

29

STANDING COMMITTEE
ON COMMUNICATIONS
(1995-96)

TENTH LOK SABHA

MINISTRY OF INFORMATION
AND BROADCASTING

TWENTY-NINTH REPORT



LOK SABHA SECRETARIAT
NEW DELHI

March, 1996 / Phalgun, 1917 (Saka)

TWENTY-NINTH REPORT

STANDING COMMITTEE ON COMMUNICATIONS (1995-96)

(TENTH LOK SABHA)

NATIONAL FILM DEVELOPMENT CORPORATION
(MINISTRY OF INFORMATION & BROADCASTING)

*[Action Taken by Government on the Recommendations contained in the
Fourteenth Report of Standing Committee on Communications
on National Film Development Corporation]*

*Presented to Lok Sabha on 12. 3. 1996
Laid in Rajya Sabha on 11. 3. 1996*



LOK SABHA SECRETARIAT
NEW DELHI

March, 1996/Phalgun, 1917 (Saka)

C.C. No. 29

Price : Rs. 10.00

© 1996 By LOK SABHA SECRETARIAT

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Eighth Edition) and Printed by M/s Jainco Art India, 1/21, Sarvapriya Vihar, New Delhi-110016.

CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE	(iii)
INTRODUCTION	(v)
CHAPTER I Report	1
CHAPTER II Recommendations/Observations which have been accepted by the Government	7
CHAPTER III Recommendations/Observations which the Committee do not desire to pursue in view of Government reply	13
CHAPTER IV Recommendations/Observations in respect of which Government replies have not been accepted by the Committee and which require reiteration	15
CHAPTER V Recommendations/Observations in respect of which Government have furnished interim replies	16

APPENDICES

APPENDIX I. Minutes of the Sitting of the Standing Committee on Communications (1995-96) held on 2.2.1996, 12.2.1996 and 8.3.1996	17
APPENDIX II. Analysis of Action Taken by Government on the recommendations contained in Fourteenth Report of Standing Committee on Communications (Tenth Lok Sabha)	23

COMPOSITION OF STANDING COMMITTEE ON
COMMUNICATIONS
(1995-96)

*Shri Pawan Kumar Bansal — *Chairman*

MEMBERS

Lok Sabha

2. Shri R. Jeevarathinam
3. Shri Shravan Kumar Patel
4. Shri Laeta Umbrey
5. Shri Surajbhanu Solanki
6. Shri N. Dennis
7. Shri Jagmeet Singh Brar
8. Shri Kodikkunnil Suresh
9. Shri B. Devarajan
10. Shri R. Anbarasu
11. Dr. B.G. Jawali
12. Shri Somjibhai Damor
13. Shri Mohan Lal Jhikram
14. Shri Mahesh Kumar Kanodia
15. Smt. Dipika H. Topiwala
16. Dr. Sakshiji Maharaj Swami
17. Shri Lalit Oraon
18. Vacant
19. Vacant
20. Vacant

- * Appointed Chairman w.e.f. 22.9.95 Vice Kumari Vimla Verma who ceased to be Member and Chairperson of the Committee on her appointment as Minister.
- @ Vacancy caused due to resignation of Shri Lal Krishna Advani from Lok Sabha w.e.f. 17.1.1996.
- @@ Vacancy caused due to resignation of Shri Sharad Yadav from Lok Sabha w.e.f. 29.1.1996.
- @@@ Vacancy caused due to resignation of Shri Ram Pujan Patel from Lok Sabha w.e.f. 15.1.1996.

