

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

UNSTARRED QUESTION NO:1387
ANSWERED ON:01.12.2005
ENTERTAINMENT INDUSTRY
Reddy Shri Magunta Sreenivasulu

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

- (a) whether entertainment industry is expected to play an important role in our economy in the coming years; and
(b) if so, the steps being taken by the Government to promote entertainment industry in this direction?

Answer

THE MINISTER OF INFORMATION & BROADCASTING AND PARLIAMENTARY AFFAIRS (SHRI P. R. DASMUNSI)

(a) According to the Federation of Indian Chambers of Commerce and Industry (FICCI) Pricewaterhouse Coopers Report for 2004-05, on the Indian Entertainment industry, the Indian film industry is expected to grow at a compounded annual growth rate of 18% to gross Rs. 12,900 crores by the year 2009.

(b) In the overall interest of the development of the film industry in India, the Central Government has taken the following initiatives to bring about changes in this sector:

Institutional and bank financing are now accessible to the entertainment industry.

100% Foreign Direct Investment is permissible in the film sector.

Government has led participation in global markets with a view to enhancing visibility of film industry.

Film weeks and festivals are held on reciprocal basis with various countries.

An audiovisual co production agreement has been signed with the Republic of Italy and similar proposals from other countries are being explored to expand avenues of finances and markets for the Indian film industry.

The Committee for Development of the Entertainment Sector, a sub-committee of the State Information Ministers' Conference (SIMCON), set up to suggest a policy framework for the film industry has recommended reduction of entertainment tax; steps to counter piracy in the film sector, measures to facilitate foreign film shooting in India etc.

The National Film Development Corporation, a public sector unit under this Ministry provides limited funding for films and oversees the integrated growth of the film industry in tune with objectives of the national economic policy.