

**MINISTRY OF INFORMATION
AND BROADCASTING**

**POLICY FOR GOVERNMENT
ADVERTISEMENTS**

**ESTIMATES COMMITTEE
1991-92**

TENTH LOK SABHA



**LOK SABHA SECRETARIAT
NEW DELHI**

EIGHTH REPORT
ESTIMATES COMMITTEE
(1991-92)

(TENTH LOK SABHA)

**MINISTRY OF INFORMATION
AND BROADCASTING
POLICY FOR GOVERNMENT
ADVERTISEMENTS**



Presented to Lok Sabha on 5 March, 1992

**LOK SABHA SECRETARIAT
NEW DELHI**

February, 1992 / Phalgun, 1913 (Saka)

977LS-2

E.C. No. 1269

Price: Rs. 12.00

© 1992 LOK SABHA SECRETARIAT

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Seventh Edition) and printed by Manager, P.L. Unit, Government of India Press, Minto Road, New Delhi-110002.

C O N T E N T S

	PAGE
Composition of the Committee	(i)
Introduction	(v)
Chapter I— Advertisement Policy	
A. Introductory	1
B. Historical Background	2
C. Present Policy	2
D. Mechanism for Policy Determination.....	3
E. Policy Objectives & Parameters	5
Chapter II— Implementation of Policy	
Organisational and Administrative Aspects	
A. D.A.V.P.: Conceptual Options	10
B. Role of D.A.V.P.	13
C. D.A.V.P.: Strength and Shortcomings	21
Chapter III— Important Policy Issues	
A. Distribution of Advertisement	27
B. Circulation Check	30
C. Advertisement Rate Structure	31
D. Advertisement of Public Sector Undertakings	33
E. Use of Audio Visual Media	34

PART II

***Minutes of the Sitzings of the Estimates Committee held on
20.9.1990 and 28.1.1992**

Apendices

Appendix I	Advertising Policy of the Govt. of India (Effective from 1.10.1980).....	38
Appendix II	Advertising Policy of the Govt. of India (Changes effected since 1977)	41
Appendix III	Organisation chart of DAVP relating to Press Advertising.....	44
Appendix IV	Sanctioned strength of Advertising Wing of DAVP.....	45
Appendix V	Statement showing the share of small, medium and big newspapers/periodicals in respect of display and classified advertisements.....	47
Appendix VI	Representative data about 5 publications in each category big, medium and small in respect of advertisements issued during 1989-90	49
Appendix VII	Revised rate structure effective from 1.1.1988.....	50
Appendix VIII	List of Members of Estimates Committee (1990-91)	52
Appendix IX	Statement of Recommendations/Observations	54

Not printed. One cyclostyied copy laid on the Table of the House and 5 copies placed in Parliament Library.

**COMPOSITION OF THE COMMITTEE
(1991-92)**

CHAIRMAN

Shri Manoranjan Bhakta

MEMBERS

2. Shri Rajendra Agnihotri
3. Shri Mumtaz Ansari
4. Shri A. Charles
5. Shri Somjibhai Damor
6. Shri Digvijaya Singh
7. Shri Pandurang Pundlik Fundkar
8. Shrimati Girija Devi
9. Shri Nurul Islam
10. Dr. Viswanathan Kanithi
11. Shri Ayub Khan
12. Shri C.K. Kuppuswamy
13. Shri Dharampal Singh Malik
14. Shri Manjay Lal
15. Shri Hannan Mollah
16. Shri G. Devaraya Naik
17. Shri Rupchand Pal
18. Shri Sriballav Panigrahi
19. Shri Harin Pathak
- *20. Shri Vijay N. Patil
21. Shri Harish Narayan Prabhu Zantye
22. Shri Ebrahim Sulaiman Sait
23. Shri Moreshwar Save
24. Shri Manabendra Shah
25. Shri Mahadeepak Singh Shakya
26. Shri Ramashray Prasad Singh
27. Shri Sariaj Singh
28. Shri Syed Shahabuddin
29. Shri D. Venkateswara Rao
30. Shri Braja Kishore Tripathy

SECRETARIAT

- | | |
|---------------------|------------------------|
| 1. Shri G.L. Batra | — Additional Secretary |
| 2. Shri K.K. Sharma | — Joint Secretary |
| 3. Shri B.B. Pandit | — Director |
| 4. Shri R.C. Gupta | — Asstt. Director |

*Shri Vijay N. Patil has resigned from the membership of the Committee on Estimates w.e.f. 11th December, 1991.

INTRODUCTION

I, Chairman of Estimates Committee having been authorised to submit the report on their behalf, present this Eighth Report on the Ministry of Information and Broadcasting—Policy for Government Advertisements.

The Estimates Committee (1990-91) undertook the examination of the subject as it concerns the distribution of advertisements and advertisement rate structure. That Committee considered replies given by the Ministry of Information and Broadcasting to a detailed questionnaire issued on the subject and thereafter they took evidence of the representatives of the Ministry on 20.9.1990. The Estimates Committee (1991-92) at their sitting held on 28th January, 1992 considered and adopted the Report.

The Committee wish to express their thanks to the officers of the Ministry of Information and Broadcasting for placing before them detailed written notes on the subject and for furnishing whatever information they desired in connection with the examination of the subject. The Committee also appreciated the frankness with which the officials shared their views, perception and constraints with the Committee.

The Report is divided into three Chapters. In the first Chapter the Committee have discussed about the present policy for Government Advertisements, its objectives and parameters. In the second Chapter they have examined the role of DAVP, its strength and shortcomings and conceptual options and in the last Chapter the Committee have examined the important policy issues which have bearing on distribution of advertisements, its rate structure and the use of Audio-visual media etc.

The Committee have found that inspite of the fact that crores of rupees were being spent every year on account of Government advertisements, yet no formal policy has been framed so far. The Committee have therefore desired that a clear and articulate Policy document may be brought out and placed before Parliament within a period of six months.

In this context the Committee have also desired the Government to take an expeditious decision on the recommendations of the Principal Information Officer Committee appointed in 1987. They are of the opinion that once the Government announces its Policy on Government Advertisements, DAVP must function strictly within parameters of that policy.

In regard to the functioning of DAVP the Committee desire that the Directorate should be streamlined to improve its performance and the Ministry should help the Directorate in developing sufficient expertise in producing advertisements of quality. For this purpose they have recom

mended that the advertising personnel of DAVP should be encouraged to take 'sabbatical leave' in order to upgrade their professional skills.

The Committee have also desired that Union Territories which are being administered directly by Central Government should be brought within the ambit of Government's Policy directives on advertisements and DAVP should also cater to the requirements of administration in such Union Territories.

As regards publishing of anti-national news or indulging in writings which are considered anti-national or communal, or obscene, the Committee have desired the Government to take content analysis of newspapers and periodicals on a more extensive, regular and systematic basis. They would also like the enforcement of policy guidelines to be more stringent. However, the Committee consider it imperative that while taking action, consultations with Press Council of India should invariably be held.

Notwithstanding the policy of the Government not to provide financial assistance to newspapers through release of Government advertisements, the Committee find that Government does enjoy a certain degree of money power while distributing government advertisement. While analysing the actual distribution of advertisement revenue the Committee have come to the conclusion that the present policy of promoting wider dispersion of media power through distribution of advertisements and of achieving through this mechanism growth of a healthy press has failed to achieve its objective. They have therefore urged the Government to take up an immediate review of this aspect of the policy and to introduce suitable corrective measures.

While the Committee favour encouragement of small newspapers they would desire that such patronage be given to only genuine newspapers. Therefore, the Committee have also desired that list of small newspapers be revised periodically to delete such newspapers which have failed to increase their circulation beyond the prescribed limit during a specified period. The Committee, are, however, inclined to recommend a suitable relaxation in regard to language newspapers/periodicals published from remote areas such as North-east, Island Territories, tribal belts and hilly regions or by small linguistic groups. In this context, the Committee have underlined the need for strengthening the mechanism for verification of circulation figures.

For rationalising the advertisement rate structure the Committee have desired the Government to take a final and expeditious decision on the Report of Expert Committee. However, while taking a final decision in the matter the Committee have desired that care should be taken to allow special rates to language newspapers published in remote and hilly areas including Island Territories and Tribal belts besides those published by small linguistic groups keeping in view the inherent diseconomies of scale and consequentially higher cost and lower revenues in regard to such

newspapers. They have also desired parity of rates between English and other language newspapers which are at the same level of circulation.

The Committee feel that the highly potent electronic media is not being fully utilised by DAVP as is suggested by the fact that as against a campaign budget of Rs.16 crores a limited account of Rs.30 lakhs has been spent during 1989-90 for propagation of socially relevant issues. They have therefore urged the Government to encourage greater use of T.V. as also vedio magazines and films for this purpose.

The Committee would like to express their thanks to the Estimates Committee (1990-91) for taking evidence on the subject and obtaining valuable information thereon. The composition of the Committee (1990-91) is given at Appendix VIII.

For facility and reference the conclusions/recommendations have been printed in thick type in the body of the Report and have also been reproduced in a consolidated form in appendix IX of the Report.

NEW DELHI;
February 24, 1992

Phalgun 5, 1913 (Saka)

MANORANJAN BHAKTA

*Chairman,
Estimates Committee.*

CHAPTER I

ADVERTISEMENT POLICY

A. Introductory

1.1 The present policy of the Government in relation to Press advertisements of the Ministries and Departments is to route all such advertisements through the Directorate of Advertising and Visual Publicity (DAVP) which is an attached office of the Ministry of Information and Broadcasting. The DAVP places advertisements in various newspapers / journals on behalf of various Ministries and Departments of the Government of India. A number of autonomous bodies and Public Sector enterprises also channelise their advertising through the DAVP.

1.2 The Government of India release a large number of advertisements every year in newspapers and periodicals and the number of these insertions as also the expenditure thereupon have been growing as shown in the table below:

Period	Average No. of insertions per year	% Increase	Average annual expenditure per year (Rs.)	% Increase
1973-74 to 1976-77	23193	—	46,97,481	—
1977-78 to 1980-81	24420	5.3	72,95,390	55.30
1981-82 to 1984-85	31573	29.3	101,12,133	38.60
1985-86 to 1988-89	38671	22.5	134,84,629	33.35

(Derived from year-wise figures furnished by the Ministry of Information & Broadcasting)

1.3 In a written note to the Committee the Ministry stated that D.A.V.P. does publicity for the various Departments / Ministries of Government of India through the medium of:—

1. Newspaper advertising;
2. Outdoor publicity;
3. Printed publicity;
4. Audio-Visual Publicity

B. Historical Background

1.4 The Ministry have given the following historical background of the Policy on Government Advertisements:

The Government's advertisement Policy was formulated in 1953-54 and remained unchanged until June, 1976. Prior to this the various Ministries / Departments of Government of India were routing their advertisements through private Advertising agencies. The newly evolved Advertising Policy was the result of the Government's desire to centralise Government advertisements in DAVP, dispensing with the use of the private Advertising Agencies. With this, the Office of the Advertising Consultancy was transformed as DAVP.

During emergency new guidelines for advertising were issued. These emphasized that the papers / periodicals must support national policies and objectives and a clear weightage to be given to small and medium newspapers / periodicals, besides the language papers.

Subsequently, these guidelines were changed and fresh guidelines introduced w.e.f. 16.4.1977.

Another Committee was set up during April, 1980 to review the above policy. On the recommendations of this Committee, the norms for empanelment of newspapers for issue of Government advertisements were thus further revised. This policy came into force from 1.10.1980.

C. Present Policy

Nature and status

1.5 The Ministry stated that policy on government advertisements was not a formal policy but a set of guidelines by the Ministry. The guidelines as effective from 1.10.1980 are given at Appendix-I.

1.6 Asked whether the advertisement policy had been placed before the Parliament and debated upon, the Ministry in a written note stated that the policy guidelines have been made available to the Parliament while answering questions. It has, however, not been put to a formal debate.

1.7 Asked why the Ministry had not thought it proper to formulate a regular policy statement on the subject, the Ministry in a written note stated that DAVP as an advertising agency to the Government of India has formulated, from time to time, certain procedures, in consultation with the Ministry of Information and Broadcasting to handle empanelment of newspapers and release of press advertisements on behalf of various departments and Ministries. These procedures essentially serve as guidelines for day to day working.

1.8 The Ministry of Information and Broadcasting have from time to time determined procedures and norms for advertisements, they were not treated as a formal and periodic policy declaration and perhaps it is for this reason that there was no occasion for laying such guidelines before Parliament.

1.9 In this context the Secretary, Ministry of Information and Broadcasting, during evidence, stated:

“It is not as if there is no policy. We have guidelines and procedures.”

1.10 When it was pointed out that guidelines and procedures were not a policy but only a mechanism for implementation of a policy, the Secretary explained as under:—

“I am of the opinion that it is little more than that. It may not be satisfactory from the point of view in which it has been articulated, but it deals with how you are going to work the financial arrangement in respect of the people you are going to use. There are certain aspects of the policy or area which should be dealt within the policy which are not really dealt with today. Merely a blank statement to the fact that policy does not exist either because it has not been placed or debated in Parliament or the area of policy relating to DAVP is not getting the maximum exposure does not mean that there is no policy at all. There are certainly lacunae which can be dealt with in terms of current policies.”

He further added—

“Indeed if you look at the proceedings of both Houses of Parliament and the questions which the Information and Broadcasting Minister has answered over a period of time, you will find as to what has been the proportion of advertisements given by DAVP to small, medium and large newspapers. The object being to determine to what extent the expenditure is being incurred by Government on advertising and in which area it is going.”

He also stated:

“I partially dispute the fact there is no policy.”

1.11 When Secretary, Information and Broadcasting was asked if he would disagree with the proposition that the policy document, in whatever form it exists, needed to be brushed up and polished either through a wide public debate or, at least, through a debate in the Parliament, he replied in the negative.

D. Mechanism for Policy Determination

Basis

1.12 As per the Ministry the present policy on government advertisements has its origins in the report of a Committee on Press Advertisement

Policy, appointed by the Government in April, 1980. The Ministry also stated that the policy guidelines are based on executive decisions and that before finalising the guidelines the views received from various quarters are fully considered. The Ministry further clarified that these include Conferences / discussions by / with various newspaper associations such as All India Small and Medium Newspapers Association, Indian Language Newspapers Association etc. the views expressed by last Estimates Committee and the views of the association etc.

