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STANDING COMMITTEE ON INFORMATION TECHNOLOGY (2004-2005)

FOURTEENTH LOK SABHA

MINISTRY OF INFORMATION & BROADCASTING

[Action taken by Government on the Recommendations/Observations of the Committee contained in their Fifty-Seventh Report (Thirteenth Lok Sabha) on 'Working of Directorate of Advertising and Visual Publicity (DAVP)']

NINTH REPORT



LOK SABHA SECRETARIAT
NEW DELHI

December, 2004/Agrahayana, 1926 (Saka)

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(Thirteenth Lok Sabha) on 'Working of Directorate of
Advertising and Visual Publicity (DAVP)']*

*Presented to Lok Sabha on 14.12.2004
Laid in Rajya Sabha on 14.12.2004*



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December, 2004/Agrahayana, 1926 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON
INFORMATION TECHNOLOGY (2004-2005)

Shri M.M. Pallam Raju—*Chairman*

MEMBERS

Lok Sabha

2. Shri Nikhil Chaudhary
3. Shri Mani Cherenamei
4. Shri Sanjay Dhotre
5. Kunwar Jitin Prasad
6. Shri Kailash Joshi
7. Shri P. Karunakaran
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12. Smt. P. Jayaprada Nahata
13. Col. G. Nizamuddin
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16. Shri Chander Shekhar Sahu
17. Shri Vishnu Sai
18. Shri Tathagat Satpathy
19. Shri K.V. Thangka Balu
20. Shri P.C. Thomas
21. Shri Ram Kripal Yadav

Rajya Sabha

22. Shri Vijay J. Darda
23. Shri Ashwani Kumar
24. Dr. Akhilesh Das
25. Shri Balbir K. Punj

*Nominated *w.e.f.* 20.8.2004.

26. Shri Dara Singh
27. Smt. Sarla Maheshwari
28. Shri N.R. Govindrajar
29. Shri K. Rama Mohana Rao
30. Shri Motiur Rahman
31. Shri Sanjay Nirupam

SECRETARIAT

1. Shri P.D.T. Achary — *Additional Secretary*
2. Shri Raj Shekhar Sharma — *Deputy Secretary*
3. Shri K.L. Arora — *Under Secretary*

INTRODUCTION

I, the Chairman Standing Committee on Information Technology (2004-05) having been authorised by the Committee to submit the Report on its behalf, present this Ninth Report on Action Taken by Government on the Recommendations/Observations of the Committee contained in its Fifty-Seventh Report (Thirteenth Lok Sabha) on "Working of Directorate of Advertising and Visual Publicity" relating to the Ministry of Information and Broadcasting.

2. The Fifty-Seventh Report was presented to Lok Sabha on 22.12.2003 and was laid in Rajya Sabha on 23.12.2004. The Ministry furnished Action Taken Notes on the recommendations contained in the Report on 27.5.2004.

3. The Report was considered and adopted by the Committee at its sitting held on 25.11.2004.

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

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

NEW DELHI;
7 December, 2004
16 Agrahayana, 1926 (Saka)

M.M. PALLAM RAJU,
Chairman,
Standing Committee on
Information Technology.

CHAPTER I

REPORT

This Report of the Standing Committee on Information Technology deals with action taken by the Government on the recommendations contained in the Fifty-Seventh Report (Thirteenth Lok Sabha) on "Working of Directorate of Advertising and Visual Publicity (DAVP)" relating to Ministry of Information and Broadcasting.

2. The Fifty-Seventh Report was presented to Lok Sabha on 22 December, 2003 and was laid on the table of Rajya Sabha on 23 December, 2003. It contained 16 recommendations.

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

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

Paragraph Nos. 48, 49, 57, 58, 59, 60, 61, 62, 63, 64, 65 and 66

Total : 12

Chapter-II

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

Paragraph Nos. 55 and 56

Total : 2

Chapter-III

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

Paragraph Nos. 50 and 53

Total : 2

Chapter-IV

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

Paragraph Nos. Nil

Total : Nil

Chapter-V

4. The Committee trust that utmost importance would be given to the implementation of the recommendations accepted by the Government. In case for any reason it is not possible for the Ministry to implement the recommendations in letter and spirit, the matter should be reported to the Committee with reasons for non-implementation. The Committee further desire that Action Taken Notes on the recommendations/observations contained in Chapter-I of this Report be furnished to them urgently and in no case later than six months of the presentation of the Report.

5. The Committee will now deal with Action Taken by the Government on some of their recommendations.

A. ADVANCE PLANNING OF THE ENTIRE PUBLICITY PROGRAMME

Recommendation (Para No. 50)

6. The Committee in its 57th Report on "Working of DAVP" had desired that the entire publicity at the national level for various media units under the Ministry of I & B should be planned in advance, in consultation with the Ministries concerned. Accordingly, the matter should be taken up with the Planning Commission for release of sufficient funds. The Committee further desired that publicity of such programmes should be done through the various media and intensity of these publicity campaigns be built up gradually through the media for getting the desired results.

