

Most Immediate

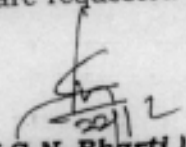
Minutes of Meeting

MINISTRY OF INFORMATION & BROADCASTING
(MEDIA UNIT CELL)

SUBJECT : Minutes of the Rate Structure Committee meeting held on 11/12/2008, under the Chairmanship of AS&FA, Min. of I&B.

Minutes of the first meeting of the Rate Structure Committee held on 11/12/2008, under the Chairmanship of AS&FA, Min. of I&B, are circulated herewith for information and necessary action.

2. The next meeting of the Committee is scheduled to be held on 05/01/2009 at 3.30 P.M. Accordingly, all concerned are requested to kindly make it convenience to attend the meeting.


(S.N. Bharti)
Section Officer
TELE: 23387240

DAVP (Shri S.K. Rao, Addl. Director General)
M/o I&B's I.D. No. 1/29/2008-MUC dated 22.12.2008

Copy to : All Members of the Committee.
Advisor (Cost), Cost Acctg. Branch, M/o Finance,
Lax Nayar Bhawan, N. Delhi.

- Copy also to :
- 1. PS to AS&FA
 - 2. PS to AS(P&A)
 - 3. PA to Director(IP)

BS9/ACA(C)/08
24/12
Adul(P&A)/08
24/12

Kms
24/12/08
Adul(P&A)
24/12/08

Most Immediate

SUBJECT : Minutes of the Rate Structure Committee meeting on 11/12/2008, Chaired by AS&FA, Min. of I&B AS&FA, to make a comprehensive review of the existing Rate Structure for DAVP Advertisements and device a new Rate Structure formula

SUBJECT : Minutes of the Rate Structure Committee meeting held on 05/01/2009, under the Chairmanship of AS&FA, Min. of I&B

The following were present :

1. AS&FA, Min. of I&B - Chairman
2. AS[P&A], Min. of I&B
3. Economic Advisor, Min. of I&B
4. Ms. Ira Joshi, ADG, DAVP
5. Sh. P.K. Aggarwal, Advisor(Cost), Min. of Finance
6. Sh. Vijay Sharma, Director(IP)

At the outset, it was mentioned that due to pressing engagements, the Committee could not meet earlier. On the basis of discussion held, the Committee was of the view that in order to have a comprehensive review of the rate structure formula, representative data needs to be sought and analyzed. Hence the consensus was that the period of submission of the report of the Committee should be extended by 3 months. At the end of the discussions, the following decisions were arrived at :

i) A copy of the report submitted by the earlier Rate Structure Committee, may be circulated to all the Members of the Committee.

[Action : MUC]

ii) Shri P.K. Aggarwal, Advisor(Cost), Cost Accounts Branch, Min. of Finance, will study and analyze all the factors used by the previous Rate Structure Committee. Further, the factors used for calculation of newsprint index by the Deptt. of Industrial Policy & Promotion, under the Min. of Commerce & Industry, may also be studied by him and be placed before the Committee, in the next meeting.

[Action : Advisor(Cost), Min. of Finance]

The Committee decided to hold its next meeting on 05/01/2009 at 3.30 P.M. The meeting ended with vote of thanks to the Chair.

Most Immediate

MINISTRY OF INFORMATION & BROADCASTING


(MEDIA UNIT CELL)

SUBJECT : Minutes of the Rate Structure Committee meeting held on 05/01/2009, under the Chairmanship of AS&FA, Min. of I&B.

Minutes of the second meeting of the Rate Structure Committee held on 05/01/2009, under the Chairmanship of AS&FA, Min. of I&B, are circulated herewith for information and necessary action.

2. The next meeting of the Committee is scheduled to be held on 21/01/2009 at 3.30 P.M. Accordingly, all concerned are requested to kindly make it convenient to attend the meeting.

5. Sh. P.K. Aggarwal, Advisor(Cost), Min. of Finance
6. Sh. Vijay Sharma, Director(IP)
7. Sh. Sham Lal, US(MC)


19/1/2009
(S.N. Bharti)
Section Officer
TELE: 23387240

DAVP (Shri S.K. Rao, Addl. Director General)
M/o I&B's I.D. No. 1/29/2008-MUC dated 19.01.2009

Copy to : All Members of the Committee.

Copy also to :

1. PS to AS&FA
2. PS to AS(P&A)
3. PA to Director(IP)

[S.P.K. Aggarwal, Advisor(Cost)]
m/o finance. n. Delhi.