21. Shri Shivsharan Verma
22. Shri Rupchand Pal
23. Shri Satyagopal Misra
24. Shri A. Asokaraj
25. Shri G.M.C. Balayogi
26. Shri Raj Kishore Mahato
27. Shri Sanat Kumar Mandal
28. Shri Sultan Salahuddin Owaisi
29. Shri Chandraseet Yadav

Rajya Sabha

30. Shri Prakash Yashwant Ambedkar
31. Shri Jalaludin Ansari
32. Shri M.A. Baby
33. Shri Virendra Kataria
34. Shri Aas Mohammad
35. Shri O. Rajagopal
36. Shri Mohammed Afzal
37. Smt. Jayanthi Natarajan
38. Smt. Anandiben J. Patel
39. Shri G. Prathapa Reddy
40. Smt. Sushma Swaraj
41. Shri Vizol
42. Shri V. Kishore Chandra Deo
43. Shri Janeshwar Mishra
44. Smt. Veena Verma

SECRETARIAT

1. Dr. Ashok Pandey — *Additional Secretary*
2. Shri G.C. Malhotra — *Joint Secretary*
3. Shri Ram Autar Ram — *Deputy Secretary*
4. Shri S.K. Sharma — *Under Secretary*

INTRODUCTION

I, the Chairman of the Standing Committee on Communications (1995-96) having been authorised by the Committee to submit the Report on its behalf, present this Twenty-Ninth Report on Action Taken by Government on the recommendations contained in the Fourteenth Report of the Standing Committee on Communications (Tenth Lok Sabha) on National Film Development Corporation relating to the Ministry of Information and Broadcasting.

2. The Fourteenth Report was presented to Lok Sabha on 21 May, 1995 and was also laid in Rajya Sabha the same day. The Government furnished replies indicating Action Taken on the Recommendations contained in the Report on 16 June, 1995.

3. The Committee considered the action taken notes at its sitting held on 2 February, 1996 and decided to seek clarifications in case of certain action taken notes. Accordingly, the Committee took oral evidence of the representatives of the Ministry of Information and Broadcasting at its sitting held on 12 February, 1996. The Committee wishes to express its thanks to the officers of the Ministry for tendering evidence and also placing before the Committee material in connection with the examination of the subject.

4. The Report was considered and adopted by the Committee at its sitting held on 8 March, 1996.

5. 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.

6. An Analysis of Action Taken by Government on the Recommendations contained in the Fourteenth Report of Standing Committee on Communications (Tenth Lok Sabha) is given in Appendix-II.

NEW DELHI;
8 March, 1996
18 Phalgun, 1917 (Saka)

PAWAN KUMAR BANSAL,
Chairman,
Standing Committee on Communications.

REPORT

CHAPTER I

1. This Report of the Standing Committee on Communications deals with the action taken by Government on the recommendations contained in its Fourteenth Report (Tenth Lok Sabha) on National Film Development Corporation relating to Ministry of Information and Broadcasting.

2. The Fourteenth Report was presented to Lok Sabha on 21st May, 1995 and was also laid on the Table of Rajya Sabha the same day. It contained 10 observations/recommendations.

3. Action Taken Notes in respect of all the observations/recommendations contained in the Report were received from Government on 16 June, 1995. Draft Report prepared on the basis of information received from the Ministry of Information and Broadcasting was considered by the Committee at its meeting held on 2 February, 1996. The Committee felt that clarifications on certain replies were necessary and, therefore, decided to call the representatives of the Ministry to appear before it on 12 February, 1996. In this meeting, the Committee sought further clarifications and also desired to be apprised of the latest position about the action taken by the Government. On the basis of the additional information furnished by the Ministry, recommendations/observations have been categorised as under:—

(i) Recommendations/observations which have been accepted by the Government.

Sl. No. 1 (Paras 32 & 35), 2 (Paras 33 & 34), 3 (Para 36), 4 (Para 37), 5 (Para 38), 6 (Para 39), 7 (Para 40), 10 (Para 43).

Total 8

Chapter II

(ii) Recommendations/observations which the Committee do not desire to pursue in view of the reply of the Government.

Sl. No. 8 (Para 41), 9 (Para 42).

Total 2

Chapter III

(iii) Recommendations/observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration.

NIL

Chapter IV

(iv) Recommendations/observations in respect of which replies are of interim nature.

NIL

Chapter V

4. The Committee will now deal with action taken by Government on some of its recommendations.

Export of Films

Recommendation Sl. No. 1 (Para Nos. 32 & 35)

5. The Committee in its Fourteenth Report had observed that although India has been the largest producer of films in the world and Indian films are popular abroad, yet our presence in the international film market is almost negligible being only 0.1 per cent. Therefore, the Committee had desired that serious efforts be made without loss of further time to maximise the export of films and other entertainment software. The Committee was also perturbed to note continuous decline in export earnings of National Film Development Corporation (NFDC) which was the canalising agency for export of films and audio-visual software and had desired that urgent corrective steps be taken and utmost effort made to step up marketing activities which were inadequate.