7. The Ministry of I & B in its Action Taken Notes has stated as follows:

All Campaign Officers of DAVP have been instructed to get in touch with the client Ministries/Departments and finalise the publicity needs in advance.

Ministry of I & B has been consulting various Ministries/Departments for their requirements for publicity of their schemes/policies through its various media units. Secretary (I & B) had held meetings during January, 2003 with the officers of various social sector Ministries/Departments such as Health, Rural Development, Social Justice & Empowerment, Urban Development & Poverty Alleviation, Family Welfare etc. and the officers of Media Units of I & B and Planning Commission to work out strategies for effective publicity of their 10th Plan schemes. The Ministries/Departments informed about the important schemes/policies/themes, which they wanted to publicise through media units of M/o I & B. Based on their inputs/suggestions, a "Communication Strategy" was prepared to effectively communicate government schemes to the people for mobilising their support. The "Communication Strategy" was sent to PMO for consideration.

Similar meetings were held by Secretary (I & B) with the officers of M/o HRD, Health and Family Welfare and the media units of M/o I & B to evolve a strategy for educating masses on health, hygiene and literacy. Representatives from private sector were also invited in the meetings to have their suggestions/inputs. A Task force was set up under the Chairmanship of a faculty member of Indian Institute of Mass Communication (IIMC) for preparing an "Approach Paper" to outline the strategy for creating a truly extensive mass movement persuading people to take active steps to improve their health, hygiene, educational and literacy status. The Approach Paper so prepared has been forwarded to Ministry of Statistics and Programme Implementation for approval.

8. The Committee are not at all satisfied with the efforts made by the Ministry in this regard. The Ministry had gone in for a "Communication Strategy", a long term measure and an "Approach Paper" to outline the strategy for a mass movement. According to the Committee, these are time consuming efforts and by the time they take off they would probably have lost their shine.

9. Today, we are moving in fast track mode. Priorities, programme funds, methods, strategies, outlook, media is changing and moving with great speed. The Committee had desired the Ministry of I & B to get the requirements of various Ministries/Departments for publicity of their schemes/policies annually *i.e.* for the next one year in advance and publicise those schemes/policies within that year. In doing so, the Ministry of I & B would be able to project its requirement to the Planning Commission on a year to year basis and get funds on some realistic assessment of requirement. On the other hand, the Ministry of I & B/DAVP would be able to work on the latest technologies of publicity and bring before the mass media the latest issues in hand as desired by the different Ministries/Departments. The Ministries/Departments would in turn be bound to settle their accounts annually from their budgetary allocations for the year.

10. Health, Rural Development, Social Justice & Empowerment, Urban Development, Education, Information Technology, Sports, welfare of the tribes etc. are all life long issues which require regular publicity. The advertisements on these issues should be brought out at appropriate timings. According to the Committee, base issues being attempted through Strategies and Approach Paper tend to be out of place and time and do not leave the desired impact.

11. The Committee, therefore, reiterate their recommendation that the Ministry of I & B should plan the publicity well in advance

within the financial year and place their demand before the Planning Commission based on sound and solid proposals from Ministries/ Departments.

B. ERC RECOMMENDATION WITH REGARD TO RELEASE OF ADVERTISEMENTS

Recommendation (Para No. 53)

12. In their earlier Report the Committee had observed that Expenditure Reforms Commission (ERC) had given a recommendation to amend Allocation of Business Rules thereby deleting the reference relating to release of advertisements by various Ministries through DAVP. However, according to the Government of India Allocation of Business Rules, production and release of all display advertisements of the Government of India through media and the Press, posters, folders, Calendars leaflets, slides etc. should go through DAVP. The Committee were disappointed to note that though Ministry of I & B was not in favour of amending the Allocation of Business Rules as recommended by ERC, there was lack of effort on their part in proper implementation of Allocation of Business Rules. Neither any monitoring mechanism existed to ensure that various Ministries/Departments had been following these rules strictly and that no Ministry was releasing advertisements outside DAVP nor were some effective steps taken to curb such practices except writing to the Ministries on this aspect. The Committee, therefore, desired that Ministry of I & B should set up a monitoring mechanism to take note of instances where advertisements were being released directly by the Ministries/Departments outside DAVP. The Committee further desired to explore the possibility of release of funds for such advertisements directly to DAVP instead of to that Ministry which had sent the advertisement directly.

13. The Ministry of I & B in its action taken notes has stated as follows:

DAVP has been co-ordinating the work related to issue of advertisements on behalf of the Central Government and, in the process, have acquired expertise in both preparation of material as also its display in the media. The Directorate is able to secure favourable terms from the Print Media and the benefits are being flown back to the client Ministries/Departments & their subordinate offices.

The matter of routing advertisements of PSUs/Autonomous Bodies under Government of India through DAVP had already been considered in their deliberations by Central Economic Board, 1959, 158th Report of Estimates Committee of Parliament, 47th Report of the Committee on Public Undertakings, 173rd Report of PAC and the Committee of Secretaries, 1991.

