

FIFTY-SEVENTH REPORT

**STANDING COMMITTEE ON
INFORMATION TECHNOLOGY
(2003)**

(THIRTEENTH LOK SABHA)

**MINISTRY OF INFORMATION AND
BROADCASTING**

**WORKING OF DIRECTORATE OF
ADVERTISING AND VISUAL
PUBLICITY (DAVP)**

*Presented to Lok Sabha on 22.12.2003
Laid in Rajya Sabha on 23.12.2003*

LOK SABHA SECRETARIAT
NEW DELHI
December, 2003/Agrahayana, 1925 (Saka)

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COMPOSITION OF STANDING COMMITTEE
ON INFORMATION TECHNOLOGY
(2003)

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

@ 2. Vacant

3. Shri Pawan Kumar Bansal
4. Prof. Dukha Bhagat
5. Shri Ajay Singh Chautala
6. Shri P.D. Elangovan
7. Shri Rama Mohan Gadde
8. Shri Jarbom Gamlin
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29. Shri Arun Kumar
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38. Smt. Sarla Maheshwari
39. Shri K. Rama Mohana Rao
40. Shri Shahid Siddiqui
41. Ms. Lata Mangeshkar
42. Shri Rajeev Shukla
43. Shri Sanjay Nirupam
- %44. Vacant
45. Shri Mukhtar Abbas Naqui

SECRETARIAT

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

@Shri Yogi Aditya Nath ceased to be Member of the Committee w.e.f. 17 July, 2003.

*Vacancy caused *vice* appointment of Shri P.C. Thomas as Minister w.e.f. 24 May, 2003.

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

INTRODUCTION

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

2. The Committee took oral evidence of the representatives of the Ministry of Information & Broadcasting and Directorate of Advertising and Visual Publicity (DAVP) on 15 May, 2002 and 2 July, 2003. The Committee also took evidence of the representatives of Indian Newspapers Society (INS) and Indian Language Newspapers Association (ILNA) at its sitting held on 27 May, 2002.

3. In this Report, the Committee has emphasised on the need of sustained publicity of the policies, programmes and achievements of various Ministries/Departments and their Five Year Plans. However, the Committee finds that DAVP is starved of funds to effectively publicise Government programmes. The Committee has earnestly desired that sufficient funds should be allocated to DAVP according to its genuine needs. Further, in view of the phenomenal growth that has taken place in the circulation of newspapers, the Committee has viewed that criteria adopted for classification of newspapers in the year 1980 needs immediate revision.

4. The Report was considered and adopted by the Committee at its sitting held on 11 December, 2003.

5. The Committee expresses its thanks to the representatives of Ministry of Information & Broadcasting, Directorate of Advertising and Visual Publicity (DAVP), Indian Newspapers Society (INS) and Indian Language Newspapers Association (ILNA) for appearing before the Committee and for furnishing the information that the Committee desired in connection with the examination of the subject.

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

NEW DELHI;
18 December, 2003
27 Agrahayana, 1925 (Saka)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on
Information Technology.

REPORT

Working of Directorate of Advertising and Visual Publicity (DAVP)

Introductory

Directorate of Advertising and Visual Publicity (DAVP) is a multi-media advertising agency of the Government of India. It projects the policies and programmes of the various Ministries/Departments and the results achieved by them to the people through various forms of media namely newspaper advertisements, audio/video spots, jingles, Printed literature-booklets, Brochures, Posters, outdoor media-hoardings, wall paintings, bus-panels, kiosks etc. and also photo exhibitions on selected items in rural and semi-urban areas. Most of the Ministries/Departments of the Central Government, about 200 Public Sector Undertakings (PSUs) and autonomous bodies have been using the services of DAVP. DAVP has its Headquarter at New Delhi, two Regional Offices at Bangalore and Guwahati and 35 Field Exhibition Units in various parts of the country.

Working of DAVP

2. The Committee desired to know how far DAVP has been able to fulfil its objectives. In reply, the Ministry of I&B stated that DAVP has played a crucial role of reaching to the people in a cost-effective manner. DAVP's rates for print publicity, audio-visual productions, outdoor jobs and cost of putting up exhibitions have been much lower than the prevalent market rates. Further, DAVP provided a single window service for multi-media publicity.

3. To a specific query, the Ministry has stated that 80 percent of the total print advertisements handled by DAVP relate to tender advertisements, job advertisement etc. and the remaining 20 percent involves creative work. In order to give a creative input to the publicity campaigns, DAVP has empanelled private artists, photo banks etc. for conceptualising and designing advertisements. Ministry of I&B has three Units at the field level *viz.* DAVP's Exhibitions wings, Units of Song and Drama Division and Directorate of Field Publicity(DFP) Units, which interact with people and act as two-way communicators. These Units disseminate information on Government's policies to people and provide feedback to the Government from the people. In order to make these Units more effective and to provide for their functioning in a coordinated manner, the Ministry of Information and Broadcasting has decided to merge the Exhibition Wing of the DAVP with the DFP.

4. The Committee wanted to know the constraints, if any, being faced by DAVP in fulfilling its objectives. In reply, the Secretary, Ministry of I&B stated that DAVP has not been getting adequate funds to do sustained publicity and as a result its performance

has been somewhat ad-hoc. To a specific query as to what DAVP had so far done to make the people aware of the targets of the Tenth Five Year Plan as already more than six months had elapsed since the commencement of the Plan, the witness replied that “it is easier to get money for visible items like equipment or a building whereas it is extremely difficult if funds are asked for development communication. DVAP is meant for publicity but it has not been getting money for publicity of important items of the Plan.” It was further stated that Ministry of I&B has submitted to the Planning Commission, an estimate of DAVP’s requirements in that regard.

5. According to the Secretary, Ministry of I&B, DAVP was one of the important media units under the Ministry and was of the category of Prasar Bharati, Press Information Bureau(PIB) etc. which have been the most important media units. However, in DAVP, there has been no concept of sustained publicity. It depends on preferences of an incumbent officer at any particular point of time. Sustained publicity, particularly for important subject like literacy, health programmes or Five Year Plans etc., would definitely lead to behavioural change. Secretary, I & B stated that the Five Year Plans for general programmes of the Ministries should be a sustained one.

6. The Committee enquired whether the Tenth Five Year Plan document had been summarised and translated into Indian languages and whether the same had been published. The Secretary, Ministry of I & B in a reply stated that “the Ministry could have a planned scheme for sustained publicity of programmes like literacy, health programmes of a Plan, but then that has to be approved. It is easier to get money for a long period of time. It is much easier to get any hard item approved.” The witness was of the view that there is a need to propagate Government programmes and reforms as contained in Plan document to the people and the money required for that should be part of DAVP’s plan. The witness admitted that Ministry had also been very conservative assuming that since it would not get funds then there is no use of asking it. They definitely required money for software and this problem was being faced in most of the Ministries.

7. The Committee enquired that when DAVP’s mandate has been to inform the people of India about the policies, programmes and achievements of various Ministries/Departments of the Government of India and for the said purpose why funds had not been sought for. The Secretary, I&B stated that the DAVP’s activities depended on the availability of funds.

8. The Director, DAVP added that serious constraints were faced by DAVP due to shortage of staff. At present, DAVP has 167 vacant posts-11 in Group-A, 53 in Group-B, 81 in Group-C and 22 in Group-D. The witness stated that in response to the recommendation of Expenditure Reforms Commission (ERC) for downsizing the manpower, the Ministry of I&B decided to merge the Exhibition Wing of DAVP with Directorate of Field Publicity(DFP). As a result, some of the posts of DAVP had to be

transferred to DFP. According to an exercise done by DFP, DAVP would be able to surrender 127 posts, if merger takes place. But since merger has not taken place, vacancies could not be filled. Consequently, the field units had to be manned sometimes even by a lower division clerk, a projection assistant or an exhibition assistant, resulting in poor performance of the field units.

Recommendations of Expenditure Reforms Commission (ERC) on DAVP

9. The Committee desired to know the major recommendations of the Expenditure Reforms Commission (ERC). The Ministry of I&B replied that according to ERC, the principal activity of DAVP is the facilitation of centralised advertising for various Ministries. Distribution of advertisements is also seen as a matter of patronage. It has recommended that the activities like circulation of printed materials—posters, folders, booklets etc. which are produced by the DAVP for field exhibitions, including release of advertisements could be decentralised and left to the Ministries and the Ministry of I&B need to concern itself only with the fixation of rate contracts to be followed by various Ministries and releasing advertisements on a decentralised basis. At present, various Ministries are obliged to go through DAVP for release of advertisements by virtue of Allocation of Business Rules of Government of India. ERC has recommended that these Business Rules should be suitably amended deleting release of advertisements by various Ministries through DAVP.

