

CHAPTER XIII : MINISTRY OF INFORMATION AND BROADCASTING

Super Power Transmission, All India Radio, Bangalore

13.1 Avoidable payment on electricity charges

Failure to align contract demand with the actual consumption of electricity by Super Power Transmission, All India Radio, Bangalore resulted in avoidable expenditure of ₹ 1.24 crore towards billing demand charges paid to Bangalore Electricity Supply Company.

An Institute intending to get electricity connection is required to apply in a prescribed format along with required documents to the distribution licensee. The institute can change the contract demand once in a year based on the actual consumption/projections. For reduction in contract demand, the consumer shall have to submit the application in the prescribed form along with deposit of processing fee and electrical contractors test report for reduction in sanctioned demand.

Super Power Transmission, All India Radio, Bangalore (SPT) had a contract demand of 5,200 KVA with Bangalore Electricity Supply Company (BESCOM) for its power supply. As per the agreement, demand charges are levied on actual maximum demand recorded in a month or 75 *per cent* of the contract demand whichever is higher along with the charges for actual consumption at rates applicable from time to time.

Audit analysis of electric load revealed that the actual consumption was persistently lesser by 26 to 54 *per cent* than the contract demand during period from April 2008 to March 2017. Keeping in view a realistic benchmark for consumption of contract demand of 4,000 KVA, SPT paid demand charges towards power not actually consumed resulting in avoidable payment of ₹ 1.24 crore for nine years. SPT stated (August 2017) that non-utilisation of contract demand has been noted and necessary action is being taken.

The matter was reported to the Ministry in May 2017; its reply was awaited as of December 2017.

Prasar Bharati

Commercial Broadcasting Service, All India Radio, Mumbai

13.2 Non-adherence to stipulated payment procedure

Failure of Commercial Broadcasting Service, All India Radio, Mumbai to adhere to instructions regarding payment in advance by non-accredited agencies for broadcast of content coupled with ineffective follow-up resulted in non-recovery of revenue amounting to ₹ 1.12 crore.

The 'Rates for Advertisement on All India Radio (AIR)' stipulate that "*For other than the Accredited Agencies, payment shall be made in advance (not later than 15 days before the broadcast is due to commence) by Demand Drafts/Pay Orders on a local Bank in favour of "PB(BCI) CBS, AIR (name of the concerned CBS)"*".

Scrutiny of records of Commercial Broadcasting Service (CBS), AIR, Mumbai, revealed that an amount of ₹ 28.85 lakh pertaining to six non-accredited agencies whose advertisements/content were broadcasted during 1995-2005 was outstanding for more than 12 years. Audit observed that in contravention of the stipulated instructions, CBS aired the advertisements/content without collecting the payment in advance from these six non-accredited agencies. Further, CBS continued to broadcast their content even though they had defaulted in payment for earlier broadcasts. There was no effort on part of CBS to effectively pursue or recover the outstanding dues. The only action taken was to issue periodic reminders and notices through government advocates with no effort to seriously pursue legal remedies. CBS also failed to maintain updated records of the address and whereabouts of the defaulting agencies which further undermined their effort to effectively pursue the dues and was reflective of a lackadaisical approach to the matter. Ultimately, in August 2016, CBS proposed write-off of amount of ₹ 1.08 crore (₹ 28.85 lakh – Principal and ₹ 78.67 lakh – Interest¹)

CBS stated (November/December 2016) that a proposal has been initiated to write-off these cases as these were pending since long time.

Thus, failure of CBS, AIR, Mumbai to ensure receipt of payment in advance as stipulated in payment procedures for non-accredited agencies before undertaking the broadcast and lack of any meaningful effort to recover dues

¹ Interest is charged at the rate of 18 per cent per annum up to 1 April 2003 and at the rate of 14.50 per cent thereafter, adopting the rate of interest charged by AIR on overdue payments relating to Accredited Agencies.

from defaulting agencies resulted in an amount of ₹ 1.12 crore (as of 30 September 2017) being rendered irrecoverable.

The matter was reported to the Ministry in August 2017; its reply was awaited as of December 2017.