Further, the Committee of Secretaries, in their meeting on 19.02.1991 reiterated that all Ministries/Departments should generally use the services of DAVP for their publicity requirements, but for their creative advertisements the Ministries may engage specialised or other voluntary agencies. However, they should go through DAVP for placing their advertisements in their newspapers and other media.

The Standing Committee on Information Technology (2002) has observed that 'DAVP' being the nodal and centralised agency caters to the publicity requirements of the Central Ministries/Departments had competitive rates, the Ministries publishing advertisements directly by ignoring DAVP should not normally be allowed to do so as it may entail extra expenditure.

However, if autonomous bodies of the Government of India choose to release advertisements either directly or through advertising agencies to publications, DAVP rates may not be automatically applicable to them.

In pursuance of the recommendations of Standing Committee on Information Technology (2002), Secretary (I & B) *vide* his D.O. Letter No. 1/62/2001-MUC dated 1.7.2002 and dated 6.8.2002, addressed to all Ministries/Departments/Public Sector Undertakings/Autonomous Bodies, has requested them to route their advertisement through DAVP, also advising them to issue appropriate directions to the chiefs of all PSUs/autonomous bodies to continue to release the advertisements through DAVP. Major publications, in due course would accept the reality and co-operate with DAVP, provided, if all Ministries/Departments and Public Sector Undertakings/Autonomous Bodies continue to release their advertisements through DAVP.

14. The Committee find that a lot of discussion has taken place during the previous years to prevail upon the Ministries/Departments to utilize the services of DAVP for their publicity requirements. However, the Departments and PSUs prefer to violate the instructions and place advertisements directly and do not route them through DAVP.

15. The DAVP has no monitoring mechanism at present to keep a check on the release of such advertisements and has also made no commitment to the Committee for establishing any such monitoring mechanism in their action taken reply to the recommendation of the Committee except for issuing a D.O. letter requesting them to route their advertisement requirements through DAVP. Simultaneously the Committee urges DAVP to improve their response system and quality of services to the various Departments of the Govt. in order to become their first choice.

16. The Committee fail to understand as to why the Ministry is soft pedaling the issue and why no effort is being made to keep a track of Ministries/Departments violating the norms for advertisements.

17. The Committee once again, stress upon the Ministry to set up a monitoring cell which may keep track of violations. These violations may be brought to the knowledge of the Committee. The Committee also reiterate their desire to explore the possibility of release of funds for such advertisements directly to DAVP instead of to the Ministry which had sent the advertisements directly.

C. RECLASSIFICATION OF NEWSPAPERS

Recommendation (Para Nos. 58 & 59)

18. In their earlier Report, the Committee had found that the criteria adopted by DAVP for classification of newspapers *i.e.* small newspapers were those which were having a circulation of 25,000 copies, medium newspapers were those which had circulation of 50,000 and big newspapers were those which have a circulation of 75,000 copies had not been revised since 1980 when the existing classification of newspapers was done. The Committee observed that in 1980 it was very difficult for the small and language newspapers to touch the figure of even one lakh but now it would not be difficult for them to attain this figure. Still these papers could not be put in the category of leading newspapers.

19. The Committee was in agreement with the views of the Indian Newspaper Society (INS) that classification of newspapers should be done not only on the basis of their circulation, but revenue should also be taken into consideration. Though small newspapers had grown and fell in the category of big newspaper as per the present classification, yet the revenue earned by these newspapers could not be compared with really big newspapers as for instance the Times of India. The Committee was surprised to note that no thought was given to the need to revise the classification of newspapers. They desired that in view of the phenomenal growth in the circulation of newspapers during the last two decades, reclassification of newspapers should be done immediately taking into consideration their circulation as well as revenue earned by them.

20. The Ministry of I & B in its Action taken Notes has stated as follows:

DAVP has already taken up consultations with RNI and newspaper associations such as Indian Newspapers Society (INS), Indian Language

Newspapers Association (ILNA) and Indian Federation of Small & Medium Newspapers on the issue.

21. The Committee note with satisfaction that DAVP has taken up consultations with RNI and newspaper associations such as Indian Newspapers Society (INS), Indian Language Newspapers Association (ILNA) and Indian Federation of Small & Medium Newspapers on the issue of reclassification of newspapers. The Committee hope that consultation process would be taken up on priority basis so that issue of reclassification of newspapers is decided at the earliest and the Committee are informed of the final outcome.

D. DAVP ADVERTISEMENTS TO LOCAL NEWSPAPERS OF J & K

Recommendation (Para No. 65)

22. The Committee in their Report on "Working of DAVP" had apprised the Ministry of I & B/DAVP that during their tour to Srinagar in June, 2003 it was learnt that the local newspapers of Jammu and Kashmir were not getting the DAVP advertisements. The Committee did not approve such a discriminatory attitude of the Ministry of I & B and desired that matter should be looked into urgently under intimation to the Committee.