10. With regard to the issue of DAVP extending patronage, the Ministry in a written note has stated that it cannot be said that DAVP extends patronage because it is the client Ministry which has a say in the selection of newspapers in which advertisements will have to be released. Further, empanelment of newspapers is also being done by a Committee. During evidence, the Secretary, I&B stated that most of the advertisement budget goes to routine advertisements like ‘tenders’ or ‘situation vacant’ etc. Wherever DAVP has any element of discretion, it tries to give advertisements to small and medium newspapers.

11. In respect of the other recommendations of ERC to decentralise the activities of DAVP, the Ministry in a written note has stated that if the work done by DAVP is dispersed to client Ministries/Departments, the latter would need more staff than that of DAVP’s present strength, thereby defeating the purpose of economy in the Government. Further, DAVP has been providing facilities at a single point and various inputs in different languages are made available. Further because of the bulk buying of newspaper space, DAVP rates are very competitive. DAVP’s advertisement rates are stated to be about 40 percent of the commercial rates. In answer to a query, Director, DAVP during evidence stated that DAVP as an advertising agency get 15 percent commission from the newspapers. So, on all the advertisements that they display, they get 15 percent commission, which they pass on to the Ministries/Departments. DAVP does not charge

the Ministries/Departments for the design work, which is totally free, though at market cost, it will be worth at least of Rs. One crore.

12. The Secretary, I&B supplemented that DAVP, over the years, has acquired lot of information on facts and has a lot of in-built expertise which other Ministries will have to build up with considerable expense, which will be also time-consuming.

13. The Committee enquired about the decision, if any, taken by the Ministry of I&B on the recommendations of ERC to amend Allocation of Business rules of the Government of India and delete reference to release of advertisements by various Ministries through DAVP. In reply, the Ministry stated that it was not inclined to amend the Rules to allow Ministries/Departments to advertise directly to newspapers, by-passing DAVP.

14. The Committee learnt that certain Ministries/Departments do not get the publicity work done through DAVP and instead publish their advertisements directly. In this context, the Committee desired to know the Government policy in this regard. The Secretary, Ministry of I & B stated that according to Government of India Allocation of Business Rules, production and release of all display advertisement of the Government of India through media and the Press, posters, folders, calendars, leaflets, slides etc. should be made through DAVP.

15. Clarifying the position, the Ministry in a written note has stated that the Committee of Secretaries in their meeting held on 19 February, 1991 decided that all Ministries/Departments and Government organisations should generally use the services of DAVP for their publicity requirements. However, for their creative advertisements, the Ministries would be free to draw their advertisements using specialised or other voluntary agencies but the work of release and distribution should be done by DAVP. Thus, as per the existing policy followed by the Ministry of I&B, Ministries/Departments have the option to select their own producers for special creative publicity programmes. However, placement of advertisements should be done through DAVP, particularly in view of the very competitive rates available, which would save considerable amount of expenses.

16. The Committee further desired to know the steps taken by the Ministry to stop the practice followed by some Ministries/Departments, of publishing their advertisements directly and not through DAVP and asked whether the Ministry has evolved any monitoring mechanism to check such instances or any agent has been appointed to ascertain which Ministries had been violating the Government rules. The Secretary, I&B stated that they had not appointed any agent and came across such instances only when the advertisements appeared in newspapers. He further clarified that no regular monitoring system existed in the Ministry. However, he added that the Ministry would examine as to how monitoring could be done.

Fixation of Advertisement Rates

17. The Committee desired to know the procedure for fixation of the rates of advertisements. The Secretary I&B stated that a Parliamentary Committee had recommended in 1975 that there should be unit rates fixed on cost-plus basis and that rates should be negotiated with individual newspapers, after considering factors like cost of the newsprint, processing charges and certain margin of profit and available subsidy. The rates were worked out per column centimetres and were also dependent on the circulation of a newspaper. A uniform formula has been applied, but a lot of subsidy is given to small newspapers. The amount of subsidy is reduced gradually as circulation goes up.

18. In a subsequent note, the Ministry of I&B further clarified the position stating that in 1975, Public Accounts Committee had recommended uniform rates for advertisements issued by DAVP. In 1976, Ministry of I & B constituted an Inter-Ministerial Advertisement Rate Structure Committee which fixed advertisement rates. Rates were revised from time to time on the basis of cost inputs. In 1991, Rate Structure Committee was constituted under Chief Advisor (Cost), MoF on the recommendations of Committee of Secretaries. Recommendations of the Committee became effective from 1 April, 1995. Another Committee was constituted in 1998 and rates were revised *w.e.f.* 1.4.1999. In September, 2001, a new Rate Structure Committee was constituted. The Report submitted by the Committee has become effective from 1 October, 2002. The Secretary, I&B stated in evidence that every time the advertisement rates were fixed, they had discussion with the various newspaper bodies and suggestions were sought on how the rates should be fixed, though they demanded the card rates.

19. The Committee desired to know about the parameters evolved by Rate Structure Committee constituted in September, 2001 to review the rate structure of DAVP. In reply, the Ministry stated that the Committee approached different State Governments to seek information about the advertisement rate structure being followed by them, held discussion with the Indian Newspapers Society (INS) and Indian Federation of Small and Medium Newspapers (IFSMN). A questionnaire was sent to 117 newspapers/periodicals covering various languages, regions, level of circulation etc. The Committee visited offices of 58 newspaper units situated in Delhi and other States and interacted with the different newspaper establishments across the country. The Committee also met the representatives of Indian Federation of Small and Medium Newspapers Society and discussed various important issues having bearing on the rate structure for Government advertisements.

20. On being asked, the Ministry stated that the Rate Structure Committee in its report basically took into consideration various parameters *viz.* newsprint cost, processing charges, profit margins, weightage for small and medium newspapers, pulling power weightage for 50,000 plus circulation, commission for display advertisements. The Committee recommended increase in rates ranging from 6 to 23 percent. Small and

medium newspapers would benefit more. Rates slabs have been reduced from 21 to 16. Advertisement space will be measured in square centimeters. Separate rates have been recommended for each print centre of multi-edition newspapers. Further rates revision would be on the basis of an escalation formula evolved by the Committee. The rate structure Committee had also recommended that PSUs and autonomous bodies should route their advertisements through DAVP.

21. The representatives of the Indian Newspapers Society(INS) while deposing before the Committee stated that many times Public Sector Undertakings(PSUs) advertised directly by-passing DAVP. However, even then, they insisted to make payment on DAVP approved rates. They pleaded that PSUs and other autonomous bodies should not be covered by DAVP rates. Asked in this context, the Ministry of I&B in a written reply has stated that PSUs and Autonomous Bodies publicise their activities and performance through print media by releasing advertisements. It is done to serve a public purpose, as the undertakings are accountable to the people. In view of this, there has been no rationale in releasing advertisements on commercial rates to newspapers by Public Sector Undertakings/Autonomous Bodies.

22. The Committee finds from the voluminous material placed before it that during 2000-01, the total insertions of the advertisements issued to small and medium newspapers were 22,249 (15.2%) and 65,724 (44.36%), total space covered was 12,18,677 column cms. (16.83%) and 29,88,082 column cms. (41.26%) and the total amount of advertisements was Rs.2,81,53,918 (3.18%) and Rs.1,31,72,9641 (17.83%) respectively, whereas big newspapers were issued 60,194 (40.63%) insertions with total space of 30,35,947 column cms. (41.92%) and total amount of advertisements was Rs.57,89,21,739 (78.36%). Similarly during 2001-02, the total insertions for small and medium newspapers were 31,308(20.18%) and 60,862 (39.23%), total space was 17,58,091 column cms.(21.03%) and 32,23,232 column cms. (38.55%) and the total amount was Rs.4,25,43,118 (4.80%) and Rs. 14,26,79,346 (16.10%) respectively. On the other hand, big newspapers were issued 62,978 (40.59%) insertions with total space of 3379201 (40.42%) at the cost of Rs.70,10,33,912 (79.10%). During 2002-03, the amount of advertisement issued for small, medium and big newspapers was 7.39 percent, 19.35 percent and 73.27 percent respectively.

