

**PUBLIC ACCOUNTS COMMITTEE
(1972-73)**

(FIFTH LOK SABHA)

SIXTY-SIXTH REPORT

[Action taken by Government on the recommendations of the Public Accounts Committee contained in their 39th Report (Fifth Lok Sabha) relating to All India Radio.]



**LOK SABHA SECRETARIAT
NEW DELHI**

January, 1973/Magh, 1894 (Saka)

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PUBLIC ACCOUNTS COMMITTEE

(1972-73)

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SECRETARIAT

Shi B. B. Tewari—Deputy Secretary.

Shri T. R. Krishnamachari—Under Secretary.

INTRODUCTION

I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Sixty Sixth Report on action taken by Government on the recommendations of the Committee contained in their Thirty Ninth Report (Fifth Lok Sabha) relating to All India Radio.

2. On the 6th June, 1972 an 'Action Taken' Sub-Committee was appointed to scrutinise the replies received from Government in pursuance of the recommendations made by the Committee in their earlier Reports. The Sub-Committee was constituted with the following Members:

Shri B. S. Murthy—*Convener*

- | | | |
|---------------------------|---|----------------|
| 2. Shri Ramsahai Pandey | } | <i>Members</i> |
| 3. Shrimati Savitri Shyam | | |
| 4. Shri H. M. Patel | | |
| 5. Shri Shyam Lal Yadav | | |
| 6. Shri Bhagwat Jha—Azad | | |
| 7. Shri M. Anandam | | |

3. The Action Taken Sub-Committee of the Public Accounts Committee (1972-73) considered and adopted this Report at their sitting held on the 11th January, 1973. The Report was finally adopted by the Public Accounts Committee on the 24th January, 1973.

4. For facility of reference the main conclusions/recommendations of the Committee have been printed in thick type in the body of the Report. A statement showing the summary of the main recommendations/observations of the Committee is appended to the Report.

5. The Committee place on record their appreciation of the assistance rendered to them in this matter by the Comptroller and Auditor General of India.

NEW DELHI;

January 27, 1973.

Magh 7, 1894 (S).

ERA SEZHIYAN,

Chairman,

Public Accounts Committee.

CHAPTER I

REPORT

1.1. The Report of the Committee deals with action taken by Government on the recommendations contained in their 39th Report (Fifth Lok Sabha) relating to All India Radio which was presented to the House on the 27th April, 1972.

1.2. Action taken notes have been received in respect of all the 23 recommendations contained in the Report.

1.3. Action taken notes*/statements on the recommendations of the Committee contained in this Report have been categorised under the following heads:—

- (i) **Recommendations/observations that have been accepted by Government.**
S. Nos. 2—7 and 9—23.
- (ii) **Recommendations/observations which the Committee do not desire to pursue in the light of the replies of the Government.**
S. No. 8.
- (iii) **Recommendations/observations replies to which have not been accepted by the Committee and which require reiteration.**
Nil.
- (iv) **Recommendations/observations in respect of which Government have furnished interim replies.**
S. No. 1.

1.4. The Committee hope that final replies in regard to the recommendation to which only interim reply has so far been furnished will be submitted to them expeditiously after getting them vetted by Audit.

1.5. The Committee will now deal with action taken notes on some of the recommendations.

*Not vetted by Audit.

Future Organisational set up of All India Radio—Paragraph 1.8.

1.6. Referring to the future organisational set up of All India Radio the Committee, in paragraph 1.8 (S. No. 1) of their 39th Report (Fifth Lok Sabha) made the following observation:

“1.8. The Committee note that Government have not accepted the recommendation of the Committee on Broadcasting and Information Media that broadcasting services should be entrusted to an autonomous corporation to be set up under an Act of Parliament. The Committee desire that early decision should be taken about the future organisational set up of All India Radio and the Committee advised in due course. They hope that the reorganisation of the broadcasting services would result in delegation of more administrative and financial powers to the organisation to enable it to function more efficiently.”

1.7. The Ministry of Information and Broadcasting in their reply dated the 11th December, 1972, have stated:

“The question of re-organisation of AIR is under consideration of Government. The question of delegation of more powers—administrative and financial—to the DG AIR is under consideration of the Prime Minister.”

1.8. The Committee hope that early decision will be taken by Government on the question of re-organisation of the All India Radio and delegation of more powers to the Director General, All India Radio.

Procurement of business for Commercial Broadcasts.

1.9. The Committee in paragraph 1.76 (S. No. 7) referred to the procurement of business by All India Radio from Government Departments (Central or State) Nationalised Banks and Public Undertakings directly instead of their coming through Agents. In this connection, they observed:

“1.76. The Committee are at a loss to understand why the All India Radio are not able to procure business from Government Departments (Central or State), Nationalised Banks and Public Undertakings directly instead of their coming through their agents. While Committee note the stand of the AIR that as Commercial Advertisers they have to accept business from whatever source it comes to them, they consider that the Bureau of Public Enterprises (Min-

istry of Finance) should issue necessary directions to the public Undertakings to the effect that except where there are any exceptional circumstances they should use the services of DAVP in the matter of commercial advertising. There should normally be no question of the Government Departments, using any other agency except DAVP for routing their advertisement for Commercial Broadcasting. The Committee trust that appropriate action will be taken by the Government in this regard and express the hope that more and more of Commercial Advertisements from Nationalised Banks and Public Undertakings would be channelised through the DAVP. The Committee have no doubt that DAVP would try to continuously improve its quality and range of service so as to attract all Commercial advertisements from Public Undertakings."

1.10. The Ministry, in their reply dated the 11th December, 1972, have stated:

"Recommendations of the Committee have been circulated to various Ministries *vide* letter No. 3(1)/72-B(P) dated 18th November, 1972 (Reproduced below).

The Public Accounts Committee in their report for 1971-72 relating to All India Radio have recommended that commercial broadcasting advertisements on behalf of Government Departments and public sector undertakings should be channelised through the Directorate of Advertising and Visual Publicity under this Ministry. I enclose an extract from the P.A.C.'s Report in this regard. This recommendation has been made by them with a view that the commission now being paid to private advertising agencies might accrue to Government.

We approached the Bureau of Public Enterprises with a request to issue general instructions to all public sector undertakings in this regard. They have, however, advised us to write to individual Ministries/Departments directly.

The Department of Banking whom we had approached earlier have accepted the PAC's recommendation and issued instructions that all advertisements from nationalised Banks should be channelised through the Directorate of Advertising and Visual Publicity.

I shall be grateful if you could consider the recommendation of the Public Accounts Committee and issue similar in-

structions to the Public Sector Undertakings under your Ministry's administrative control. Copy of the instructions issued may be furnished to this Ministry and to the Directorate of Advertising and Visual Publicity."

1.11. The Committee note that their recommendations that commercial broadcasting advertisements on behalf of Public Sector Undertakings should be channelised through the DAVP, have been taken up with the various Ministries for issue of suitable instructions. The compliance by the Ministries may be watched and reported to the Committee.

Advance payment by Agents before the advertisement is put on the air—(Para 1.77 S. No. 8)

1.12. In paragraph 1.77 (S. No. 8), the Committee dealt with the question of payment by the Agents after the advertisement had already appeared over the radio and observed:

1.77. The Committee note that accredited agents are given 45 days' time within which they have to make the payment after the advertisement has already appeared over the radio with the result that on an average an amount equivalent to two months sale always remains outstanding against them. With a view to resolve this problem of outstanding with the inherent risk of loss of money to the Government the Committee would like that as in some other foreign countries, the All India Radio should also insist on advance payment before the matter is put on the air."

1.13. The Ministry of Information and Broadcasting in their reply dated 11th December, 1972 have stated:

"In order to analyse the position of payments from Accredited Agencies within the prescribed limit, it is essential to look into the actual working and financial structure of these agencies. Unlike big manufacturers, the advertising agencies have to run their business without large fluid capital. In other words, they have to depend solely on their ability to make timely payments to AIR. In the process, they have to face as much delay in receiving the payments from clients as we do in receiving our payments from them. The advertising agencies not only serve the interests of the advertisers with facilities such as designing campaigns and executing them etc., but also keep AIR

supplied with the bulk of advertising business. AIR will have to depend on them for securing business, which is essentially a field job of tremendous magnitude which Commercial Broadcasting Service is not equipped to undertake. This is an important reason why it is necessary that their payment practices should be viewed in a different light.

It is all the more necessary for us to be somewhat accommodative in the matter of payments if we take into consideration the fact that the accredited agencies might have found it more advantageous to go to another Media had they had an alternative. The accredited agencies have no alternative but to conform to the norms laid down by us and they try their best to keep up to them. Besides this, if credit facilities are withdrawn, there will be no difference between the status of accredited agencies and recognised agencies as both will get 15 per cent commission. There will be no incentive on the part of the recognised agencies also to acquire the status of accredited agencies if the credit facilities are withdrawn. In the circumstances, any curtailment on credit facilities given to accredited agencies would result in a considerable loss in revenue.

With a view to examining the position relating to revenue accrued from Accredited Agencies, we have taken the period from 1-11-1967 (since the inception of the Commercial Service) upto the 31st March, 1972 as the basis. During the period under review the position is as follows. (The figures for 1971-72 are provisional):—

- (i) Net business secured from all the agencies and advertisers—Rs. 8,98,30,672.
- (ii) Net business secured from the accredited agencies—Rs. 7,46,12,959.
- (iii) Percentage of business secured from accredited agencies—83.05.

It may be seen that accredited agencies have brought in up till now the business worth about Rs. 7,46,12,959 as against the total net earnings of the Commercial Broadcasting Service since its inception which is Rs. 8,98,30,672. The percentage of business (83.05) booked by accredited agen-

cies is, therefore, overwhelmingly larger than the business booked by all the other categories of agencies and direct advertisers put together. Since accredited agencies are booking the major portion of business on AIR, the credit facilities offered to them should continue to be given so that they are not hampered in booking the bulk of AIR time as at present.