6. The Ministry of Information and Broadcasting in their Action Taken Note has stated that the observations/recommendations of the Committee have been noted for compliance. The National Film Development Corporation (NFDC) has been asked to take necessary follow up action. The Corporation is also stated to have taken a few steps to increase direct exports and improve its performance. When asked about the specific steps taken by NFDC to encourage export of films, the Ministry in a note has stated that NFDC has written to over 300 Universities/Public Colleges and has appointed an agent in USA. The list has been expanded to include Universities and Colleges in Canada also. A film/programme catalogue has been specially printed for circulation in this circuit which would include feature films, documentaries and some television programmes also.

7. It has been further added that NFDC has helped the Cinematheque Francaise and the National Film Archive of India organise the Indomania in France. With this it is claimed NFDC has promoted the exhibition of over 75 feature films and nearly a 100 short films at the prestigious Cinematheque Francaise in France, the response to which has been very encouraging. NFDC has appointed an agent to follow up the interest generated there.

8. The Committee is not satisfied with the reply of the Ministry with regard to export of films. The Ministry had earlier cursorily stated that the observations/recommendations of the Committee to maximise export of films and other entertainment software and to step up marketing activities had been noted. Subsequently, the Committee has been informed at its instance, of the efforts made by National Film Development Corporation in helping organise Cinematheque Francaise and Indomania in France. Considering the fact that Indian films are exported to more than a hundred countries, the Committee feel that all out efforts have not been made by NFDC. The Committee would like to be apprised of the specific/concrete action initiated in the matter.

9. As regards the steps taken to arrest decline in direct export of films by the National Film Development Corporation and also to improve its performance, the Committee welcome these steps. However, it would like to be apprised of the impact of these measures over a period of time.

Export Promotion Council Status for NFDC to export films

Recommendation Sl. No. 2 (Para Nos. 33 & 34)

10. The Committee in its earlier report had observed that lack of an Organisation to undertake export of films and other entertainment software abroad had been a major reason for India's dismal performance in the export of films. As the NFDC has the professional competence and infra-structure to undertake this responsibility and function as a Film Export Promotion Council, the Committee had recommended NFDC's claim in this regard. As no financial liability or loss was indicated if NFDC were to be granted an Export Promotion Council status, the Committee had observed that a Film Export Promotion Council status for NFDC would be a paying proposition.

11. The Ministry of Information and Broadcasting has stated in its action taken note that the recommendations of the Committee have been noted for compliance and the proposal for the grant of an Export Promotion Council status for films to NFDC is being taken up/pursued with the Ministry of Commerce.

However, in a subsequent note furnished at the instance of the Committee, it has been stated that the matter was considered by the NFDC Board. The Board did not recommend financial involvement of NFDC for the Export Promotion Council. The Board also felt that the Industry should set up such a council. The Corporation could, however, provide the secretarial assistance for the Council. The proposal has therefore, not been pursued with the Ministry of Commerce.

12. Clarifying the position further in reply to a query from the Committee in this regard, the Managing Director, NFDC stated in evidence that NFDC had an extensive dialogue with the Export Promotion Organisation of the film industry because they felt that it was the forum that really needed to take the lead. The NFDC is a small component of the film industry which controls just one to two per cent of the market share, both in terms of production as well as revenue. So, it was felt that lead should really come from film industry. It was also proposed to the Association also at that time that in view of the past experience of canalisation, NFDC could help the Association if they got themselves together. Unfortunately, this never happened, partly because they were not very well unified or they had their own internal competition. Most of them were exporters themselves and there was a lot of conflict of interest. So they could not just get together, it was in that background that NFDC had proposed the possibility of setting up an Export Promotion Council. But that also had been turned down by the Ministry of Commerce. Although it was re-submitted and re-proposed, the Ministry of Commerce again rejected the proposal saying that there was no way they could give any financial support for such a set up and that if NFDC wanted to do it on its own, it could do so. This was not possible or practicable unless there was some financial support available to the NFDC.