23. The Ministry of I & B in its Action Taken Notes has stated as follows:

At present, DAVP has on its panel 13 dailies and 1 weekly published from Jammu & Kashmir. The Advertisement Policy envisages that a newspaper/journal should have a minimum paid circulation of not less than 2000 copies per publishing day for empanelment, in case of J & K it is only 500 copies. It is also laid down in the Policy that Panel Advisory Committee (PAC) may make exceptions in respect of print area on publications brought out from J & K. Once empanelled, publications get advertisements from DAVP and preferences indicated by clients are taken into account when advertisements are released through DAVP.

24. The Committee observe that as per the Advertising Policy, the minimum paid circulation per publishing day has been lowered to 500 copies instead of 2000 copies for empanelment of newspapers published in the State of J & K. However, the Committee would like to know the number and amount of advertisements released in local newspapers published from J & K during the last 3 years.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 48 & 49)

The Committee is unhappy to note that Directorate of Advertising and Visual Publicity (DAVP) whose primary objective is to publicise policies, programmes and achievements of various Ministries/ Departments of the Government through various media is starved of funds which prevents it from playing an effective role. DAVP does not have sufficient funds even to publicise the aims and objectives of an important policy document like 'Tenth Five Year Plan'. Neither the Tenth Five Year Plan has been translated nor its summary has been brought out in various Indian languages to make the people aware of the priorities of the Government, due to shortage of funds even though the Tenth Plan has already commenced in April 2002. The Committee is perturbed to learn from the Secretary, Ministry of I&B that it is easier to get funds for visible items like equipment, buildings etc. but extremely difficult to get the same for publicity of important events. The Committee recommends that to make the DAVP play a meaningful role and also to inform and educate the people of the developments made, adequate funds be allocated to DAVP as per estimates submitted by the Ministry of I&B to the Planning Commission/Ministry of Finance.

The Secretary, I&B stated before the Committee that they themselves had been conservative in placing the demands for more funds, assuming that "it is no use asking for funds when we will not get that". The Committee believes that the estimates presented by the Ministry of I&B to the Planning Commission regarding DAVP's fund requirements is extremely conservative. The Committee shares the views of the Ministry of Information & Broadcasting that there should be sustained and long term planning to publicise programmes of the Ministries to make the people aware of them and ensure their cooperation and participation. The Committee desires that the Ministry of I&B/DAVP should be proactive in its approach and revise their projections and funds so as to meet the genuine needs of DAVP.

Action Taken by the Government

The Ministry/DAVP is making efforts for realistic projection of funds for publicity activities by DAVP. The Tenth Plan approved outlay is Rs. 1500 lakhs which is more than 9th Plan outlay. However the recommendations of the Committee have been noted regarding projection of funds by DAVP to meet the genuine needs for publicity.

Recommendation (Para No. 57)

The Committee is perturbed to note that a full page advertisement on acquisition of small piece of land was published in an English paper from Chennai and its several other editions published from different places. The road building department run by the Government of India had released the advertisement. This is an aberration of the Advertisement Policy and requires immediate attention of the Ministry of I&B. The Committee considers it to be mere wastage of Government funds. It desires that in future, proper care should be taken so as to ensure that such advertisements are published only in language newspapers of that area/region.

Action Taken by the Government

Though DAVP, while releasing advertisements takes into account the preferences indicated by clients, DAVP has noted the observation of the Committee and will make further efforts for cost effective utilization of resources.

Recommendation (Para Nos. 58 & 59)

The Committee finds that the criteria adopted for classification of newspapers *i.e.* small newspapers are those which have a circulation of 25,000 copies, medium newspapers are those which have circulation of 50,000 copies and big newspapers are those which have a circulation of 75,000 copies has not been revised since 1980. With the phenomenal growth in the circulation of newspapers during the last two decades, the Committee is of the opinion and criteria for classification of newspapers needs immediate revision.

The existing clarification of newspapers was done in 1980 when it was very difficult for the small and language newspapers to touch the figure of even one lakh. At present it is not difficult for them to attain this figure. But still these papers cannot be put in the category of

leading newspapers. Over the years, the whole concept of newspaper classification has changed. The Indian Newspaper Society (INS) has suggested that classification of newspapers should be done not only on the basis of their circulation, but revenue should also be taken into consideration. Though small newspapers have grown and fall in the category of big newspaper as per the present classification, yet the revenue earned by these newspapers cannot be compared with really big newspapers as for instance the Times of India. The Committee shares the concern of INS in this respect. The Committee is surprised to note that no thought has so far been given to the need to revise the classifications of newspapers. The Committee is of the view that reclassification of newspapers should be attempted.

Action Taken by the Government

DAVP has already taken up consultations with RNI and newspaper associations such as Indian Newspapers Society (INS), Indian Language Newspapers Association (ILNA) and Indian Federation of Small & Medium Newspapers on the issue.