23. It will be seen from above that the amount spent on advertisements issued to small and medium newspapers was merely 3.81 percent of the total spending on advertisements by the DAVP. The medium newspaper got advertisements worth 17.83 percent of the total spending in the year 2000-2001. In 2001-2002, the share of small newspapers rose to 4.8 percent and of medium newspapers came down to 16.1 percent. During 2002-2003, the small newspapers' share

was

7.39 percent and that of medium newspapers 19.35 percent. On the other hand, the share of big newspapers has been at 78.36 percent, 79.10 percent and 73.27 percent during the year 2000-2001, 2001-2002 and 2002-2003 respectively. Same is the case with regard to total insertion of advertisements' of the total space covered in column centimeters.

24. The Committee wanted to know the steps taken by the Ministry to encourage the small and medium newspapers in pursuance of the Advertisement Policy of the Government for empanelment of newspapers with DAVP. In reply, the Secretary, Ministry of I & B stated that they had tried to help them. The subsidy is about 5-6 times the cost plus formula. In this way DAVP had reportedly tried to give more money to small and medium newspapers.

25. A representative of the Indian Language Newspapers Association(ILNA) brought it to the notice of the Committee during evidence that a full page advertisement on acquisition of a small plot of land in Tamil Nadu had appeared in English news paper from Chennai. It was published in New Delhi edition of the newspaper as well as in several editions of that paper and that it was of no use to publicise that advertisement all over India. The witness impressed that such advertisements should normally appear in the newspapers servicing that area only.

26. In this context, the Committee understands that in a case decided in early seventies the Supreme Court had observed that all land acquisition advertisements should be advertised only in local language newspapers. On being asked about who had released the advertisement, it was stated that the advertisement had been released by the road building department run by the Government of India.

27. Asked how 79 percent of the advertisement money had gone to big newspapers, the Director DAVP stated that it had been so because their rates were very high as also their circulation. The rates depended upon the circulation. The Committee, then, wanted to know the criteria adopted by DAVP for classification of newspapers. In reply, the witness stated that classification of newspapers had been done on the basis of their circulation. Small newspaper is one which has a circulation of minimum 25,000 copies, medium newspaper, which has circulation of a minimum of 50,000 and the big newspaper, which has a circulation of 75,000 copies or more.

28. The Committee enquired as to when the definition of small, medium and big newspapers was last revised. To this, the witness informed that definition for categorisation of small, medium and big newspaper had been last revised in the year 1980.

29. The representatives of various Newspaper associations who deposed before the Committee suggested that classification of newspapers should be

done not only on the basis of circulation but also on the basis of revenue. They contended that there was a time when the language newspapers with great difficulties could touch circulation figure of one lakh copies, but now this figure is not difficult for them to reach. However, it would not be correct to compare them with big newspapers like Times of India etc. Revenue of such newspapers cannot be compared with the revenue earned by big newspapers like Times of India. There is, therefore, an earnest need to reclassify the newspapers.

Targets and achievements

30. Physical targets and achievements of various activities of DAVP during the last two years have been as under:—

Year 2002-03

Category	Target	Achievement
Advertisements	16450	18397
Printed Publicity	208	188
Outdoor Publicity	300	370
Audio Visual Publicity	5500	5347
Exhibitions	450	497

Year 2001-02

Category	Target	Achievement
Advertisements	21500	17787
Printed Publicity	209	198
Outdoor Publicity	300	288
Audio Visual Publicity	5600	5603
Exhibitions	450	329

31. It would be seen that during 2001-02, physical targets for exhibitions and advertisements were kept at 450 and 21,500; whereas the achievements remained 329 and 17,787 respectively. When asked about the reasons for shortfalls in physical targets, Director DAVP stated that in respect of financial targets, there was no shortfall. As regards the reasons for major shortfalls in respect of exhibitions, the witness replied that though only 329 exhibitions has been held, the entire funds however were exhausted.

32. The Committee, then, pointed out that utilisation of the financial allocations and non-fulfilment of the physical targets clearly indicated mismatch between the physical and financial targets and desired to know the reasons for the same. To this Secretary, Ministry of I&B admitted in evidence that generally it would be true, but in case of publicity, the measurement of output would be little difficult. In such cases, the clients often say that they want an addition here and there. For exhibitions especially, it would not be easy to quantify as to how much money would be spent. He further added that if one were to go by the fixed budget, the quality would have gone down. Clarifying the position, the Director, DAVP stated in evidence that because of technological improvements, costs have increased.

33. The Committee drew attention of the witness to the targets fixed by DAVP for the year 2002-03 for outdoor publicity, printed publicity, exhibitions, audio-visual publicity and advertisements which were 300, 208, 450, 5500 and 16450 respectively and were at the same level or even lesser than the targets laid for 2001-02. Target for the year 2002-03 for advertisements was reduced to 16450 against which achievement was 18397. The Committee desired to know as to how the targets were worked out and what planning process was involved in it when the targets had been kept at the same level or even lower than the previous year. To this, Secretary, I&B stated in evidence that he would look into it.

34. Apprehending lacunae in the planning publicity, the Committee desired to know whether the difference between what have been the estimates and what was actually done throughout the year, had been planned in advance. To this, Director, DAVP stated that developing an exhibition has been more expensive than putting up an exhibition. She, further clarified that during the previous year, on the occasion of Women Empowerment Year, new exhibitions were developed and that cost more money.

35. The Committee pointed out that in a country like India where there is a huge diversity and also keeping in view its objectives to make the people aware of their rights, duties and obligations, whether DAVP has done any study or planning before fixing the targets, the witness replied that DAVP would do the same.

36. The Committee further wanted to know the priorities of DAVP. The Secretary, I&B replied that Allocation of Business Rules mentioned only about advertisements. DAVP had been doing various activities related to print media advertisements. But audio-visual publicity now-a-days have been very important because the attention span of people is very short. He further added that DAVP could play a role externalising messages by doing audio-visual publicity effectively.

37. On being asked, Secretary, Ministry of I&B supplemented that during 2001-02, the total expenditure on audio-video publicity was Rs. 25.34 crore. Therefore, they had a very marginal amount on this account.

38. To a similar query regarding criteria followed by DAVP for selection of subjects for exhibitions, audio-video, publicity, outdoor media such as hoardings, wall-paintings, bus-panels, kiosks etc., Secretary, Ministry of I&B stated that they do not have any system of advanced planning, though before the financial year, they do undertake an exercise on topics that they have to cover. Largely, it depends on topicality at a particular point of time. The Director, DAVP supplemented that process of selection of subjects has been in two parts. The first relate to the client Ministries where they give them the money. The other one has to be decided in the Ministry of Information and Broadcasting. As far as Ministry of I&B is concerned, mandatory work has to be done basically by DAVP like UPSC advertisements, CRPF recruitment advertisements etc. After doing that, a very little money is left to do anything like Solidarity Day advertisement etc.

39. To another specific query regarding places where the exhibitions have been held, the witness replied that they have not been putting exhibitions in towns but in rural areas, border areas and semi-urban areas.

40. The Study Group of the Standing Committee on Information Technology visited Srinagar during June, 2003 and held a meeting with the public representatives to know their views on functioning of telecom, postal, AIR and Doordarshan in the State. It was brought to the notice of the Committee that the local newspapers of Jammu and Kashmir were not getting the DAVP advertisements. The Committee enquired about the reasons for it. In reply, the Director, DAVP assured the Committee that she would look into the matter.

41. The representatives of the Indian Newspapers Society(INS) and Indian Language Newspapers Association (ILNA) represented to the Committee in evidence that the Newspapers have been accepting advertisements not only at uneconomical rates from the DAVP, but sometimes they had to wait for several years to receive payments. At times, payments were not made for such a long time that it became difficult for newspapers to remind the Ministry for want of sufficient proof *viz.* the publication cuttings etc. DAVP had to pay several crores of Rupees to newspapers as arrears. Some of the arrears related to even more than a decade. In this context, the Committee asked the reasons for abnormal delay in payment of dues to various newspapers for the advertisement issued to them. Ministry of I&B stated in reply that as per policy effective from February, 2001, DAVP was required to make payment within 90 days of receipt of bills. This period has been reduced to 60 days in revised policy effective from May, 2002. As per policy, the newspapers are now required to submit bills within 30 days of an advertisement. Two types of bills are stated to be pending for payment *viz.* bills not received in time and bills for which no money is available with DAVP for payment.