Contd...2/

2

SUBJECT : Minutes of the Rate Structure Committee meeting held on 05/01/2009, under the Chairmanship of AS&FA, Min. of I&B, to make a comprehensive review of the existing Rate Structure for DAVP Advertisements and devise a new Rate Structure formula

* * * *

The following were present :

1. AS&FA, Min. of I&B - Chairman
2. AS[P&A], Min. of I&B
3. Economic Advisor, Min. of I&B
4. Ms. Ira Joshi, ADG, DAVP
5. Sh. P.K. Aggarwal, Advisor[Cost], Min. of Finance
6. Sh. Vijay Sharma, Director(IP)
7. Sh. Sham Lal, US[MC]

* * * *

Initiating the discussion, AS&FA, Min. of I&B, requested Shri P.K. Aggarwal, Advisor (Cost), Ministry of Finance, to present his views, since it was the first meeting of the Committee that Shri P.K. Aggarwal, was attending. Shri P.K. Aggarwal mentioned that in order to have a comprehensive review of the rate structure formula, a detailed study of various factors such as newsprint cost, processing charges, reasonable profit, weightage factor, labour cost etc. has to be undertaken. This will require at least 5 to 6 months' time for study as well as the analysis. ADG, DAVP opined that in the process of studying the relevant factors the inputs from the stake-holders have also to be taken into account.

2. The Committee also considered the letter of Department of Industry Policy & Promotion under the Ministry of Commerce and Industry with reference to the Wholesale Price Index [WPI] of newsprint and its method of calculation. It was considered by the Committee that since the WPI of newsprint is only an average of 8 quotations, it may not be a proper representation of the entire newspaper industry. Therefore, a formula based on newsprint index, may not be appropriate.

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-64-63

-65-62

3. At the end of the discussions, the following was arrived at :

Shri P.K. Aggarwal, Advisor(Cost), Cost Accounts Branch, Min. of Finance, will study and analyze all the factors used by the previous Rate Structure Committee and all other factors that may be required for formulation of a new rate structure formula and will come up with a base paper, outlining the road map. Subsequently, a questionnaire on the subject may be developed by Economic Advisor in consultation with DAVP and Advisor Cost which would then be circulated to the newspaper industry to have their views.

[Action : Advisor(Cost), Min. of Finance, EA, Min. of I&B and ADG,DAVP]

4. The Committee decided to hold its next meeting on 21/01/2009 at 3.30 P.M. The meeting ended with vote of thanks to the Chair.

DAVP (Mr. Neelam Kumar, Director General)
M/s. I&S, I.D. No. 1729/3004-MUC dated 20.01.2009

Copy to: All Members of the Committee

- 1. PS to AS&PA
- 2. PS to AS(PSA)
- 3. PA to Director(IP)

SUBJECT : Minutes of the Rate Structure Committee meeting held on 21/01/2009, under the Chairmanship of AS&FA, Min. of I&B. **Most Immediate**
require a comprehensive review of the existing Rate Structure for DAVP Advertisements and devise a new Rate Structure format.

MINISTRY OF INFORMATION & BROADCASTING

(MEDIA UNIT CELL)

The following were present:
SUBJECT : Minutes of the Rate Structure Committee meeting held on 21/01/2009, under the Chairmanship of AS&FA, Min. of I&B.

1. AS&FA, Min. of I&B
2. Mr. J. S. Joshi, ADG, DAVP
3. Mr. P. L. Aggarwal, Advisor (Cost), Min. of Finance
4. Mr. V. Jayaraman, Director (IP)
5. Mr. S. K. Mehta, Media Exec., DAVP

Minutes of the third meeting of the Rate Structure Committee held on 21/01/2009, under the Chairmanship of AS&FA, Min. of I&B, are circulated herewith for information and necessary action.

2. The next meeting of the Committee will be held sometime in the 2nd week of February, 2009. The convenience of Hon'ble Chairman [AS&FA] is being solicited and the exact time and date for the next meeting will be intimated accordingly.

7c
(S.N. Sharti)
Section Officer
TELE: 23387240

DAVP (Mr. Neelam Kharu, Director General)
M/o I&B's I.D. No. 1/29/2008-MUC dated 30.01.2009

Copy to : All Members of the Committee.

Copy also to :

1. PS to AS&FA
2. PS to AS(P&A)
3. PA to Director (IP)

(Action : Advisor (Cost), Min. of Finance, P.A. Shri/V. Jayaraman, Min. of I&B and Media Executive (Mr. S.K. Mehta), DAVP)

4. The Committee decided to hold its next meeting in the 2nd week of February, 2009, on any date and time convenient to the Chairman. The meeting ended with vote of thanks to the Chair.