Comments of the Committee

(Please See Para No. 21 of Chapter I)

Recommendation (Para Nos. 60 & 61)

The Committee notes that during 2001-02, DAVP was unable to achieve the physical targets. The physical targets for outdoor publicity, printed publicity, exhibitions, and advertisements were kept at 300, 209, 450 and 21,500; whereas the achievements remained 288, 198, 329 and 17,787 respectively. Even though the shortfall is marginal in the case of outdoor and printed publicity, it is quite disquieting in the case of exhibitions and newspapers advertisements. The Committee is not convinced by the reason given by the Director, DAVP that though physical targets could not be met, the financial targets were achieved. The Committee is of the view that utilization of the financial allocations without fulfillment of the physical targets indicates that there has been some lacunae in the planning process. The plea given by the Secretary, Ministry of I&B that generally it would be true but in case of publicity, the measurement of output would be little difficult, does not hold good in case of an organization like DAVP which claims to have gained expertise over the years in publicity.

The Committee further notes that during 2002-03, the targets were more or less achieved. However, it has been so by lowering them or when kept at the level of the previous year. The targets for the year 2002-03 for outdoor publicity, printed publicity, exhibitions, audio-visual publicity and advertisements had been 300, 208, 450, 5500 and 16450 and during the year 2001-02 these were 300, 209, 450, 5600 and 21500 respectively. The Committee finds that there was no growth in the various activities of the DAVP in 2002-2003. It would like to be apprised of the reasons for this stagnation.

Action Taken by the Government

Publicity jobs undertaken by DAVP are from client Ministries/ Departments who mostly pay for them. The number of advertisements, printed publicity jobs etc. depend upon the requirements of DAVP's clients, availability of funds etc. DAVP's performance is further constrained due to staff shortage occurring in the wake of recommendations of Expenditure Reforms Commission. However, the concern expressed by the Standing Committee regarding shortfall in achievement of targets particularly for exhibitions and newspapers advertisements has been noted. This will be kept in view while setting targets and steps will be taken to achieve it. In fact, achievements in respect of newspaper advertisements and exhibitions have already shown improvement. The number of advertisements released by DAVP has increased from 18,397 during 2002-03 to 20,485 advertisements during 2003-04. The number of exhibitions organized during 2002-03 and 2003-04 were 497 and 581 respectively against the target of 450 exhibitions in each year. It will be constant endeavor of DAVP to further improve in these areas.

Recommendation (Para No. 62)

The Committee notes that DAVP has 35 filed units in its Exhibition Wing. The target was kept constant to hold 450 exhibitions during each of the last three years and hence no growth. As the exhibitions are being held in interior places, there is a need for holding more exhibitions. The Committee feels that in a country like India, there are many important national issues and people should also know about the important developments such as the problem of terrorism, problem of AIDS and other such issues. Efforts should be made to ensure that

more exhibitions are held at prescribed periodicity so that the proper message gets percolated effectively to masses. Exhibitions at schools/colleges in the interior areas should also be held.

Action Taken by the Government

DAVP usually covers rural areas and interior places whenever it organizes exhibition programmes, particularly through its mobile van units. The Directorate has prepared a set on AIDS for NACO for vide display in various parts of the country. In addition, there are other socially relevant themes like 'Healthy Mother Healthy Child' and 'Women's Empowerment' on which exhibitions are regularly organized. The Committee's recommendations to organize exhibitions at schools/colleges in the interior areas has been noted.

Recommendation (Para No. 63)

The Committee would like to know whether DAVP has ever sought the help of voluntary organizations working in the rural/semi-urban areas for holding exhibitions or asked them to organize the exhibition themselves if publicity materials were provided to them or sought their assistance in identifying problems of an area. There are a large number of non-governmental voluntary organizations engaged in various activities for the upliftment of masses, spread of literacy, environment and health beside eradication of social evils. Their involvement and active associations will be of great help in achieving the desirable results.

Action Taken by the Government

Exhibition unit of DAVP has put up many exhibitions in collaboration with voluntary organizations and non-government organizations. Their support is crucial in selection of venue for publicity. Some of the units are regular participants in melas/fairs etc. organized by voluntary organizations/non-government organizations. Publicity materials brought out by DAVP are widely distributed on such occasions. Some organizations have also been provided with exhibition kits to organize exhibitions on their own.

Recommendation (Para No. 64)

The Committee is unhappy to note that newspapers and periodicals had to wait for several years to receive payments of their advertisements

bills and in some cases payment of the bills was not made for more than a decade, as a result, arrears accumulated into crores of rupees. The Committee notes that DAVP has vigorously pursued the matter with the various Ministries/Departments and autonomous bodies for release of money for payment of pending bills. Moreover, the whole system of payment to newspapers for advertisements has been computerised and made transparent. The Committee hopes that DAVP would make every effort to make timely payment of advertisement bills.

Action Taken by the Government

DAVP has already introduced electronic clearing system for settling bills and efforts are being made to widen the scope of the system. Client Ministries are also being persuaded to pay the outstanding amount in respect of expenditure incurred on advertisements.