Feedback and Review

1.13 When asked to indicate the nature, scope and frequency of feedback information, if any, received from the concerned segments of society to gauge the degree of success the policy is meeting with the Ministry in a written note replied that the reactions of newspapers and the various Ministries/Departments are received in the form of representations / letters in the Ministry of Information and Broadcasting as well as in DAVP indicating their views on the Advertisement Policy, as well as problems in individual cases.

1.14 Apart from considering the representations of newspapers / newspaper organisations, DAVP representatives participate in discussions and conferences arranged by newspapers / newspaper organisations and also meet with newspaper organisations during their tours.

Policy changes

1.15 The changes effected in the policy guidelines since 1977 are given at Appendix II

1.16 Asked as to what had necessitated changes in the guidelines at different stages, the Ministry stated that these were necessitated because of changing needs from time to time.

1.17 Asked to clarify changes which had necessitated a policy revision in April 1980, the Ministry in a written note stated the following :—

- (a) Parity of rates between language and English papers.
- (b) Weightage for State and District level newspapers.
- (c) Associations of small and medium newspapers of State level should, if possible, be recognised and the figures of circulation, regularity etc. certified by these Associations be taken as final in the absence of RNI certification.
- (d) The newspapers should send regular copies to the DAVP so that media details for all newspapers are available.

1.18 Asked to indicate the major shortcoming of the previous policies the Ministry in a written note stated that earlier policy did not cover a substantial criteria prescribed.

1.19 About the complaints received in regard to policy guidelines and their implementation, the Ministry stated that the general complaints are in regard to quantum of advertisements and rates. While small and medium newspapers demand more advertisements, the big newspapers demand higher rates as well as acceptance of their card rates. On the other hand, the user Ministries/Departments complained that they are not getting sufficient publicity returns because of allocation of DAVP advertisements to newspapers particularly in the small category. A few newspapers in the big and medium category do not accept DAVP rates which are also a cause of complaint from user Ministries/Departments.

1.20 Asked whether the policy on government advertisements is periodically reviewed the Ministry, in a written note to the Committee, stated that since the general demand is for increase in DAVP rates, this is met through a built in provision for review of rate structure every two years. Whenever suggestions are received from newspapers and newspaper organisations for changes in the policy guidelines, they are considered by DAVP and Ministry. As stated earlier, there have been suggestions for lowering the empanelment criteria. The PIO Committee set up in 1987 to review the policy guidelines, has taken up such issues for careful consideration. The report of the Committee is under consideration of the Government.

E. Policy Objectives and Parameters

1.21 When asked to state the primary objective of Government policy on advertising, the Ministry in a written note stated that primary objective of the government advertising is to secure widest possible coverage through the newspapers which circulate news or comments on current affairs and journals on science, literature, sports, films and cultural affairs etc. The Secretary, Ministry of Information and Broadcasting, during the evidence stated:—

Advertising is rather a wide area of activity, and I think its spread is from an area of merely passing on the information to all and sundry, to an area where it needs to motivate people in a particular direction or in respect of a particular matter. This whole area of advertising, as it were, is what we are addressing when we consider this question. It is my personal belief that Government does need to take recourse to advertising as an area of activity, for a variety of reasons. At the end of the spectrum you have the area where you need to disseminate information over a very large spectrum of recipients. In this, I would include things like informing people about the availability of jobs that they have to apply for, and the whole business of recruitment. Then there is also the whole business of purchase and tender notices."

The Secretary further added:—

“DAVP cannot divorce itself from the overall governmental policies and governmental objectives unless it comes out of the Government sector completely.”

1.22 In this regard the Ministry in a written note, further clarified that Government advertisements are not essentially or primarily a measure of financial assistance to newspapers. Keeping in view the publicity requirements and the availability of funds, a balanced and equitable issuance of advertisements is aimed at so as to ensure that papers with big circulation or members of chains or groups do not get the lion's share of Government advertisements.

1.23 In this context the representative of the Ministry during evidence stated:—

“The Government, over the past couple of decades or perhaps more, has a policy of ensuring that the language, newspapers, medium and small newspapers, do not languish and become extinct. In other words, a certain amount of encouragement is a part of the policy.”

He further clarified as under:—

“When I said languished or extinguished, I did not mean that DAVP is providing or trying to provide direct financial support. What I meant was this. The contents of the newspapers has Government advertisements, which people wants to see and know about them and its circulation is affected. It is not that the finances are as such to be injected into a newspaper. But the contents of a newspaper influenced circulation and Government advertisements of job vacancies are a part of the contents of the newspaper, thereby it indirectly influences the circulation.”

Parameters

1.24 The basic parameters within which the advertisement policy has formulated and modified are evident from changes which have been effected as under:

Circulation: 1977

Minimum paid circulation	— 2000 copies
Relaxation in case of Urdu and Sindhi Papers.	— 1000 copies

1980

Minimum paid circulation	— 1000 copies
Relaxation in case of Urdu and Sindhi Papers.	— Nil.

Minimum prescribed print area

	1977	1980
Dailies	4 pages of 45 cm × 7 std. col. or 760 std. col. cms. equivalent printed space.	

Week 20 cm × 3 col. — 12 pages or equiva- 480 std. col.
lies & lent printed space cms.

Fort 15 cm × 2 col. — 24 pages or equiva-
night lent printed space
lies

1977

1980

Other 20 cm × 3 col. — 32 pages or equiva- 960 std. col.
than lent printed space cms.

above 15 cm × 2 col. — 40 pages or equiva-
lent printed space

Regularity

1977

Minimum un-interrupted regularity not less than six months.

1980

Minimum un-interrupted regularity not less than four months.

Misuse

1.25 When asked whether Government were satisfied that policy on advertisements is not being misused for selective patronage of press or as a means to curb the freedom of press and how such situations were avoided, the Ministry in a written note stated that while giving advertisements political affiliations or editorial policies of the publication concerned are not taken into account. However, adts. are not issued to newspapers/journals which incite or tend to incite communal passions, preach violence offend the sovereignty and integrity of India or socially accepted norms of public decency and morals.

Conclusion

1.26 The Committee are informed that the policy of the Government in relation to advertisements on behalf of Ministries and Departments is to route them through the Directorate of Advertising and Visual Publicity (DAVP). This brief policy intent has been amplified with a set of guidelines issued and revised from time to time in the shape of executive orders. The Committee, however, find that there is no formal policy statement as such, and even though matters relating to advertisement rates have been raised in the Parliament on various occasions yet there never has been a formal debate in or outside Parliament on the subject. During the evidence before the Committee, the Secretary, Information and Broadcasting admitted that even though there were guidelines which enunciate Government's policy in regard to Government advertisements, the conclusion that there is no policy can be disputed only partially. He also admitted that the present policy is neither well articulated nor comprehensive and that certain lacunae did indeed exist in it. In this context, the Committee note that the number of insertions

as well as annual expenditure on Government advertising has been rising sharply since 1977.

Recommendation

1.27 The Committee find it surprising that in spite of the fact that crores of rupees are being spent every year, on account of Government advertisements, yet no formal policy has been framed so far. The Committee, therefore, desire that a clear and articulate policy document may be brought out and placed before Parliament within a period of six months.

Conclusion

1.28 The Committee note that since 1977 the policy guidelines have been periodically reviewed and revised taking into account the views of various newspaper organisations and the press in general. They also note that the latest policy guidelines issued in 1980 are based on the report of a Committee appointed by the Government for working out guidelines which are more rational. The changes brought in from time to time have by and large played around parametres like the circulation criteria, minimum prescribed print-area and the regularity of a publication. The Committee also note that the thrust of these changes has been to give greater share of advertisements to medium and small newspapers which include Indian Language newspapers. The Committee are also informed that while giving advertisements, political affiliations or editorial policies of the publications concerned are not taken into account. However, the Committee observe that the basic flaw in the policy seems to arise from the dichotomous situation underlined by Government's keenness to give certain degree of support to medium and small newspapers and yet maintaining the policy objective of not distributing advertisements as a measure of financial assistance to a particular newspapers. Needless to say advertisements to small newspapers do not automatically translate into wide publicity to the Ministry/Department concerned even while doing so is the primary objective of Government advertisements policy. The Committee have been informed that the Government had set up the PIO Committee in 1987 to review the policy guidelines for rationalising the advertisements policy. The report of the Committee was still under consideration of the Government. The Committee are constrained to observe that if an unstated objective of the Government is to support weak newspapers, the Government ought to study the matter carefully and come out with a clear and explicit policy statement to that effect. In the opinion of the Committee not doing so will result in continuing the present state of ambiguity which in turn provides considerable scope for pressures to build upon DAVP leading ultimately to the erosion of the Government policy itself.

Recommendation

1.29 The Committee recommend the Government to take an expeditious decision on the recommendations of the Principle Information Officer. They also desire that once the Government announces its policy, DAVP must function within the parameters of that policy.

CHAPTER II

IMPLEMENTATION OF POLICY: ORGANISATIONAL AND ADMINISTRATIVE ASPECTS

A. Directorate of Advertising and Visual Publicity: Conceptual Options

2.1 Dwelling upon the attributes of an advertising agency the Secretary, Information and Broadcasting, during evidence, stated:

“We have to find out what kind of attributes should exist in an advertising agency if Government were to have in-house activities. If you talk to advertising people or people who work in advertising agencies you will find their main investment is their manpower. You will find creative people working in advertising agencies exceedingly well paid because they constitute the main capital. There is a tremendous degree of mobility particularly of the creative people within the advertising world. People move very fast from one organisation to another to seek better opportunities not only in terms of pay but also what they are advertising.”

Relevance of DAVP

2.2 During evidence Secretary, I&B stated that there were two different aspects of advertising activities of DAVP. One is confined to dissemination of information and the other to motivational advertising.

2.3 Asked whether Government of India ought to have an in-house advertising agency, and whether DAVP is at all relevant, the Secretary, Information and Broadcasting during evidence, replied:

“The question here is whether individual departments of Government can internally do this effectively, so as to maximise the availability of information; do they have the required knowledge on how to deal with various kinds of media available to them for dissemination of information? It is my belief that most departments will need to set up units which have acquired some expertise in this field of activity, if they wish to do it themselves...Even mundane activities which require dissemination of information, require an organization which can effectively interface with the media. This requires a certain degree of expertise which most departments will need to develop. I am, therefore, of the view that Government does require to undertake an exercise which can be called an advertising exercise.”

He added:

"I do not think that any advertising agency in this country can effectively deal with dissemination of the information in the nature that Government does. There are well known names which are larger agencies. But none of them have a media list of 50 to 100 newspapers. There are limitations which there nature of work places on them."

The Secretary further stated:

"The other issue which you raised is whether it should be done in-house. It is a debatable issue-debatable both in the context of whether the entire thing should be in-house or whether there are certain kinds of activities which should be in-house and not others.

Again even if one conducts a purely information dissemination kind of activity, there is one obvious difficulty that one can envisage. It is the question of what to pay for this kind of service, assuming that it is not done in-house. If I have organizations of Government—various departments, Ministries and other offices—which require this service, and if they were to do this activity themselves in-house, they would interface directly with the media and would be paying rates as determined between them and the media if they had in-house capability. If they do not have in-house capability, they would be routing their demands through advertising agencies which exist in large numbers. There are very efficient advertising agencies having different rate structures, and so on. So, if one runs into this problem where different departments may have different criteria for making payments or different rates of payment for the same kind of service. Whether it is tolerable or not, is a different issue, at a larger policy level. But if I may look at it very narrowly as a bureaucrat, I will be placed in a situation where I will have to interface with private advertising agencies. I would find it extremely difficult to deal with the whole question. My colleague who is sitting two doors away may be dealing with it differently. Perhaps at least in this area of dissemination of information, there is need to have a structure through which Government departments can deal with the media, to derive this service. This is my point of view."

He further added:

"Advertising, as an in-house activity by the government, will have limitations both in terms of its level of professionalism that it can achieve and its level of efficiency. But there are reasons why this in-house activity would need to be created in certain areas. Unless there is a great change in the method of working it cannot be done."

2.4 In regard to motivational advertising the Secretary during evidence stated:

"Coming to the other aspect of advertising, which is a motivational kind of advertising, even today you find a somewhat mixed picture existing in Government. I am aware of the fact that there are

individual departments concerned with motivational kind of advertising, who are dealing with private advertising agencies.”

2.5 During evidence when it was suggested to the representative of the Ministry that motivational advertising cannot be handled well by a Government agency like DAVP as it involved greater creativity, service orientation and a good manpower base, the witness stated:—

“I am entirely one with you in that it is very difficult for rigidly structured organisations or individuals to be exact and get their things done within their system. You know the high level of management which is required.

Need for a centralized set-up

2.6 It was suggested to Secretary, I&B during evidence that perhaps dissemination of information required merely a supervisory body and not a creative or innovative group of people and could therefore be done by the Ministries themselves without there being a centralized body like DAVP. Responding to the same, the Secretary stated:

“I am not entirely in agreement with the first part of it, which is that planned information dissemination is an area which requires certain degree of creativity and certain degree of expertise. But it is, because if we were to take the question as to how we should disseminate a particular piece of information regarding the jobs being advertised by the Union Public Service Commission at the least possible cost and the most efficient manner, it requires the knowledge or the manner in which the services of the newspaper industry are catering to different kinds of people in this country or in different parts of this country. That itself is an area where the expertise, as you know, of the advertising agencies is employed. There are also three broad areas of specialisation in advertising. One is copy writing and it includes the visual part; the other is media planning and the third of course is service. Media planning is itself an expertise by itself. And, therefore, I would like this aspect to be born in mind. It is not a purely supervisory task. It is not something like a target which everybody can say, ‘I can do it’. I would like you to appreciate this.”

“That apart, the other aspect as to whether this can be done in a decentralised manner or not, I personally think that it can be done in a decentralised manner with perhaps a central unit somewhere, may or may not be DAVP or even the jobs can be farmed out. You can find out what is the media availability in different parts; what are the opportunities available so that people in different departments of the Government can get some kind of a period guidance from time to time. It can then be a decentralised machinery even if the decentralised availability of media expertise is not. But one must recognise that in a regime of decentralisation of this nature. I think, it would be futile to assume that the mere availability of rate structure and so on

will result in ever body paying the same for each service or comparable service. There will be differences. This is a difficulty which one will have to recognise. Otherwise the system will collapse."