42. With reference to bills not received in time, it has been stated that many newspapers take a stand that they submitted bills but have not received payment. In order to sort out the issue, an advertisement was issued by DAVP on 24 February, 2001 giving last opportunity to newspapers to submit all bills relating to the years 1991-96. In

response, about 7225 bills were received and payment amounting to Rs. 87.58 lakhs was cleared. Another advertisement was issued on 11 January, 2002 asking newspapers to deposit left out bills for advertisements published after March, 1996 by 12 March, 2002. Computerised receipts were given in token of receipt of bills. In response to second advertisement, 17225 bills were received and payment for Rs. 3.00 crores was made.

43. As regards payment of bills for which funds are not available with DAVP, it has been stated that many Ministries/Departments promised to make payments and asked DAVP to release advertisements on that commitment, but later they did not pay in time. This amount stood at Rs. 5.18 crores as on 31 March, 2002. However, at a subsequent meeting, Director DAVP stated that bills for only Rs. 10 lakhs were pending as on 31 March, 2003.

44. The Committee wanted to know whether DAVP had taken any step to improve the payment procedure. The Director, DAVP stated in evidence that cheques have been issued to the newspapers. However, in consultation with the Reserve Bank of India, DAVP has been trying electronic fund transfer system so that the payment of bills could be much faster. The money would go directly to the account of the person concerned. So, the delay in payment of bills would be avoided. Thereafter, empanelment of newspapers and advertisements bills of newspapers would be on their website and anybody would be able to see the details. Some newspapers keep on asking about their payment of bills. Now the payment position would be available on website.

Advertisements in Periodicals

45. A representative of a periodical group who appeared before the Committee stated in evidence that DAVP had been discriminating against the periodicals. About 98 percent of the classified advertisements had not been coming to the periodicals at all and that only two percent of the display advertisements were issued to both—the newspapers and the periodicals. It has been clarified that there have been a number of periodicals, whose circulation and reach has been almost similar to that of the daily newspapers.

46. The witness further added that there are classified advertisements, tender notices in which details have been given and the payment has to be made after three months. Further, some advertisements of educative nature like ‘pay your income tax’, ‘hold your head high’, ‘quote your PAN’, ‘deposit income-tax’, ‘invest in post office monthly income scheme’, ‘national saving organisations etc.’ which could go to periodicals have not gone to them at all. The periodicals have been getting only two percent of the display advertisements.

47. Asked in this context, the Ministry of I&B in a written note furnished to the Committee has stated that DAVP’s advertisements fall into two categories. One is Display advertisements and second is other than display which include recruitment advertisements of UPSC, Staff Selection Commission (SSC), tenders, admission notice, results etc. The advertisements that fall into the second category because of their nature

are given to dailies. Periodicals come to market at least a week in advance of their scheduled date. If advertisements have to be published in the periodicals, they should be released at least 15 days in advance. Out of the display advertisements, some are day specific *e.g.* last date of filing I.T. Return or like last day to file Income Tax extended by a week. These have necessarily to go to dailies. Most of the Departments issuing advertisements do indicate list of newspapers they wish to use and periodicals rarely figure in that list. DAVP finalises list in consultation with the clients. It has been added that as far as possible the interests of periodicals are kept in mind. Out of 2082 newspapers on panel of DAVP during 1 April, 2001 to 31 March, 2002, 908 were other than dailies. They have been issued 12.22 percent of advertisement in rupee terms.

48. 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.

49. 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 estimate 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 of funds so as to meet the genuine needs of DAVP.

50. The Committee desires that the entire publicity at the national level for various media units under 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.

51. The Committee notes that the Expenditure Reforms Commission (ERC) has recommended that certain activities of DAVP such as production of printed materials—posters, folders, booklets etc. for field exhibitions, including release of advertisements could be decentralised and left to the Ministries. However, the Ministry of I&B has a different perception in this regard. According to the Ministry, if the work being done by DAVP is dispersed to client Ministries/Departments, the latter would need to create much more staff than DAVP's present strength, thereby defeating the very purpose of economy in the Government. Further DAVP, over the years has acquired a lot of information and in-built expertise relating to advertising which other Ministries will have to build all over again.

52. The Committee is further informed that DAVP has been providing the facilities at a single point and various inputs in different languages have been made available. Because of bulk buying, DAVP rates are very competitive. DAVP's advertisement rates are about 40 percent lower than the commercial rates. DAVP, as an advertising agency, gets 15 percent commission from the newspapers on all advertisements which it passes on to the concerned Ministries/Departments. DAVP has not been charging anything for the designing work. Considering the numerous benefits by advertising through DAVP, the Committee is of the opinion that DAVP should continue with its activities of producing printed materials—posters, folders, booklets etc. for field exhibitions, including release of advertisements.

53. The Committee learnt that Expenditure Reforms Commission (ERC) has also recommended that Allocation of Business Rules of 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 a 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 releases 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.

54. The Committee is apprised by the Indian Newspapers Society (INS) that Public Sector Undertakings (PSUs) sometimes have been advertising directly and not through DAVP. In such cases also, they insist upon paying on the basis of DAVP approved rates.

The witnesses desired that PSUs and other autonomous bodies should not be covered by DAVP rates. As per the statement furnished by Ministry of I&B, PSUs and Autonomous Bodies have been publicising their activities and performance through print media by releasing advertisements. They have been serving a public purpose, as the undertakings are accountable to the people and owned by the public. Moreover, under the Allocation of Business Rules they are supposed to advertise through DAVP only. Therefore, there is no rationale in releasing advertisements on commercial rates to newspapers by Public Sector Undertakings/Autonomous Bodies.

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 years 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.

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 percent of the total amount of advertisement was given to the small newspapers, 19.35 percent to the medium newspapers and 73.27 percent 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.

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.

58. 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 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 that criteria for classification of newspapers needs immediate revision.

59. The existing classification 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.

60. 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 2329 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 newspaper 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 utilisation 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 organisation like DAVP which claims to have gained expertise over the years in publicity.

61. 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 various activities of the DAVP in 2002-2003. It would like to be apprised of the reasons for this stagnation.

62. The Committee notes that DAVP has 35 field 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.

63. The Committee would like to know whether DAVP has ever sought the help of voluntary organisations 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 organisations engaged in various activities for the upliftment of masses, spread of literacy, environment and health besides eradication of social evils. Their involvement and active associations will be of great help in achieving the desirable results.

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.

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.

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.

REPORT

Working of Directorate of Advertising and Visual Publicity (DAVP)

Introductory

Directorate of Advertising and Visual Publicity (DAVP) is a multi-media advertising agency of the Government of India. It projects the policies and programmes of the various Ministries/Departments and the results achieved by them to the people through various forms of media namely newspaper advertisements, audio/video spots, jingles, Printed literature-booklets, Brochures, Posters, outdoor media-hoardings, wall paintings, bus-panels, kiosks etc. and also photo exhibitions on selected items in rural and semi-urban areas. Most of the Ministries/Departments of the Central Government, about 200 Public Sector Undertakings (PSUs) and autonomous bodies have been using the services of DAVP. DAVP has its Headquarter at New Delhi, two Regional Offices at Bangalore and Guwahati and 35 Field Exhibition Units in various parts of the country.

Working of DAVP

2. The Committee desired to know how far DAVP has been able to fulfil its objectives. In reply, the Ministry of I&B stated that DAVP has played a crucial role of reaching to the people in a cost-effective manner. DAVP's rates for print publicity, audio-visual productions, outdoor jobs and cost of putting up exhibitions have been much lower than the prevalent market rates. Further, DAVP provided a single window service for multi-media publicity.

3. To a specific query, the Ministry has stated that 80 percent of the total print advertisements handled by DAVP relate to tender advertisements, job advertisement etc. and the remaining 20 percent involves creative work. In order to give a creative input to the publicity campaigns, DAVP has empanelled private artists, photo banks etc. for conceptualising and designing advertisements. Ministry of I&B has three Units at the field level viz. DAVP's Exhibitions wings, Units of Song and Drama Division and Directorate of Field Publicity(DFP) Units, which interact with people and act as two-way communicators. These Units disseminate information on Government's policies to people and provide feedback to the Government from the people. In order to make these Units more effective and to provide for their functioning in a coordinated manner, the Ministry of Information and Broadcasting has decided to merge the Exhibition Wing of the DAVP with the DFP.