Recommendation (Para No. 65)

The Committee, during its study tour of Srinagar learnt that the local newspapers of Jammu and Kashmir were not getting the DAVP advertisements. The Committee takes a serious view of this discriminatory attitude and desires the Ministry of I&B/DAVP to look into the matter urgently. The Committee would like to be apprised of the facts in this regard.

Action Taken by the Government

At present, DAVP has on its panel 13 dailies and 1 weekly published from Jammu & Kashmir. The Advertisement Policy envisages that a newspaper/journal should have a minimum paid circulation of not less than 2000 copies per publishing day for empanelment, in case of J&K it is only 500 copies. It is also laid down in the Policy that Panel Advisory Committee (PAC) may make exceptions in respect of print area on publications brought out from J&K. Once empanelled, publications get advertisements from DAVP and preferences indicated by clients are taken into account when advertisements are released through DAVP.

Comments of the Committee

(Please See Para No. 24 of Chapter I)

Recommendation (Para No. 66)

It is disquieting to note that 98 percent of the classified advertisements are not published in the periodicals at all. Only two percent of the display advertisements are going both to the newspapers and the periodicals. No doubt, advertisements, other than display, which include recruitment advertisements of UPSC/SSC, tenders, admission notice, results etc. because of their nature, cannot be given in periodicals because they come to market at least a week in advance of their scheduled date yet, the Committee feels that advertisements on various campaigns which are not day specific can justifiably be given to periodicals. The Committee hopes that the DAVP will look into the matter.

Action Taken by the Government

Most of the clients who release their advertisements through DAVP want their advertisements released in dailies and only very rarely in periodicals. Even in the case of non-day-specific advertisements, the tendency among clients is to go in for dailies. However, DAVP has noted the observation of the Committee and will continue to persuade its clients to release their advertisements in periodicals also.

CHAPTER III

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

Recommendation (Para No. 55)

The Committee notes that the rates for advertisement approved by the DAVP have been revised from time to time. The rates were revised in the year 1975, 1976, 1995, 1999 and recently with effect from 1 October 2002. Every time rates were revised, it was preceded by discussions with various newspaper bodies and suggestions were sought regarding fixation of rates for advertisements. However, there has been consistent demand for card rates. The Committee notes that the report given by Rate Structure Committee (RSC) constituted in September, 2001 has become effective from 1 October, 2002. The Committee understands that further rates revision would be on the basis of escalation formula. The Committee hopes that the report submitted by the Rate Structure Committee will meet the expectations of various newspaper bodies. The card rates should be a tool to ensure growth of print media as a whole. Thus, it should leave sufficient margins to newspapers and periodicals.

Action Taken by the Government

The Rate Structure Committee constituted by the Ministry of Information & Broadcasting before starting its deliberations, had requested individual newspapers as well as newspaper associations to make available the detailed break up of card rates and how these card rates were determined, what factors were taken into account while revising the card rates and how much weightage was given to various components. No details/break up, however, were made available to the Committee on card rates except the general statement that name/frame and circulation play a major role in determination of card rates. The Committee also observed that various discounts were being offered to customers on the card rates. However, details and the methodology of determining the actual discount on card rates were not made available to the Committee. It was in view of this that the Committee felt that card rates could not form a reasonable, fair and rational basis

for DAVP advertisement rate determination. The Committee's task, as observed in the Report, was to evolve a normative and uniform rate structure for DAVP advertisements. The Committee did not subscribe to the view that the loss, if any, in the cover price realization over and above the cost of the newspaper should be subsidized by the Government. The volume of space devoted to advertisements/news varies from newspapers and also from time to time depending mainly on the availability of advertisements. The rate structure formula arrived at is expected to hold good for a reasonable period of time. The Committee was of the opinion that such a rate structure could not be formed on the basis of varying factors such as shifting percentages of space devoted to advertisements/news, operational losses, readership profile—which is extremely difficult to verify—and other factors like percentage of advertisement revenue to the total revenue etc.

It may also be mentioned here that in respect of certain objections raised at different for a and through representations, the rates recommended by the Rate Structure Committee and effective from 1st October, 2002 have generally been accepted by all newspapers.

Recommendation (Para No. 56)

The Committee notes that during 2000-01, 3.81 percent of the total amount of advertisement was given to small newspapers, 17.83 percent to medium newspapers and 78.36 percent to big newspapers. In the following year *i.e.*, 2001-02, share of small, medium and big newspapers in the total amount of advertisement was 4.80 per cent, 16.10 per cent and 79.10 per cent respectively. Further during 2002-03, 7.39 per cent of the total amount of advertisement was given to the small newspapers, 19.35 per cent to the medium newspapers and 73.27 per cent to the big newspapers. It is thus clear that small and medium newspapers are not getting the fair share of the amount spent on advertisements by the Government during the last 3 years. The Committee is of the view that basic thrust of the Advertisement Policy is not taken seriously by the DAVP and no efforts have been made to encourage small and medium newspapers.

