- (viii) Films Division has been producing short fiction films in the 16mm format. As this format has gradually fallen into disuse, it has been decided to concentrate on producing short fiction films in video format to make it possible for the films to have a larger viewership through the medium of television and through the efforts of the Directorate of Field Publicity.

2. In partial implementation of the Ministry's proposal in respect of the Expenditure Reforms Commission (ERC), 161 posts have been abolished in Films Division *vide* Ministry's letter dated 24.5.2002. The endeavour is to rework the teeth to tail ratio in such a manner that support functions do not grow at the cost of the actual mandate of film making. To this end, the Ministry has also conveyed to Films Division that more and more of its films should be progressively outsourced while the staff is further decreased through attrition. Presently, there is no regular incumbent to the post of Chief Producer in Films Division, who is the Head of the organisation. UPSC has recently recommended a candidate for appointment to the post of Chief Producer, and action is in progress to appoint him to that post. This Ministry proposes to make further modifications to the existing structure of Films Division after the regular Chief Producer takes charge of the post.

[Reference M/O I&B O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

## **CHAPTER IV**

### **RECOMMENDATIONS/OBSERVATIONS IN RESPECT**

OF WHICH REPLIES OF THE GOVERNMENT HAVE  
NOT BEEN ACCEPTED BY THE COMMITTEE  
AND REQUIRE REITERATION

**Recommendation (Para No. 54)**

The Committee notes that there are still four vacancies on the Prasar Bharati Board and desires the Ministry to take up the matter for filling up of these vacancies particularly two vacancies pertaining to the representatives of the employees without further delay. The Committee is unable to accept the reason given for inordinate delay in filling up the vacancies.

**Action Taken by the Government**

Presently only four positions in the Prasar Bharati Board are vacant. The recommendations of the Selection Committee headed by the Vice President of India in respect of Member (Personnel), are under examination in the Ministry. The post of Director General, Akashwani (*ex-officio* Member) is to be filled up by Prasar Bharati Board for which it has initiated steps. Besides, there are two vacancies pertaining to the representatives of the employees. Since all the employees of erstwhile AIR & DD continue to be Government Servants, the election of the representatives cannot be held, till their services are transferred to Prasar Bharati, in accordance with the provisions of Prasar Bharati Act.

[Reference M/O I&B, O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

**Recommendation (Para No. 58)**

As regards the service conditions of Prasar Bharati staff, the Committee notes that they have been placed at the disposal of Prasar Bharati on existing terms and conditions of Government employees on deemed deputation basis, without deputation allowances with effect from 01.4.2000. The Committee is perturbed that because of this change over, employees of the Prasar Bharati

are denied the status of being Government employees and the consequential benefits that are attached to it not any other benefit has been granted to them as is being made available to the employees of newly constituted corporations/undertakings such as MTNL and BSNL. It has caused a lot of discontentment among them which require early redressal. The Committee understands that erstwhile employees of Doordarshan and All India Radio can be transferred to Prasar Bharati in accordance with Provisions of Section-11 of Prasar Bharati Act, only after the finalisation of Recruitment Rules and the terms and conditions of their services. The Committee, therefore, desires that Government should take necessary steps urgently to formulate the rules and regulations and make appropriate recommendations to the Ministry so that the sense of deprivation that has developed among the employees of Prasar Bharati can be redressed suitably. The Committee hopes that Ministry should offer attractive benefits to all category of employees of AIR and Doordarshan which would compensate them for loss of status and other perks that were available to them as Govt. employees as they would opt for the service of Prasar Bharati. The Committee would like to be apprised of the steps taken by the Prasar Bharati in this regard.

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

Government employees working in erstwhile DG:AIR and DG:DD have been placed at the disposal of Prasar Bharati w.e.f. 1.4.2000 on deemed deputation basis on existing terms and conditions, without deputation allowance. The main intention behind this was to make interim arrangement for facilitating the smooth functioning of Prasar Bharati and to allow it to exercise control and supervision on employees working against their posts. These employees are still Govt. servants till their services are formally transferred to Prasar Bharati under Section-11 of the Prasar Bharati Act.

