

**GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA**

UNSTARRED QUESTION NO:6114

ANSWERED ON:05.05.2005

RECOVERY OF OUTSTANDING AMOUNTS FROM ADVERTISING AGENCIES

Sajjan Kumar Shri

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether the National Film Development Corporation suffering heavy losses due to the non-recovery of outstanding amounts to the tune of crore of rupees from the advertising agencies appointed by it;

(b) if so, the details thereof; and

(c) the action taken/ being taken for recovery of outstanding amounts from the advertisement agents?

Answer

THE MINISTER OF INFORMATION AND BROADCASTING AND CULTURE (SHRI S. JAIPAL REDDY)

(a) : Yes, Sir. The Corporation has been marketing Commercial Time on the slots allotted by Doordarshan to various advertising agencies and many of the agencies have defaulted in payment of dues.

(b) : Recovery of dues could not be effected due to discontinuance of the marketing of Commercial Time of Doordarshan by the Corporation since September, 2003 as Doordarshan started marketing its Commercial Time on its own. The details of the defaulting agencies are as in Annexure.

(c) : The steps taken by the Corporation for recovery of outstanding dues are as follows:

(i) Discussions with the agencies are in progress for reconciliation of accounts and clarifications wherever required for making payments.

(ii) Officials of the Corporation are taking follow up action individually for recovery.

(iii) A special audit has been initiated to examine thoroughly the details of outstanding dues and the recoverability of the amounts.

(iv) Legal notices have been served on agencies who have not come forward for settlement.

(v) A Cell has been constituted for recovery of outstanding dues and for serving legal notices and initiating appropriate proceedings by way of filing suit/criminal cases against the defaulting agencies.

ANNEXURE REFERRED TO IN REPLY TO PART (b) OF THE LOK SABHA UNSTARRED QUESTION NO.6114 TO BE ANSWERED ON 5.05.2005

OUTSTANDING POSITION AS ON 31.03.2005

S.No. Name of the Agency Amount (Rupees in lakhs)

1. M/s. Aditya Enterprises, Indore 35.58

2. M/s. A & A Films, Delhi 94.31

3. M/s. Bisawa Creations 183.44

4. M/s. Cine Penta Pvt. Ltd. 493.10

5. M/s. Contract Advt. Pvt. Ltd.	22.87
6. M/s. Creative Channel	314.71
7 M/s. Hindustan Thompsons Associates	873.86
8. M/s. Indradhanush	104.42
9. M/s. IPSEM Healthcare Limited	95.86
10. M/s. Mudra Communications P. Ltd.	55.00
11. M/s. Ogilvy & Mather Advt.	37.14
12. M/s. Popular Ent. Work	60.60
13. M/s Prachar Communication Ltd.	228.51
14. M/s. Purnima Advertising Agency	21.00
15. M/s. R.K. Swamy/BBDO Ad. P. Ltd.	14.29
16. M/s. Rediffussion	24.66
17. M/s. Sanitex Chemicals Ltd., Indore	43.24
18. M/s. Ulka Advertising	18.87
19. M/s. WPP Marketing (Mumbai)	20.00

TOTAL 2741.46