Action Taken by the Government

It is true that the share of small and medium newspapers in the amount spent on advertisements by the Government is less than the share of amount released to big newspapers. This is because DAVP rates are determined on the basis of circulation figures. Thus, the basic

rate for circulation up to 5,000 in the first slab is only Rs. 3.73 per col. cm., whereas for circulation from 95,001 to 1,00,000 is Rs. 74.62 per col. cm. In 2001-2002, the committed figure of expenditure on advertisements for small and medium category of newspapers numbering 1909 was Rs. 18,52,22,464 which formed 20.90% of the total expenditure. During the same period, the amount released to big newspapers was Rs. 70,10,33,912 which formed 79.10% of the total commitment although their number was only 173. Total insertions during the period in small and medium category stood at 92,170 which was 59.41% of total insertions occupying 59.58% of total space. The big category of newspapers got only 40.49% of total insertions and 40.42% of total space even though the amount released to them was bigger. During the period 1.4.2003 to 2.2.2004, DAVP had on its panel 2332 publications belonging to the small and medium categories which got 69.64% of total advertisement space and 64.50% of total insertions. However in monetary terms, only 33.02% of the total amount was released towards advertisement charges to them. In the big category, although there was only 170 publications on panel, 66.98% of the total amount released was bagged by them; spacewise, only 30.36% of the total space was given to these publications and the percentage of insertions stood at 35.50%.

Also, the clients show a preference for a media list predominantly consisting of big newspapers. DAVP has, however, been trying to include small and medium newspapers so that government's policies and programmes are publicized in semi-urban and rural areas.

DAVP on its own, in addition to the three mandatory advertisements released to all newspapers on its panel on Independence Day, Republic Day and Gandhi Jayanti has endeavoured to release advertisements exclusively to small and medium newspapers in connection with Shaheed Diwas (Martyrdom of Bhagat Singh), Ambedkar Jayanti and Birth Anniversary of Sardar Patel.

CHAPTER IV

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

Recommendation (Para No. 50)

The Committee desires that the entire publicity at the national level for various media units under the Ministry of I & B should be planned well in advance, in consultation with the Ministries concerned and accordingly, the matter should be taken up with the Planning Commission for release of sufficient funds. Publicity of such programmes should be done through the various media. Intensity of these publicity campaigns should be built up gradually through the media for getting the desired results.

Action Taken by the Government

All Campaign Officers of DAVP have been instructed to get in touch with the client Ministries/Departments and finalise the publicity needs in advance.

Ministry of I&B has been consulting various Ministries/ Departments for their requirements for publicity of their schemes/ policies through its various media units. Secretary (I & B) had held meetings during January, 2003 with the officers of various social sector Ministries/Departments such as Health, Rural Development, Social Justice & Empowerment, Urban Empowerment & Poverty Alleviation, Family Welfare etc. and the officers of Media Units of I & B and Planning Commission to work out strategies for effective publicity of their 10th Plan schemes. The Ministries/Departments informed about the important schemes/ policies/themes, which they wanted to publicise through media units of M/o I & B. Based on their inputs/suggestions, a "Communication Strategy" was prepared to effectively communicate government schemes to the people for mobilising their support. The "Communication Strategy" was sent to PMO for consideration.

Similar meetings were held by Secretary (I & B) with the officers of M/o HRD, Health and Family Welfare and the media units of M/o I & B to evolve a strategy for educating masses on health, hygiene

and literacy. Representatives from private sector were also invited in the meetings to have their suggestions/inputs. A Task Force was set up under the Chairmanship of a faculty member of Indian Institute of Mass Communication (IIMC) for preparing an "Approach Paper" to outline the strategy for creating a truly extensive mass movement persuading people to take active steps to improve their health, hygiene, educational and literacy status. The Approach Paper so prepared has been forwarded to Ministry of Statistics and Programme Implementation for approval.

Comments of the Committee

(Please See Para Nos. 8, 9, 10 & 11 of Chapter I.)

Recommendation (Para No. 53)

The Committee learnt that Expenditure Reforms Commission (ERC) has also recommended that Allocation of Business Rules of the Government should be amended and reference relating to release of advertisements by various Ministries through DAVP should be deleted. The Committee notes that according to the Government of India Allocation of Business Rules, production and release of all display advertisements of the Government of India through media and the Press, posters, folders, Calendars leaflets, slides etc. should go through DAVP. The Committee regrets to note that though Ministry of I & B is not in favour of amending the Allocation of Business Rules as recommended by ERC, there is lack of efforts on their part for its proper implementation. There does not exist any monitoring mechanism to ensure that various Ministries/Departments follow the Allocation of Business Rules strictly and that no Ministry release advertisements outside DAVP. Even after the Ministry of I&B has come across such instances, no effective steps have been taken to curb such practices except writing to the Ministries on this aspect. The Committee, therefore, calls upon the Ministry of I&B to set up a monitoring mechanism to take note of instances in which advertisements are released directly by the Ministries/Departments outside DAVP. The possibility of release of funds for such advertisements directly to DAVP instead of that Ministry which has sent the advertisement directly, should be explored.