Most Immediate

SUBJECT : Minutes of the Rate Structure Committee meeting held on 21/01/2009, under the Chairmanship of AS&FA, Min. of I&B, to make a comprehensive review of the existing Rate Structure for DAVP Advertisements and devise a new Rate Structure formula

The following were present :

1. AS&FA, Min. of I&B - Chairman
2. AS(P&A), Min. of I&B
3. Economic Advisor, Min. of I&B
4. Ms. Ira Joshi, ADG, DAVP
5. Sh. P.K. Aggarwal, Advisor(Cost), Min. of Finance
6. Sh. Vijay Sharma, Director(IP)
7. Sh. Sham Lal, US(MC)
8. Sh. B.P. Meena, Media Extv., DAVP

Initiating the discussion, AS&FA, Min. of I&B, requested Shri P.K. Aggarwal, Advisor (Cost), Ministry of Finance, to present the base paper, thereby outlining the road map to proceed further in the matter. Shri Aggarwal presented the time frame for the various activities involved like (i) preparation of draft questionnaire, (ii) meeting with INS and other Associations to impress upon them the need for furnishing early reply to the questionnaire, (iii) visit to a few newspaper publishing houses, (iv) compilation and summarization of relevant data etc.

2. Deliberating the issue the Committee felt that in order to examine and analyze the various factors responsible for fixation of advertisement rates for print medium; it would be appropriate to constitute a team of the officers from the Ministry of I&B, Cost Accounts Branch (Min. of Finance) and DAVP. The team so constituted would visit the leading newspaper publishing houses to see the production process in order to identify and analyze the factors responsible for the cost of producing an advertisement. Accordingly, it was decided to constitute the team with the following members :-

- (i) Sh. P.K. Aggarwal, Adviser (Cost), Min. of Finance
- (ii) Sh. B. Brahma, Economic Adviser, Min. of I&B
- (iii) A representative of the Min of I&B.
- (iv) Sh.B.P. Meena, Media Extv., -representative of DAVP and co-ordinator.

3. It was decided that as a preliminary exercise, the above team would visit on 28th of January, 2009 (forenoon), the publishing houses of the Times of India, Sahibabad to see their production process.

[Action : Advisor(Cost), Min. of Finance, EA, Dir(IP/US(MC) Min. of I&B and Media Executive (Sh. B.P. Meena), DAVP]

4. The Committee decided to hold its next meeting in the 2nd week of February, 2009, on any date and time convenient to the Chairman. The meeting ended with vote of thanks to the Chair.

Most Immediate

MINISTRY OF INFORMATION & BROADCASTING
(MEDIA UNIT CELL)

SUBJECT : Minutes of the Rate Structure Committee meeting held on 17/02/2009, under the Chairmanship of AS&FA, Min. of I&B.

Minutes of the 4th meeting of the Rate Structure Committee held on 17/02/2009, under the Chairmanship of AS&FA, Min. of I&B, are circulated herewith for information and necessary action.

2. The next meeting of the Committee will be held sometime in the 3rd week of March, 2009. The convenience of Hon'ble Chairman [AS&FA] is being solicited and the exact time and date for the next meeting will be intimated accordingly.

Sham Lal
(Sham Lal)

Under Secretary [MC]

TELE: 23385795

DAVP (Ms. Neelam Kapur, Director General)
M/o I&B's I.D. No. 1/29/2008-MUC dated 05.03.2009

Copy to : All Members of the Committee. (En. P.K. Aggarwal, Advisor (Coord) I&B)

Copy also to :

1. PS to AS&FA
2. PS to AS(P&A)
3. PA to Director(IP)

Most Immediate

SUBJECT : Minutes of the Rate Structure Committee meeting held on 17/02/2009, under the Chairmanship of AS&FA, Min. of I&B, to make a comprehensive review of the existing Rate Structure for DAVP Advertisements and devise a new Rate Structure formula

SUBJECT : Minutes of the Rate Structure Committee meeting held on 17/02/2009, under the Chairmanship of AS&FA, Min. of I&B

The following were present :

1. AS&FA, Min. of I&B - Chairman
2. AS[P&A], Min. of I&B
3. Economic Advisor, Min. of I&B
4. Ms. Ira Joshi, ADG, DAVP
5. Sh. P.K. Aggarwal, Advisor[Cost], Min. of Finance
6. Sh. Vijay Sharma, Director(IP)
7. Sh. Sham Lal, US[MC]
8. Sh. B.P. Meena, Media Extv., DAVP

Initiating the discussion, AS&FA, Min. of I&B, requested Shri P.K. Aggarwal, Advisor (Cost), Ministry of Finance, to finalize the questionnaire by 23rd of February, 2009 and circulate it to all concerned by 28th of February, 2009, seeking their comments by 15th of March, 2009.

[Action : Advisor(Cost), Min. of Finance]

2. In the meeting it was also decided that the Newspaper Industry will also be requested to come up with a formula on the DAVP advertisement rates.

[Action : DAVP]

3. The Committee decided to hold its next meeting in the 3rd week of March, 2009, on any date and time convenient to the Chairman. The meeting ended with vote of thanks to the Chair.