2.7 Explaining the difficulties in a decentralized advertising arrangement for disseminative purposes another representative of the Ministry during evidence stated:

"We refer to an illustration of UPSC. If UPSC were to undertake this job of advertising of the job vacancies by itself, it will have to have a panel or a list of all live newspapers from year to year in different parts of the country. All these newspapers do not have their Head Offices in Delhi. They have their Head Offices in Districts also. It will have to reach out and send these material to very small places, medium places, State headquarters, Districts and other places. The DAVP being a centralised agency can afford to have Regional Offices, which will service all the Government Departments, which want such dissemination of job vacancies, tender notices and such other things. This is the singular advantage that accrue only due to centralisation.

A centralised treatment of dissemination of information distributing them as widely as possible among two groups, English and language newspapers on the one hand and the three - medium, small and large - newspapers on the other hand have been considered to be a wise policy for development and growth of a healthy press in the country. This attempt can be best fulfilled again only through a centralised agency because decentralised undertaking of this activity creates the following difficulties.

There is a group of Government Departments whose advertisements are large in quantity and frequency like UPSC, CPWD, Defence. They keep on advertising all the time. But the largest group of Government Departments advertise very infrequently. For the Government to impose the task of ensuring a certain distribution of the material to be disseminated keeping in view the requirement of the healthy growth of the press in India as a whole will not be a very wise thing to do. What I am trying to attempt is to convince you that centralisation of the activity does have singular advantage which would be lost on decentralisation."

B. Directorate of Advertising and Visual Publicity (DAVP)

Role

2.8 In a written note to the Committee, the Ministry stated that D.A.V.P. is responsible for implementing the Press Advertisement Policy. The Registrar of Newspapers for India assists DAVP by supplying information on registration, circulation, etc. of various newspapers. The

Ministry of Information and Broadcasting co-ordinates the implementation of the Policy.

2.9 Clarifying the role of the Ministry of Information and Broadcasting it was stated that the Ministry as the co-ordinating agency looks into the complaints/suggestions of newspapers/organisations/user agencies regarding their problems including requests for government advertisements. Through this mechanism the implementation of policy comes up for constant review.

2.10 The Secretary, Ministry of Information and Broadcasting, during evidence, further said:

“Indeed whereas the broad policy functioning of DAVP is that of disseminating information in the most efficient manner, but considering that it is part and parcel of Government it cannot possibly divorce itself as far as management by high bureaucratic levels and political levels are concerned.”

Organisation and Staff Support

2.11 The organisational chart of the Advertising Wing of DAVP indicating human resources at its disposal is at APPENDIX III.

In a written note the Ministry stated that apart from executive wings dealing with newspaper advertising, outdoor publicity, printed publicity and audio-visual publicity, DAVP also has a campaign wing for interaction with clients; and a studio — for conceptualising and advertising, printed publicity or outdoor publicity jobs. There are also Administration and Accounts Wings. The Exhibition wing of DAVP projects Government policies and programmes by putting up exhibitions on nationally important and socially relevant themes. The Exhibition Wing has 40 field offices. The Campaign Wing of DAVP draws up multi-media campaigns after vigorous interaction with client Ministries and Departments.

2.12 The staff strength of DAVP dealing with Government advertisements is given in the APPENDIX IV.

2.13 Asked whether the entire staff strength of the DAVP was deployed on work relating to Government advertisements, the Ministry stated that the advertising staff directly handles (i) empanelment of newspapers; (ii) media planning; (iii) processing of advertisement material; and (iv) despatch of advertisement releases. Layout/Artwork, Copywriting and Campaign Planning supports are provided by the Art; Copy; and Campaign Wings of DAVP. The processing and payment of Advertising Bills are handled by Accounts Wing.

Publicity Campaigns

2.14 It was stated by the Ministry that for each publicity campaign, newspapers and periodicals are selected keeping in view target area and the class to be covered subject to limitation of funds. In this context the

Ministry in a written note, informed the Committee, that the following points are taken into consideration for selection of publications for publicising certain campaigns:—

(a) Readership (b) Area Coverage (c) Overall circulation position and estimated reach.

2.15 While handling an advertisement campaign a media list is prepared keeping in view the target area for which the campaign is aimed at. Care is taken to have a media mix of small, medium and big newspapers and advertisements are released to them. Payments are made to those newspapers to whom advertisements are released on presentation of bills by them, after the advertisement is published.

Promotional/informative advertisement in particular, as far as possible are issued to small and medium and Indian Language newspapers.

Performance

2.16 The Ministry gave the following target achievement position in DAVP:

Year	Physical (Display/Classified Ads)		Financial (Rs. in lakhs)	
	Target	Achievement	Target	Achievement
1987-88	14,500	16,222	456.00	594.95
1988-89	15,000	17,172	617.01	775.45
1989-90	15,100	17,350	847.05	978.16

The Ministry stated that the figures given are based on a minimum estimate of performances in respect of Government Departments.

Monitoring and Review

2.17 In a written note the Ministry stated that DAVP has a built-in system for monitoring the policy. The complaints as and when received are looked into at appropriate levels and remedial measures taken. During the 8th Plan, it is proposed to expand the computer capability with a view to computerise the Press Advertisement billing operations along with the release of advertisements.

2.18 In another written note the Ministry elaborated that all individual cases of empanelment or release of advertisements are examined and checked at various levels from Asst. Media Executives upwards to Media Executive, DD(Advtg.) and Director General to ensure that cases of empanelment or release of advertisements are being done according to the policy guidelines. Media plan for release of each advertisement is reviewed in the Advtg. Wing and Campaign Wing requiring such media plan. It is finally approved by Director DAVP. Complaints received by Ministry and DAVP from publishers or the members of public are attended to at the level of Dy. Director (Advtg.)/Director General and remedial measures

are taken. Most of the request from newspapers/organisations are for ads which are routed through VIPs (Ministers/MPs/MLA etc.) and such cases are examined at the Ministry level and replies sent.

The nature of complaints/requests is as under:

- (i) Empanelment delays;
- (ii) More advertisements;
- (iii) Request for advts. for special number/occasions;
- (iv) Inclusion in UPSC/SSC media list;
- (v) Increase in rates with demand for acceptance card rates; and
- (vi) Late receipt of release orders and advt. material.

2.19 Individual cases are examined on merit on individual case files and action taken accordingly. Separate record for such cases has not been maintained. However, DAVP follows an open door policy to receive representatives of newspapers and newspaper organisations without any prior appointment to listen to their complaints/requests. Representations/complaints received through Minister, MPs/MLAs from newspapers/organisations are dealt with on priority and such cases are regularly reported to the Ministry.

2.20 Asked how such a system could operate in the absence of appropriate system of keeping a record of dealing with complaints, the Secretary Information and Broadcasting replied during evidence:

"There is no system except that of dealing with complaints on files. It is not as if a separate record or even a separate register is kept of complaints."

He added,

"We (in the Ministry) get complaints at various levels. DAVP also gets complaints at various levels. All of them are dealt with separately in files.

I have recently been in a position to have discussions with the officers of the DAVP and I find that a particular complaint has kept repeating itself. But I dare say that we could have a better system."

2.21 The Ministry also stated that after computerisation the renewal of rate contract is issued to all newspapers/journals promptly well before the commencement of the renewal period, i.e. June, July of each year. With the expansion of computer capacity it would become possible to increase the frequency of internal review of advertisements released to newspapers and to attend to complaints/requests in a systematic manner.

2.22 In regard to monitoring of the impact of advertisements released by DAVP the Secretary, I&B during evidence said:

"It is true that there is a certain element which does not carry on very efficiently and which is the follow up activity. Now, there are reasons for it. The follow up activity is an important activity and is a primary

part of advertising. I am personally of the view that it ought to be a part of advertising. If you go to the private sector certainly the advertising agency in a particular campaign will like to get a feed-back as to whether their expenditure has gone up etc. Every Department must have their own monitoring mechanisms whether it is Family Planning Department or any other Department, they have elaborate feed back arrangements, have formed out these studies, and we also need to take more advantage of these studies. But, you are right. I think this is an area where we need to pay more attention, of course, after we have a centralised system of advertising."

Budget Finance and Accounts

2.23 Asked to indicate the assumptions on which financial targets are fixed the Ministry stated that DAVP after taking into account the previous year's expenditure, projects its financial requirements to the Ministry of Finance through Ministry of Information and Broadcasting. These figures are actual budgetary allocations.

2.24 Asked to explain 90% increase in financial targets and the expenditure between 1987-88 to 1989, the Ministry gave following reasons:

- (i) 30% increase in advertisement rates effective from 1.1.1988.
- (ii) Additional payment made towards supplementary bills relating to 1988-89 as a result of above increase.
- (iii) General increase in advertisement rates of newspapers resultant to increase in their circulation.
- (iv) Increase in number of publication in DAVP's media list.

2.25 Asked whether the expenditure of roughly about Rs. 20 crores on publicity campaigns during 1989-90 was justified from the point of efficiency and cost effectiveness the Secretary, I&B, during evidence replied:

"I think one needs to go into detail on this. How much is the commitment on the basis of exhibitions that are organised will really mean very much. As regards utilisation of that staff somewhere else and also what is the comparative advantage, this will need to be addressed. This needs to be addressed and I think it is time we must address ourselves. To that extent I would say that a detailed analysis of different kinds of work which is being done in DAVP is called for with an objective of achieving efficiency."

2.26 In regard to correlation between physical targets and the budget outlays the Financial Adviser to Ministry of Information and Broadcasting stated,

"Due to historical reasons right from the inception of the DAVP, they started projecting physical targets. They meant one advertisement whether it is one line or 100 lines; whether it is one insertion or 100 insertions. It had remained in their files under that heading.

Now, it has come to our notice. What matters is the number of insertions not the size of the insertions whether it is a visual or it is a written one. We do not look at such physical targets during budgeting exercises."

Accounting for Publicity Campaigns

2.27 Yearwise financial commitment on various publicity campaigns has been as under:

1985-86	Rs.4,54,41,059
1986-87	Rs.6,72,56,140
1987-88	Rs.8,54,24,831
1988-89	Rs.11,90,59,530
1989-90	Rs.16,50,93,320

DAVP issues on an average 18,000 advertisements per year of various nature pertaining to recruitment notice, tender auction notices, and promotional/informative campaigns. On Family Welfare, Income Tax etc. For each individual requirement different kinds of media lists are drawn. The Ministry in a written note informed the Committee that campaign-wise details of expenditure are not maintained.

2.28 When asked why such details are not kept, the Secretary replied:

"I think, campaign-wise accounting had to be done so that in a motivational campaign, we can see the amount spent in respect of particular message being sent and get the feed back."

2.29 In regard to system of accounting the Secretary, I&B during evidence stated:

"I must confess that there are serious accounting problems that we have run into in DAVP. There are areas in accounting which we are trying to analyse now. They relate to previous many years. There is lot of information which is difficult to get. We are in the process now. We have some problems with payment of fees. We have got back-dated bills. There is this whole area of records in DAVP which is not very satisfactory. It is totally unsatisfactory situation. We are trying to resolve it. We are trying to use our computers. It is a fact that today lot of information is not just coming. We are engaged in the task. I am very unhappy to say this. But this is the fact."

It was also admitted by the representative of the Ministry-DAVP during evidence that accounts in DAVP were in arrears. This was attributed to personnel problems.

2.30 Asked whether the Audit had not objected to this situation, the representative stated:

"They have made some recommendations on this issue. They have also objected to some bills not being paid earlier. We, ourselves, have

found out so many bills which are kept pending. The problem is that the newspapers do not have proper accounts and after 4 to 5 years they come back to us saying that they have not been paid."

2.31 In a subsequent note the Ministry informed the Committee that DAVP receives about 2 lakh bills a year pertaining to press advertising alone. Adequate staff is not there to handle this huge volume with the result that there is a considerable time lag between commitment and payment. During this financial year DAVP has paid about Rs. 9 crores worth of advertisement bills pertaining to earlier financial years. At present bills of first quarter of this financial year are under process. A large amount of the present arrears of Rs. 9 crores pertain to leftover bills of 1989-90 and supplementary bills received for the year 1988-89 as revised advertisement rates were announced in October 1988 which became effective retrospectively w.e.f. 1.1.1988, resulting in about 80,000 supplementary bills. The Ministry stated that work measurement study will be undertaken after cadre review of the Accounts Staff of DAVP.

All work is done manually leading to delays in reconciliations, submission of accounts, etc. To help speed up the process, a computerisation scheme has been included in the 8th Plan.

2.32 Some of the clients do not project their requirements at the time of Budget formulation. They then issue sanctions for specific jobs. This increases the work of DAVP as separate accounting has to be done for each sanction. Ministries/Departments are being repeatedly requested to do advance planning.

2.33 In this regard it was also stated by the Ministry that DAVP issues advertisements for all paying and non-paying departments. While it raises debits for paying departments, it issues advertisements for non-paying departments from its own budget. However, there seems to be no scientific basis for evolving this list especially in view of the fact that printed publicity and audio visual activities for all departments are paying activities and advertising and outdoor publicity activities are paying for some and non-paying for others. The Ministry stated that there is need for uniformity in this case.

Planning

2.34 During evidence the representative of the Ministry informed the Committee as follows:

"DG, DAVP stated about the inability of the user Ministries to communicate their advertisement expectations. This really falls in the realm of communication strategy of a Government department as a whole. Over the past decade, they have not yet built the expertise to visualise or anticipate the communication strategies in the following year and unless they are persuaded or inspired to do so, it will become impossible to frame accurate budget estimates, not only for

the DAVP but for Doordarshan and Radio also because the DAVP is not the only organisation for publicity and campaign. Doordarshan and Radio also are used for communication campaign on behalf of the Ministries."

2.35 The Ministry in a subsequent written note stated that majority of Ministries/Departments of Government of India do not appear to have even an annual communication plan. Despite the fact that they are large buyers of advertisement space, they do not project their requirements in advance. Even where DAVP on its own initiative prepares a campaign plan for them, most of the Ministries/Departments do not react. In this connection successive Secretaries in the Ministry of Information and Broadcasting have written to other Secretaries in Government of India to impress upon the various Departments the need for advance planning. As a consequence of lack of planning, budgetting becomes difficult and some adhocism creeps in.

Stoppage of Advertisements

2.36 As per Advertising Policy, in respect of circulation, regularity, production standard etc. the final authority to take decision is Directorate of Advertising and Visual Pubucity/Ministry of Information and Broadcasting depending on the nature of the case.

2.37 Asked whether there was a mechanism of stopping Government advertisements to newspapers which publish antinational news and incite the people against national integration particularly in the context of North Eastern part of the country, the Secretary I&B during evidence said:

"There is a method of handling this problem. The State Government should send us a content report concerning such newspapers whether they have indulged in any kind of anti-national or communal or other kinds of writings. On receipt of this, our policy requires us to stop giving them advertisements."