Review of the payment position by the accredited agencies as it stood on 31st March, 1972 is given below:—

- (i) Net business secured from accredited agencies from 1st November, 1967 to 31st March, 1972—Rs. 7,46,12,959.
- (ii) The amount paid within 45 days i.e., by 15-5-1972—Rs. 7,26,99,775.
- (iii) Amount remaining to be paid after 45 days i.e., after 15-5-1972—Rs. 19,13,184.
- (iv) Percentage of outstanding bills beyond 45 days i.e., after 15-5-1972 to the total business secured upto 31st March, 1972—2.56.

Up-to-date position of outstanding bills [item (iii) of preceding paragraph] as it stood on 7th October, 1972 is given below:—

- (i) Bill paid Rs. 17,16,302.
- (ii) Bills outstanding earlier to March, 1972—Rs. 1,15,213.
- (iii) Bills outstanding for March, 1972—Rs. 81,669.
- (iv) Percentage of outstanding bills as it stood on 7th October, 1972 to the total business secured upto 31st March, 1972—0.26.

It may be seen that our earlier statement that most of the accredited agencies, by and large, have been making their payments regularly, although it is a continuous running account, is supported by statistics shown above. It can, therefore, be established that the performance of the accredited agencies has been satisfactory from the point of view of the quantum of business booked by them for the Commercial Service.

Incidentally it may be mentioned that penal interest at the rate of 12 per cent is charged if any accredited agency

fails to make the payment within the due date. Clause 17 of the existing contract reads as follows:—

“All India Radio shall submit monthly bills and the advertisers shall pay all bills within 45 days calculated from the first day of the month following the month in which the broadcast was made.”

The proposal to revise this Clause is under examination as follows:—

“In the case of advertisers who book their time through accredited agencies, All India Radio shall issue bills after the close of each month and the advertiser shall pay all bills within 45 days calculated from the day following the day on which the advertisement was broadcast.”

1.14. In view of what is stated in the reply of the Ministry, the Committee do not like to pursue the question of advance payments of bills by the accredited agents. However they desire that amendment to Clause 17 of the existing contract with the Agents in order to provide for payment of bills within 45 days from the day following the day on which the advertisement was broadcast instead of from the first day of the month following the month in which the broadcast was made, should be expedited.

*Timely preparation and finalisation of Proforma Accounts of AIR—
Paras 1.110 and 1.111—(S. Nos. 11 and 12)*

1.15. Stressing the need for timely preparation of Proforma Accounts of All India Radio, the Committee made the following observations:—

“1.110. The Committee regret to note that the Proforma Account for the years 1968-69; 1969-70 and 1970-71 have not been finalised so far. Even the proforma accounts for 1967-68 were made available to Audit in November 1970 only. The importance of timely preparation and finalisation of accounts cannot be over-emphasised. In this connection the Committee would like to recall the observations made in para 1.24 of the 27th Report of the Public Accounts Committee (Fourth Lok Sabha) presented to Parliament in April 1968 regarding delay in finalisation of Proforma Accounts. They cannot help feeling that the situation instead of improving has since deteriorated.”

"1.111. The Committee feel that timely preparation of Proforma Accounts is essential in order to provide the authorities with factual data for taking remedial measures in the interest of improving service and effecting economy. The Committee see no reason why it should not have been possible all these years to settle the basis for preparation of Proforma Accounts in consultation with Finance and Audit. They desire that this should be done without further delay. The Committee would like to be supplied copies of the Proforma Accounts for the years from 1967-68 upto 1970-71 after these have been audited. Now that there is a proposal to give enlarged powers to All India Radio on the analogy of the powers enjoyed by the Railway Board and the P. & T. Board, there is all the more reason that the preparation and maintenance of accounts should receive urgent attention. The Committee need hardly stress that the accounts should be so organised as to provide timely factual data and pointers to the management for action in the interest of improving the service, enhancing efficiency and effecting economy."

1.16. The Ministry of Information and Broadcasting in their reply dated the 11th December, 1972 have stated:

"The observations of the Public Accounts Committee have been noted. Every effort is being made to bring the compilation/audit of Proforma Accounts up-to-date. It is, however, submitted that the Proforma Accounts for the year 1967-68 had to be recast as the audit authorities desired that the foreign equipment received as gift from foreign donors should also be accounted for in the Proforma Accounts. This entailed a good deal of work and the accounts for 1967-68 could ultimately be got audited in March 1972. The certified copies* of the Proforma Accounts are now awaited from the Chief Auditor, Commercial Accounts, Northern Region, New Delhi.

*A copy of the certified consolidated proforma accounts of All India Radio for 1967-68 along with audit comments thereon, has already been sent to the Ministry by the Director of Commercial Audit, New Delhi with the latter's letter No. LAIII|12-82|72-73|87 dated 20-10-1972.

The Proforma Accounts of the year 1968-69 have been recast in anticipation of the approval of the Audit authorities to the Proforma Accounts for 1967-68. The Audit have audited the accounts. Certified copies of the accounts are, however, awaited.

Preliminary work for the compilation of the Accounts from the years 1969-70 onwards has already been taken in hand in anticipation of audit authorities approval of the Proforma Accounts for the year 1968-69. The copies of the Proforma Accounts will be made available to the Public Accounts Committee as soon as certified copies of these are received from the audit authorities

It may be mentioned that the delay in the compilation of Proforma Accounts is also occasioned by the very late receipt of BRL figures from AG, P. & T. Complete BRL figures for the year 1969-70 have been received from the AG, P. & T., authorities only on 22-7-1972 and that too after a good deal of correspondence and personal efforts. The AG, P. & T.'s, procedure is time consuming and in practice All India Radio's share is never adjusted fully within the same year. The Deputy Accountant General in the P. & T., Department with whom this matter was discussed explained that the "Cash transaction" and subsequent formalities necessarily take good deal of time, and that the AG, P. & T., was aware of the position. The Stamps Committee which was set up by the Government had gone into the accounting procedure specifically and their recommendations were examined in consultation with the Comptroller and Auditor General of India. Government decisions on these recommendations are awaited."

1.17. The Committee note that delay in completion of Proforma Accounts by the All India Radio is partly due to late receipt of B.R.L., figures which is stated to be due to procedural bottlenecks. The Committee desire that early decision should be taken on the recommendations of the Stamps Committee which had gone into the accounting procedure specifically. They hope that in future it should be possible to prepare the Proforma Accounts in time.

Radio Publications

1.18. In paragraphs 1.129, 1.130, 1.131, 1.132 and 1.133 (Serial Nos. 14, 15, 16, 17 and 18) the Committee referred to the declining trend in the circulation of programme journals brought out by the All India Radio in different languages and observed:—

"1.129. The Committee are deeply concerned to note that the average circulation per issue of all the eight programme journals in English, Hindi, Urdu, Bengali, Assamese, Tamil, Telugu and Gujarati has generally been going down from year to year. The average circulation per issue of "Akashvani" (English) which was 5489 in 1966-67 has gone down to 5171 in 1970-71 while that of "Akashvani" (Hindi) has gone down from 3801 to 2788 during the same period. During the same period of average circulation of "Betar Jagat" (Bengali) has gone down from 55100 to 42500 in 1970-71 while that of "Vanoli" (Tamil) has dropped from 46,000 to 44,800. The disquieting feature of the phenomenon is that the drop in circulation has occurred despite the opening of additional stations, introduction of new programmes and almost double the increase of BR sets—from 64,83,896 in 1966 to 1,17,46,600 in 1970."

"1.130 The Committee are particularly perturbed over the extremely poor circulation of the English and Hindi publications. It is really surprising that with such a vast region to cater to and tremendous growth in listenership, the 'Akashvani' (Hindi) should have a negligible circulation. Likewise the average circulation of "Betar Jagat" (Bengali) has declined considerably in spite of substantial increase in the number of receiver sets in the Bengal and Orissa areas. The declining trend of the circulation of the All India Radio Journals is indicative of the absence of concerted efforts to evaluate to plan and to improve the quality of service of this mass-media."

"1.131. The Committee on Broadcasting and Information Media attributed the declining trend in circulation of these journals, amongst others, to their unattractive contents and poor quality of paper and printing done by low class presses. The Committee are informed that Government have as an experiment changed the format of the "Akashvani" (English) to make it more attractive and give more reading matter. It is understood that decision was taken early in 1970 to get the journals printed by a class printers and tenders were invited for "Akashvani" (English) in October 1970. The printing work has not yet been entrusted to the selected printer for want of funds. Although more than 5 years have elapsed since the recommendation made by the Chanda Committee steps taken by the Government to remedy the state of affairs have been extre-

mely halting and sluggish with the result that the position has been —deteriorating from year to year instead of improving.”

“1.132 Programmes Journals are intended to stimulate listening and create interest in radio programmes. Admittedly the sale of the programme journals is poor because contents need improvement. There should be no difficulty in effecting improvement for the All India Radio Journals, they can carry some of the most important talks and discussions. If, however, there is any difficulty on account of dearth of material, then this a reflection on the quality of programme which should be improved.”

“1.133 The Committee would further be interested to know how the average circulation per issue of Radio Journals and the total number of B.R. sets in our country compared with those in some of the advance countries like USA, USSR, U.K., France, etc. They would like this information to be gathered and communicated to them in due course.”