4. The Committee wanted to know the constraints, if any, being faced by DAVP in fulfilling its objectives. In reply, the Secretary, Ministry of I&B stated that DAVP has

not been getting adequate funds to do sustained publicity and as a result its performance has been somewhat ad-hoc. To a specific query as to what DAVP had so far done to make the people aware of the targets of the Tenth Five Year Plan as already more than six months had elapsed since the commencement of the Plan, the witness replied that “it is easier to get money for visible items like equipment or a building whereas it is extremely difficult if funds are asked for development communication. DVAP is meant for publicity but it has not been getting money for publicity of important items of the Plan.” It was further stated that Ministry of I&B has submitted to the Planning Commission, an estimate of DAVP’s requirements in that regard.

5. According to the Secretary, Ministry of I&B, DAVP was one of the important media units under the Ministry and was of the category of Prasar Bharati, Press Information Bureau(PIB) etc. which have been the most important media units. However, in DAVP, there has been no concept of sustained publicity. It depends on preferences of an incumbent officer at any particular point of time. Sustained publicity, particularly for important subject like literacy, health programmes or Five Year Plans etc., would definitely lead to behavioural change. Secretary, I & B stated that the Five Year Plans for general programmes of the Ministries should be a sustained one.

6. The Committee enquired whether the Tenth Five Year Plan document had been summarised and translated into Indian languages and whether the same had been published. The Secretary, Ministry of I & B in a reply stated that “the Ministry could have a planned scheme for sustained publicity of programmes like literacy, health programmes of a Plan, but then that has to be approved. It is easier to get money for a long period of time. It is much easier to get any hard item approved.” The witness was of the view that there is a need to propagate Government programmes and reforms as contained in Plan document to the people and the money required for that should be part of DAVP’s plan. The witness admitted that Ministry had also been very conservative assuming that since it would not get funds then there is no use of asking it. They definitely required money for software and this problem was being faced in most of the Ministries.

7. The Committee enquired that when DAVP’s mandate has been to inform the people of India about the policies, programmes and achievements of various Ministries/Departments of the Government of India and for the said purpose why funds had not been sought for. The Secretary, I&B stated that the DAVP’s activities depended on the availability of funds.

8. The Director, DAVP added that serious constraints were faced by DAVP due to shortage of staff. At present, DAVP has 167 vacant posts-11 in Group-A, 53 in Group-B, 81 in Group-C and 22 in Group-D. The witness stated that in response to the recommendation of Expenditure Reforms Commission (ERC) for downsizing the manpower, the Ministry of I&B decided to merge the Exhibition Wing of DAVP with

Directorate of Field Publicity(DFP). As a result, some of the posts of DAVP had to be transferred to DFP. According to an exercise done by DFP, DAVP would be able to surrender 127 posts, if merger takes place. But since merger has not taken place, vacancies could not be filled. Consequently, the field units had to be manned sometimes even by a lower division clerk, a projection assistant or an exhibition assistant, resulting in poor performance of the field units.

Recommendations of Expenditure Reforms Commission (ERC) on DAVP

9. The Committee desired to know the major recommendations of the Expenditure Reforms Commission (ERC). The Ministry of I&B replied that according to ERC, the principal activity of DAVP is the facilitation of centralised advertising for various Ministries. Distribution of advertisements is also seen as a matter of patronage. It has recommended that the activities like circulation of printed materials—posters, folders, booklets etc. which are produced by the DAVP for field exhibitions, including release of advertisements could be decentralised and left to the Ministries and the Ministry of I&B need to concern itself only with the fixation of rate contracts to be followed by various Ministries and releasing advertisements on a decentralised basis. At present, various Ministries are obliged to go through DAVP for release of advertisements by virtue of Allocation of Business Rules of Government of India. ERC has recommended that these Business Rules should be suitably amended deleting release of advertisements by various Ministries through DAVP.

10. With regard to the issue of DAVP extending patronage, the Ministry in a written note has stated that it cannot be said that DAVP extends patronage because it is the client Ministry which has a say in the selection of newspapers in which advertisements will have to be released. Further, empanelment of newspapers is also being done by a Committee. During evidence, the Secretary, I&B stated that most of the advertisement budget goes to routine advertisements like ‘tenders’ or ‘situation vacant’ etc. Wherever DAVP has any element of discretion, it tries to give advertisements to small and medium newspapers.

11. In respect of the other recommendations of ERC to decentralise the activities of DAVP, the Ministry in a written note has stated that if the work done by DAVP is dispersed to client Ministries/Departments, the latter would need more staff than that of DAVP’s present strength, thereby defeating the purpose of economy in the Government. Further, DAVP has been providing facilities at a single point and various inputs in different languages are made available. Further because of the bulk buying of newspaper space, DAVP rates are very competitive. DAVP’s advertisement rates are stated to be about 40 percent of the commercial rates. In answer to a query, Director, DAVP during evidence stated that DAVP as an advertising agency get 15 percent commission from the newspapers. So, on all the advertisements that they display, they get 15 percent

commission, which they pass on to the Ministries/Departments. DAVP does not charge the Ministries/Departments for the design work, which is totally free, though at market cost, it will be worth at least of Rs. One crore.

12. The Secretary, I&B supplemented that DAVP, over the years, has acquired lot of information on facts and has a lot of in-built expertise which other Ministries will have to build up with considerable expense, which will be also time-consuming.

13. The Committee enquired about the decision, if any, taken by the Ministry of I&B on the recommendations of ERC to amend Allocation of Business rules of the Government of India and delete reference to release of advertisements by various Ministries through DAVP. In reply, the Ministry stated that it was not inclined to amend the Rules to allow Ministries/Departments to advertise directly to newspapers, by-passing DAVP.

14. The Committee learnt that certain Ministries/Departments do not get the publicity work done through DAVP and instead publish their advertisements directly. In this context, the Committee desired to know the Government policy in this regard. The Secretary, Ministry of I & B stated that according to Government of India Allocation of Business Rules, production and release of all display advertisement of the Government of India through media and the Press, posters, folders, calendars, leaflets, slides etc. should be made through DAVP.

15. Clarifying the position , the Ministry in a written note has stated that the Committee of Secretaries in their meeting held on 19 February, 1991 decided that all Ministries/Departments and Government organisations should generally use the services of DAVP for their publicity requirements. However, for their creative advertisements, the Ministries would be free to draw their advertisements using specialised or other voluntary agencies but the work of release and distribution should be done by DAVP. Thus, as per the existing policy followed by the Ministry of I&B, Ministries/Departments have the option to select their own producers for special creative publicity programmes. However, placement of advertisements should be done through DAVP, particularly in view of the very competitive rates available, which would save considerable amount of expenses.

16. The Committee further desired to know the steps taken by the Ministry to stop the practice followed by some Ministries/Departments, of publishing their advertisements directly and not through DAVP and asked whether the Ministry has evolved any monitoring mechanism to check such instances or any agent has been appointed to ascertain which Ministries had been violating the Government rules. The Secretary, I&B stated that they had not appointed any agent and came across such instances only when the advertisements appeared in newspapers. He further clarified that no regular

monitoring system existed in the Ministry. However, he added that the Ministry would examine as to how monitoring could be done.

Fixation of Advertisement Rates

17. The Committee desired to know the procedure for fixation of the rates of advertisements. The Secretary I&B stated that a Parliamentary Committee had recommended in 1975 that there should be unit rates fixed on cost-plus basis and that rates should be negotiated with individual newspapers, after considering factors like cost of the newsprint, processing charges and certain margin of profit and available subsidy. The rates were worked out per column centimetres and were also dependent on the circulation of a newspaper. A uniform formula has been applied, but a lot of subsidy is given to small newspapers. The amount of subsidy is reduced gradually as circulation goes up.

18. In a subsequent note, the Ministry of I&B further clarified the position stating that in 1975, Public Accounts Committee had recommended uniform rates for advertisements issued by DAVP. In 1976, Ministry of I & B constituted an Inter-Ministerial Advertisement Rate Structure Committee which fixed advertisement rates. Rates were revised from time to time on the basis of cost inputs. In 1991, Rate Structure Committee was constituted under Chief Advisor (Cost), MoF on the recommendations of Committee of Secretaries. Recommendations of the Committee became effective from 1 April, 1995. Another Committee was constituted in 1998 and rates were revised *w.e.f.* 1.4.1999. In September, 2001, a new Rate Structure Committee was constituted. The Report submitted by the Committee has become effective from 1 October, 2002. The Secretary, I&B stated in evidence that every time the advertisement rates were fixed, they had discussion with the various newspaper bodies and suggestions were sought on how the rates should be fixed, though they demanded the card rates.