2.38 Asked to indicate a few illustrative cases where a newspaper or periodical was debarred from advertisements for inciting violence etc., the representative of the Ministry during evidence said:-

"Only two newspapers were excluded in the last three years and both of them were Urdu newspapers. Both of them appealed and after re-examination they were re-empanelled. They were found to be inciting communal violence. They gave an undertaking that they will not do it in future. Then we watched those newspapers for two years and finally re-empanelled them."

2.39 Asked about the system of review available to such newspapers who were denied patronage and whether such system was working satisfactorily, the Ministry in a written note replied that newspapers denied advertisements for various reasons are required to apply afresh for reempanelment with samples of recently published copies which were then referred to PIB

and / or State Governments and action is taken for re-empanelment or otherwise, based on the reports received from PIB / State Governments. The cases were reviewed by DAVP in consultation with the I&B Ministry.

C. DAVP: Strength and Shortcomings

2.40 The Ministry in a written note stated that it would be relevant to point instances where DAVP scores over private advertising agencies in terms of expertise. The following points are worthy of consideration as they will go far to support the suggestions that are to come:—

DAVP is a multi-media agency with many services, viz., press advertising, printing of booklets, pamphlets, brochures, hoardings, kiosks, bus panels and production of audio-visual spots for broadcasting / telecasting.

DAVP can contribute to preventing the exploitation of Government by Private Agencies, if advertisements / campaigns are routed through it. Private agencies earn handsome commission for maximum utilisation of space and are prone to exaggerate the needs of their clients. DAVP will be able to rationalise the charges being made on Ministries / Departments for display advertisements and classified advertisements.

Unlike private agencies, which deal with a limited number, DAVP has over 3,000 newspapers on its panel. This gives it a larger canvas to operate on and fine tune the campaigns etc.

DAVP gets concessional rates from newspapers because it is a bulk buyer of advertising space. This will result in considerable savings for the client Ministries.

Because of its multi-media facilities, DAVP can run simultaneous campaigns in several media."

2.41 During evidence the Secretary I&B, stated:

"I think, our abilities are superlative in the most sensitive and, perhaps in many ways, important areas. May be the creative effort that we can do could be made better in terms of availability of manpower. There are ways of gettings over this."

In a separate post evidence note to the Committee the Ministry made following suggestions for strengthening DAVP and its functioning.

2.42 DAVP issues advertisements for non-paying departments from its own budget, but raises debits on paying Departments which sometimes leads to anomolous situations. The list of paying and non-paying Departments needs revision / rationalisation as there seems to be no obvious basis for the formulation of such a list, especially because of the fact that printed publicity and audio-visual activities for all Departments, are paying activities for some and non-paying activities for others.

2.43 Its also stated that since the campaign wing plays a crucial role in carrying out publicity on various themes it is essential that is is suitably

strengthened by the creation and up-gradation of certain key posts. Although the work load on advertisement has nearly doubled since 1973 there has been no increase in staff. Computerisation of billing system, media planning, targets readership, rotation of papers and activities of all wings will help modernise management systems in the organisation.

Conclusion

2.44 The Committee find that the policy guidelines on Government advertisements are implemented by Directorate of Advertising and Visual Publicity with the assistance of Registrar of Newspapers. The Ministry of Information and Broadcasting plays a coordinating role in this regard. The Committee are also informed by the Secretary, Information and Broadcasting that considering the status of DAVP as a body which is part and parcel of the Government, it cannot possibly divorce itself from high bureaucratic levels as far as managements of the policy functioning is concerned. In this context, the Committee, went into the question whether the entire business of Government advertisements can be handled independently by individual Ministries / Departments without there being contralised arrangement for the purpose through DAVP and by engaging private advertising agencies. They also examined whether and to what extent the advertising work can be handled in a decentralised manner even while maintaining the existence of DAVP in some form or other. In this context, the Committee note that advertising activity undertaken by DAVP can be broadly put in two categories viz. disseminative and motivational. In regard to disseminative advertising, which includes notices for recruitment of personnel and for inviting tenders, the Committee were informed that advertisements of this nature, though repetitive and routine in nature, cannot be handled by a private advertising agency keeping in view the mere magnitude of the task. They were also informed that this activity could not be carried out by Ministries / Departments in-house as, even though routine in nature, such advertisements also needed certain degree of specialisation and expert organisational support. They were also informed that a decentralised arrangement could not be administratively convenient as bureaucrats may not be able to successfully interface with private advertising agencies and that it would lead to different rates being paid by different Departments / Offices for similar kinds of advertisements, thus affecting efficiency and cost effectiveness of the entire advertising activity. The Committee were also informed that a centralised arrangement for issuing Government advertisements through DAVP had a singular advantage in that the smaller offices and organisations are able to get wider coverage for their advertisements through the existing network of DAVP Offices in the country. The arrangement also helps in achieving an equitable distribution of advertisements amongst various sections of press which include small and medium newspapers in English, Hindi and other Indian languages.

Recommendation

2.45 The Committee are inclined to accept the position taken by the Ministry of Information and Broadcasting regarding the question of decentralizing the functioning of the DAVP. The Committee however recommend that functioning of DAVP should be streamlined to improve its performance. The Ministry should help the Directorate in developing sufficient expertise in producing advertisements of quality. For this purpose, DAVP should suitably train their staff. In this regard the Committee also recommend that advertising personnel of DAVP should be encouraged to take 'sabbatical leave' in order to upgrade their professional skills. The Committee also desire to be apprised of steps taken in this regard.

2.46 The Committee also desire that Union Territories which are being administered directly by Government of India should be brought within the ambit of Government's policy directives on advertisements and DAVP should also cater to the requirement of administration in such Union Territories.

Conclusion

2.47 In regard to motivational advertising the Secretary, Information and Broadcasting during evidence admitted that such activity cannot be undertaken successfully by rigidly structured organisations or individuals as such and that advertising of this nature required high degree of creativity and higher levels of professionalism which cannot be possible within a Government organisation owing to lack of mobility as well as inflexible structure of emoluments. The Committee, are inclined to agree with this assessment.

Recommendation

2.48 The Committee recommend that Government ought to make such arrangements for carrying out motivational advertisements as would facilitate utilisation of the best creative talent available outside DAVP. Definite incentive schemes ought to be introduced to encourage talent from within DAVP as well.

Conclusion

2.49 The Committee are informed that there is a builtin system of monitoring in DAVP in as much as all decisions relating to empanelment of newspapers or the journals for being included in the media list maintained for releasing advertisements as also decisions in respect of actual release of advertisements are taken at sufficiently high level after passing through several levels of scrutiny. They further note that the complaints received in DAVP usually relate to empanelment delays, demand for more advertisements. However, no consolidated record or statistics of such complaints / requests is available in the Directorate as most of such cases are dealt on individual files.

Recommendation

The Committee are disappointed to find that the Ministry have been euphemistic in describing the correct position which is that there is no effective system of monitoring the requests / complaints received from newspapers, journals, etc. It was admitted by the Secretary, Ministry of Information and Broadcasting during course of his evidence that there was no system except that of dealing with complaints on files and that "I dare say that we could have a better system." The Committee are also surprised to find that there exists no system of following up various advertisement campaigns in order to gauge their actual impact on the target group. The Committee cannot but take a serious view of this situation where such vital aspects have been ignored by the Directorate as well as the Ministry.

Recommendation

2.50 The Committee recommend that a comprehensive system of follow up and monitoring be introduced in the functioning of DAVP in regard to advertisement campaigns as well as the complaints received from the newspapers / periodicals and the public in regard to advertisements or advertisement policy matters.

2.51 The Committee find that empanelment of newspapers and release of advertisements are often taken up on the recommendations of Ministers and Members of Parliament. While admitting the right of representatives of people to bring to the notice of authorities cases of genuine omissions, they would like Government to ensure that this practice does not militate against the stated objective of advertisement policy to distribute advertisements without being influenced by political considerations.

Recommendation

2.52 The Committee desire that the Ministry should evolve an effective, impartial and fair system of empanelment under which all genuine newspapers / journals feel encouraged to approach DAVP directly. They also desire that DAVP should publish and incorporate in their Annual Report the quantum of advertisements and the total amount paid to each of the newspaper.

2.53 The Committee find that a substantial sum of over Rs. 16 crores has been spent during 1989-90 alone on various advertisement campaigns apart from which substantial sums of money are being spent on advertisement which relate to recruitment and tender notices. The Committee were informed that the physical targets being represented by number of advertisement insertions in a year do not accurately project actual volume of work being done by DAVP as the size of such insertions may range from a few lines to hundreds of lines. On the other hand financial targets, which are merely budget outlays and are unrelated to physical targets, have been exceeded year after year. This has been attributed to a variety of factors which include revision of advertisement rates, payment against past bills and expansion of the media list.

Recommendation

2.54 The Committee are dismayed to note such a state of affairs. The Committee strongly recommend that a detailed work analysis of DAVP should be undertaken immediately and a reliable and properly co-related system of fixing physical and financial targets may be evolved to ensure that the Directorate functions with optimum efficiency and economy.

Recommendation

2.55 The Committee also find, that budget estimates in the Directorate are not being framed on a realistic basis. They have been informed that this was due to absence of communication plan in individual Ministries / Departments on whose behalf publicity campaigns are taken up by the Directorate. The Committee desire the Government to issue suitable instructions to all the Ministries / Departments to prepare appropriate communication plans under a time bound programme in consultation with Ministry of information and Broadcasting so that the budgetary exercise in DAVP is taken up on a sound basis.

2.56 The Committee are also concerned to note that the accounts in respect of expenses on various publicity campaigns, which account for major portion of DAVP budget, are not being maintained properly. This has been attributed by the Ministry to non-availability of updated information / data resulting in backlog of unpaid bills, receipt of supplementary and back dated bills and finally to the manual operation of billing and accounting besides insufficiency of personnel. The Committee feel that this is a highly unsatisfactory state of affairs where there is a heavy backlog of bills etc. They are strongly of the view that all such problems could have been anticipated and avoided by taking suitable administrative steps in time. The Committee find that the Ministry / Directorate has failed to exhibit due administrative foresight even though accounting irregularity had also been pointed out by Audit.

Recommendation

2.57 The Committee urge the Ministry to take immediate steps to simplify and streamline the system of billing and accounting in the Directorate by introducing computerisation of bills etc. and to place adequate staff at the disposal of DAVP for the purpose.

2.58 The Committee are informed that DAVP undertakes a content analysis of various publications receiving advertisements from the Government to ensure that, apart from complying with other conditions such newspapers do not publish anti-national news or do not indulge in writings which are considered anti-national or communal. They note that advertisements to such newspapers periodicals are stopped temporarily. However after a gap, afresh content analysis is undertaken to review the status of newspaper, and if found satisfactory, it is empanelled again for release of advertisements. The Committee however feel that stoppage of advertise

ments does not seem to have discouraged newspapers and periodicals from indulging in writings of communal nature and from inciting people to violence.

Recommendation

2.59 The Committee desire that the Government should take up content analysis of newspapers and periodicals on a more extensive, regular and systematic basis. They also desire that the Policy Guidelines in this regard should provide dis-incentives of greater persuasion. They would also expect the enforcement of Policy Guidelines to be more stringent. While taking action, consultations with Press Council of India should invariably be held. They also like Government to ensure that propagation of obscenity is not encouraged and laws relating to obscenity are not infringed.

2.60 The Committee note that even while DAVP has many strong features which give it an advantage over all other arrangements for advertising, it is facing certain difficulties on account of shortage of staff, inappropriate status to its key personnel, and the existence of two anomolous lists of non-paying and paying Departments.

Recommendation

2.61 The Committee urge the government to look into the difficulties being experienced by DAVP without any delay so that this organization is strengthened for the fulfilment of its assigned role.

CHAPTER III

IMPORTANT POLICY ISSUES

A. Distribution of Advertisements

3.1 In written note to the Committee the Ministry of Information and Broadcasting stated that the primary objective of the advertising policy which came into effect from 1.10.1980 being to secure widest possible coverage through newspapers which circulate news or comments on current affairs and standard journals on Science, Arts, Literature, Sports, Films, Cultural Affairs, etc. attempt to workout the ratio between categories of news-papers-small, big and medium were made. However it was found difficult to follow such ratios in practice. While the policy guidelines do not stipulate any ratio, in the practice attempts were made to take into account the interest of the small and medium newspaper and Indian Language newspapers. The expenditure on the three categories of the newspapers during the last three years is at Appendix V.

3.2. The following statement shows the share of small medium and big newspapers / periodicals in respect of display and classified advertisements during the four years from 1986-87:-

Year	Total Advertisement Revenue (Approx.) (Lakhs)	Percentage Share of Revenue			Total no. of newspapers
		Big papers	Medium papers	Small papers	
1986-87	672.55	60.36 (4.65)	23.93 (11.86)	15.71 (83.49)	2834
1987-88	854.25	58.93 (4.39)	27.06 (12.61)	14.01 (83.00)	2911
1988-89	1190.60	58.68 (4.53)	27.87 (13.70)	13.75 (81.77)	2956
1989-90	1650.90	50.60 (2.46)	23.40 (7.69)	26.00 (89.85)	3421

*Figures in bracket represent % number of big, medium and small newspapers.

The categorisation of newspapers into big, medium and small is based on the following criteria as recommended by the kelkar Committee (1988):-
 "Small: Upto circulation of 25,000 copies / issue
 Medium: Circulation above 25,000 upto 75,000 copies / issue Big:
 Circulation above 75,000 copies / issue."

3.3 When asked how balanced and equitable distribution of advertisement was achieved, the Ministry stated that for selection of media list for issuance of advertisements the publicity requirements and the target audiences area are essentially taken into consideration. However, efforts are made to rotate the newspapers of a particular area to ensure balanced distribution of advertisements by periodical review of commitment of space and expenditure and to the extent possible correctives are applied. With the proposed computerisation of advertising activities monthly and systematic review could be undertaken.

3.4 In the context of criticism levelled by newspaper organisations regarding quantum of advertisements the Ministry were asked why such complaints persisted. The ministry in their written reply stated the DAVP is the Advertising Agency to the Government of India. As such it is required to issue advertisements keeping in view the publicity as well as clients requirements. Constraints of budget are also taken into consideration. As such it is not possible to issue advertisements to all newspapers. Constant efforts are made to work towards a fair distribution keeping in view the objective of widest coverage.