1.19. In paragraphs 1.141, 1.142, 1.143 (S. Nos. 19, 20 and 21) the Committee dealt with the question of cost of production *vis-a-vis* the sales realisation of various journals and observed:

“1.141 The Committee are concerned to note that with the exception of one journal. *viz.*, Vanoli (Tamil) all the other seven journals are running at a loss. The total annual loss during the year 1968-69 on account of the publication of these programme journals came to about Rs. 6.61 lakhs, the major contributors to the loss being Akashvani (English), Rs. 2.39 lakhs, Akashvani (Hindi) Rs. 0.75 lakh, Awaz (Urdu) Rs. 0.42 lakh and Betar Jagat Rs. 2.92 lakhs. The Betar Jagat (Bengali) and Vanoli (Tamil) have almost equal circulation and yet it is not clear why the cost of production of these two journals should vary so much being Rs. 0.58 per copy for the former and Rs. 0.33 for the latter during the 1968-69. The Committee find that although there is a wide variation in the cost of production per copy of the various journals yet the selling price has been fixed as ranging from Re. 0.25 to Re. 0.35 only. The Committee find it difficult to understand how Vanoli (Tamil) which contains less number of pages is priced at Re. 0.35 per copy while Akashvani (Hindi) containing more pages is priced at Re. 0.25 per copy.”

"1.142 From a perusal of the break-up of the cost of production per copy of the journals it is observed that the cost of establishment, printing and miscellaneous expenses are comparatively higher in the case of Akashvani (Hindi) and (English), Awaz (Urdu) and Nabhovani (Gujarati)."

"1.143 The Committee desire that the reasons for variations in the cost of production may be examined and necessary economies made where possible. They would further like that the pricing of the publications is done on a rational basis and efforts made to make these journals self-supporting as far as possible."

1.20 The Ministry of Information and Broadcasting in their reply dated 11th December, 1972, have stated:

"Of the eight Programme Journals published by AIR, Six were started in the pre-Independence days. These are: Betar Jagat (Bengali) in 1929; Akashvani (English), Akashvani (Hindi) and Awaz (Urdu) in 1936, Vanoli (Tamil) in 1938 and Nabhovani (Gujarati) in 1947. Of the remaining two, Vani (Telugu) was started in 1949 and Akashi (Assamese) in 1959.

When the journals were first started, they were intended firstly to propagate the programmes of A.I.R. stations and secondly to stimulate radio listening habits among the people. Thus, the journals were started for purely publicity purpose and not as a commercial venture.

After Independence, there has been a rapid increase in the number of AIR Stations and a tremendous growth in the listenership in the country. However instead of showing a corresponding increase, the circulation of all the Programme Journals has been registering a gradual decline over the past few years. This is mainly due to two factors:

- (a) The details and timings of all programmes of each station are announced daily on the air by the station concerned in its programme announcements; and
- (b) the details and timings of important programmes are also carried by the local newspapers. An average listener avails himself/herself of these facilities and, therefore, does not feel any pressing need for a more detailed programme guide.

In the circumstances, as far as average listener is concerned, the utility of Programme Journals has ceased to be what it was in the pre-Independence days.

Because of the declining demand for Programme Journals in the country and the resultant fall in their circulation, all the journals have been running in loss for the past few years. Owing to their low circulation, the journals fail to attract enough advertisements and are unable to adequately meet the ever-increasing cost of production, resulting in considerable losses every year.

Various steps to arrest the fall in circulation of the journals have been under the consideration of the Government. It was decided that the get up and the printing of the journals should be improved to make them more attractive. A beginning in this direction has already been made in the case of Akashvani (English). Its format was changed in July, 1970 and its printing was entrusted to an 'A' class printer in March, 1972. Since then, the journal has fairly brightened up. A better quality paper is also being used by the journal now and it contains more interesting matter besides the programme details. If the circulation of this journal improves by adoption of these improved devices, the experiment would be extended to other journals also.

However, considering the declining need for programme journals in the country, it is difficult to assess how far the improvements proposed to be effected will succeed in making the journals self-supporting.

Foreign Broadcasting Organisations such as the BBC, NHK and Australian Broadcasting Commission were approached for the total number of radio sets in their countries and the circulation of their programme guides, during the last few years. From the reply received from the Australian Broadcasting Commission, it is understood that the licensing system there is different from that of India's. It covers households with radio sets. Under this system, an individual household can own any number of radio sets on the same licence. The total number of radio sets under such a licensing system, would not give any correct estimate.

It would not perhaps be appropriate to compare the AIR Programme Journals with those of the Foreign Broad-

casting Organisations. Whereas Programme Journals of the Foreign Broadcasting Organisations are serving only one language such as English, French, Japanese or Russian and cater to the needs of lesser number of religious minorities, the AIR Journals have to serve a multiplicity of linguistic and religious groups. Even so, in the case of Australian Broadcasting Commission, publication of its Programme Journal entitled "ABC Radio Guide" was suspended in all States except New South Wales in view of increased postage costs. This is a case in point as to the difficulties faced by the Programme Journals of the Broadcasting Organisations.

All the Programme Journals (including Vanoli) are now running in loss. This is due to the fact that while the cost of printing, block making and paper and the overhead charges have considerably increased over a period of time, there has been no corresponding increase in the sales and advertisement revenue for the same period. In fact, as the Committee has already observed, the circulation has been showing a declining trend in recent years. The common transistor-owner does not find any need for buying a Programme Journal. Although steps have been taken by the department to increase the circulation and advertisement revenue of these journals, they have not yielded the desired results because of this declining trend for buying the Programme Journals in the country.

The printing cost and overhead charges in the case of Betar Jagat are higher than those of Vanoli because, Betar Jagat uses better quality paper and colour blocks for its covers which is not done by Vanoli. Hence the higher cost of production of Betar Jagat.

As for the pricing of the journals, it may be mentioned that in newspaper economy, the selling price of a newspaper or periodical is not indicative of its cost of production because the selling price usually covers only a fraction of the cost of production; the balance is made up by advertisement revenue. In the case of the Programme Journals, the advertisement revenue is very low and therefore inadequate to cover the high cost of production. The pricing of the journals cannot be done on the basis of their cost of production because in that case the prices will have to be increased by two to eight times in the case of

different journals. Even a 5-Paise-increase in the prices may affect adversely the circulation of the journals in view of their low circulation.

Overhead charges and basic printing costs are standing and continuous factors for any publication irrespective of the number of copies printed. When the print order is low, the cost of production is bound to be high. The cost of production on account of establishment, printing and miscellaneous expenses in the case of Akashvani (English and Hindi), Awaz (Urdu) and Nabhovani (Gujarati) are comparatively higher because their print order is comparatively low.

The cost of production varies from journal to journal because of the variation in the cost of printing, paper and overheads. Though efforts are being made to exercise economy as far as possible in the cost of production, chances of success seem to be limited in view of the steady increase in printing charges, cost of paper, blocks etc.

As already explained, it is not practicable to price the journals on the basis of their cost of production because to do so, the prices will have to be increased by two-to-eight times in the case of different journals.

Further, the Programme Journals are basically intended to give advance publicity to (and thus propagate) the programmes of AIR stations. As such their function is more of a publicity nature than of a commercial one and they should not be viewed on a profit/loss point. Since publication of the journals is primarily in the interest of the Service, they should be treated as a part of the public service AIR is rendering."

1.21. The Committee regret that apart from advancing certain general arguments, Government have not met the points specifically regarding Radio Journals raised. For instance the reasons for the almost negligible circulation of Akashvani (Hindi) do not appear to have been examined. The disparity in cost of production and pricing of various journals has also not been satisfactorily explained. These matters require detailed study. Further while the Committee wish to reiterate that the journals as a whole should be made self-supporting, they would suggest that the factors that are responsible for the poor circulation of each of the journals should be identified by an imaginative listener's research and suitable remedial measures taken to step up their circulation.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS ACCEPTED BY GOVERNMENT

Recommendation

The Committee note that the delay in the issue of the imported transmitters occurred because Government wanted to avail of the offer from the N.E.C.—a Japanese firm who were at that time collaborating with B.E.L. and were prepared to sell at about 25 per cent less than the market price current at that time. The Committee have been informed that although the purchases were made without any definite time schedule, the advance procurement has resulted in an overall gain to the Government even after allowing for interest lost on the capital due to the equipment remaining in storage for long periods. They are also given to understand that the equipments were found free from manufacturing defects and that Government did not lose even though the guarantee period had expired when they were actually put to use.

The Committee have been informed that even in a normal case it takes anything from four to five years from the time of taking a decision to install a transmitter to the time it is actually commissioned. A good deal of delay is attributed to the dilatory and cumbersome procedure for according expenditure sanction at various stages which is the prime reason for holding up implementation of plan projects. The suggestions put forward by the Ministry of Information and Broadcasting for rationalising the procedure in this regard, are stated to be under examination in the Ministry of Finance. The Committee hope that expeditious action will be taken by Government on the aforesaid proposals in the interest of speedy implementation of Plan projects.

[S. No. 2 (Para 1.42) of Appendix to 39th Report (Fifth Lok Sabha)].

Action taken

A few procedural changes have since been effected in consultation with the Ministry of Finance with a view to ensuring the implementation of schemes according to schedule vide order No. 1/66]

71-B(D) dated 11th May, 1972 (See Annexure). A few more changes are contemplated which are being examined by the Working Group on Broadcasting since set up for formulating the Fifth Five Year Plan proposals.

[Ministry of Information and Broadcasting O.M. No. 3(1)/72-B(P)
dated 11-12-72].

ANNEXURE

No. 1/66/71-B(D)

GOVERNMENT OF INDIA

MINISTRY OF INFORMATION AND BROADCASTING

New Delhi, the 11th May, 1972.

OFFICE ORDER

SUBJECT: Procedure for according approval to AIR projects under the scheme of delegation of powers.