As regards the finalization of rules and regulations for Prasar Bharati employees, it is stated that, while steps were being taken for speedy finalization of rules and regulations for Prasar Bharati employees, Joint Forum of Akashwani and Doordarshan Engineering Employees gave a call for strike by the employee demanding, amongst other things, their association in the process of framing of these Rules and Regulations. Prasar Bharati management has, on 18th September, 2002, signed a Memorandum of Understanding with the



Joint Forum of Akashwani and Doordarshan Engineering Employees. As per MOU, there will be a comprehensive review of recruitment rules and regulations including service conditions already notified under the Prasar Bharati Act as well as those rules and regulations yet to be notified. Fresh representations/suggestions from Joint Forum of Akashwani and Doordarshan Engineering Employees will be received by Prasar Bharati management and such review will take place in a time bound manner within two years. For this purpose Prasar Bharati has set up three committees comprising the representatives of the Management and the Association. Prasar Bharati, now, has to take necessary steps in finalizing the rules and regulations and make appropriate recommendations to this Ministry. The transfer of employees to Prasar Bharati, in accordance with the provisions of Prasar Bharati Act, could be considered only after the rules and regulations concerning Prasar Bharati employees are finalized.

[Reference M/O I&B, O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

### **Recommendation (Para No. 110)**

The Committee further notes that the CFSI is facing a constraint in timely completion of films as it does not have adequate production staff and has proposed to appoint a Producer in charge to enable better monitoring of production work. The Committee recommends that the Ministry look into the staff requirement of CFSI to ensure timely completion of films being produced by the society so that CFSI could complete its films on time and also effectively monitor production work thereof.

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

The Producer-in-charge in CFSI was responsible for monitoring the production targets, controlling costs and achieving the targets for production, purchase and/or acquisition of films for the Society. The post remained vacant since May 1997, hence in terms of extant instructions, it was deemed to be abolished. The case for filling up the post on regular basis is under consideration. Meanwhile, in order to ensure that production projects are monitored properly, appointment of a Producer for each project on contractual basis is being considered. At present a person is engaged on contract basis

for the projects of the Society in hand.

[Reference M/O I&B, O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

## **CHAPTER V**

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

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

The Committee further notes that Section 22 of Prasar Bharati Act, provides that notwithstanding anything contained in the Income-Tax Act, 1961, or any other enactment for the time being in force relating to income-tax or any other tax on income, profits or gains, the Corporation shall not be liable to pay any income-tax or any other tax in respect of any income, profits or gains, accruing or arising out of the Fund of the Corporation or any amount received in that Fund; on any income, profits or gains, derived or any amount received by the Corporation. The Committee notes that in the Budget for the year 2002-2003, the Government has withdrawn the benefit or income-tax exemption by amending section 22 of Prasar Bharati Act, thereby Prasar Bharati is liable to be taxed on its income from the year 2002-2003. The reason adduced by the Government in this regard is that since these institutions have come of age and are working on commercial lines, no further exemption should be given.

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

The Committee however is of the view that Section-22 clearly manifests that the intention of the Government was to treat Prasar Bharati as a Public Broadcaster with a clear mandate and not as a commercial organisation. The Committee also shares the views of the Planning Commission contained in the Tenth Plan document which states that most of the programmes of AIR & DD are aimed at disseminating information of developmental issues and they cannot be treated merely as revenue generating enterprises.

**(Para No. 57)**

From the foregoing, the Committee feels that there has been some misconception that Prasar Bharati is working on commercial lines and making enough income that can be taxed. The Committee is of the clear view that Section 22 of the Act should continue as originally enacted and no tax should be levied on the income and receipts of Prasar Bharati. The Committee, therefore, desires the Ministry to take up the matter with the Ministry of Finance at the highest level to reconsider withdrawal of the exemption allowed to the Prasar Bharati under Section-22 of the Prasar Bharati Act. The Committee strongly urges the continuance of status quo.

**Action Taken by the Government**

As per Section-22 of Prasar Bharati Act, “Notwithstanding anything contained in the Income Tax Act, 1961, or any other enactment for the time being in force relating to income tax or any other tax on income profit or gains, the Corporation shall not be liable to pay any income tax or any other tax in respect of:—

- (a) Any income, profit or gains accruing or arising out of the Fund of the Corporation or any amount received in the Fund and
- (b) Any income, profit or gains derived or any amount received by the Corporation.

In the Budget for the year 2002-2003, the Government has withdrawn the benefit or Income Tax exemption by amending Section 22 of Prasar Bharati Act, thereby Prasar Bharati is liable to be taxed on its income from the year 2002-03.