19. The Committee desired to know about the parameters evolved by Rate Structure Committee constituted in September, 2001 to review the rate structure of DAVP. In reply, the Ministry stated that the Committee approached different State Governments to seek information about the advertisement rate structure being followed by them, held discussion with the Indian Newspapers Society (INS) and Indian Federation of Small and Medium Newspapers (IFSMN). A questionnaire was sent to 117 newspapers/periodicals covering various languages, regions, level of circulation etc. The Committee visited offices of 58 newspaper units situated in Delhi and other States and interacted with the different newspaper establishments across the country. The Committee also met the representatives of Indian Federation of Small and Medium Newspapers Society and discussed various important issues having bearing on the rate structure for Government advertisements.

20. On being asked, the Ministry stated that the Rate Structure Committee in its report basically took into consideration various parameters *viz.* newsprint cost, processing

charges, profit margins, weightage for small and medium newspapers, pulling power weightage for 50,000 plus circulation, commission for display advertisements. The Committee recommended increase in rates ranging from 6 to 23 percent. Small and medium newspapers would benefit more. Rates slabs have been reduced from 21 to 16. Advertisement space will be measured in square centimeters. Separate rates have been recommended for each print centre of multi-edition newspapers. Further rates revision would be on the basis of an escalation formula evolved by the Committee. The rate structure Committee had also recommended that PSUs and autonomous bodies should route their advertisements through DAVP.

21. The representatives of the Indian Newspapers Society(INS) while deposing before the Committee stated that many times Public Sector Undertakings(PSUs) advertised directly by-passing DAVP. However, even then, they insisted to make payment on DAVP approved rates. They pleaded that PSUs and other autonomous bodies should not be covered by DAVP rates. Asked in this context, the Ministry of I&B in a written reply has stated that PSUs and Autonomous Bodies publicise their activities and performance through print media by releasing advertisements. It is done to serve a public purpose, as the undertakings are accountable to the people. In view of this, there has been no rationale in releasing advertisements on commercial rates to newspapers by Public Sector Undertakings/Autonomous Bodies.

22. The Committee finds from the voluminous material placed before it that during 2000-01, the total insertions of the advertisements issued to small and medium newspapers were 22,249 (15.2%) and 65,724 (44.36%), total space covered was 12,18,677 column cms. (16.83%) and 29,88,082 column cms. (41.26%) and the total amount of advertisements was Rs.2,81,53,918 (3.18%) and Rs.1,31,72,9641 (17.83%) respectively, whereas big newspapers were issued 60,194 (40.63%) insertions with total space of 30,35,947 column cms. (41.92%) and total amount of advertisements was Rs.57,89,21,739 (78.36%). Similarly during 2001-02, the total insertions for small and medium newspapers were 31,308(20.18%) and 60,862 (39.23%), total space was 17,58,091 column cms.(21.03%) and 32,23,232 column cms. (38.55%) and the total amount was Rs.4,25,43,118 (4.80%) and Rs. 14,26,79,346 (16.10%) respectively. On the other hand, big newspapers were issued 62,978 (40.59%) insertions with total space of 3379201 (40.42%) at the cost of Rs.70,10,33,912 (79.10%). During 2002-03, the amount of advertisement issued for small, medium and big newspapers was 7.39 percent, 19.35 percent and 73.27 percent respectively.

23. It will be seen from above that the amount spent on advertisements issued to small and medium newspapers was merely 3.81 percent of the total spending on advertisements by the DAVP. The medium

newspaper got advertisements worth 17.83 percent of the total spending in the year 2000-2001. In 2001-2002, the share of small newspapers rose to 4.8 percent and of medium newspapers came down to 16.1 percent. During 2002-2003, the small newspapers' share was

7.39 percent and that of medium newspapers 19.35 percent. On the other hand, the share of big newspapers has been at 78.36 percent, 79.10 percent and 73.27 percent during the year 2000-2001, 2001-2002 and 2002-2003 respectively. Same is the case with regard to total insertion of advertisements' of the total space covered in column centimeters.

24. The Committee wanted to know the steps taken by the Ministry to encourage the small and medium newspapers in pursuance of the Advertisement Policy of the Government for empanelment of newspapers with DAVP. In reply, the Secretary, Ministry of I & B stated that they had tried to help them. The subsidy is about 5-6 times the cost plus formula. In this way DAVP had reportedly tried to give more money to small and medium newspapers.

25. A representative of the Indian Language Newspapers Association(ILNA) brought it to the notice of the Committee during evidence that a full page advertisement on acquisition of a small plot of land in Tamil Nadu had appeared in English news paper from Chennai. It was published in New Delhi edition of the newspaper as well as in several editions of that paper and that it was of no use to publicise that advertisement all over India. The witness impressed that such advertisements should normally appear in the newspapers servicing that area only.

26. In this context, the Committee understands that in a case decided in early seventies the Supreme Court had observed that all land acquisition advertisements should be advertised only in local language newspapers. On being asked about who had released the advertisement, it was stated that the advertisement had been released by the road building department run by the Government of India.

27. Asked how 79 percent of the advertisement money had gone to big newspapers, the Director DAVP stated that it had been so because their rates were very high as also their circulation. The rates depended upon the circulation. The Committee, then, wanted to know the criteria adopted by DAVP for classification of newspapers. In reply, the witness stated that classification of newspapers had been done on the basis of their circulation. Small newspaper is one which has a circulation of minimum 25,000 copies, medium newspaper, which has circulation of a minimum of 50,000 and the big newspaper, which has a circulation of 75,000 copies or more.

28. The Committee enquired as to when the definition of small, medium and big newspapers was last revised. To this, the witness informed that definition for categorisation of small, medium and big newspaper had been last revised in the year 1980.

29. The representatives of various Newspaper associations who deposed before the Committee suggested that classification of newspapers should be done not only on the basis of circulation but also on the basis of revenue. They contended that there was a time when the language newspapers with great difficulties could touch circulation figure of one lakh copies, but now this figure is not difficult for them to reach. However, it would not be correct to compare them with big newspapers like Times of India etc. Revenue of such newspapers cannot be compared with the revenue earned by big newspapers like Times of India. There is, therefore, an earnest need to reclassify the newspapers.

Targets and achievements

30. Physical targets and achievements of various activities of DAVP during the last two years have been as under:—

Year 2002-03

Category	Target	Achievement
Advertisements	16450	18397
Printed Publicity	208	188
Outdoor Publicity	300	370
Audio Visual Publicity	5500	5347
Exhibitions	450	497

Year 2001-02

Category	Target	Achievement
Advertisements	21500	17787
Printed Publicity	209	198
Outdoor Publicity	300	288
Audio Visual Publicity	5600	5603
Exhibitions	450	329

31. It would be seen that during 2001-02, physical targets for exhibitions and advertisements were kept at 450 and 21,500; whereas the achievements remained 329 and 17,787 respectively. When asked about the reasons for shortfalls in physical targets, Director DAVP stated that in respect of financial targets, there was no shortfall. As

regards the reasons for major shortfalls in respect of exhibitions, the witness replied that though only 329 exhibitions has been held, the entire funds however were exhausted.

32. The Committee, then, pointed out that utilisation of the financial allocations and non-fulfilment of the physical targets clearly indicated mismatch between the physical and financial targets and desired to know the reasons for the same. To this Secretary, Ministry of I&B admitted in evidence that generally it would be true, but in case of publicity, the measurement of output would be little difficult. In such cases, the clients often say that they want an addition here and there. For exhibitions especially, it would not be easy to quantify as to how much money would be spent. He further added that if one were to go by the fixed budget, the quality would have gone down. Clarifying the position, the Director, DAVP stated in evidence that because of technological improvements, costs have increased.

33. The Committee drew attention of the witness to the targets fixed by DAVP for the year 2002-03 for outdoor publicity, printed publicity, exhibitions, audio-visual publicity and advertisements which were 300, 208, 450, 5500 and 16450 respectively and were at the same level or even lesser than the targets laid for 2001-02. Target for the year 2002-03 for advertisements was reduced to 16450 against which achievement was 18397. The Committee desired to know as to how the targets were worked out and what planning process was involved in it when the targets had been kept at the same level or even lower than the previous year. To this, Secretary, I&B stated in evidence that he would look into it.

34. Apprehending lacunae in the planning publicity, the Committee desired to know whether the difference between what have been the estimates and what was actually done throughout the year, had been planned in advance. To this, Director, DAVP stated that developing an exhibition has been more expensive than putting up an exhibition. She, further clarified that during the previous year, on the occasion of Women Empowerment Year, new exhibitions were developed and that cost more money.