For each individual campaign a separate media list is prepared keeping in view the publicity and budgetary requirements and as a matter of general practice efforts are made to rotate the advertisements. Besides, position of small newspapers are periodically reviewed and corrective measures taken.

3.5 In another written note the Ministry clarified further:

“About 80% of DAVP advertisements pertain to tender/auction notices and recruitment notices. Such advertisements are received in DAVP at short notice and are time bound, and therefore, are released to daily newspapers. However, advertisements are staggered and released in suitable rotation in order to ensure the use of as many papers as possible. More than 70% publications in DAVP's media list which come under medium and small category publications are periodicals, and are not suitable for issue of such time specific advertisements like tender/auction notices and recruitment notices. Special care is taken to give advertisements, to small and medium newspapers including periodicals, in so far as campaign advertisements are concerned (like TB/Family Welfare/National Integration and Developmental advertisements)”

3.6 During evidence the representative of the Ministry was asked whether they were satisfied with the 50% of advertisements going to small

and medium newspapers the Secretary, Information and Broadcasting in his reply said:

"On an average basis, I would say we seem to have achieved a kind of information spread that we wish to. When we talk of small and medium, medium is particularly important because there are areas where we can go through much better with medium and small newspapers. That is what is read in those areas. In the East or South where the language is not Hindi, other languages are to be utilised. It is that language plus English. The kind of thing we are dealing with the kind of population in the rural areas is to be taken note of and most of the people in the rural areas read vernacular."

3.7 Asked how the interests of small and medium newspapers and Indian Language Newspapers is ensured while launching different publicity campaigns, the Ministry in a written note stated that promotional/informative advertisements in particular, as far as possible are issued to small and medium and Indian Language newspapers. During the year 1989-90, 49.40% against 41.32% in 1988-89 of budget expenditure of DAVP has been incurred on advertisements to small and medium newspapers.

Financial Assistance to newspapers

3.8 In the context of the statement that providing financial assistance to newspapers was not an objective of the Government's Advertisement Policy the Ministry gave representative data for 5 publications each of big, medium and small category, (reproduced at Appendix VI)

3.9 Reacting to a suggestion that having expended about Rs. 50 crores during the last 5 years, mostly on account of advertisements, DAVP enjoyed considerable money power the Secretary, Information and Broadcasting during evidence said:

"It is true that there is a certain degree of money power. It is the money power which attracts the maximum attention both in the press and in parliament."

He added,

"The object (of parliament Questions on advertisements) being to determine to what extent the expenditure is being incurred by Governments on advertising and in which area it is going."

3.10 When asked whether DAVP had the ability to exercise the money power with efficiency and judiciously the Secretary, during evidence, said:

"I really feel that it may not be entirely correct that this money power is given to an organisation which is rudderless, which has no ability. It is true that there is a certain element which does not carry on very efficiently."

B. Circulation Check

3.11 Asked about the mechanism with the DAVP to ascertain the circulation of a newspaper or periodical, the Ministry in a written note stated that the media list is reviewed every year and DAVP calls for circulation details of all the publications on DAVP's panel. The publishers are required to submit the circulation details as per the following:

(a) Circulation upto 2,000 copies— Publisher's declaration is accepted.

(b) Circulation above 2,000 copies— The claim is to be supported by RNI assessment report or copy of annual report to RNI duly certified by chartered Accountant or Audit Bureau of Circulation.

3.12 Asked whether there could be a better method of checking circulation figures and if the aim was to disseminate information why papers with a circulation less than 2000 were being given advertisements, the Secretary, Information and Broadcasting, during evidence, said:

"without disputing the fact that there could be an area of discrepancy an area of conflict, and without leaning on what I was saying earlier about the necessitated objective, there are areas where certain newspapers may have very small circulation. There specificity may be in terms of demand in that particular area or in terms of language. I am convinced that I would not be able to explain each and every case."

3.13 Asked to indicate, in this context, the plans of the Government in regard to areas like Sikkim or North-East where circulation figures of newspapers would be very less as a result of which DAVP or Staff Selection Commission advertisements cannot be seen by many aspiring educated young men and women a representative of the Ministry said:

"This is a major problem we face in North-East as well as in Sikkim and other areas, and even in Andamans, where the newspapers may have less than 1,000 circulation. That is why in the policy we have said that we should make an exception in tribal and in remote areas where the circulation limit is only 500."

3.14 In this context another representative of the Ministry said:

"Your question centres round the circulation figures. There are certain things in the books of RNI. You have mentioned earlier that the RNI himself has stated that he has verified with his own men a certain figure, but it is absolutely incumbent for the applicant for registration to supply the circulation figure to the RNI and those who apply for empanelment to DAVP, to supply the circulation figure to them and that has to be authenticated by the Chartered Accountant. If any organisation has to proceed and deal with newspapers, the circulation figure is extremely important, then we have to resort to a working arrangement. First of all we get a circulation figure which is

authenticated by a statutory authority like a Chartered Accountant. The second phase is, our own verification with our own resources to cross-check whether that certificate is true or false."

3.15 In regard to registration of newspapers the Secretary, Information and Broadcasting, said:

"There are instance where registration has taken very long and one can go into such cases and one will find that very frequently the major reasons for registration being delayed is, the degree of interest taken by the person who owns the newspaper. But if you really examine it, you will find that a large number of newspapers will get registered very fast. Where the interest is taken by the entrepreneur to get registration, they get registration very fast. The only snag as I mentioned earlier is really the title clearance. The whole system about this title clearance is wrong. We suggested changes in the Act to do away with it. Without there being some authenticity about the existence of a newspaper and a newspaper being a recognizable legal entity, it is difficult for the Government to give the title clearance. Title clearance is the most difficult task."

3.16 In a separate written note in regard to better verification of circulation figures the Ministry stated that DAVP has on its list a number of small and medium newspapers whose circulation needs to be authenticated. Some clients have expressed the view that their money is wasted if advertisements are issued to these small papers. DAVP has no way of finding out actual circulation figures of papers on its media list unless circulation checks are done by RNI. It will be worthwhile if some methodology is evolved to have the circulation checks before putting a paper on DAVP's panel, especially in view of the fact that about 50% of DAVP's advertisement budget goes to small and medium newspapers.

The district-wise breakup of readership of newspapers on media list of DAVP is also an important ingredient for DAVP. It would enable DAVP to make its campaign more target specific. Some official agency can perhaps be commissioned to do this analysis.

C. Advertisement Rate Structure

3.17 Giving the back ground of the present advertisement rate structure the Ministry stated that in the past uptill May, 1967, DAVP used to negotiate rates with the newspapers / periodicals. However, INS which has largely been represented by large / chain newspapers had been insisting that government should not negotiate rates with the newspapers and should accept minimum card rates. The Enquiry Committee on small newspapers appointed in 1965 also supported this demand. With the result the then Minister of I & B, Shri I.K. Gujral announced the acceptance of the recommendations of the Enquiry Committee. He said newspapers / periodicals are free to fix their own rates and DAVP will make use of such organs whose rates are suitable and acceptable to it from the point of

view of publicity requirements. After the announcement of the policy, the government gave up the practice of negotiating the rates but continued to examine the card rates of newspapers at the time of renewal of rate contracts or entering into new contract and continued to settle these rates. The small newspapers which normally fixed high card rates could not be considered for government advertisement as their rates were considered uneconomical from the view point of publicity requirements. With the result many such newspapers offered to accept whatever reasonable rate government offered. So, negotiations of the rates again started. To avoid discretion in settlement of rates and uniformity, the Public Accounts Committee of parliament recommended in their 173rd (1974-75) Report that Government should lay down uniform rates for advertisements given by DAVP to newspapers / periodicals. In pursuant to this recommendation, the Ministry of I & B constituted rate structure committee comprising of Director, DAVP, F.A. Ministry of I & B and Chief Cost Accounts Officer of the Ministry of Finance to study the existing rate structure of DAVP and suggest improvements. After a detailed study of the cost of newspaper production, the Committee submitted its recommendations in 1977 which were approved by the then Minister for Information & Broadcasting and the Finance Minister. The Committee recommended the rates for various categories of newspaper / periodicals on the basis of circulation, which were uniformly applicable.

3.18 Since 1977, DAVP is following this rate structure and is offering rates to various newspapers and the newspapers are free to accept or reject the rates offered to them. In the rate structure, there is a provision for escalation / de-escalation of rate on certain grounds.

3.19 The rates of advertisements for different categories of newspapers are given at Appendix VII.

3.20 In a subsequent note Ministry elaborated that escalation criteria recommended by the Expert Committee in 1977 is as following.:

- (a) "All our rates are based on an average rate of Rs. 4,000 per MT of newsprint / paper for the industry as a whole delivered at the press. If newsprint / paper prices fluctuate on either side by at least Rs. 500 per MT, adjustment in rates should be called for. For every increase of Rs. 100 in the cost of newsprint / paper, the adjustment that needs to be made will be 015 paise per single column centimetre for one lakh circulation.
- (b) According to the Report of the Fact Finding Committee on Newspapers Economics, employee cost accounts for approximately 50% of cost other than newsprint cost. Therefore, an Escalation Clause for increase in wage rates is allowed on this portion of the overhead cost. The rate for such escalation may be the actual percentage in wage rates over those existing as on 31.12.1976, applied on 50% of Rs. 6.94 included in the rate structure for one lakh of circulation.

- (c) The wage escalation clause is to apply only to cases where the increase arises as a result of governmental action, adjudication or legislation, either Central or State."

3.21 The following wage revisions have been effected during the last 10 years:

- From 1.10.1981 20% increase over 1977 rates
- From 1.09.1985 30% increase over 1981 rates
- From 1.01.1988 30% increase over 1985 rates
- From 9.09.1991 29% increase over 1988 rates

3.22 Asked to explain the basis for revision of rates of advertisements the representative of the Ministry during evidence said;

"Since 1978, we have been periodically reviewing the inputs that go into the formula and if changes are needed, we change it in accordance with the escalation clause."

3.33 In regard to non-acceptance of DAVP rates by big newspapers, the Ministry stated that publications are offered rate as per the approved rate structure and in case of non-acceptance of DAVP rate by any paper, such papers are not included in the DAVP media list for issue of advertisements.

D. Advertisements of Public Sector Undertakings

3.24 In a written note the Ministry stated that it is not obligatory for the Autonomous Bodies / Public Sector Undertakings to route all their advertisements through DAVP. Hence they are free to utilise the service of DAVP.

3.25 In a separate note the Ministry stated that only a few public sector undertakings and autonomus bodies are routing a part of their publicity through DAVP.

Asked what is the rate differential paid by DAVP and the undertakings to the nespapers in regard to their advertisements, the Ministry stated that the information is not known.

3.26 During evidence it was pointed out to the Secretary Information and Broadcasting that the Ministry / DAVP ought to have known the rate differential in regard not only to public sector undertakings but also in regard to world at large in the form of a data bank.

Reacting to this observation of the Committee, Secretary, Information and Broadcasting said:

"I think your observation is right. We have noted it down."

3.27 In a post-evidence note the Ministry stated that all Ministries / Departments should compulsarily go through DAVP for their advertisement campaigns, etc. The Committee on Public Undertakings in paragraphs 3.39 to 3.42 of their 47th Report (4th Lok Sabha) on Public Relations and Publicity in Public Undertakings had recommended that all

commercially non-competitive public undertakings should route their advertisements through DAVP to get the benefit of concessional rates. The Committee had also stressed that the commercially competitive public undertakings should also as far as possible and practicable, use the agency of DAVP for their advertisements. The Government had accepted these recommendations and had issued suitable instructions to all Public Undertakings in March, 1970.

E. Use of Audio Visual Media

3.28 Asked if DAVP has any role in regard to Government advertisements on TV and whether Government have laid down any policy about advertising on Television, the Ministry stated that Audio Visual Cell (in DAVP) undertakes production of video spots, quickies, documentaries on behalf of its client Ministries and Departments of Central Government.

3.29 Once a video spot / programme is produced for a client, its placement over Doordarshan is either handed over to client themselves for arranging their free telecast over Doordarshan or the Client asks Audio Visual Cell (AV Cell) of DAVP to book the spot / programme over Doordarshan by buying the time. The client provides finances for this commercial booking. DAVP on its own does not place advertisements over TV. It works as advertising agency for its client Ministries and Departments etc. in arranging commercial telecast of spot / programmes.

Sometimes, the client gets a video programme produced by DAVP for its own internal use like training, exhibitions, seminars etc. that it not telecast over Doordarshan.

3.30 Most of the video productions done by DAVP for its client are related to socially relevant messages in regard to health, family welfare, census etc.

3.31 Asked whether social consequences of advertisements are being considered before releasing these on Doordarshan to avoid social tensions and deterioration in general standard of behaviour, the Ministry stated that the aim of production and telecast of video spots, video quickies, etc. is to motivate people to accept social changes and to prevent the emergence of social tensions. Every care is taken during the production stage to achieve these objectives. In addition, the guidelines of Doordarshan for telecast of advertisements are strictly followed.

Conclusion

3.32 The Committee note that notwithstanding the policy of the Government not to provide financial assistance to newspapers through release of Government advertisements the fact that Government does enjoy a certain degree of money power in this regard, has emerged unmistakably during the evidence tendered by the representatives of the Ministry before the Committee. The Committee have also been informed that the Government have been consciously exercising this power for the growth of a healthy press in the country and with that purpose an attempt has been made in the

past one and half decade to channelise more and more advertisement revenue towards medium and small newspapers. From the statistics furnished to the Committee this trend is quite evident. The Committee, however, are constrained to note that in spite of this, an in-built advantage is nevertheless available to big newspapers. This is obvious from the fact that during the 3 years from 1986-87 to 1988-89, 58 to 60% advertisement revenue has found its way to big newspapers even though numerically these have not been more than 5% of the total number of newspapers in the country. On the other hand, the entire small newspaper population have not accounted for more than 16% of the total advertisement revenue. The Committee however find that the position in regard to medium newspapers is relatively satisfactory. The position in regard to figures for the year 1989-90 is some what different in as much as the share of big newspapers has come down to a little more than 50% while that of small newspapers has gone upto 26%. This can be attributable to sharp increase of about 8% in the number of small newspapers and a corresponding decrease in the proportionate share of medium and big newspapers. Obviously the bulk of 460 additional newspapers taken on the media list during 1989-90 are small newspapers. The Committee are inclined to infer from this analysis that as funds for Government advertisements, including special advertisement campaigns, are limited and as degree of expected coverage is a major criteria in selecting newspapers for release of advertisements, large number of small newspapers which seem to command little circulation do not qualify for advertisements. Further, keeping in view the difficulties in verification of circulation figures it is evident that many of these small newspapers exist only in name and subsist on whatever limited number of advertisements are released to them.