Secretary (I&B) has written to Finance Secretary to reconsider the issue of exempting Prasar Bharati from paying Income Tax or Service Tax on 3rd April, 2003, in the light of the fact that this organization (PB) enjoys autonomy in its day to day functioning in discharging the primary duty of organizing and conducting public broadcasting services to inform, educate and entertain the public and to ensure a balanced development of broadcasting on Radio and Television. The public service broadcaster provides for universal access and conducts broadcasting as per its mandate, as opposed to commercial

broadcasting, which is driven entirely by commercial considerations. This Ministry has also apprised the Ministry of Finance that since a deficit of Rs. 1200/1300 crores is being met annually by the Government through grant-in-aid, Prasar Bharati need not be asked to pay taxes.

Ministry of Finance is yet to respond.

[Reference M/O I&B, O.M. No. G-20016/3/2003-B&A, Dated 5.8.2003]

NEW DELHI;  
*19 December, 2003*  

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*28 Agrahayana, 1925 (Saka)*

SOMNATH CHATTERJEE,  
*Chairman,*  
*Standing Committee on*  
*Information Technology.*

## APPENDIX I

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

The Committee sat on Friday, 19 December, 2003 from 1500 hours to 1600 hours in Committee Room No. '070', Parliament Library Building, Parliament House, New Delhi.

#### PRESENT

Shri Somnath Chatterjee — *Chairman*

#### MEMBERS

##### *Lok Sabha*

2. Shri Pawan Kumar Bansal
3. Prof. Dukha Bhagat
4. Shri Rama Mohan Gadde
5. Shri K.K. Kaliappan
6. Shri A. Krishnaswamy
7. Shri Bhartruhari Mahtab
8. Shri Saroj Tufani
9. Shri K.A. Sangtam
10. Shri Nikhil Kumar Chowdhary
11. Shri Vanlalzawma
12. Shri Charanjit Singh
13. Dr. Bikram Sarkar

##### *Rajya Sabha*

14. Shri Balbir K. Punj
15. Shri Rajeev Shukla

## SECRETARIAT

- |                      |   |                                     |
|----------------------|---|-------------------------------------|
| 1. Shri S.K. Sharma  | — | <i>Joint Secretary</i>              |
| 2. Shri S.K. Sharma  | — | <i>Officer on Special Duty (IT)</i> |
| 3. Shri B.D. Swan    | — | <i>Under Secretary</i>              |
| 4. Shri D.R. Shekhar | — | <i>Assistant Director</i>           |

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee. The Committee then took up for consideration the following Draft Reports and adopted the same:-

- (i) Draft Report on Implementation of Software Technology Park (STP) Scheme relating to the Department of Information Technology.
- (ii) Draft Report on Action Taken by Government on the Recommendations/Observations of the Committee contained in its Forty-Ninth Report on Demands for Grants (2003-2004) relating to the Ministry of Information & Broadcasting.
- (iii) Draft Report on Action Taken by Government on the Recommendations/Observations of the Committee contained in its Forty-Sixth Report on Demands for Grants (2003-2004) relating to the Department of Telecommunications.
- (iv) Draft Report on Action Taken by Government on the Recommendations/Observations of the Committee contained in its Forty-Eight Report on Demands for Grants (2003-2004) relating to the Department of Posts.
- (v) Draft Report on Action Taken by Government on the Recommendations/Observations of the Committee contained in its Thirty-Second Report on 'Entry of Foreign Print Media and Foreign Direct Investment in Print Media' relating to the Ministry of Information & Broadcasting.

3. The Committee, then, authorised the Chairman to finalise and present the above mentioned Reports to the House in light of the factual verifications received from the concerned Departments/Ministries.

*The Committee, then, adjourned.*

## APPENDIX II

### ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE FORTY-NINTH REPORT (THIRTEENTH LOK SABHA)

#### [Vide Paragraph No. 5 of Introduction]

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

Paragraph Nos. : 19, 50-53, 60, 77, 87, 88, 100, 108,  
109 & 112

Total : 15

Percentage : 42.85%

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

Paragraph Nos. : 18, 47-49, 59, 61, 70, 71, 78, 95-96, 111 &  
119-122

Total : 16

Percentage : 45.71%

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

Paragraph Nos. : 54, 58 & 110

Total : 3

Percentage : 8.57%



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

Paragraph Nos. : 55-57

Total : 3

Percentage : 8.57%