35. The Committee pointed out that in a country like India where there is a huge diversity and also keeping in view its objectives to make the people aware of their rights, duties and obligations, whether DAVP has done any study or planning before fixing the targets, the witness replied that DAVP would do the same.

36. The Committee further wanted to know the priorities of DAVP. The Secretary, I&B replied that Allocation of Business Rules mentioned only about advertisements. DAVP had been doing various activities related to print media advertisements. But audio-visual publicity now-a-days have been very important because the attention span of people is very short. He further added that DAVP could play a role externalising messages by doing audio-visual publicity effectively.

37. On being asked, Secretary, Ministry of I&B supplemented that during 2001-02, the total expenditure on audio-video publicity was Rs. 25.34 crore. Therefore, they had a very marginal amount on this account.

38. To a similar query regarding criteria followed by DAVP for selection of subjects for exhibitions, audio-video, publicity, outdoor media such as hoardings, wall-paintings, bus-panels, kiosks etc., Secretary, Ministry of I&B stated that they do not have any system of advanced planning, though before the financial year, they do undertake an exercise on topics that they have to cover. Largely, it depends on topicality at a particular point of time. The Director, DAVP supplemented that process of selection of subjects has been in two parts. The first relate to the client Ministries where they give them the money. The other one has to be decided in the Ministry of Information and Broadcasting. As far as Ministry of I&B is concerned, mandatory work has to be done basically by DAVP like UPSC advertisements, CRPF recruitment advertisements etc. After doing that, a very little money is left to do anything like Solidarity Day advertisement etc.

39. To another specific query regarding places where the exhibitions have been held, the witness replied that they have not been putting exhibitions in towns but in rural areas, border areas and semi-urban areas.

40. The Study Group of the Standing Committee on Information Technology visited Srinagar during June, 2003 and held a meeting with the public representatives to know their views on functioning of telecom, postal, AIR and Doordarshan in the State. It was brought to the notice of the Committee that the local newspapers of Jammu and Kashmir were not getting the DAVP advertisements. The Committee enquired about the reasons for it. In reply, the Director, DAVP assured the Committee that she would look into the matter.

41. The representatives of the Indian Newspapers Society(INS) and Indian Language Newspapers Association (ILNA) represented to the Committee in evidence that the Newspapers have been accepting advertisements not only at uneconomical rates from the DAVP, but sometimes they had to wait for several years to receive payments. At times, payments were not made for such a long time that it became difficult for newspapers to remind the Ministry for want of sufficient proof *viz.* the publication cuttings etc. DAVP had to pay several crores of Rupees to newspapers as arrears. Some of the arrears related to even more than a decade. In this context, the Committee asked the reasons for abnormal delay in payment of dues to various newspapers for the advertisement issued to them. Ministry of I&B stated in reply that as per policy effective from February, 2001, DAVP was required to make payment within 90 days of receipt of bills. This period has been reduced to 60 days in revised policy effective from May, 2002. As per policy, the newspapers are now required to submit bills within 30 days of an advertisement. Two types of bills are stated to be pending for payment *viz.* bills not received in time and bills for which no money is available with DAVP for payment.

42. With reference to bills not received in time, it has been stated that many newspapers take a stand that they submitted bills but have not received payment. In order to sort out the issue, an advertisement was issued by DAVP on 24 February, 2001 giving last opportunity to newspapers to submit all bills relating to the years 1991-96. In response, about 7225 bills were received and payment amounting to Rs. 87.58 lakhs was cleared. Another advertisement was issued on 11 January, 2002 asking newspapers to deposit left out bills for advertisements published after March, 1996 by 12 March, 2002. Computerised receipts were given in token of receipt of bills. In response to second advertisement, 17225 bills were received and payment for Rs. 3.00 crores was made.

43. As regards payment of bills for which funds are not available with DAVP, it has been stated that many Ministries/Departments promised to make payments and asked DAVP to release advertisements on that commitment, but later they did not pay in time. This amount stood at Rs. 5.18 crores as on 31 March, 2002. However, at a subsequent meeting, Director DAVP stated that bills for only Rs. 10 lakhs were pending as on 31 March, 2003.

44. The Committee wanted to know whether DAVP had taken any step to improve the payment procedure. The Director, DAVP stated in evidence that cheques have been issued to the newspapers. However, in consultation with the Reserve Bank of India, DAVP has been trying electronic fund transfer system so that the payment of bills could be much faster. The money would go directly to the account of the person concerned. So, the delay in payment of bills would be avoided. Thereafter, empanelment of newspapers and advertisements bills of newspapers would be on their website and anybody would be able to see the details. Some newspapers keep on asking about their payment of bills. Now the payment position would be available on website.

Advertisements in Periodicals

45. A representative of a periodical group who appeared before the Committee stated in evidence that DAVP had been discriminating against the periodicals. About 98 percent of the classified advertisements had not been coming to the periodicals at all and that only two percent of the display advertisements were issued to both—the newspapers and the periodicals. It has been clarified that there have been a number of periodicals, whose circulation and reach has been almost similar to that of the daily newspapers.

46. The witness further added that there are classified advertisements, tender notices in which details have been given and the payment has to be made after three months. Further, some advertisements of educative nature like 'pay your income tax', 'hold your head high', 'quote your PAN', 'deposit income-tax', 'invest in post office monthly income scheme', 'national saving organisations etc.' which could go to periodicals have not gone to them at all. The periodicals have been getting only two percent of the display advertisements.

47. Asked in this context, the Ministry of I&B in a written note furnished to the Committee has stated that DAVP's advertisements fall into two categories. One is Display advertisements and second is other than display which include recruitment advertisements of UPSC, Staff Selection Commission (SSC), tenders, admission notice, results etc. The advertisements that fall into the second category because of their nature are given to dailies. Periodicals come to market at least a week in advance of their scheduled date. If advertisements have to be published in the periodicals, they should be released at least 15 days in advance. Out of the display advertisements, some are day specific *e.g.* last date of filing I.T. Return or like last day to file Income Tax extended by a week. These have necessarily to go to dailies. Most of the Departments issuing advertisements do indicate list of newspapers they wish to use and periodicals rarely figure in that list. DAVP finalises list in consultation with the clients. It has been added that as far as possible the interests of periodicals are kept in mind. Out of 2082 newspapers on panel of DAVP during 1 April, 2001 to 31 March, 2002, 908 were other than dailies. They have been issued 12.22 percent of advertisement in rupee terms.

48. 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.

49. 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 estimate 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 of funds so as to meet the genuine needs of DAVP.

50. The Committee desires that the entire publicity at the national level for various media units under 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.

51. The Committee notes that the Expenditure Reforms Commission (ERC) has recommended that certain activities of DAVP such as production of printed materials—posters, folders, booklets etc. for field exhibitions, including release of advertisements could be decentralised and left to the Ministries. However, the Ministry of I&B has a different perception in this regard. According to the Ministry, if the work being done by DAVP is dispersed to client Ministries/Departments, the latter would need to create much more staff than DAVP's present strength, thereby defeating the very purpose of economy in the Government. Further DAVP, over the years has acquired a lot of information and in-built expertise relating to advertising which other Ministries will have to build all over again.

52. The Committee is further informed that DAVP has been providing the facilities at a single point and various inputs in different languages have been made available. Because of bulk buying, DAVP rates are very competitive. DAVP's advertisement rates are about 40 percent lower than the commercial rates. DAVP, as an advertising agency, gets 15 percent commission from the newspapers on all advertisements which it passes on to the concerned Ministries/Departments. DAVP has not been charging anything for the designing work. Considering the numerous benefits by advertising through DAVP, the Committee is of the opinion that DAVP should continue with its activities of producing printed materials—posters, folders, booklets etc. for field exhibitions, including release of advertisements.

53. The Committee learnt that Expenditure Reforms Commission (ERC) has also recommended that Allocation of Business Rules of 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 a 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 releases 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.

54. The Committee is apprised by the Indian Newspapers Society (INS) that Public Sector Undertakings (PSUs) sometimes have been advertising directly and not through DAVP. In such cases also, they insist upon paying on the basis of DAVP approved rates. The witnesses desired that PSUs and other autonomous bodies should not be covered by DAVP rates. As per the statement furnished by Ministry of I&B, PSUs and Autonomous Bodies have been publicising their activities and performance through print media by releasing advertisements. They have been serving a public purpose, as the undertakings are accountable to the people and owned by the public. Moreover, under the Allocation of Business Rules they are supposed to advertise through DAVP only. Therefore, there is no rationale in releasing advertisements on commercial rates to newspapers by Public Sector Undertakings/Autonomous Bodies.