MINUTES OF THE RATE STRUCTURE COMMITTEE MEETING
CHAIRD BY MS. DIPALI KHANNA, ADDITIONAL SECRETARY,
FINANCE

MINISTRY OF INFORMATION & BROADCASTING

(MEDIA UNIT CELL)

SUBJECT : Minutes of the Rate Structure Committee meeting held on 08/07/2009, under the Chairpersonship of AS&FA, Min. of I&B.

Minutes of the Rate Structure Committee meeting held on 08/07/2009, under the Chairpersonship of AS&FA, Min. of I&B, are circulated herewith for information and necessary action.

Shri B. Brahma, C.A.

Member

Sham Lal

Sh. P.K. Aggarwal, Adviser(Cost)

Member

(Sham Lal)

Min. of Finance

Under Secretary(MC)

Ms. Ina Joshi, ADG, DAVP

Member

TELE: 23385795

All Members of the Committee

1. AS(P&A), Min. of I&B
2. Sh. A.P.F.Noronha, Director General, DAVP
3. Economic Adviser, Min. of I&B
4. Shri P.K. Aggarwal, Adviser(Cost), Deptt. of Expdr., M/o Finance.
5. ADG(Advtg.), DAVP

M/o I&B I.D. No. 1/29/2008-MUC dated 04.08.2009

Copy for information to :

1. PS to AS&FA
2. PA to Director(IP)

MINUTES OF THE RATE STRUCTURE COMMITTEE MEETING
CHAIRD BY MS. DIPALI KHANNA, ADDITIONAL SECRETARY &
FINANCIAL ADVISOR, MINISTRY OF I&B ON 8/7/2009

A meeting of the Rate Structure Committee was held on 8/7/2009 under the Chairpersonship of Ms. Dipali Khanna, AS&FA.

2. The following were present in the meeting:-

i)	Ms. Dipali Khanna, AS&FA	-	Chairperson
ii)	Ms. Stuti Kacker, AS(P&A)	-	Member
iii)	Sh. A.P.Frank Noronha, DG, DAVP	-	Member
iv)	Shri B. Brahma, E.A.	-	Member
v)	Sh. P.K. Aggarwal, Advisor[Cost] Min. of Finance	-	Member
vi)	Ms. Ira Joshi, ADG, DAVP	-	Member Secretary

3. The Committee discussed various issues and the following action points emerged during the meeting:-

- (i) The formula, adopted by the previous Rate Structure Committee constituted in 2004 under the Chairmanship of Chief Adviser (Cost), was discussed in detail to understand the rationale and dynamism of the cost based formula. It was indicated by Adviser (Cost), Shri P.K. Aggarwal, that the previous Committee had recommended a rate of Rs.114.31 per column centimeter with standard column width of 5 centimeters for 1 lakh circulation of dailies, worked out on the basis of cost of newsprint at Rs.26,500 per MT. The Committee also took into account other elements of input cost, weightages for small and medium newspapers, power, commission for the newspaper distribution, and a reasonable profit of 12%. Adviser (Cost) further explained that a detailed questionnaire, seeking information on various aspects of cost of newspaper had been circulated to about 4000 registered

newspapers/periodicals, by the last committee. However, even then only about 250 publishers, that too from the small newspaper category, had given details of cost.

The meeting ended with vote of thanks to the Chair.

- (ii) Adviser (Cost) mentioned that although the present Committee had circulated a detailed questionnaire, seeking information on various aspects of cost of newspapers to about 4500 registered newspapers/periodicals in March, 2009, replies so far have been received only from 46 publishers and this time also only from small sized publications. It was generally felt that the average cost worked out by taking such limited data may not be representative of the cost and since a majority of the newspapers had not responded, alternative ways of determining rate structure for DAVP advertisement will need to be explored. It was, nevertheless, unanimously decided that INS should direct their members to furnish the information asked for by the Committee.
- (iii) It was also felt that DAVP / Committee may also hold meetings with Newspaper Associations, Marketing Agencies and Advertising Companies separately to find out how Govt. rates compare with private commercial card rates.
- (iv) Later on, representatives of Indian Newspapers Society (INS) also joined the discussions. Representatives of INS were asked to give their suggested formula/data for working out a mechanism for a new rate structure for consideration of the Committee. Further, the representatives of INS were also asked to make a presentation of their views before the Rate Structure Committee. INS representatives informed that they would make a presentation by 17th of August, 2009.

(v) The representatives of INS were also requested to consider acceptance of PSUs advertisements on DAVP rates.

MINISTRY OF INFORMATION & PUBLIC RELATIONS
(MEDIA UNIT CELL)

4. The meeting ended with vote of thanks to the Chair.

SUBJECT: Minutes of the Rate Structure Committee meeting held on 08/10/2009 **** under the Chairpersonship of AS&PA, Min. of I&B

Minutes of the Rate Structure Committee meeting held on 08/10/2009, under the Chairpersonship of AS&PA, Min. of I&B, are circulated herewith for information and necessary action.