Recommendation

3.33 The Committee cannot but infer that the policy of promoting through distribution of advertisement wider dispersion of media power and to achieve through this mechanism growth of a healthy press, has failed to achieve its objective. The Committee, therefore urge the Government to take an immediate review of this aspect of the policy and to introduce suitable corrective measures.

3.34 The Committee also desire that list of small newspapers be reviewed periodically to delete such newspapers which have failed to increase their circulation beyond a prescribed limit during a given period. Suitable relaxations, should however, be given, in this regard, to language newspapers / periodicals published from remote areas such as North-East Island territories, tribal belts and hilly regions or by small linguistic groups.

The Committee will also like the mechanism for verification or circulation figures to be strengthened with.

Conclusion

3.35 The Committee note that rate structure has been one of the main features of Government's policy framework in regard to Government advertisement and that it continues to be an issue on which difficulties are being faced. While the Government had at one stage decided to make use of, only such newspapers / periodicals whose rates would be suitable and acceptable to that Government from the point of view of publicity requirements without negotiating any fixed rate structure with the newspapers, with the passage of time the Government have reverted back to the practice of negotiating specific rates for different categories of newspapers / periodicals on the basis of their circulation. This reversal of policy has been brought about due to small newspapers, owing to their high card rates, being unable to compete for Government advertisements. The Committee, however, note that while there has been a growing demand for parity of rates between language and English newspapers, the bigger newspapers have been demanding acceptance of their card rates. At the same time most newspapers and periodicals have been demanding revision of rates. Consequently, the advertisement rates have been revised four times since 1981 and on such time the increase has ranged from 20% to 30% of the preceding rate. The advertisement rates have further been increased by 18 per cent w.e.f. 1.8.91. The Committee also note that there is a set mechanism for granting escalation of rates and a fixed formula for calculating the percentage of escalation. The Committee have also been informed that the Government have under their consideration a report prepared by a Committee of Experts who were also expected to look into the problems relating to advertisements rates structure.

Recommendation

3.36 The Committee desire the Government to take a final and expeditious view on the report of the Expert Committee and to evolve a more acceptable rate structure. They, however, desire that while taking a final decision in the matter care should be taken to allow special rates to language newspapers published in remote and hilly areas including island territories and tribal belts besides those published by small linguistic groups keeping in view the inherent diseconomies of scale and consequently higher costs and lower revenues in regard to such newspapers. There should be no discrimination in advertisement rates at the same level of circulation irrespective of the language of the newspaper.

Recommendation

3.37 The Committee further note that it is not incumbent on autonomous bodies and public sector undertakings to route their advertisements through DAVP even though some of these bodies do route their advertisements through DAVP. The Committee are, however, dismayed to find that the Ministry of Information and Broadcasting are not aware of the differential rate between advertisements inserted by public sector undertak-

ings and the Government. The Committee feel that such information would be a relevant input for reviewing and modifying advertisements policy. The Committee also find that in their 47th Report (Fourth Lok Sabha) on Public Relations and Publicity in Public undertakings, the Committee on Public Undertakings had recommended that all commercially non-competitive public undertakings should route their advertisements through DAVP to get the benefit of concessional rates. The Committee have not been apprised about any review by the Ministry of Information and Broadcasting or by the Bureau of Public Enterprises as to whether these recommendations which have been accepted, are being followed. The Committee recommend that such a review should be undertaken now.

3.38 The Committee note that no separate guidelines exist with regard to advertisements on television. They further note that DAVP undertakes production of video spots, quickies and documentaries relating to socially relevant issues like health, family welfare etc. on behalf of its client Ministries/Departments for being shown on Doordarshan. However, the Committee find that as against a campaign budget of Rs. 16 crores during 1989-90 a limited amount of Rs. 30 lakhs has been spent on this account. This indicates that this highly potent media is not being fully utilised. The Committee urge the Government to encourage greater use of Television as also video-magazines and films in propagating socially relevant messages.

NEW DELHI;
February 24, 1992

Phalguna 5, (1913)(S)

MANORANJAN BHAKTA
Chairman,
Estimates Committee.

APPENDIX-I
ESTIMATES COMMITTEE
(1990-91)

CHAIRMAN

Shri Jaswant Singh

MEMBERS

2. Shri J.P. Agarwal
3. Shri Era Anbarasu
4. Shri Kamal Chaudhry
5. Shri Anantrao Deshmukh
6. Prof. Prem Kumar Dhumal
7. Shri Balvant Manvar
8. Shri Hannan Mollah
9. Shri Arvind Netam
10. Dr. Debi Prosad Pal
11. Shri Rupchand Pal
12. Shri Harin Pathak
13. Shri Bhausahab Pundlik Phundkar
14. Shri Vijay Kumar Raju
15. Shri Mullappally Ramachandran
16. Shri Y. Ramakrishna
17. Shri Rameshwar Prasad
18. Shri J. Chokka Rao
19. Shri Chiranji Lal Sharma
20. Shri Yamuna Prasad Shastri
21. Shri Khanraj Singh
22. Shri Subedar Prasad Singh
23. Shri Sukhendra Singh
24. Shri Tej Narain Singh
25. Shri Taslimuddin
26. Dr. Thambi Durai
27. Shri Nandu Thapa
28. Shri P.K. Thungon
- *29. Shri K.C. Tyagi
30. Shri Kailash Nath Singh Yadav

SECRETARIAT

1. Shri G.L. Batra—Joint Secretary
2. Shri B.B. Pandit—Deputy Secretary

*Resigned w.e.f. 30.8.1990

- (b) Medium—Circulation between 15,000 and 50,000 copies per issue.
- (c) Big—Circulation above 50,000 copies per issue.

3. In selecting newspapers / journal publications for placing Government advertisements the following considerations may be taken into account.

- (a) Coverage of readership from different walks of life, particularly in case of national campaigns.
- (b) Reaching specific sections of people depending upon the message to be conveyed. Small and Medium newspapers will get major consideration in motivational / educative campaigns.
- (c) Any other category of newspaper / journals / publications which Government may consider from time to time appropriate for bonafide reasons.
- (d) House journals / magazines will not ordinarily be used for Government advertisements.

4. The DAVP will use newspapers / journals with a minimum paid circulation of not less than 1,000 copies. Relaxation, however, may be made in the case of the following:—

- (a) Specialised / scientific / technical journals with a paid circulation of 500 copies per issue.
- (b) Sanskrit Newspapers / journals and newspapers / journals published in backward, border or remote areas or in tribal languages or primarily meant for tribal readers, with a minimum paid circulation of 500 copies per issue.

5. Newspapers / journals should have an uninterrupted and regular publication for a period of not less than six months before they qualify for consideration for placing Government advertisements.

6. Newspaper / journals should have the following minimum print area to be acceptable for Government advertising:

Periodicity	Print area not less than
Dailies	760 Std. Col. Cms.
Weeklies	480 Std. Col. Cms.
Monthlies and other periodicals	960 Std. Col. Cms.

Exceptions might be made in the case of newspapers / journals published in tribal language or primarily for tribal readership.

7. Circulation of all newspapers / journals should be certified by a Chartered Accountant or by a professional and reputed accounts body or Institution. However, newspapers having a circulation upto 5,000 copies per issue may submit a certificate from a Chartered Accountant or from the concerned District Magistrate or from any other officer authorised by the District Magistrate. The circulation figures, if proved incorred at any

time, will render the papers/journals ineligible for advertisements, besides any other action which Government may deem appropriate.

'C' Advertisement Rates:

The Rate-Structure for Government advertisements will be worked out by DAVP on the basis of the principles enunciated above. The DAVP will enter into appropriate rate-contracts with individual newspapers/journals.

APPENDIX II

(Vide Para 1.15)

MINISTRY OF INFORMATION & BROADCASTING (ADVERTISING POLICY OF THE GOVERNMENT)

EFFECTIVE FROM 16.4.77

The Directorate of Advertising & Visual Publicity, which is the centralised publicity organisation of the Government of India, places advertisements in various newspapers and periodicals on behalf of Ministries and Departments of the Government of India and their attached and subordinate offices and a number of autonomous bodies. The primary objective of Government advertising is to secure the widest possible publicity coverage. Political affiliations will not be taken into account in placing Government advertisements. Advertisements will not be issued however, to newspapers and periodicals which incite communal passions or preach violence or offend socially accepted conventions of public decency and morals.

2. A balanced and equitable placing of advertisements aimed at Government advertisements are not intended to be a measure of financial assistance. In pursuance of broader social objectives of Government, however, weightage or consideration will be given to :—

- (a) Small and Medium newspapers and periodicals;
- (b) Specialised, Scientific and Technical journals;
- (c) Language newspapers and periodicals;
- (d) Papers and periodicals being published especially in backward, remote or border areas;
- (e) Any other category which Government may consider appropriate for special and bonafide reasons.

3. Small, Medium and Big newspaper/periodicals shall be categories as under:—

- i) Small—Upto 15,000 of circulation.
- ii) Medium—Between 15,000 and 50,000 of circulation.
- iii) Big—Above 50,000 of circulation.

4. In selecting newspapers for placing advertisements, the following consideration will be taken into account within the funds available.

- a) To aim at coverage of readers from different walks of life, particularly in the case of national campaigns.
- b) To reach specific sections of people depending upon the message of advertisements.
- c) To use only newspapers / periodicals with a minimum paid circulation of not less than 2,000 copies. Relaxation will be made in the case of the following:
 - i) In the case of Urdu and Sindhi papers, the minimum paid circulation of 1,000 copies will qualify for Government advertisements.
 - ii) In the case of specialised, scientific and technical journals, the minimum paid circulation of 500 copies will qualify for Government advertisements.
 - iii) In the case of Sanskrit papers and papers published especially in the backward, border & remote areas or in tribal languages or primarily for tribal readers, the minimum paid circulation of 500 copies will qualify for Government advertisements.
- d) The newspapers / periodicals should have uninterrupted and regular publication for a period of not less than six months.
- e) To use only genuine newspapers which circulate news or written on current affairs; likewise to use only standard journals / periodicals on science, art, literature, sports, films, cultural affairs etc.
- f) House magazines and souvenirs shall be excluded.
- g) 'Pulling-power' production standards and the language and areas that intended to be covered.

5. In regard to production standards, the following specifications shall apply:—

A daily newspapers should have a minimum of four pages daily and should be having size not less than 45 cm × 7 standard column width or equivalent printed space. Weeklies and Fortnightlies should have the following size and number of pages:

Print area not less than	Minimum number of pages
30 cms × 4 cols.	6 or equivalent printed space
20 cms × cols.	12 -do-
15 cms × 2 cols.	24 -do-

Periodicals other than Weeklies and Fortnightlies should have the following size and number of

Size	Minimum number of pages
20 cms × 3 cols.	32
15 cms × 2 cols.	40

Exceptions will be made only in the case of newspapers/periodicals being published in tribal language or for tribal audience.

6. For big and medium newspapers/periodicals, the circulation will be accepted on the basis of a certificate from a professional and reputed body or institution. In the case of small newspapers/periodicals the circulation of figures should be certified by a Registered Chartered Accountant. The circulation figures, if proved incorrect, will render the papers/periodicals ineligible for advertisements, besides any other action which Government may deem appropriate.

7. *Advertisement Rates*

The rate structure for Government advertisements will be based on the principles enunciated above.

APPENDIX-III

(Vide Para 2.11)

**ORGANISATIONAL CHART OF DAVP RELATING TO PRESS
ADVERTISING**

DIRECTOR		
JOINT DIRECTOR(HQ)-I		DEPUTY DIRECTOR (ADVERTISING)
MEDIA EXECUTIVE II	MEDIA EXECUTIVE I	COMPUTER CELL
ASSISTANT MEDIA EXECUTIVES (ADVERTISING)	ASSISTANT MEDIA EXECUTIVES ADVERTISING POLICY, MEDIA RATES AND CO-ORDINATION	
STAFF STRENGTH		
GROUP A	6	INCLUDING COMPUTER CELL
GROUP B(G)	6	
GROUP B(NG)	18	
GROUP C	44	
GROUP D	8	
Total:	82	

APPENDIX-IV
(Vide Para 2.12)

**SANCTIONED STRENGTH OF ADVERTISING WING, D.A.V.P.
INCLUDING STAFF OF COMPUTER CELL ATTACHED WITH THE
WING FOR RELEASE OF ADVERTISEMENTS**

—

The following is the sanctioned staff strength in the Advertising Wing.