The question of issue of financial sanctions for AIR projects with a view to ensuring their implementation according to schedule and to attain the plan target, both physical and financial, has been under consideration for some time. The various procedures at present followed in this regard have been reviewed in consultation with the Finance Ministry who have advised that according to the scheme of delegation of powers, Ministries are competent, subject to funds being available in the budget, to sanction expenditure on various constituent schemes of a project, irrespective of the magnitude of the expenditure involved, provided the project, as a whole has been scrutinised in detail and accepted by that Ministry. In view of this clarification, the following procedure will be followed in future for according financial sanctions to the AIR projects:—

- (i) The existing procedure for obtaining the approval of the Ministry of Finance to the project as a whole, will continue to be followed as hitherto. In cases where the total cost of the project exceeds Rs. 25 lakhs non-recurring or Rs. 5 lakhs recurring a Memorandum for the approval of the Expenditure Finance Committee will be prepared. This Memo will contain estimates on expenditure broken up into various aspects. For example, for a new station of AIR it will show the area of land required and cost thereof based on the valuation of land revenue authorities or on the rates for similar land in the area in cases

where the former could not be obtained, details of major items of equipment and cost thereof, other technical facilities and details of the staff required to be employed with justification and detailed calculations on the basis of accepted norms, the annual recurring expenditure and also indicating in broad outline the phasing of the actual filling up of these posts.

- (ii) After the EFC Memo is approved and subject to funds being available, it will be within the competence of this Ministry to issue expenditure sanction for procurement of equipment and acquisition of site under the delegated powers provided the cost does not exceed the figure provided for in the EFC Memo or in the original proposal in case an EFC Memo is not prepared under the existing procedure. Issue of sanction for acquisition of site will further be subject to the rules and orders on the subject issued from time to time regarding verification of the reasonableness of the cost, certificate of non-availability of Central Government land etc.
- (iii) With the establishment of Civil Construction Wing in AIR, the estimates of construction work will now be prepared in the Civil Wing of AIR and will be certified by the Chief Engineer (Civil) that they have been prepared on the basis of approved schedule of rates. These estimates will then be referred to the Associate Finance for scrutiny and approval.
- (iv) As regards the staff, this Ministry will be empowered to sanction the same on the basis of the broad phasing, originally approved and subject to budget provision, so long as the posts are in accordance with S.I.U. norms and cleared by the Internal Work Study Unit. Where S.I.U. norms are yet to be approved, such proposals will continue to be sent to Finance Ministry for obtaining their approval till such norms are approved. This will be further subject to any orders on the subject which may be issued by Finance Ministry from time to time. Care will also be taken by the appointing authority to ensure that the staff is actually posted not earlier than 2 to 3 months from the likely date of commissioning of station.

Sd/-

(R. K. GUPTA)

Under Secretary to the Govt. of India.

Copy to:—

1. DG AIR (25 spare copies).
2. Ministry of Finance (I&B Branch) with reference to their u.o. No. 1001-I&BFS/72, dated 1-5-1972.
3. A.G.C.R., New Delhi|A.G., Tamil Nadu, Madras|A.G., West Bengal, Calcutta|A.G., Maharashtra, Bombay.
4. I.F.A.
5. All Under Secretaries.
6. All Sections in the Ministry.

Sd/-

(R. K. GUPTA)

Under Secretary to the Govt. of India.

Recommendation

The Committee have been informed that a Civil Engineering Wing has recently been created in the A.I.R. which will be directly responsible for the construction work. The Committee hope that this should eliminate delay on this score.

[S. No. 3 (Para 1.43) of Appendix to 39th Report (Fifth Lok Sabha)].

Action taken

Noted. The Civil Construction Wing is taking all possible steps to expedite execution of works despite the teething difficulties that it had to face.

[Ministry of Information and Broadcasting O.M. No. 3(1)/72-B(P) dated 11-12-72].

Recommendation

The Committee are concerned to note that the AIR has a variety of transmitters and other equipments leading to serious problems of maintenance and spares. Now that B.E.L. is in a position to supply most of the electronic equipments including transmitters, the Committee desires that the All India Radio should make earnest efforts to standardise the equipments and obtain them from indigenous sources to the maximum extent possible.

[S. No. 4 (Para 1.44) of Appendix to 39th Report (Fifth Lok Sabha)].

Action taken

All India Radio has already taken up the process of standardisation and indigenisation of the equipment in its various branches. In so far as the procurement of the new equipment is concerned, the position is as below:—

- (i) With the exception of a few items of equipment such as “portable tape recorders”, “ultra portable tape recorders”, and some “high quality microphones”, which are yet to be developed by M/s. B.E.L. and other sources in India, all studio equipment for sound broadcasting is being procured from M/s. B.E.L. Close liaison is being maintained with M/s. B.E.L. for development of the remaining items of equipment.
- (ii) All the medium wave sound broadcast transmitters required by All India Radio are being manufactured/assembled by B.E.L. Similarly B.E.L. have taken up the production of Frequency Modulated transmitters and will be able to meet AIR's future requirements. Only in case of Short Wave sound broadcast transmitters, B.E.L. have to take up production. It is, however, hope that B.E.L. will take up the manufacture of this equipment also shortly to meet the requirements of All India Radio in the 5th Plan period.
- (iii) TV studio and transmitter equipments are also being procured through M/s. B.E.L. who are manufacturing the same with foreign collaboration.

2. Indigenisation and import substitution of the already available imported equipment has already been taken up and is proceeding at a fast pace. Imported valves are being gradually replaced by valves manufactured by M/s. B.E.L. Similarly, the imported components are being replaced by the indigenously available components by carrying out circuit modifications, wherever necessary.

[Ministry of Information & Broadcasting OM. No. 3(1)/72-B(P)
dt. 11-12-72].

Recommendation

While there may be justification for the delay that occurred in the issue of imported transmitters and studio equipments, the Committee do not find any justification whatsoever in the delay ranging from 5 to 36 months in the commissioning of transmitters after their

installation. According to the representative of the Ministry "there was a lack of coordination, while the hardware as they are called were being erected, there was not at the same time corresponding steps taken to go ahead with the drawing up of the programme. It would not serve any purpose our trying to explain a delay which should not have occurred".

[S. No. 5 (Para 1.45) of Appendix to 39th Report (Fifth Lok Sabha].

Action taken

The observations of the Public Accounts Committee have been noted. Action has been taken to eliminate the possibility of the recurrence of the 'lack of coordination' which unfortunately occurred on the occasions referred to by the Committee.

[Ministry of Information & Broadcasting O.M. No. 3(1)|72-B(P)
dt. 11-12-72].

Recommendation

The Committee expect that effective steps will be taken by the Government to eliminate such unwarranted delays which arise due to lack of coordination and advance planning for commissioning of transmitters after their installation.

[S. No. 6 (Para 1.46) of Appendix to 39th Report (Fifth Lok Sabha].

Action taken

In order to ensure proper coordination between the Programme and Engineering Wings in regard to Plan Projects the Director General issued an Office Order No. 13(17)|71-P3 dated the 4th December, 1971 detailing the procedure to be followed. This Office Order (*See Annexure*) lays down *inter-alia* that the Director of Programmes (Development) will be treated as an officer working in the Planning & Development Unit; all files and papers will be marked to him for examination from the programme point of view. He will work out the programme objectives of the project including studio and staff requirements. The approval of the DDG (Programmes) and, where necessary, the approval of the DDG (Administration) will also be obtained. This will ensure an effective involvement of the Programme Officers even at the planning stage and will

enable action being initiated to have the "software" ready by the time the transmitter is ready to be commissioned.

[Ministry of Information & Broadcasting O.M. No. 3(1) | 72-B(P)
dt. 11-12-72].

GOVERNMENT OF INDIA

DIRECTORATE GENERAL, ALL INDIA RADIO

ANNEXURE

No. 13|17|71-P3

New Delhi, the 4th December, 1971.

OFFICE ORDER

During the review of the progress of AIR's IV Plan projects it transpired that there should be much greater coordination between the Programme Officers concerned and the P&D Unit to ensure that the technical proposals take into consideration in fullest measure the programme requirements. This is obviously necessary because the ultimate objective of all AIR projects is the broadcast of programme services to the concerned population groups. Both the Programme and the Engineering wings should ensure that all the various aspects of each scheme are examined in detail before it is forwarded for obtaining Government approval. Structural or basic modifications should not become necessary at a later stage after the scheme has been approved or put into operation.

2. In view of the above, the following procedure will be followed hereafter:—

- (i) The Director of Programmes (Development) will be treated as an Officer working in the P&D Unit.
- (ii) The concerned P&D Unit files will be marked to him first for examination from the programme point of view.
- (iii) DP(D) will at the initial stage itself spell out clearly the programme objectives envisaged and the details of the actual service contemplated. He will get this approved by DDG(P) before returning the file to the concerned P&D Unit Section.
- (iv) At the stage of preparation of EFC Memos the file should again be sent to DP(D) who will work out with reference to the programme objectives of the project and the pro-

gramme service contemplated the studio and other technical facilities necessary, the quantum of programme and office staff required and the funds necessary under various Heads that will have to be provided. The staff proposals will indicate whether the SIU and other prescribed norms have been strictly followed. In situations where exceptions have to be made, a detailed note explaining the extraordinary features of the proposed service and the need for specialist staff knowing the local language|music should be prepared and attached to the EFC Memo. At this stage also the approval of DDG(P) should be obtained. In cases where the SIU and other prescribed norms cannot be followed in all respects, the approval of the DDG(A) should also be obtained.

- (v) In course of time the DP(D) will have, to assist him, two Assistant Directors of Programme and one Branch consisting of a Section Officer, two Assistants, three LDCs., one Daftry and one Peon. When this Programme Cell is available, it will form part of the P&D Unit. For the present, however, the Programme-III Branch will assist DP(D).
- (vi) In anticipation of the processing of the remaining projects of the Fourth Plan for which EFC Memos have not yet been prepared, DP(D) will immediately unertake a review of all such schemes and prepare background papers on each one of them separately. This note should include geographical and historical details of the areas to be covered, demographic information, cultural features of the region, type of radio coverage required with special reference to the languages and dialects spoken in the area etc. In addition to library research, if necessary, DP(D) should visit the areas concerned and collect authentic material on the subject.