Sharma
(Sharma Lal)
Under Secretary (IC)
TELE: 23385796

All Members of the Committee:

1. JS(P&A), Min. of I&B
2. Sh. A.P.F. Noronha, Director General, DAVP
3. Economic Adviser, Min. of I&B
4. Shri P.K. Aggarwal, Adviser (Cost), Deptt. of Expenditure, M/o Finance
5. ADG(Advt), DAVP

M/o I&B L.D. No. 1/29/2009-MUC dated 26.10.2009

Copy for information to:

1. PS to AS&PA
2. PA to Director (IP)
3. *Copy INS*

12/11/09
12/11/09
12/11/09

KIND ATTN: MR P.K. AGGARWAL

MINISTRY OF INFORMATION & BROADCASTING
(MEDIA UNIT CELL)

SUBJECT : Minutes of the Rate Structure Committee meeting held on 08/10/2009, under the Chairpersonship of AS&FA, Min. of I&B.

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Minutes of the Rate Structure Committee meeting held on 08/10/2009, under the Chairpersonship of AS&FA, Min. of I&B, are circulated herewith for information and necessary action.

Sham Lal

(Sham Lal)

Under Secretary (MC)
TELE: 23385795

The following were present in the meeting:-

All Members of the Committee

1. JS(P&A), Min. of I&B
2. Sh. A.P.F. Noronha, Director General, DAVP
3. Economic Adviser, Min. of I&B
4. Shri P.K. Aggarwal, Adviser (Cost), Deptt. of Exptd., M/o Finance.
5. ADG (Advtg.), DAVP

M/o I&B I.D. No. 1/29/2008-MUC dated 26.10.2009

Copy for information to :

1. PS to AS&FA
2. PA to Director (IP)

3. *say, INS,*

*Issued
27/11/09
P.D. ③*

At the end, it was decided that INS would work out the rate based on the formula developed by them and presented to the Committee on at least 100 newspapers: daily 50 big newspaper, 25 medium and 25 small and compare with the rate already existing. Such an exercise would indicate the real picture. Once the exercise is over, INS would make a presentation before the Committee again. This should be done within a month's time. (Action: DG&DAVP)

The meeting ended with Vote of Thanks to the Chair.

MINUTES OF THE RATE STRUCTURE COMMITTEE MEETING HELD UNDER THE CHAIRPERSONSHIP OF MS. DIPALI KHANNA, ADDITIONAL SECRETARY & FINANCIAL ADVISOR ON 8/10/2009

A meeting of the Rate Structure Committee was held on 8/10/2009 under the Chairpersonship of Ms. Dipali Khanna, AS&FA.

The following were present in the meeting:-

- | | | | |
|------|-------------------------------------|---|-------------|
| i) | Ms. Dipali Khanna, AS&FA | - | Chairperson |
| ii) | Ms. Stuti Kacker, AS(P&A) | - | Member |
| iii) | Shri P.F. Norohana, DG, DAVP | - | Member |
| iv) | Shri P. D. Sharma, Economic Adviser | - | Member |

The representatives of Indian Newspapers Society (INS) presented their views to the Rate Structure Committee. They requested the Committee to move away from cost-based formula to market-rate formula to fix new rates.

2. AS&FA stated that formula should be equitable and not for only one segment of the newspapers. AS&FA further stated that formula should be practicable, logical, easy to use and easy to implement. She also said that already 25% relief was given in February, 2009 and the same is continued upto 31st December, 2009. She then asked INS representatives to review adopted for fixing the new rate of newspaper...

3. AS&FA also informed the INS that the Committee cannot have any quantum jump in rates as it affects Ministries' publicity budget.

4. INS representatives informed that 10% increase which was given to the industry as stimulus package is not being recognized by the State Governments which are not releasing its advertisements through DAVP.

5. DAVP informed that the meetings with Newspapers Associations, Marketing Agencies and Advertising Companies as suggested by AS&FA in the last meeting to find out as to how our rates compare with private rates could not be held due to lack of response from their side.

6. At the end, it was decided that INS would work out the rate based upon the formula developed by them and presented to the Committee taking at least 100 newspapers' data (50 big newspaper, 25 medium and 25 small) and compare with the rate already existing. Such an exercise would indicate the real picture. Once the exercise is over, INS would make a presentation before the Committee again. This should be done within a month's time. (Action: DG:DAVP)

The meeting ended with Vote of Thanks to the Chair.

Most Immediate

Ministry of Information & Broadcasting
(MEDIA UNIT CELL)

Subject:- Minutes of the Rate Structure Committee meeting held on 27th January, 2010 under the Chairpersonship of AS&FA, M/o I&B.