Action Taken by the Government

DAVP has been co-ordinating the work related to issue of advertisements on behalf of the Central Government and, in the process, have acquired expertise in both preparation of material as also its

display in the media. The Directorate is able to secure favourable terms from the Print Media and the benefits are being flown back to the client Ministries/Departments & their subordinate offices.

The matter of routing advertisements of PSUs/Autonomous Bodies under Government of India through DAVP had already been considered in their deliberations by Central Economic Board, 1959, 158th Report of Estimates Committee of Parliament, 47th Report of the Committee on Public Undertakings, 173rd Report of PAC and the Committee of Secretaries, 1991.

Further, the Committee of Secretaries, in their meeting on 19.02.1991 reiterated that all Ministries/Departments should generally use the services of DAVP for their publicity requirements, but for their creative advertisements the Ministries may engage specialised or other voluntary agencies. However, they should go through DAVP for placing their advertisements in their newspapers and other media.

The Standing Committee on Information Technology (2002) has observed that 'DAVP' being the nodal and centralised agency caters to the publicity requirements of the Central Ministries/Departments had competitive rates, the Ministries publishing advertisements directly by ignoring DAVP should not normally be allowed to do so as it may entail extra expenditure.

However, if autonomous bodies of the Government of India choose to release advertisements either directly or through advertising agencies to publications, DAVP rates may not be automatically applicable to them.

In pursuance of the recommendations of Standing Committee on Information Technology (2002), Secretary (I&B) *vide* his D.O. Letter No. 1/62/2001-MUC dated 1.7.2002 and dated 6.8.2002, addressed to all Ministries/Departments/Public Sector Undertakings/Autonomous Bodies, has requested them to route their advertisement through DAVP, also advising them to issue appropriate directions to the chiefs of all PSUs/Autonomous Bodies to continue to release the advertisements through DAVP. Major publications, in due course would accept the reality and co-operate with DAVP, provided, if all Ministries/Departments and Public Sector Undertakings/Autonomous Bodies continue to release their advertisements through DAVP.

Comments of the Committee

(Please See Para Nos. 14, 15, 16 & 17 of Chapter I.)

CHAPTER V

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

—Nil—

NEW DELHI;
7 December, 2004
16 Agrahayana, 1926 (Saka)

M.M. PALLAM RAJU,
Chairman,
Standing Committee on
Information Technology.

APPENDIX I

MINUTES OF THE FOURTEENTH SITTING OF THE STANDING COMMITTEE ON INFORMATION TECHNOLOGY (2004-2005)

The Committee sat on Thursday, 25 November, 2004 from 1100 hours to 1330 hours in Committee Room No. G-074, K-Block, Parliament Library Building, New Delhi.

PRESENT

Shri M.M. Pallam Raju—*Chairman*

MEMBERS

Lok Sabha

2. Shri Nikhil Chaudhary
3. Shri Mani Cherenamei
4. Shri Sanjay Dhotre
5. Shri P.P. Koya
6. Shri P.S. Gadhavi
7. Col. G. Nizamuddin
8. Shri Sohan Potai
9. Shri Chander Shekhar Sahu
10. Shri Ram Kripal Yadav

Rajya Sabha

11. Smt. Sarla Maheshwari
12. Shri N.R. Govindarajar
13. Shri K. Rama Mohana Rao
14. Shri Motiur Rahman

SECRETARIAT

1. Shri Raj Shekhar Sharma — *Deputy Secretary*
2. Shri K.L. Arora — *Under Secretary*
3. Shri D.R. Shekhar — *Assistant Director*

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

(i)	***	***	***
(ii)	***	***	***
(iii)	***	***	***
(iv)	***	***	***
(v)	Draft Report on Action Taken by Government on the Recommendations/Observations of the Committee contained in its Fifty-Seventh Report on "Working of Directorate of Advertising and Visual Publicity (DAVP)" relating Ministry of Information and Broadcasting.		
(vi)	***	***	***

3. The Committee also decided to undertake a weekend Study tour to Chandigarh and Amritsar on 17 and 18 December, 2004.

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

The Committee then adjourned.

APPENDIX II

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE FIFTY-SEVENTH REPORT (THIRTEENTH LOK SABHA)

[*Vide* Paragraph No. 5 of Introduction]

(i) Recommendations/Observations which have been accepted by the Government:
Paragraph Nos. 48, 49, 57, 58, 59, 60, 61, 62, 63, 64, 65 and 66

Total	12
Percentage	75%

(ii) Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government:
Paragraph Nos. 55 and 56

Total	2
Percentage	12.5%

(iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:
Paragraph Nos. 52 and 53

Total	2
Percentage	12.5%

(iv) Recommendations/Observations in respect of which replies are of interim nature:
Paragraph Nos. Nil

Total	Nil
Percentage	Nil