Sd|- A. K. SEN,
Director-General.

DP(D)

DDG(P)

DDG(A)

CE—8 copies

10 spare copies.

Recommendation

The Committee are at a loss to understand why the All India Radio are not able to procure business from Government Departments (Central or State), Nationalised Banks and Public Undertakings directly instead of their coming through their agents. While Committee note the stand of the AIR that as Commercial Advertisers they have to accept business from whatever source it comes to them, they consider that the Bureau of Public Enterprises (Ministry of Finance) should issue necessary directions to the Public Undertakings to the effect that except where there are any exceptional circumstances they should use the services of DAVP in the matter of commercial advertising. There should normally be no question of the Government Departments, using any other agency except DAVP for routing their advertisement for Commercial Broadcasting. The Committee trust that appropriate action will be taken by the Government in this regard and express the hope that more and more of Commercial Advertisements from Nationalised Banks and Public Undertakings would be channelised through the DAVP. The Committee have no doubt that DAVP would try to continuously improve its quality and range of service so as to attract all Commercial advertisements from Public Undertakings.

[S. No. 7 (Para 1.76) of Appendix to 39th Report (Fifth Lok Sabha)].

Action Taken

Recommendations of the Committee have been circulated to various Ministries *vide* letter No. 3(1)|72-B(P), dated 18th November, 1972 (*See Annexure*).

[Ministry of Information and Broadcasting, O.M. No. 3(1)|72-B(P),
dt. 11-12-72].

ANNEXURE

D.O. No. 3(1)|72-D(P)

SECRETARY

INFORMATION AND BROADCASTING

GOVERNMENT OF INDIA

NEW DELHI,

November 18, 1972.

The Public Accounts Committee in their report for 1971-72 relating to all India Radio have recommended that commercial broadcasting

advertisements on behalf of Government departments and public sector undertakings should be channelised through the Directorate of Advertising and Visual Publicity under this Ministry. I enclose an extract from the PAC's Report in this regard. This recommendation has been made by them with a view that the commission now being paid to private advertising agencies might accrue to Government.

2. We approached the Bureau of Public Enterprises with a request to issue general instructions to all public sector undertakings in this regard. They have, however, advised us to write to individual Ministries|Departments directly.

3. The Department of Banking whom we had approached earlier have accepted the PAC's recommendation and issued instructions that all advertisements from nationalised Banks should be channelized through the Directorate of Advertising and Visual Publicity.

4. I shall be grateful if you could consider the recommendation of the Public Accounts Committee and issue similar instructions to the Public Sector Undertakings under your Ministry's administrative control. Copy of the instructions issued may be furnished to this Ministry and to the Directorate of Advertising and Visual Publicity.

With regards,

Yours sincerely,

Sd|- R. C. DUTT.

Recommendation

The Committee have observed that Listener Research has not so far received the importance and encouragement that it deserves. In order that advertisement rates are fixed on a rational and scientific basis it is essential that there should be a comprehensive listener research on Commercial Broadcasting. At present, however, a very meagre amount is allocated and spent for listener research by the various units of the All India Radio at their discretion. The Committee feel that there is need for strengthening the listener research and desire that listener research should be provided with necessary financial resources and that periodical surveys are carried out on a regular and planned basis. They trust that the data furnished by

such surveys will enable the Government to identify promptly the regions where the advertisement rates need to be enhanced.

[S. No. 9 (Para 1.84) of Appendix to 39th Report (Fifth Lok Sabha).

Action taken

We are grateful to the Committee for pointing out the importance of Listener Research for Commercial Broadcasting Service. The advertisement rates of Commercial Broadcasting Service of All India Radio are based on the number of domestic radio sets covered by a service and the listener rating per 1,000 sets at a particular chunk of time. This is an acceptable scientific method, professionally and as 'Millirate'. However, these rates cannot be changed off and on because of various reasons and the rates have to be rationalised considering what the traffic could bear and the fact that some stabilisation is essential. At times, rating for a programme might even go down, but we do not at once reduce the advertisement rate on that account.

In 1971-72, Commercial Broadcasting Service undertook listening surveys at eight places. These surveys did not disclose a uniform increase in listenership. In some cases, listener rating was even lower than the previous rating. However, it would be our effort in future to increase the number of such surveys and cover all the areas adequately and regularly at periodic intervals, to provide base material for rating the programmes of the Commercial channel. It would then be possible to work out the rates keeping these in view in addition to the other factors, e.g., the socio-economic conditions and the more vital aspect of "what the traffic would bear".

For the next financial year, we propose to include in our budget an adequate provision for Listener Research for Commercial Broadcasting Service.

[Ministry of Information and Broadcasting, O.M. No. 3(1) |72-B(P),
dated 11-12-1972].

Recommendation

The Committee are unhappy to observe the delay which occurred in the past in the printing of the monthly English programme journal 'India Calling'. It was admitted by the representative of the Ministry during evidence that due to delay in printing and the time taken in despatching the same by sea, the journal many a time reached the listeners in foreign countries after India had already called. The Committee note that a certain number of copies of the journal are now being airlifted with effect from October, 1970. They have been

informed that the printing of the journal has been entrusted to a private press with effect from the issue of February, 1972 and that the time of printing is expected to be reduced to 10 days thus making it possible for the listeners to receive the journal well ahead of the commencement of the programme covered. The Committee trust that Government will keep a special watch over the printing and despatch of the journal with view to ensure that these are actually received by foreign listeners in time.

[S. No. 10 (Para 1.96) of Appendix to 39th Report (Fifth Lok Sabha)].

Action taken

The delay in the printing of 'India Calling' occurred in the past mainly because of the inability of the Government of India Press, which was pre-occupied with urgent jobs, to deliver the copies in time. As already intimated to the Committee, the printing work was entrusted to a private press with effect from the February, 1972—issue so as to ensure that the journal reaches the overseas listeners well in time. The private press has been taking 10 days to print the journal enabling the department to despatch the copies at least one month in advance of the commencement of the programme covered. Efforts are being made to get the copies printed and despatched even earlier. As desired by the Committee, a watch is being kept over the printing and despatch of the journal so that copies reach foreign listeners well in time.

[Ministry of Information and Broadcasting, O.M. No. 3(1)/72-B(P), dated 11-12-1972].

Recommendation

The Committee regret to note that the Proforma Account for the years 1968-69; 1969-70 and 1970-71 have not been finalised so far. Even the proforma accounts for 1967-68 were made available to Audit Party in November 1970 only. The importance of timely preparation and finalisation of accounts cannot be over-emphasised. In this connection the Committee would like to recall the observations made in para 1.24 of the 27th Report of the Public Accounts Committee (Fourth Lok Sabha) presented to Parliament in April 1968 regarding delay in finalisation of Proforma Accounts. They cannot help feeling that the situation instead of improving has since deteriorated.

[S. No. 11 (Para 1.110) of Appendix to 39th Report (Fifth Lok Sabha)].

The Committee feel that timely preparation of Proforma Accounts is essential in order to provide the authorities with factual data for taking remedial measures in the interest of improving service and

effecting economy. The Committee see no reason why it should not have been possible all these years to settle the basis for preparation of Proforma Accounts in consultation with the Finance and Audit. They desire that this should be done without further delay. The Committee would like to be supplied copies of the Proforma Accounts for the years 1967-68 upto 1970-71 after these have been audited. Now that there is a proposal to give enlarged powers to All India Radio on the analogy of the powers enjoyed by the Railway Board and the P&T Board, there is all the more reason that the preparation and maintenance of accounts should receive urgent attention. The Committee need hardly stress that the accounts should be so organised as to provide timely factual data and pointers to the management for action in the interest of improving the service, enhancing efficiency and effecting economy.

[S. No. 12 (Para 1.111) of Appendix to 39th Report (Fifth Lok Sabha)].

Action Taken

The observations of the Public Accounts Committee have been noted. Every effort is being made to bring the compilation/audit of Proforma Accounts up-to-date. It is, however, submitted that the Proforma Accounts for the year 1967-68 had to be recast as the audit authorities desired that the foreign equipment received as gift from foreign donors should also be accounted for in the Proforma Accounts. This entailed a good deal of work and the accounts for 1967-68 could ultimately be got audited in March 1972. The certified copies of the Proforma Accounts are now awaited from the Chief Auditor, Commercial Accounts, Northern Region, New Delhi. (See *Annexure*).

2. The Proforma Accounts for the year 1968-69 have been recast in anticipation of the approval of the Audit Authorities to the Proforma Accounts for 1967-68. The Audit have audited the accounts. Certified copies of the accounts are, however, awaited.

3. Preliminary work for the compilation of the Proforma Accounts from the years 1969-70 onwards has already been taken in hand in anticipation of audit authorities approval of the Proforma Accounts for the year 1968-69. The copies of the Proforma Accounts will be made available to the Public Accounts Committee as soon as certified copies of these are received from the audit authorities.

4. It may be mentioned that the delay in the compilation of Proforma Accounts is also occasioned by the very late receipt of BRL

figures from AG, P&T. Complete BRL figures for the year 1969-70 have been received from the AG, P&T authorities only on 22-7-1972 and that too after a good deal of correspondence and personal efforts. The AG, P&T's procedure is time consuming and in practice All India Radio's share is never adjusted fully within the same year. The Deputy Accountant General in the P&T Department with whom this matter was discussed explained that the "Cash transaction" and subsequent formalities necessarily take good deal of time, and that the AG, P&T was aware of the position. The Stamps Committee which was set up by the Government had gone into the accounting procedure specifically and their recommendations were examined in consultation with the Comptroller & Auditor General of India. Government decisions on these recommendations are awaited.