Minutes of the Rate Structure Committee meeting held on 27th January, 2010 under the Chairpersonship of AS&FA, M/o I&B, are circulated for information and necessary action.

Sham Lal

(SHAM LAL)
Under Secretary(MC)
Tel.No. 2338 5705

Encl:- As above.

1. Shri A.P. Frank Noronha, Director General, DAVP
2. JS(P&A), M/o I&B
- ✓ 3. Shri P.K. Aggarwal, Advisor(Cost), Deptt. of Expenditure, M/o Finance.
4. Ms. Ranjana Kale, Addl.Economic Advisor, M/o I&B
5. ADG(Advtg.), DAVP

M/o I&B's I.D.No.1/29/2008-MUC dated 12/2/2010

Copy for information to:-

1. PS to AS&FA.
2. PS to Director(IP)
3. Secretary, INS.

MINUTES OF THE RATE STRUCTURE COMMITTEE MEETING HELD UNDER THE CHAIRPERSONSHIP OF MS. DIPALI KHANNA, ADDITIONAL SECRETARY & FINANCIAL ADVISOR ON 27/1/2010

A meeting of the Rate Structure Committee was held on 27/1/2010 under the Chairpersonship of Ms. Dipali Khanna, AS&FA.

The following were present in the meeting:-

- | | | | |
|------|--|---|-------------|
| i) | Ms. Dipali Khanna, AS&FA | - | Chairperson |
| ii) | Shri V.B. Pyarelal, JS(P&A) | - | Member |
| iii) | Shri K.S. Dhatwalia, ADG, DAVP | - | Member |
| iv) | Shri P.K. Aggarwal, Adviser (Cost),
M/o Finance | - | Member |
| v) | Ms. Ranjana Kale, Addl. Eco. Adviser | - | Member |

1. At the outset, Adviser (Cost) gave a brief historical background of fixation of DAVP advertisement rates in the past. He stated that earlier till 1967, there used to be a system of negotiation of rates. From 1967 to 1976, the annual rate contracts with selected newspapers were entered into. Since there were observations from the "Public Accounts Committee" (PAC) regarding DAVP Advertisement Rates, the cost based uniform rates were adopted for the first time in 1977 based on the recommendations of Rate Structure Committee. These were subsequently revised in 1981, 1985, 1989, 1990 and 1991 for escalation in the cost of newsprint, wages and other costs. Subsequently, cost based uniform advertisement rates has been adopted in the years 1993, 1999, 2002 and 2005 based on the detailed study of the cost and recommendation of Rate Structure Committees. The last Rate Structure Committee's recommendations were in the year 2005, which were subsequently increased by 24% w.c.f. 1st September, 2008. Further, keeping in view the increase in newsprint prices/price index, the economic slowdown and resultant decline in advertisement revenue of newspapers, a special relief package of further increase of 10% in rates and waiver of 15% DAVP commission was also announced to them in 2009 till 31.12.2009.

2. In respect of the replies received for the questionnaire circulated to various newspapers, it was observed by the Committee that despite giving sufficient time to the newspapers, there has been poor response and replies have been received only from 48 newspapers out of about 4500 newspapers. It was also noted that the replies are mainly from small newspapers and contain scanty and insufficient data and information.

3. It was also felt by the Committee that a last opportunity may be given to the newspapers and Indian Newspapers Society (INS) for submission of data and information. It was decided that DAVP would write letters to all the

newspapers and to INS for submission of replies to the Questionnaire latest by 28.2.2010 failing which the Committee would proceed to start preparing the Report based on the available data and information.

4. It was informed by DAVP that 6-7 newspapers have submitted their claim for release of 10% increase in DAVP rate and waiver of 15% DAVP commission announced under the stimulus relief package and their claims contain some financial data and other information which may be useful for arriving at the new rates. It was decided that DAVP would forward a copy of all these replies alongwith the data and information to the Adviser (Cost) for analysis within a week.

5. It was pointed out by DAVP that the recommendations of the Committee should not have 'retrospective' effect to avoid difficulties in computation of arrears. It was also pointed out that the rate of DAVP advertisement are fixed after taking into account the circulation of all the editions of a newspaper together whereas issue of advertisement is made to selected editions only. Thus it can happen that the rate applicable to higher circulation slab is taken into account for paying for advertisements issued to limited number of editions. This needs to be looked into while formulating the new rate structure.

6. Adviser (Cost) informed that 15 newspapers individually having more than 1% share in the total advertisement expenditure of DAVP in the year 2008-09 have about 50% share of the total advertisement expenditure of DAVP in that year. None of these newspapers have given reply to the Questionnaire circulated to them and DAVP should pursue these newspapers so as get the data at the earliest. DAVP was also requested to get the rates of imported and indigenous newsprint for the year 2009-10 in Proforma E, F and G of the Questionnaire alongwith copies of latest invoices.