GROUP 'A'

- | | | |
|--|---|---|
| 1. Deputy Director(Advertising)
(Rs. 3700-5000) | — | 1 |
| 2. Media Executive
(Rs. 3000-4500) | — | 2 |

GROUP 'B' (GAZETTED)

- | | | |
|---|---|---|
| 3. Asstt. Media Executive
(Rs.2000-3000) | — | 6 |
|---|---|---|

GROUP 'B'

(NON-GAZETTED)

- | | | |
|--|---|---|
| 4. Technical Assistant (Advtg.)
(General) (Rs. 1640-2900) | — | 9 |
| 5. Technical Assistant (Advtg.
Hindi) (Rs 1640-2000) | — | 1 |
| 6. Stenographer Grad 'C'
(Rs. 1400-2600) | — | 1 |
| 7. Assistant (CSSS)
(Rs. 1400-2600) | — | 2 |

GROUP 'C'

- | | | |
|--|---|---|
| 8. Junior Technical Assistant
(Advertising-Hindi)
(Rs.1400-2300) | — | 2 |
| 9. Stenographer Grade 'D'
(Rs. 1200-2040) | — | 3 |
| 10. Upper Division clerk
(Rs.1200-2040) | — | 4 |

11. Lower Division Clerk (Rs. 950-1500)	—	14
--	---	----

GROUP 'D'

12. Daftry (Rs. 775-1025)	—	2
13. Peon (Rs. 750-940)	—	3

Sanctioned staff of Computer Cell attached to Advertising Wing**GROUP 'A'**

1. Programmer (Rs. 2200-400)	—	1
---------------------------------	---	---

GROUP 'B' (NON-GAZETTED)

2. Data Processing officer (Rs. 1640-2900)	—	1
3. Technical Assistant (A.R.)	—	4

GROUP 'C'

4. Console Operator	—	2
5. Junior Technical Assistant (Coder) (Rs. 1400-2300)	—	9
6. Data Entry Operator (Rs. 950-1500)	—	7
7. Lower Division Clerk/ Upper Division Clerk	—	2

GROUP 'D'

8. Peon/Helper	—	2
9. Sweeper	—	1

APPENDIX-V
(Vide Para 3.1)

**STATEMENT SHOWING THE SHARE OF SMALL, MEDIUM AND
BIG NEWSPAPERS/PERIODICALS IN RESPECT OF DISPLAY AND
CLASSIFIED ADVERTISEMENTS**

1987-88

1.	Small	2416	83.00	11968322.07	14.01
2.	Medium	367	12.61	23116639.13	27.06
Total: 1 & 2		2783	95.61	35084962.00	41.07
3.	Big	128	4.39	50339869.10	58.93
Total: 1,2 & 3		2911	100.00	85424831.10	100.00

1988-89

1.	Small	2417	81.77	16014450	13.45
2.	Medium	405	13.70	33181402	27.87
Total: 1 & 2		2822	95.47	49195852	41.32
3.	Big	134	4.53	69863678	58.68
Total: 1,2 & 3		2956	100.00	119059530	100.00

1989-90

1.	Small	3074	89.85	42905859	26.00
2.	Medium	265	7.69	38624131	23.40
Total: 1 & 2		3337	97.54	81529990	49.40
3.	Big	84	2.46	83563330	50.60
Total: 1,2 & 3		3421	100.00	165093320	100.00

% Share language-wise during 1988-89 and 1989-90**(April—March)**

	1988-89	1989-90
English	37.13	34.82
Hindi	29.03	30.22
Urdu	5.65	5.03
Punjabi	1.89	2.06
Marathi	4.72	4.86
Gujarati	3.90	4.35
Sindhi	0.22	0.31
Assamese	0.82	0.85
Bengali	5.61	5.41
Oriya	1.60	1.65
Tamil	3.26	3.17
Telugu	1.11	1.02
Malayalam	3.48	4.57
Kannada	1.30	1.37
Sanskrit	0.014	0.01
Nepali	0.118	0.21
Mizo	0.028	0.05
Khasi	0.013	0.015
Konkani	0.017	0.025
	100.00	100.00

APPENDIX-VI
(Vide Para 3.8)

The representative data about 5 publications in each category Big, Medium and Small in respect of advertisements issued by D A V P during 1989-90.

Sl. No.	Name of Paper	Circulation	Space (col.cm)	Amount
CATEGORY: BIG				
1.	Hindustan Times, Delhi	3,06,193	1,24,732	87,89,167
2.	Tribune, Chandigarh	1,56,132	85,464	32,71,267
3.	Punjab Kesari, Delhi	1,80,530	64,530	25,28,878
4.	Nav Bharat Times, Delhi	2,51,097	863,040	44,13,225
5.	Swatantra Bharat, Lucknow	88,344	29,493	6,25,944
CATEGORY: MEDIUM				
1.	Hitavade, Nagpur	31,001	32,958	4,06,094
2.	National Herald, Lucknow	35,078	47,593	6,33,127
3.	Patriot, Delhi	40,442	37,971	5,74,398
4.	Sanmarg, Calcutta	62,675	29,733	5,38,858
5.	Siasat, Hyderabad	37,590	32,123	4,87,149
CATEGORY: SMALL				
1.	Sentinel, Guwahati	23,538	33,874	3,69,083
2.	Jagaran, Bhopal	20,967	32,161	3,16,940
3.	Hindi Milap, Hyderabad	7,957	22,510	1,60,786
4.	Inquilab, Bombay	21,993	26,005	2,84,341
5.	Nawan Zamana, Jalandhar	2,359	27,816	1,69,541

APPENDIX VII

(Vide Para 3.19)

DIRECTORATE OF ADVERTISING & VISUAL PUBLICITY

Revised Rate Structure Effective from 1st January, 88

(Approved in July, 1988)

DAILIES

Circulation	Rates English	Rates (Language)
	Rs. P.	Rs. P.
Upto 2,000	5.70	6.40
2,001 to 5,000	6.60	7.20
5,001 to 10,000	8.20	8.50
10,001 to 15,000	9.80	9.80
15,001 to 20,000	11.30	11.30
20,001 to 25,000	12.90	12.90
25,001 to 30,000	14.60	14.60
30,001 to 35,000	16.10	16.10
35,001 to 40,000	17.70	17.70
40,001 to 45,000	19.20	19.20
45,001 to 50,000	20.70	20.70
50,001 and above	Rs. 30.04 paise per thousand subject to minimum of Rs. 20.70.	

WEEKLIES/FORTNIGHTLIES

Upto 2,000	6.80	7.70
2,001 to 5,000	7.70	8.50
5,001 to 10,000	9.20	9.50
10,001 to 15,000	10.80	10.80
15,001 to 20,000	12.20	12.20
20,001 to 25,000	13.80	13.80
25,001 to 30,000	15.30	15.30
30,001 to 35,000	16.80	16.80

35,001 to 40,000	18.30	18.30
40,001 to 45,000	19.90	19.90
45,001 to 50,000	21.30	21.30

50,001 and above Rs. 1.00 more than the rate the daily having similar circulations

For monthlies English Rs. 7.43 ps.cm. for first 1,000 and 30.4 paise per additional 1,000 upto 50,000.

upto 50,000: Language Rs. 8.45 ps. cm. for first 1,000 and 20.3 paise for additional 1,000 upto 10,000. 11,001 and thereafter 30.4 paise per 1,000.

Over 50,000: Rs. 2.00 more than the rate the daily having similar circulation.

Advertisement Rates for Combined editions.

In the case of newspapers having combined editions the following deductions may be made from the rates permissible to them under the rate structure in respect of the individual editions:—

- a. for newspapers having two editions —12.50%
- b. for newspapers having three editions—17%
- c. for newspapers having four editions —25%
- d. for newspapers having five to six —32.50%
- e. for newspapers having more than six editions. —35%

APPENDIX VIII

LIST OF MEMBERS OF THE ESTIMATES COMMITTEE (1990-91)

CHAIRMAN

Shri Jaswant Singh

MEMBERS

2. **Shri J.P. Agarwal**
3. **Shri Era Anbarasu**
4. **Shri Kamal Chaudhry**
5. **Shri Anantrao Deshmukh**
6. **Prof. Prem Kumar Dhumal**
7. **Shri Balvant Manvar**
8. **Shri Hannan Mollah**
9. **shri Arvind Netam**
10. **Dr. Debi Prosad Pal**
11. **Shri Rupchand Pal**
12. **Shri Harin Pathak**
13. **Shri Bhausaheb Pundlik Phundkar**
14. **Bh. Vijaya Kumara Raju**
15. **Shri Mullappally Ramachandran**
16. **Shri Y. Ramakrishna**
17. **Shri Rameshwar Prasad**
18. **Shri J. Chokka Rao**
19. **Shri Chiranji Lal Sharma**
20. **Shri Yamuna Prasad Shastri**
21. **Shri Dhanraj Singh**
22. **Shri Subedar Prasad Singh**
23. **Shri Sukhendra Singh**
24. **Shri Tej Narain Singh**
25. **Shri Taslimuddin**
26. **Dr. Thambi Durai**
27. **Shri Nandu Thapa**
28. **Shri P.K. Thungon**
29. **Shri K.C. Tyagi**
30. **Shri Kailash Nath Singh Yadav**

SECRETARIAT

1. Shri G.L. Batra — *Joint Secretary*
2. Shri B.B. Pandit— *Deputy Secretary*
3. Shri S.M. Mehta — *Senior Financial Committee Officer*

APPENDIX IX

Statement of Recommendations and Observations

Sl. No.	Para No.	Dept/ Ministry concerned	Recommendation/observation
1	2	3	4
1.	1.26	Ministry of I&B	The Committee are informed that the policy of the Government in relation to advertisements on behalf of Ministries and Departments is to route them through the Directorate of Advertising and visual Publicity (DAVP). This brief policy intent has been amplified with a set of guidelines issued and revised from time to time in the shape of executive orders. The Committee, however, find that there is no formal policy statement as such, and even through matters relating to advertisement relates have been raised in the Parliament on various occasions yet there never has been a formal debate in or outside Parliament on the subject. During the evidence before the Committee, the Secretary, Information and Broadcasting admitted that even though there were guidelines which enunciate Government's policy in regard to Government advertisements, the conclusion that there is no policy can be disputed only partially. He also admitted that the present policy is neither well articulated nor comprehensive and that certain lacunae did indeed exist in it. In this context, the Committee note that the number of insertions as well as annual expenditure on Government advertising has been rising sharply since 1977.
2.	1.27	do	The Committee find it surprising that in spite of the fact that crores of rupees are being spent every year, on account of Government advertisements, yet no formal policy has been framed so far. The Committee, therefore desire that a clear and articulate policy documents may be brought out and

1	2	3	4
---	---	---	---

placed before Parliament within a period of six months.

3. 1.28 Ministry of I & B The Committee note that since 1977 the policy guidelines have been periodically reviewed and revised taking into account the views of various newspaper organisations and the press in general. They also note that the latest policy guidelines issued in 1980 are based on the report of a Committee appointed by the Government for working out guidelines which are more rational. The changes brought in from time to time have by and large played around parameters like circulation criteria, minimum prescribed print-area and the regularity of a publication. The Committee also note that the thrust of these changes has been to give greater share of advertisements to medium and small newspapers which include Indian Language newspapers. The Committee are also informed that while giving advertisements, political affiliations or editorial policies of the publications concerned are not taken into account. However, the Committee observe that the basic flaw in the policy seems to arise from the dichotomous situation underlined by Government's keenness to give certain degree of support to medium and small newspapers and yet maintaining the policy objective of not distributing advertisements as a measure of financial assistance to a particular newspapers. Needless to say advertisements to small newspapers do not automatically translate into wide publicity to the Ministry/Department concerned even while doing so is the primary objective of Government advertisements policy. The Committee have been informed that the Government had set up the PIO Committee in 1987 to review the policy guidelines for rationalising the advertisements policy. The report of the Committee was still under consideration of the Government. The Committee are constrained to observe that if an unstated objective of the Government is to support weak newspapers, the Government ought to study the matter carefully and come out with a clear
-

1	2	3	4
			and explicit policy statement to that effect. In the opinion of the Committee not doing so will result in continuing the present state of ambiguity which in turn provides considerable scope for pressures to build upon DAVP leading ultimately to the erosion of the Government policy itself.
4.	1.29	Ministry of I & B	The Committee recommend the Government to take an expeditious decision on the recommendations of the Principle Information Officer. They also desire that once the Government announces its policy, DAVP must function within the parameters of that policy.
5.	2.44	do	The Committee find that the policy guidelines on Government advertisements are implemented by Directorate of Advertising and Visual Publicity with the assistance of Registrar of Newspapers. The Ministry of Information and Broadcasting plays a coordinating role in this regard. The Committee are also informed by the Secretary, Information and Broadcasting that considering the status of DAVP as a body which is part and parcel of the Government, it cannot possibly divorce itself from high bureaucratic levels as far as management of the policy functioning is concerned. In this context, the Committee, went into the question whether the entire business of Government advertisements can be handled independently by individual Ministries/Departments without there being centralised arrangement for the purpose through DAVP and by engaging private advertising agencies. They also examined whether and to what extent the advertising work can be handled in a decentralised manner even while maintaining the existence of DAVP in some form or other. In this context, the Committee note that advertising activity undertaken by DAVP can be broadly put in two categories viz. disseminative and motivational. In regard to disseminative advertising; which includes notices for recruitment of personnel and for inviting tenders, the Committee were informed that advertisements of this nature, though repetitive and routine in nature, cannot be

1

2

3

4

handled by a private advertising agency keeping in view the mere magnitude of the task. They were also informed that this activity could not be carried out by Ministry/Departments in-house as, even though routine in nature, such advertisements also needed certain degree of specialisation and expert organisational support. They were also informed that a decentralised arrangement could not be administratively convenient as bureaucrats may not be able to successfully interface with private advertising agencies and that it would lead to different rates being paid by different Departments/Offices for similar kinds of advertisements, thus affecting efficiency and cost effectiveness of the entire advertising activity. The Committee were also informed that a centralised arrangement for issuing Government advertisements through DAVP had a singular advantage in that the smaller offices and organisations are able to get wider coverage for their advertisements through the existing network of DAVP Offices in the country. The arrangement also helps in achieving an equitable distribution of advertisements amongst various sections of press which include small and medium newspapers in English, Hindi and other Indian languages.

6. 2.45 Ministry of I&B The Committee are inclined to accept the position taken by the Ministry of Information and Broadcasting regarding the question of decentralizing the functioning of the DAVP. The Committee, however, recommend that functioning of DAVP should be streamlined to improve its performance. The Ministry should help the Directorate in developing sufficient expertise in producing advertisements of quality. For this purpose, DAVP should suitably train their staff. In this regard the Committee also recommend that advertising personnel of DAVP should be encouraged to take 'sabbatical leave' in order to upgrade their professional skills. The Committee also desire to be apprised of steps taken in this regard.