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 years 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.

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 percent of the total amount of advertisement was given to the small newspapers, 19.35 percent to the medium newspapers and 73.27 percent 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.

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.

58. 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 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 that criteria for classification of newspapers needs immediate revision.

59. The existing classification 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.

60. 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 2329 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 newspaper 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 utilisation 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 organisation like DAVP which claims to have gained expertise over the years in publicity.

61. 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 various activities of the DAVP in 2002-2003. It would like to be apprised of the reasons for this stagnation.

62. The Committee notes that DAVP has 35 field 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.

63. The Committee would like to know whether DAVP has ever sought the help of voluntary organisations 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 organisations engaged in various activities for the upliftment of masses, spread of literacy, environment and health besides eradication of social evils. Their involvement and active associations will be of great help in achieving the desirable results.

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.

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.

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.

NEW DELHI;
18 *December*, 2003
27 *Agrahayana*, 1925 (*Saka*)

SOMNATH CHATTERJEE,
Chairman,
Standing Committee on

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

The Committee sat on Thursday, May 27, 2002 from 1130 hours to 1315 hours in
Committee Room 'B', Parliament House Annexe,
New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Prof. Dukha Bhagat
3. Shri Sheeshram Singh Ravi
4. Shri K.A. Sangtam
5. Shri Pawan Kumar Bansal
6. Shri Amarsinh Vasanttrao Patil
7. Shri C.N. Singh
8. Shri Bhartruhari Mahtab
9. Shri G. Mallikarjunappa
10. Dr. Bikram Sarkar

Rajya Sabha

11. Shri Vijay J. Darda
12. Shri Balbir K. Punj
13. Shri Narendra Mohan
14. Shri Kartar Singh Duggal
15. Shri Sanjay Nirupam

SECRETARIAT

1. Shri S.K. Sharma – *Deputy Secretary*
2. Shri B.D. Swan – *Under Secretary*

WITNESSES

Members of the Executive Committee of
Indian Newspaper Society (INS)

1. Shri Abhay Chhajlani, Deputy President, INS
2. Shri Mahendra Mohan Gupta, Dainik Jagran, Kanpur
3. Shri Paresh Nath, Women's Era, New Delhi
4. Shri M. Venkataraman, Times of India, New Delhi
5. Shri Sunil Dang, Day After, New Delhi
6. Shri Chandan Mitra, Pioneer, New Delhi
7. Shri P.K. Lahiri, Secretary General, INS

2. At the outset, the Chairman welcomed Shri Abhay Chhajlani, Shri P.K. Lahiri and other Members of the Executive Committee of Indian Newspapers Society (INS) and asked them to apprise the Committee of the various problems being faced by them with regard to working of DAVP.

3. Thereafter, the witnesses highlighted the problems already mentioned in their Memorandum earlier submitted by them to the Committee. The Members, then, sought certain clarifications on various points raised by the representatives of INS with regard to working of DAVP. The witnesses replied to the queries of the Members.

4. The Chairman, then, thanked the witnesses for appearing before the Committee and tendering their views.

5. A verbatim record of proceedings has been kept.

6. The witness, then, withdrew.

The Committee, then adjourned.

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

The Committee sat on Thursday, May 27, 2002 from 1500 hours to 1620 hours in
Committee Room 'B', Parliament House Annexe,
New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Sheeshram Singh Ravi
3. Shri Pawan Kumar Bansal
4. Shri C.N. Singh
5. Shri Bhartruhari Mahtab
6. Dr. Bikram Sarkar

Rajya Sabha

7. Shri Vijay J. Darda
8. Shri Narendra Mohan

SECRETARIAT

1. Shri S.K. Sharma — *Deputy Secretary*
2. Shri B.D. Swan — *Under Secretary*

WITNESSES

Indian Language Newspapers Association (ILNA)

1. Shri R. Lakshmipathy, President
2. Shri V.K. Chopra, Secretary
3. Shri Hormusji Cama, Executive Committee Member

2. At the outset, the Chairman welcomed Shri Lakshmipathy and other representatives of Indian Language Newspapers Association (ILNA) and asked them to

apprise the Committee of the various problems being faced by them with regard to working of DAVP.

3. Thereafter, the witnesses submitted the memorandum to the Committee highlighting their grievances with the working of DAVP. The Members, then, sought certain clarifications on various points raised by the representatives of ILNA. The witnesses replied to the queries of the Members.

4. The Chairman, then, thanked the witnesses for appearing before the Committee and tendering their views.

5. A verbatim record of proceedings has been kept.

6. The witness, then, withdrew.

The Committee, then adjourned.

MINUTES OF THE TWENTIETH SITTING OF THE STANDING COMMITTEE ON
INFORMATION TECHNOLOGY
(2003)

The Committee sat on Wednesday, 2 July, 2003 from 1500 hours to 1700 hours in
Committee Room 'B', Parliament House Annexe,
New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Pawan Kumar Bansal
3. Shri Balrama Krishna Murthy
4. Shri Bhartruhari Mahtab
5. Shri Sheeshram Singh Ravi
6. Shri Saroj Tufani
7. Shri K.A. Sangtam
8. Shri Nikhil Kumar Chowdhary
9. Shri Vanlalawma
10. Shri Rajesh Singh
11. Smt. Kanti Singh
12. Shri Amir Alam Khan
13. Shri Arun Kumar
14. Dr. Bikram Sarkar

Rajya Sabha

15. Dr. Prabha Thakur
16. Shri S.S. Ahluwalia
17. Smt. Sarla Maheshwari
18. Shri K. Rama Mohana Rao
19. Shri Rajeev Shukla
20. Shri Sanjay Nirupam
21. Shri Kartar Singh Duggal

1. Shri P.D.T. Achary — *Additional Secretary*
2. Shri S.K. Sharma — *Joint Secretary*
3. Shri S.K. Sharma — *Deputy Secretary*
4. Shri B.D. Swan — *Under Secretary*

WITNESSES

1. Shri Pawan Chopra, Secretary
2. Shri Sudhir Sharma, Joint Secretary
3. Smt. Meera Ranjan Tshering, Director
4. Smt. Surinder Kaur, Director
5. Shri G.C. Dwivedi, Joint Director
6. Shri G.P. Dhusia, Joint Director
7. Shri S.V. Menon, Joint Director

2. At the outset, the Chairman welcomed the Members to the sittings of the Committee.

3. *** *** *** ***
4. *** *** *** ***
5. *** *** *** ***

6. Thereafter, the representatives of the Ministry of Information & Broadcasting were called in for consideration of the subject 'Working of Directorate of Audio and Visual Publicity (DAVP)'. The Chairman welcomed the Secretary, Ministry of I&B and other officers accompanying him to the sitting of the Committee.

7. After a presentation by the officers of the Ministry the Committee sought further clarifications on the subject. The representatives of Ministry of I&B and DAVP replied to the queries of the Members.

8. The verbatim record of proceedings has been kept separately.
9. The witnesses, then, withdrew.

The Committee, then adjourned.

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

The Committee sat on Thursday, 11 December, 2003 from 1500 hours to 1530 hours in Committee Room 'E', Parliament House Annexe, New Delhi

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Pawan Kumar Bansal
3. Prof. Dukha Bhagat
4. Shri Ajay Singh Chautala
5. Shri K.K. Kaliappan
6. Shri Bhartruhari Mahtab
7. Shri Saroj Tufani
8. Shri C.N. Singh
9. Shri Nikhil Kumar Chowdhary
10. Shri Vanlalawma
11. Smt. Kanti Singh
12. Dr. Bikram Sarkar

Rajya Sabha

13. Shri Vijay J. Darda
14. Shri S.S. Ahluwalia
15. Smt. Sarla Maheshwari
16. Shri K. Rama Mohan Rao

SECRETARIAT

1. Shri S.K. Sharma — *Officer on Special Duty (IT)*
2. Shri B.D. Swan — *Under Secretary*
3. Shri D.R. Shekhar — *Assistant Director*

2. At the outset, the Chairman welcomed the Members to the sittings of the Committee. The Committee then, considered and adopted the following Draft Reports:—

(i) *** *** *** ***

(ii) Draft Report on “Working of Directorate of Advertising and Visual Publicity (DAVP)”.

(iii) *** *** *** ***

(iv) *** *** *** ***

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

The Committee, then adjourned.