7. The Committee felt that the following issues may be considered while preparing the Report:

- a. Whether we need to create one more Slab for circulation beyond 100000 as it is being represented by the larger circulated newspapers.
- b. Whether, instead of having one time review of rates as was done in the earlier report, there should be an annual review of rates for which formula/mechanism may also be considered. Annual updation of rates based on Indexation of newsprint prices and other cost may be considered.
- c. Fixation of rates for advertorials separately.

8. The Chairperson informed that the Committee's tenure has been extended upto 31st March, 2010 and therefore all efforts may be made to prepare the Report by this date based on the available information.

9. The next meeting of the Rate Structure Committee is to be held in the last week of February, 2010.

10. The meeting ended with Vote of Thanks to the Chair.

Most Immediate

MINISTRY OF INFORMATION & BROADCASTING

(MEDIA UNIT CELL)

SUBJECT : Minutes of the Rate Structure Committee meeting held on 15/03/2010, under the Chairpersonship of AS&FA, Min. of I&B.

Minutes of the Rate Structure Committee meeting held on 15/03/2010, under the Chairpersonship of AS&FA, Min. of I&B, are circulated herewith for information and necessary action.

Sham Lal

(Sham Lal)

Under Secretary(MC)

TELE: 23385795

All Members of the Committee

1. JS(P&A), Min. of I&B
2. Sh. A.P.F.Noronha, Director General, DAVP
3. Economic Adviser, Min. of I&B
4. Shri P.K. Aggarwal, Adviser(Cost), Deptt. of Expdr., M/o Finance.
5. ADG(Advtg.), DAVP

M/o I&B I.D. No. 1/29/2008-MUC dated 25.03.2010

Copy for information to :

1. PS to AS&FA
2. PA to Director(IP)

MINUTES OF THE RATE STRUCTURE COMMITTEE MEETING HELD UNDER THE CHAIRPERSONSHIP OF MS. DIPALI KHANNA, ADDITIONAL SECRETARY & FINANCIAL ADVISOR ON 15/3/2010

A meeting of the Rate Structure Committee was held on 15/3/2010 under the Chairpersonship of Ms. Dipali Khanna, AS&FA.

The following were present in the meeting:-

i)	Ms. Dipali Khanna, AS&FA	-	Chairperson
ii)	Shri V.B. Pyarelal, JS(P&A)	-	Member
iii)	Shri A.P.F. Noronha, DG, DAVP	-	Member
iv)	Shri K.S. Dhatwalia, ADG, DAVP	-	Member
v)	Shri B. Brahma, Economic Adviser	-	Member
iv)	Shri U.K. Shukla, Director (Cost), M/o Finance	-	Member

1. The Committee was informed by Director (Cost) that the response to the questionnaire has been received only from 28 newspapers. Director (Cost) further informed that they have considered some of the leading newspapers like Times of India, Hindustan Times, Jagran, Deccan Chronicle, Sandesh but the sample size is still considered to be small for arriving at a correct costing exercise.

2. It was therefore, decided that the Costing Cell may undertake a sensitivity analysis taking various factors into account and Costing Cell was requested to make a presentation to the Committee thereafter. Such an analysis to the Committee will enable the Committee to take appropriate decision on the rate. AS&FA stated that the matter is pending for quite sometime and the Committee will need to take a final view on information as is available.

3. As regards advertorials, it was decided that DAVP may ascertain the ratio of the advertorial cost to normal advertisements so as to enable the Committee to give its recommendations on advertorial rates. DAVP also requested for separate rate for front page ads. Again DAVP was requested to ascertain the percentage increase that may be required in the case of front page ads.

4. DG, DAVP requested that since the current rates are valid upto 31st March, 2010, extension for the same may be given for another 3 months or till the final rates are arrived at, whichever is earlier. It was agreed that the Administrative Wing of the Ministry will take up the matter after receipt of formal proposal from DAVP.

MINISTRY OF INFORMATION & BROADCASTING

- 5. The next meeting of the Rate Structure Committee is to be held in the first week of April, 2010.
- 6. The meeting ended with Vote of Thanks to the Chair.

Minutes of the Rate Structure Committee meeting held on 19/04/2010 under the Chairmanship of AS&PA, Min. of I&B, are attached herewith for information and necessary action.