1	2	3	4
7.	2.46	Ministry of I&B	The Committee also desire that Union Territories which are being administered directly by Government of India should be brought within the ambit of Government's policy directives on advertisements and DAVP should also cater to the requirement of administration in such Union Territories.
8.	2.47	-do-	In regard to motivational advertising the Secretary, Information and Broadcasting during evidence admitted that such activity cannot be undertaken successfully by rigidly structured organisations or individuals as such and that advertising of this nature required high degree of creativity and higher levels of professionalism which cannot be possible within a Government organisation owing to lack of mobility as well as inflexible structure of emoluments. The Committee, are inclined to agree with this assessment.
9.	2.48	-do-	The Committee recommend that Government ought to make such arrangements for carrying out motivational advertisements as would facilitate utilisation of the best creative talent available outside DAVP. Definite incentive schemes ought to be introduced to encourage talent from within DAVP as well.
10.	2.49	-do-	The Committee are informed that there is a built in system of monitoring in DAVP in as much as all decisions relating to empanelment of newspapers or the journals for being included in the media list maintained for releasing advertisements as also decisions in respect of actual release of advertisements are taken at sufficiently high level after passing through several levels of scrutiny. They further note the complaints received in DAVP usually relate to empanelment delays, demand for more advertisements. However, no consolidated record or statistics of such complaints/requests is available in the Directorate as most of such cases are dealt on individual files. The Committee are disappointed to find that the Ministry have been euphemistic in describing the correct position which is that there is no effective system of monitoring the requests/complaints received from newspapers,

1	2	3	4
			<p>journals, etc. It was admitted by the Secretary, Ministry of Information and Broadcasting during course of his evidence that there was no system except that of dealing with complaints on files and that "I dare say that we could have a better system". The Committee are also surprised to find that there exists no system of following up various advertisement campaigns in order to gauge their actual impact on the target group. The Committee cannot but take a serious view of this situation where such vital aspects have been ignored by the Directorate as well as the Ministry.</p>
11.	2.50	-do-	<p>The Committee recommend that a comprehensive system of follow up and monitoring be introduced in the functioning of DAVP in regard to advertisement campaigns as well as the complaints received from the newspapers/periodicals and the public in regard to advertisements or advertisement policy matters.</p>
12.	2.51 & 2.52	-do-	<p>The Committee find that empanelment of newspapers and release of advertisements are often taken up on the recommendations of Ministers and Members of Parliament. While admitting the right of representatives of people to bring to the notice of authorities cases of genuine omissions, they would like Government to ensure that this practice does not militate against the stated objective of advertisement policy to distribute advertisements without being influenced by political considerations.</p> <p>The Committee desire that the Ministry should evolve an effective, impartial and fair system of empanelment under which all genuine newspapers/journals feel encouraged to approach DAVP directly. They also desire that DAVP should publish and incorporate in their Annual Report the quantum of advertisements and the total amount paid to each of the newspaper.</p>

1	2	3	4
13.	2.53 & 2.54	Ministry of I&B	<p>The Committee find that a substantial sum of over Rs.16 crores has been spent during 1989-90 alone on various advertisement campaigns apart from which substantial sums of money are being spent on advertisement which relate to recruitment and tender notices. The Committee were informed that the physical targets being represented by number of advertisement insertions in a year do not accurately project actual volume of work being done by DAVP as the size of such insertions may range from a few lines to hundreds of lines. On the other hand financial targets, which are merely budget outlays and are unrelated to physical targets, have been exceeded year after year. This has been attributed to a variety of factors which include revision of advertisement rates, payment against past bills and expansion of the media list.</p> <p>The Committee are dismayed to note such a state of affairs. The Committee strongly recommend that a detailed work analysis of DAVP should be undertaken immediately and a reliable and properly co-related system of fixing physical and financial targets may be evolved to ensure that the Directorate functions with optimum efficiency and economy.</p>
14.	2.55	-do-	<p>The Committee also find, that budget estimates in the Directorate are not being framed on a realistic basis. They have been informed that this was due to absence of communication plan in individual Ministries/Departments on whose behalf publicity campaigns are taken up by the Directorate. The Committee desire the Government to issue suitable instructions to all the Ministries/Departments to prepare appropriate communication plans under a time bound programme in consultation with Ministry of Information and Broadcasting so that the budgetary exercise in DAVP is taken up on a sound basis.</p>

1	2	3	4
15.	2.56 & 2.57	-do-	<p>The Committee are also concerned to note that the accounts in respect of expenses on various publicity campaigns, which account for major portion of DAVP budget, are not being maintained properly. This has been attributed by the Ministry to non-availability of updated information/data resulting in backlog of unpaid bills, receipt of supplementary and back dated bills and finally to the manual operation of billing and accounting besides insufficiency of personnel. The Committee feel that this is a highly unsatisfactory state of affairs where there is a heavy backlog of bills etc. They are strongly of the view that all such problems could have been anticipated and avoided by taking suitable administrative steps in time. The Committee find that the Ministry/Directorate has failed to exhibit due administrative foresight even though accounting irregularity had also been pointed out by Audit.</p> <p>The Committee urge the Ministry to take immediate steps to simplify and streamline the system of billing and accounting in the Directorate by introducing computerisation of bills etc. and to place adequate staff at the disposal of DAVP for the purpose.</p>
16.	2.58 & 2.59	-do-	<p>The Committee are informed that DAVP undertakes a content analysis of various publications receiving advertisements from the Government to ensure that, apart from complying with other conditions such newspapers do not publish anti-national news or do not indulge in writings which are considered anti-national or communal. They note that advertisements to such newspapers periodicals are stopped temporarily. However after a gap, afresh content analysis is undertaken to review the status of newspaper and if found satisfactory, it is empanelled again for release of advertisements. The Committee however feel that stoppage of advertisements does not seem to have discouraged newspapers and periodicals from indulging in writings of communal nature and from inciting people to violence.</p>

1	2	3	4
			<p>The Committee desire that the Government should take up content analysis of newspapers and periodicals on a more extensive, regular and systematic basis. They also desire that the Policy Guidelines in this regard should provide dis-incentives of greater pursuation. They would also expect the enforcement of Policy Guidelines to be more stringent. Will taking action, consultations with Press Council of India should invariably be held. They also like Government to ensure that propagation of obscenity is not encouraged and laws relating to obscenity are not infringed.</p>
17.	2.60 & 2.61	-do-	<p>The Committee note that even while DAVP has many strong features which give it an advantage over all other arrangements for advertising, it is facing certain difficulties on account of shortage of staff, inappropriate status to its key personnel, and the existence of two anomolous lists of non-paying and paying Departments.</p> <p>The committee urge the government to look into the difficulties being experienced by DAVP without any delay so that this organization is strengthened for the fulfilment of its assigned role.</p>
18.	3.32 & 3.33	-do-	<p>The Committee note that notwithstanding the policy of the Government not to provide financial assistance to newspapers through release of Government advertisements the fact that Government does enjoy a certain degree of money power in this regard, has emerged unmistakably during the evidence tendered by the representatives of the Ministry before the Committee. The Committee have also been informed that the Government have been consciously exercising this power for the growth of a healthy press in the country and with that purpose an attempt has been made in the past one and half decade to channelise more and more advertisement revenue towards medium and small newspapers. From the statistics furnished to the Committee this trend is quite evident. The Committee, however, are constrained</p>

1

2

3

4

to note that in spite of this, an in-built advantage is nevertheless available to big newspapers. This is obvious from the fact that during the 3 years from 1986-87 to 1988-89, 58 to 60% advertisement revenue has found its way to big newspapers even though numerically these have not been more than 5% of the total number of newspapers in the country. On the other hand, the entire small newspaper population have not accounted for more than 16% of the total advertisement revenue. The Committee however find that the position in regard to medium newspapers is relatively satisfactory. The position in regard to figures for the year 1989-90 is some what different in as much as the share of big newspapers has come down to a little more than 50% while that of small newspapers has gone upto 26%. This can be attributable to sharp increase of about 8% in the number of small newspapers and a corresponding decrease in the proportionate share of medium and big newspapers. Obviously the bulk of 460 additional newspapers taken on the media list during 1989-90 are small newspapers. The Committee are inclined to infer from this analysis that as funds for Government advertisements, including special advertisement campaigns, are limited and as degree of expected coverage is a major criteria in selecting newspapers for release of advertisements, large number of small newspapers which seem to command little circulation do not qualify for advertisements. Further, keeping in view the difficulties in verification of circulation figures it is evident that many of these small newspapers exist only in name and subsist on whatever limited number of advertisements are released to them.

The Committee cannot but infer that the policy of promoting through distribution of advertisement wider dispersion of media power and to achieve through this mechanism growth of a healthy press, has failed to achieve its objective. The Committee, therefore urge the Government to take an immediate review of this aspect of the policy and to

1	2	3	4
			introduce suitable corrective measures.
19.	3.34	-do-	<p>The Committee also desire that list of small newspapers be reviewed periodically to delete such newspapers which have failed to increas their circulation beyond a prescribed limit during a given period.</p> <p>Suitable relaxations, should however, be given, in this regard, to language newspapers/periodicals published from remote areas such as North-East Island territories tribal belts and hilly regions or by small linguistic groups.</p> <p>The Committee will also like the mechanism for verification or circulation figures to be strenghtened with.</p>
20.	3.35 & 3.36	-do-	<p>The Committee note that rate structure has been one of the main features of Government's policy framework in regard to Government advertisements and that it continues to be an issue on which difficulties are being faced. While the Government had at one stage decided to make use of only such newspapers/ periodicals whose rates would be suitable and acceptable to the Government from the point of view of publicity requirements without negotiating any fixed rate structure with the newspapers, with the passage of time the Government have reverted back to the practice of negotiating specific rates for different categories of newspapers/periodicals on the basis of their circulation. This reversal of policy has been brought about due to small newspapers, owing to their high card rates, being unable to compete for Government advertisements. The Committee, however, note that while there has been a growing demand for parity of rates between language and English newspapers, the bigger newspapers have been demanding acceptance of their card rates. At the same time most newspapers and periodicals have been demanding revision of rates. Consequently, the advertisement rates have been revised four times since 1981 and on such time the increase has ranged from 20% to 30% of the preceding rate. The advertisement rates have further been increased by 18 per cent w.e.f. 1.8.91. The</p>

1

2

3

4

mittee also note that there is a set mechanism for granting escalation of rates and a fixed formula for calculating the percentage of escalation. The Committee have also been informed that the Government have under their consideration a report prepared by a Committee of Experts who were also expected to look into the problems relating to advertisements rates structure.

The Committee desire the Government to take a final and expeditious view on the report of the Expert Committee and to evolve a more acceptable rate structure. They, however, desire that while taking a final decision in the matter care should be taken to allow special rates to language newspapers published in remote and hilly areas including island territories and tribal belts besides those published by small linguistic groups keeping in view the inherent diseconomies of scale and consequentially higher costs and lower revenues in regard to such newspapers. There should be no discrimination in advertisement rates at the same level of circulation irrespective of the language of the newspaper.

21. 3.37 -do-

The Committee further note that it is not incumbent on autonomous bodies and public sector undertakings to route their advertisements through DAVP even though some of these bodies do route their advertisements through DAVP. *The Committee are however, dismayed to find that the Ministry of Information and Broadcasting are not aware of the differential rate between advertisements inserted by public sector undertakings and the Government. The Committee feel that such information would be a relevant input for reviewing and modifying advertisements policy.* The Committee also find that in their 47th Report (Fourth Lok Sabha) on Public Relations and Publicity in Public Undertakings, the Committee on Public Undertakings had recommended that all commercially non-competitive public undertakings should route their advertisements through DAVP to get the benefit of concessional rates. The Committee have not been apprised about any review by the Ministry of

1	2	3	4
			Information and Broadcasting or by the Bureau of Public Enterprises as to whether these recommendations which have been accepted, are being followed. The Committee recommend that such a review should be undertaken now.
22.	3.38	-do-	<p>The Committee note that no separate guidelines exist with regard to advertisements on television. They further note that DAVP undertakes production of video spots, quickies and documentaries relating to socially relevant issues like health, family welfare etc on behalf of its client Ministries/ Departments for being shown on Doordarshan. However, the Committee find that as against a campaign budget of Rs. 16 crores during 1989-90 a limited amount of Rs. 30 lakhs has been spent on this account. This indicates that this highly potent media is not being fully utilised. The Committee urge the Government to encourage greater use of Television as also video-magazines and films in propagating socially relevant messages.</p>

**LIST OF AUTHORISED AGENTS FOR THE SALE OF LOK SABHA
SECRETARIAT PUBLICATION**

Sl. No.	Name of Agent	Sl. No.	Name of Agent
ANDHRA PRADESH		UTTAR PRADESH	
1.	M/s. Vijay Book Agency, 11-1-477. Mvlaraadha. Secunderabad-500 306.	12.	Law Publishers, Sardar Patel Marg, P.B. No. 77, Allahabad, U.P.
BIHAR		WEST BENGAL	
2.	M/s. Crown Book Depot. Upper Bazar, Ranchi (Bihar).	13.	M/s. Madimala, Buys & Sells, 123, Bow Bazar Street, Calcutta-1.
GUJARAT		DELHI	
3.	The New Order Book Company, Ellis Bridge, Ahmedabad-380 006. (T.No. 79065)	14.	M/s. Jain Book Agency, C-9, Connaught Place, New Delhi, (T.No. 351663 & 350806).
MADHYA PRADESH		15.	M/s. J.M. Jaina & Brothers, P. Box 1020, Mori Gate, Delhi-110006. (T. No. 2915064 & 230936).
4.	Modern Book House, Shiv Vilas Place, Indore City. (T.No. 35289)	16.	M/s. Oxford Book & Stationery Co., Scindia House, Connaught Place, New Delhi-110001. (T.No. 3315308 & 45896).
MAHARASHTRA		17.	M/s. Bookwell, 2/72, Sant Nirankari Colony, Kingsway Camp, Delhi-110 009. (T.No. 7112309).
5.	M/s. Sunderdas Gian Chand, 601, Girgaum Road, Near Princes Street, Bombay-400 002.	18.	M/s. Rajendra Book Agency, IV-DR59, Lajpat Nagar, Old Double Storey, New Delhi-110 024. (T.No. 6412362 & 6412131).
6.	The International Book Service, Deccan Gymkhana, Poona-4.	19.	M/s. Ashok Book Agency, BH-82, Poorvi Shalimar Bagh, Delhi-110 033.
7.	The Current Book House, Maruti Lane, Raghunath Dadaji Street, Bombay-400 001.	20.	M/s. Venus Enterprises, B-2/85, Phase-II, Ashok Vihar, Delhi.
8.	M/s. Usha Book Depot, 'Law Book Seller and Publishers' Agents Govt. Publications, 585, Chira Bazar, Khan House, Bombay-400 002.	21.	M/s. Central News Agency Pvt. Ltd., 23/90, Connaught Circus, New Delhi-110 001. (T. No. 344448, 322705, 344478 & 344508)
9.	M & J Services, Publishers, Rep- resentative Accounts & Law Book Sellers, Mohan Kunj, Ground Floor, 68, Jyotiba Fuele Road Nalgaum, Dadar, Bombay-400 014	22.	M/s. Amrit Book Co., N-21, Connaught Circus, New Delhi.
10.	Subscribers Subscription Service India, 21, Raghunath Dadaji Street, 2nd Floor, Bombay-400 001.	23.	M/s. Books India Corporation Publishers, Importers & Exporters, L-27, Shastri Nagar, Delhi-110 052. (T.No. 269631 & 714465).
TAMIL NADU		24.	M/s. Sangam Book Depot, 4378/4B, Murari Lal Street, Ansari Road, Darya Ganj, New Delhi-110 002.
11.	M/s. M.M. Subscription Agencies, 14th Murali Street, (1st Floor), Mahalingapuram, Nungambakkam, Madras-600 034. (T.No. 476558)		