[Ministry of Information and Broadcasting, O.M. No. 3(1)/72-8(P)
dated 11-12-72].

ANNEXURE

GOVERNMENT OF INDIA

DIRECTORATE GENERAL, ALL INDIA RADIO.

No. 4|2|69-B&A

Dated New Delhi, the 22nd July, 1972.

To

The Chief Auditor,
Commercial Accounts
(Northern Region)
NEW DELHI.

SUBJECT: *Audit of Proforma Accounts for the year 1968-69.*

Sir,

I have to request you kindly to arrange the audit of the consolidated Proforma Accounts of All India Radio, Radio Publications and of the Commercial Broadcasting Service for the year 1968-69 at an early date.

Yours faithfully,

Sd/- T. R. SABHARWAL,
*Deputy Director of Administration
for Director-General*

Recommendation

The Committee find that there has definitely been a spurt in the number of BR Licences as a result of declaration of the two amnesty periods lasting for 3 months on each occasion during 1968 and 1970. The very large number of unlicensed sets voluntarily declared during amnesty as compared to number of unlicensed sets detected and the number of prosecutions launched for failure to obtain licences is indicative of the fact that the anti-piracy measures at present taken by the P&T Department are inadequate and need to be tightened up. The Committee note that very substantial amounts are being paid by the All India Radio to the P&T Department for the anti-piracy work and they would like to observe that it should be possible for the P&T Department to have effective check on the unlicensed radio sets. They would stress that the P&T Department should have better co-ordination with the Customs Department regarding sets particularly Television sets and transisters brought in by individuals/parties from abroad and in the matter of more intensive checking of sales done by the dealers.

[S. No. 13 (Para 1.112) of Appendix to 39th Report (Fifth Lok Sabha).]

Action Taken

The above recommendation of the Public Accounts Committee was sent to DG, P&T for necessary action, as they are the licensing authority for radio and television sets and are responsible for anti-piracy activities to detect unlicensed sets. The reply received from the DG, P&T (*vide* their letter No. 1-71/72-BRL dated the 7th July 1972) is reproduced below:—

The declaration of amnesty had the specific intention for recording unlicensed sets and assuring rightful collection of relative revenues. Six lakh sets were recorded yielding substantial revenues.

2. You will appreciate that the anti-piracy staff are integral part of the BRL Section, a unit of Communication Ministry and amounts remitted by the Information and Broadcasting Ministry to the P&T Department are in effect remittance for perpetuity of a necessary system; and into the ultimate Consolidated Government of India Funds, which is not overtly substantial *viz.* only 11 per cent.

3. That not-with-standing above, system are in operation to check unlicensed radio sets, which are:—

- (i) Customs are provided with a form WT-124 to be filled in by travellers seeking entry with radio/TV sets which

forms the basis of subsequent licences issued by the post office concerned.

- (ii) The dealers of radios are enjoined to procure required licences within 7 days of sale from the post office.

4. As a matter of interest, our statistics reveal that during the year 1971, 17,70,059 licences were issued only for transistors and 65,463 licences were issued for imported sets. During the year 1971, 6537 persons were prosecuted for contravening rules of not possessing valid licences.

5. You will therefore see, that adequate steps are already in operation to effectively control, unlicensed sets. I am never-the-less obliged to you for your suggestion which has been carefully noted for our guidance as required.

[Ministry of Information and Broadcasting O.M. No. 3(1)/72-B(P) dated 11-12-72].

Recommendation

1.129. The Committee are deeply concerned to note that the average circulation per issue of all the eight programme journals in English, Hindi, Urdu, Bengali, Assamese, Tamil, Telugu and Gujarati has generally been going down from year to year. The average circulation per issue of "Akashvani" (English) which was 5489 in 1966-67 has gone down to 5171 in 1970-71 while that of "Akashvani" (Hindi) has gone down from 3801 to 2788 during the same period. During the same period the average circulation of "Betar Jagat" (Bengali) has gone down from 55100 to 42500 in 1970-71 while that of Vanoli (Tamil) has dropped from 46,000 to 44,800. The disquieting feature of the phenomenon is that the drop in circulation has occurred despite the opening of additional stations, introduction of new programmes and almost double the increase of BR sets—from 64,83,896 in 1966 to 1,17,46,600 in 1970.

1.130. The Committee are particularly perturbed over the extremely poor circulation of the English and Hindi publications. It is really surprising that with such a vast region to cater to and tremendous growth in listenership, the Akashvani (Hindi) should have a negligible circulation. Likewise the average circulation of Betar Jagat (Bengali) has declined considerably in spite of substantial increase in the number of receiver sets in the Bengal and Orissa areas. The declining trend of the circulation of the All India Radio Journals is indicative of the absence of concerted efforts to evaluate to plan and to improve the quality of service of this mass-media.

1.131. The Committee on Broadcasting and Information Media attributed the declining trend in circulation of these journals, amongst others, to their unattractive contents and poor quality of paper and printing done by low class presses. The Committee are informed that Government have as an experiment changed the format of the Akashvani (English) to make it more attractive and give more reading matter. It is understood that decision was taken early in 1970 to get the journals printed by A class printers and tenders were invited for Akashvani (English) in October 1970 the printing work has not yet been entrusted to the selected printer for want of funds. Although more than 5 years have elapsed since the recommendation made by the Chanda Committee steps taken by the Government to remedy the state of affairs have been extremely halting and sluggish with the result that the position has been deteriorating from year to year instead of improving.

1.132. Programmes Journals are intended to stimulate listening and create interest in radio programmes. Admittedly the sale of the programme journals is poor because contents need improvement. There should be no difficulty in effecting improvement for the All India Radio journals, they can carry some of the most important talks and discussions. If, however, there is any difficulty on account of dearth of material, then this is a reflection on the quality of programme which should be improved.

1.133. The Committee would further be interested to know how the average circulation per issue of Radio Journals and the total number of B.R. sets in our country compared with those in some of the advanced countries like USA, USSR, U.K., France, etc. They would like this information to be gathered and communicated to them in due course.

1.141. The Committee are concerned to note that with the exception of one journal, viz., Vanoli (Tamil) all the other seven journals are running at a loss. The total annual loss during the year 1968-69 on account of the publications of these programme journals came to about Rs. 6.61 lakhs, the major contributors to the loss being Akashvani (English), Rs. 2.39 lakhs, Akashvani (Hindi) Rs. 0.751 lakhs, Awaz (Urdu) Rs. 0.42 lakhs and Betar Jagat Ps. 2.92 lakhs. The Betar Jagat (Bengali) and Vanoli (Tamil) have almost equal circulation and yet it is not clear why the cost of production of these two journals should vary so much being Re. 0.58 per copy for the former and Re. 0.44 for the latter during the 1968-69. The Committee find that although there is a wide variation in the cost of production per copy of the various journals yet the selling price has been fixed as ranging from 0.25 to Re. 0.35 only. The Committee find it difficult

to understand how Vanoli (Tamil) which contains less number of pages is priced at Rs. 0.35 per copy while Akashvani (Hindi) containing more pages is priced at Re. 0.25 per copy.

1.142. From a perusal of the break-up of the cost of production per copy of the journals it is observed that the cost of establishment printing and miscellaneous expenses are comparatively higher in the case of Akashvani (Hindi) and English), Awaz (Urdu) and Nabhovani (Gujarati).

1.143. The Committee desire that the reasons for variations in the cost of production may be examined and necessary economies made where possible. They would further like that the pricing of the publications is done on a rational basis and efforts made to make these journals self-supporting as far as possible.

[S. No. 14, 15, 16, 17, 18, 19, 20, 21 (Paras 1.129; 1.130, 1.131, 1.132, 1.133, 1.141, 1.142, 1.143) of Appendix to 39th Report (Fifth Lok Sabha)].

Action Taken

Of the eight Programme Journals published by AIR, Six were started in the pre-Independence days. These are Betar Jagat (Bengali) in 1929; Akashvani (English), Akashvani (Hindi) and Awaz (Urdu) in 1936, Vanoli (Tamil) in 1938 and Nabhovani (Gujarati) in 1947. Of the remaining two, Vani (Telugu) was started in 1949 and Akashi (Assamese) in 1959.

When the journals were first started, they were intended firstly to propagate the programmes of A.I.R. stations and secondly to stimulate radio-listening habits among the people. Thus, the journals were started for purely publicity purpose and not as a commercial venture.

After Independence, there has been a rapid increase in the number of AIR Stations and a tremendous growth in the listenership in the country. However, instead of showing a corresponding increase, the circulation of all the Programme Journals has been registering a gradual decline over the past few years. This is mainly due to two factors:

- (a) The details and timings of all programmes of each station are announced daily on the air by the station concerned in its programme announcements; and

- (b) the details and timings of important programmes are also carried by the local newspapers. An average listener avails himself/herself of these facilities and, therefore, does not feel any pressing need for a more detailed programme guide.

In the circumstances, as far as average listener is concerned, the utility of Programme Journals has ceased to be what it was in the pre-Independence days.

Because of the declining demand for Programme journals in the country and the resultant fall in their circulation, all the journals have been running in loss for the past few years. Owing to their low circulation, the journals fail to attract enough advertisements and are unable to adequately meet the over-increasing cost of production, resulting in considerable losses every year.

Various steps to arrest the fall in circulation of journals have been under the consideration of the Government. It was decided that the get up and the printing of the journals should be improved to make them more attractive. A beginning in this direction has already been made in the case of Akashvani (English). Its format was changed in July, 1970 and its printing was entrusted to an 'A' class printer in March, 1972. Since then, the journal has fairly brightened up. A better quality paper is also being used by the journal now and it contains more interesting matter besides the programme details. If the circulation of this journal improves by adoption of these improved devices, the experiment would be extended to other journals also.

However, considering the declining need for programme journals in the country, it is difficult to assess how far the improvements proposed to be effected will succeed in making the journals self-supporting.