[Signature]
 (Name)
 Director General
 I&B

All Members of the Committee

- 1. JS (IA) Min. of I&B
- 2. Mr. A.M. Nandani, Director, I&B
- 3. Economic Adviser, Min. of I&B
- 4. Mr. P.K. Agarwal, Assistant Director, Dept. of Regs., I&B
- 5. ATTENDING CLERK

IA/IA/11/11/2009 (M/C/10) dated 20.05.2010

Copy for information to:

- 1. PA of Director
- 2. PA of Director

Minutes of the Meeting of Rate Structure Committee in
DAVP Advertisement, held at 3.00 PM on 19.4.2010

MINISTRY OF INFORMATION & BROADCASTING

(MEDIA UNIT CELL)

SUBJECT : Minutes of the Rate Structure Committee meeting held on
19/04/2010, under the Chairpersonship of AS&FA, Min. of
I&B.

Minutes of the Rate Structure Committee meeting held on
19/04/2010, under the Chairpersonship of AS&FA, Min. of I&B, are
circulated herewith for information and necessary action.

Sham Lal

(Sham Lal)

Under Secretary[MC]

TELE: 23385795

All Members of the Committee

1. JS(P&A), Min. of I&B
 2. Sh. A.P.F.Noronha, Director General, DAVP
 3. Economic Adviser, Min. of I&B
 4. Shri P.K. Aggarwal, Adviser(Cost), Deptt. of Expdr.,
M/o Finance.
 5. ADG(Advtg.), DAVP
- M/o I&B I.D. No. 1/29/2008-MUC(Vol.III) dated 20.05.2010

Copy for information to :

1. PS to AS&FA
2. PA to Director(IP)

may be
used quickly
with DAVP.
25/05/2010
(KS) - On Leave
(A)
20/05/2010
20/05/2010

**Minutes of the Meeting of Rate Structure Committee in respect of
DAVP Advertisements, held at 3.00 PM on 19.4.2010**

1. A meeting of the Rate Structure Committee for DAVP Advertisements was held under the Chairpersonship of AS&FA at 3.00 pm on 19th April 2010. The following were present in the meeting:

(i) Ms. Dipali Khanna, AS&FA	-	Chairperson
(ii) Shri V.B. Pyarelal, JS(P&A)	-	Member
(iii) Shri A.P.F. Noronha, DG, DAVP	-	Member
(iv) Shri K.S. Dhatwalia, ADG, DAVP	-	Member
(v) Shri B. Brahma, Economic Adviser	-	Member
(vi) Shri P.K. Aggarwal, Adviser (Cost)	-	Member
Ministry of Finance		

2. In the meeting, a presentation was made by Adviser (Cost) giving the historical perspective, Government Policy Decisions taken from time to time, stand taken by previous Rate Structure Committees, deliberations of the present Committee, Financial Performance of the Major Newspaper Publication Houses, Representation from the Newspapers Industry Associations and the Indicative Rates worked out based on the replies received from 27 Newspapers.

3. In the meeting, detailed discussions were held with regard to the proposed Rate Structure for DAVP advertisements based on the replies received from 27 Newspapers, rate for 2005 updated to the level of February 2010 based on the Wholesale Price Index of Newsprint and Consumer Price Index for Labour and other Processing Costs.

4. It was explained in the meeting that the rate of Rs.114.31 per column centimetre as fixed by the Rate Structure Committee of 2005 was increased by 24% in September 2008 taking into account the Newsprint Prices prevailing at that time and the Consumer Price Index (General) for industrial workers. On the same analogy, if the rate is revised based on the index numbers as of now, the same works out to about Rs.150 (till February 2010). However, there were some doubts with regard to the adoption of Newsprint prices and the index thereof. It was pointed out by some of the members that majority of the Newsprint is being imported and rest is sourced from the domestic manufacturers. It was also explained that price of Newsprint has started falling and is now reaching towards the level of the year 2005. It was also pointed out that Wholesale Price Index may not capture the real increase in the cost of labour and processing costs since the minimum wages itself have been notified substantially higher in some of the States recently.

5. The Chairperson requested Advisor[Cost] to make a comparison of the rates fixed by different Rate Structure Committees in the past. The increase in the rates may be measured in percentage terms as fixed by various Rate Structure Committees and a trend may be arrived at so as to have a compounded annual average increase in the rates of the DAVP advertisements from time to time in the past.

6. It was also observed by the Chairperson that the budget with the Ministries for DAVP advertisements is limited and does not increase much every year since it is taken as a non-salary component. Therefore, in case the DAVP advertisement rates increase substantially, the Ministries and DAVP may have to curtail their advertisement space keeping in view their available budgets.

7. With regard to escalation formula, it was felt that the Committee may recommend to increase the rates once in two years. For this purpose, a proposal may be moved by the Ministry of Information and Broadcasting to the Office of Chief Adviser Cost giving justification for increase in the rates of DAVP.

8. The meeting ended with a vote of thanks to the Chair.

GOVERNMENT OF INDIA
Ministry of Finance
Department of Expenditure
Office of Chief Adviser Cost