Foreign Broadcasting Organisations such as the BBC, NHK, and Australian Broadcasting Commission were approached for the total number of radio sets in their countries and the circulation of their programme guides, during the last few years. From the reply received from the Australian Broadcasting Commission, it is understood that the licensing system there is different from that of India's. It covers households with radio sets. Under this system, an individual household can own any number of radio sets on the same licence. The total number of radio sets under such a licensing system, would not give any correct estimate.

It would not perhaps be appropriate to compare the AIR Programme Journals with those of the Foreign Broadcasting Organisations. Whereas Programme Journals of the Foreign Broadcasting Organisations are serving only one language such as English, French, Japanese or Russian and cater to the needs of lesser number of religious minorities, the AIR Journals have to serve a multiplicity of linguistic and religious groups. Even so, in the case of Australian Broadcasting Commission, publication of its Programme Journal entitled "ABC Radio Guide" was suspended in all States except New South Wales in view of increased postage costs. This is a case in point as to the difficulties faced by the Programme Journals of the Broadcasting Organisations.

All the Programme Journals (including Vanoli) are now running in loss. This is due to the fact that while the cost of printing, block making and paper and the overhead charges have considerably increased over a period of time, there has been no corresponding increase in the sales and advertisement revenue for the same period. In fact, as the Committee has already observed, the circulation has been showing a declining trend in recent years. The common transistor-owner does not find any need for buying a Programme Journal. Although steps have been taken by the department to increase the circulation and advertisement revenue of these journals, they have not yielded the desired results because of this declining trend for buying the Programme Journals in the country.

The printing cost and overhead charges in the case of Betar Jagat are higher than those of Vanoli because, Betar Jagat uses better quality paper and colour blocks for its covers which is not done by Vanoli. Hence the higher cost of production of Betar Jagat.

As for the pricing of the journal, it may be mentioned that in newspaper economy, the selling price of a newspaper or periodical is not indicative of its cost of production because the selling price usually covers only a fraction of the cost of production; the balance is made up by advertisement revenue. In the case of the Programme Journals, the advertisement revenue is very low and therefore inadequate to cover the high cost of production. The pricing of the journals cannot be done on the basis of their cost of production because in that case the prices will have to be increased by two to eight times in the case of different journals. Even a 5-Paise-increase in the prices may affect adversely the circulation of the journals in view of their low circulation.

Overhead charges and basic printing costs are standing and continuous factors for any publication irrespective of the number of

copies printed. When the print order is low, the cost of production is bound to be high. The cost of production on account of establishment, printing and miscellaneous expenses in the case of Akashvani (English and Hindi), Awaz (Urdu) and Nabhovani (Gujarati) are comparatively higher because their print order is comparatively low.

The cost of production varies from journal to journal because of the variation in the cost of printing, paper and overheads. Though efforts are being made to exercise economy as far as possible in the cost of production, chances of success seems to be limited in view of the steady increase in printing charges, cost of paper, blocks etc.

As already explained, it is not practicable to price the journals on the basis of their cost of production because to do so, the prices will have to be increased by two-to-eight times in the case of different journals.

Further, the Programme Journals are basically intended to give advance publicity to (and thus propagate) the programmes of AIR stations. As such their function is more of a publicity nature than of a commercial one and they should not be viewed on a profit/loss point. Since publication of the journals is primarily in the interest of the service, they should be treated as a part of the public service AIR is rendering.

[Ministry of Information and Broadcasting O.M. No. 3(1)/72-B(P)
dated 11-12-1972].

Receipts and expenditure on capital accounts for the year ended the 31st March, 1969

To	As per Receipts and Expenditure Account for the year ended the 31st March, 1968		Addition and Alterations during the year		Total as on 31st March, 1969		As on 31st March, 1969	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	By	Rs.
Land	1,12,36,877	18,10,368	1,30,47,245	Capital Outlay by Govt. from 1st April 1950 to 31st March	22,05,28,261			
Buildings	5,63,02,975	30,48,121	6,23,51,096					
Masts, Aerials and Earths	2,19,32,031	3,39,318	2,22,71,349	Add—Capital Outlay during 68-69	3,61,76,241			
Electrical Installations and initial fittings e.g. ceiling fans, etc	46,70,693	1,87,975	48,58,068					
Transmitters, Receiving Centres equipments, Studios and Control room Equipments etc	12,55,67,480	2,69,66,105	15,23,33,585					
Mobile Recording Vans	10,18,805	8,24,354	18,43,159					
Total	22,05,28,261	3,61,76,341	25,67,04,502					25,67,04,502

(Commercial Service A.C. enclosed)

Equipment	15,23,33,585
Commercial Service	9,16,346
Total	15,32,49,931

9,16,617
<u>25,76,21,119</u>

Sd/-
(T. R. SABHARWAL)
Deputy Director of Administration, for
Director General.

*All India Radio
Commercial Broadcasting Service*

Receipts and Expenditure on Capital Accounts for the year ended the 31st March, 1969.

	As per Receipts and Expenditure Account for the year 31st March, 1968	Addition and alteration 1968-69	Total as on 31st March, 1969	As on 31st March, 1969
<i>To</i>	Rs.	Rs.	Rs.	Rs.
Land	—	—	—	—
Buildings	—	—	—	—
Masts, Aerials and Earths	—	—	—	—
Electric Installations and initial fittings e.g. ceiling fans etc.	—	271	271	—
Transmitters, Receiving Centres Equipments Studios and control Room Equipments etc.	—	9,16,346	9,16,346	9,16,617
Mobile Recording Vans	—	—	—	—
Total	—	9,16,617	9,16,617	9,16,617

By
Capital Outlay by Govt. upto 31st March, 1968

Add: Capital Outlay during the year 1968-69

Sd/-
(T. R. SABHARWAL)
Deputy Director of Administration, for
Director General.

New Delhi, the

The Balance of Stores is detailed below

1967-68

1968-69

	1967-68		1968-69	
	Recurring Grant	Capital Grant	Recurring Grant	Capital Grant
	Rs.	Rs.	Rs.	Rs.
Transmitting Values	49,32,599	—	44,19,381	—
Transmitters Spares	39,47,514	—	43,93,567	—
Control Room and Receiving Centres Spares	17,40,048	—	19,57,303	—
Power Plant Spares	2,75,718	—	3,29,771	—
Tools, Machines, instruments, batteries etc.	3,27,584	—	3,39,682	—
Misc. Stores	59,00,691	9,19,073	77,00,000	19,88,150
Total	1,71,24,154	9,19,073	1,91,45,710	10,88,150
	10,762		24,740	
	1,71,34,916		1,91,70,450	

Dated New Delhi, the

Sd/-
(T. R. SABHARWAL)
Deputy Director of Administration, for
Director General

All India Radio

Commercial Broadcasting Service

Consolidated Stores Account for the year ended the 31st March, 1969

Dr.	1967-68		1968-69		1967-68		1968-69		Cr.
	Rs.	To	Rs.	By	Rs.	Issues	Rs.		
	—	Opening Balance on 1st April.	10,762	31,089			9,970		
	2,768	Purchases	10,379	—		Stores in Transit Stores Written off	—		
	39,083	Adjustment etc.	13,569	10,762		Closing stock on 31-3-69	24,740		
	41,851	Total	34,710	41,851		total	34,710		

The balance of Stores is detailed below:
1968-69

Transmitting Valves	1,969
Transmitters Spares	—
Control Room and Receiving Centres Spares	3,474
Power Plant Spares	—
Tools, Machines, Instruments, batteries etc.	9,435
Miscellaneous Stores.	9,862
Total	24,740

A B. A. C.

Sd/-
(T. R. SABHARWAL)
Deputy Director of Administration for
Director General

New Delhi, the

Recommendation

The Committee note the slight improvement in the position of the inventory of the AIR since they made their observation in this regard in the 27th Report of the PAC presented to the Parliament in April, 1968. They have, however, no doubt in their mind that a lot is still left to be desired and that control over the inventories needs to be more effective. There should be detailed analysis of spares requirements with reference to likely wastage, time taken in procurement and the rate of obsolescence. The Committee desire that there should be critical review every year to improve inventory control and speedily dispose of those spares for which the main equipment has already become obsolete.

[S. No. 22 (Para 1.151) of Appendix to 39th Report (Fifth Lok Sabha)].

Action taken

The spares are procured and stocked by All India Radio to avoid break downs and to ensure an uninterrupted service. As the spares are specialised type of components which are not readily available and as it takes very long time for their procurement, it is essential that they are procured along with the equipment to achieve the above mentioned objective. A detailed analysis of spares requirements with reference to likely wastage and time taken in procurement is already made and every care is taken to scrutinise the spares list at the time of ordering. Only those items which are of inescapable nature are procured. In fact, to cut down the quantum of spares, only one set of major items is ordered for 3 to 4 transmitters in service.

2. The obsolete equipments are gradually being replaced by standardised modern types which will bring down the stocking of spares still further.

3. This is borne out by the following figures, which indicate the total capital cost of equipment installed in AIR, the closing balance of the stock under the recurring grant and the value of stock expressed as a percentage of capital cost of equipment, year-wise.

(Rupees in crores)
year

	1966-67	1967-68	1968-69
Capital Cost of Equipment	8.758	12.536	15.32
Closing balance of stock	1.697	1.712	1.917
Value of stock as % of capital cost of Equipment	19.4%	13.7%	12.5%

4. It may be seen from the above that the value closing balance of stock as a percentage of capital cost is already showing a steady downward trend and is expected to go down still further, when the old transmitters of diverse manufacture are gradually replaced by new transmitters of less diverse types. Once this process is completed, the stocking of stores would get rationalised and the capital invested in spares would come down further.

5. The closing balance of stock expressed in terms of months consumption it will be appreciated, will not always be a correct indication, for the following reasons:—

- (i) When new transmitters are installed, major spares are also procured along with the equipment as explained in paragraph 1 above. The transmitters being new, these spares are not immediately consumed, but are held in stock for some time.
- (ii) The major spares initially received for a particular type of transmitter would also serve similar transmitters to be procured subsequently.

6. The above two factors would initially result in a higher closing balance of stock expressed in terms of months consumption.

[Ministry of Information and Broadcasting, O.M. No. 3(1) |72-B(P), dated 11-12-1972].

Recommendation

Apart from the necessity of putting the procedure regarding provisioning of stores in the All India Radio on a scientific footing, the Committee would like to urge that all possible efforts should be made by Government to standardise the transmitters and other equipments so that the problem of multiplicity of spares is minimised. They desire that the advice and assistance of Bharat Electronics Ltd. may be sought in standardising the equipments and stores used by the All India Radio.

[S. No. 23 (Para 1.152) of Appendix to 39th Report (Fifth Lok Sabha)].

Action taken

All possible efforts are already under way to standardise our transmitters and studio equipment with the help of M/s. Bharat Electronics Ltd. who have begun supplying us some medium-wave trans-

mitters and other equipments. M/s. Bharat Electronics Ltd. are also being encouraged to manufacture some specialised sophisticated types of spares so far imported from abroad. This will further help in standardisation and reduction in stocking of spares. In this connection it may be mentioned that the import of transmitting receiving valves and transistors has gone down with the indigenous availability of equipments manufactured by M/s. Bharat Electronics Ltd.

[Ministry of Information and Broadcasting, O.M. No. 3(1)/72-B(P),
dated 11-12-1972]

CHAPTER III

RECOMMENDATIONS|OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES OF GOVERNMENT.

Recommendation

The Committee note that accredited agents are given 45 days' time within which they have to make the payment after the advertisement has already appeared over the radio with the result that on an average an amount equivalent to two months sale always remain outstanding against them. With a view to resolve this problem of outstandings with the inherent risk of loss of money to the Government the Committee would like that as in some other foreign countries, the All India Radio should also insist on advance payment before the matter is put on the air.

[S. No. 8 (Para 1.77) of Appendix to 39th Report (Fifth Lok Sabha)].

Action taken

In order to analyse the position of payments from Accredited Agencies within the prescribed limit, it is essential to look into the actual working and financial structure of these agencies. Unlike big manufacturers, the advertising agencies have to run their business without large fluid capital. In other words, they have to depend solely on their own collections from clients for their functioning and their ability to make timely payments to AIR. In the process, they have to face as much delay in receiving the payments from clients as we do in receiving our payments from them. The advertising agencies not only serve the interests of the advertisers with facilities such as designing campaigns and executing them etc., but also keep AIR supplied with the bulk of advertising business. AIR will have to depend on them for securing business, which is essentially a field job of tremendous magnitude which Commercial Broadcasting Service is not equipped to undertake. This is an important reason why it is necessary that their payment practices should be viewed in a different light.

2. It is all the more necessary for us to be somewhat accommodative in the matter of payments if we take into consideration the fact

that the accredited agencies might have found it more advantageous to go to another Media had they had an alternative. The accredited agencies have no alternative but to conform to the norms laid down by us and they try their best to keep up to them. Besides this, if credit facilities are withdrawn, there will be no difference between the status of accredited agencies and recognised agencies as both will get 15 per cent commission. There will be no incentive on the part of the recognised agencies also to acquire the status of accredited agencies if the credit facilities are withdrawn. In the circumstances, any curtailment on credit facilities given to accredited agencies would result in a considerable loss in revenue.

3. With a view to examining the position relating to revenue accrued from Accredited Agencies, we have taken the period from 1st November, 1967 (since the inception of the Commercial Service) upto the 31st March, 1972 as the basis. During the period under review, the position is as follows (The figures for 1971-72 are provisional):—

- (i) Net business secured from all the agencies and advertisers—Rs. 8,98,30,672.
- (ii) Net business secured from the accredited agencies—Rs. 7,46,12,959.
- (iii) Percentage of business secured from accredited agencies—83.05.

It may be seen that accredited agencies have brought in up till now the business worth about Rs. 7,46,12,959 as against the total net earnings of the Commercial Broadcasting Service since its inception which is Rs. 8,98,30,672. The percentage of business (83.05) booked by accredited agencies is, therefore, overwhelmingly larger than the business booked by all the other categories of agencies and direct advertisers put together. Since accredited agencies are booking the major portion of business on AIR, the credit facilities offered to them should continue to be given so that they are not hampered in booking the bulk of AIR time as at present.

4. Review of the payment position by the accredited agencies as it stood on 31st March, 1972 is given below:—

- (i) Net business secured from accredited agencies from 1st November, 1967 to 31st March, 1972—Rs. 7,46,12,959.
- (ii) The amount paid within 45 days i.e. by 15th May, 1972—Rs. 7,26,99,775.

- (iii) Amount remaining to be paid after 45 days i.e. after 15th May, 1972—Rs. 19,13,184.
- (iv) Percentage of outstanding bills beyond 45 days i.e., after 15th May, 1972 to the total business secured upto 31st March, 1972—2.56.

5. Up-to-date position of outstanding bills [item (iii) of preceding paragraph] as it stood on 7th October, 1972 is given below:—

- (i) Bills paid Rs. 17,16,302.
- (ii) Bills outstanding earlier to March, 1972—Rs. 1,15,213.
- (iii) Bills outstanding for March, 1972—Rs. 81,668.
- (iv) Percentage of outstanding bills as it stood on 7th October, 1972 to the total business secured upto 31st March, 1972—0.26.

It may be seen that our earlier statement that most of the accredited agencies, by and large, have been making their payments regularly, although it is a continuous running account, is supported by statistics shown at 2 and 3 above. It can, therefore, be established that the performance of the accredited agencies has been satisfactory from the point of view of the quantum of business booked by them for the Commercial Service.

6. Incidentally it may be mentioned that penal interest @ 12 per cent is charged if any accredited agency fails to make the payment within the due date. Clause 17 of the existing contract reads as follows:—

“All India Radio shall submit monthly bills and the advertisers shall pay all bills within 45 days calculated from the first day of the month following the month in which the broadcast was made.”

The proposal to revise this Clause is under examination as follows:—

“In the case of advertisers who book their time through accredited agencies, All India Radio shall issue bills after the close of each month and the advertiser shall pay all bills within 45 days calculated from the day following the day on which the advertisement was broadcast.”

[Ministry of Information and Broadcasting, O.M. No. 3(1)/72-B(P), dated 11-12-1972].

CHAPTER IV

**RECOMMENDATIONS|OBSERVATIONS REPLIES TO WHICH
HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND
WHICH REQUIRE REITERATION**

N I L

CHAPTER V

RECOMMENDATIONS|OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

Recommendation

The Committee note that Government have not accepted the recommendation of the Committee on Broadcasting and Information Media that broadcasting services should be entrusted to an autonomous corporation to be set up under an Act of Parliament. The Committee desire that early decision should be taken about the future organisational set up of All India Radio and the Committee advised in due course. They hope that the reorganisation of the broadcasting services would result in delegation of more administrative and financial powers to the organisation to enable it to function more efficiently.

[S. No. 1 (Para 1.8) of Appendix to 39th Report (Fifth Lok Sabha)].

Action Taken

The question of re-organisation of AIR is under consideration of Government. The question of delegation of more powers—administrative and financial—to the DG AIR is under consideration of the Prime Minister.

[Ministry of Information and Broadcasting, O.M. No. 3(1)|72-B(P),
dated 11-12-1972].

NEW DELHI;

January 27, 1973.

Magha 7, 1894 (S).

ERA SEZHIYAN,

Chairman,
Public Accounts Committee.

APPENDIX

Summary of main Recommendations/Conclusions

S. No.	Para No.	Ministry/Deptt. Concerned			Recommendations/Conclusions
1	2	3		4	
1	1.4	Information Broadcasting.			The Committee hope that final replies in regard to the recommendation to which only interim reply has so far been furnished will be submitted to them expeditiously after getting them vetted by Audit.
2	1.8	Do.			The Committee hope that early decision will be taken by Government on the question or re-organisation of the All India Radio and delegation of more powers to the Director General, All India Radio.
3	1.11	Do.			The Committee note that their recommendations that commercial broadcasting advertisements on behalf of Public Sector Undertakings should be channelised through the DAVP, have been taken up with the various Ministries for issue of suitable instructions. The compliance by the Ministries may be watched and reported to the Committee.
4	1.14	Do.			In view of what is stated in the reply of the Ministry, the Committee do not like to pursue the question of advance payment of bills by the accredited agents. However, they desire that amendment to Clause 17 of the existing contract with the Agents in order to provide for payment of bills within 45 days from the day following the day

4

on which the advertisement was broadcast instead of from the first day of the month following the month in which the broadcast was made, should be expedited.

Do.

The Committee note that delay in completion of Proforma Accounts by the All India Radio is partly due to late receipt of, B.R.L. figures which is stated to be due to procedural bottlenecks. The Committee desire that early decision should be taken on the recommendations of the Stamps Committee which had gone into the accounting procedure specially. They hope that in future it should be possible to prepare the Proforma Accounts in time.

Do.

The Committee regret that apart from advancing certain general arguments, Government have not met the points specifically regarding Radio Journals raised. For instance the reasons for the almost negligible circulation of Akashvani (Hindi) do not appear to have been examined. The disparity in cost of production and pricing of various journals has also not been satisfactorily explained. These matters require detailed study. Further while the Committee wish to reiterate that the journals as a whole should be made self-supporting, they would suggest that the factors that are responsible for the poor circulation of each of the journals should be identified by an imaginative listener's research and suitable remedial measures taken to set up their circulation.