13. The Committee are concerned to note that the proposal of the National Film Development Corporation regarding setting up a Film Export Promotion Council for export of films and entertainment software has been turned down by the Ministry of Commerce. As per projections made by the NFDC, as against the expected expenditure of Rs. 60 lakh (if a Film Export Promotion Council is set up as part of NFDC) the projected returns are Rs. 31.25 crores in the first year, 40 crores in the second year and Rs. 52 crores in the third year of the functioning of the proposed Council. The Committee are at a loss to understand how such a proposition could not find favour with the Ministry of Commerce. While the Ministries of Information & Broadcasting and Commerce stick to their respective positions, export of films continue to suffer and a great opportunity of augmenting valuable foreign exchange earnings is being lost to the country.

Selection of Films for Export

Recommendation Sl. No. 5 (Para No. 38)

14. The Committee in its Fourteenth report had cautioned that adequate thought must be given to the selection of right kind of films for export and that those films must reflect Indian ethos and culture and show to the world positive side of the country.

15. The Ministry of Information and Broadcasting in their Action Taken Note has stated that the NFDC has been asked to take necessary action for compliance thereof. The Ministry in a subsequent note have stated that Export efforts has been a continuous process and among other things, observations made by Committee would be kept in mind by NFDC while finalising the deals.

16. The Committee regrets that in response to its recommendation for selection of right kind of films it has simply been stated that NFDC has been asked to take necessary action. The Committee would like to be informed of the specific steps taken in this regard by the NFDC in view of the observations of the Committee.

Utilisation of Funds

Recommendation Sl. No. 10 (Para No 43)

17. The Committee in its earlier report had expressed concern at under-utilisation of the sanctioned budget for four schemes taken up by the National Film Development Corporation *viz.* (i) financing of film production and equipments (ii) Theater construction (iii) Import and distribution of films and (iv) Replacement and modernisation of projects for the years 1992-93 and 1993-94. The Committee had urged that the sanctioned funds must be profitably used for optimising the growth potential of NFDC.

18. The Ministry of Information and Broadcasting in its action taken note has stated that the observations of the Committee are noted for compliance and that NFDC has been asked to take remedial steps in this regard. It is further stated that the Corporation did not surrender any funds during 1992-93 and 1993-94 as the shortfall in performance during these two years was covered up during 1994-95. The Ministry has further clarified in a subsequent note the NFDC was making all out efforts to ensure that sanctioned funds were used profitably for optimising the growth potentials of NFDC.

19. The Committee considers Government's reply to the Committee's recommendations relating to utilisation of funds as

unsatisfactory. Actual steps taken in this regard should be intimated to the Committee. Also, utilisation of left-over funds of 1992-93 and 1993-94 during the subsequent year does not justify the fact that the progress of these schemes during the earlier two years was affected because of under utilisation of funds. The Committee hope that in future the sanctioned funds would be fully utilised in time so that progress of any work in hand is not retarded.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation Sl. No. 1 (Para No. 32 & 35)

The Committee note that India is the largest producer of films in the world, accounting for about one-fifth of the total world production. Indian films are popular abroad and are exported to more than a hundred countries. However, in real terms, India's presence in the international film market has been almost negligible, being only 0.1 per cent. Obviously, there has been no organised efforts to promote export of films and other entertainment software abroad. In view of these facts, and also keeping in view the high growth potential of National Film Development Corporation (NFDC), the Committee are of the firm view that there exists a vast scope to exploit the export potential of Indian films. The Committee desire that serious efforts should be made without loss of further time to maximise the export of films and other entertainment software.

The Committee are perturbed to note in this connection that foreign exchange earnings by (NFDC) which has been the canalising agency for export of films and audio-visual software till recently, has been declining over the last three years. It has come down to Rs. 142 lakhs in 1993-94 from Rs. 320 lakhs in 1991-92. The Committee trust that urgent steps would be taken to reverse this declining trend.

However, the Committee recommend that pending the grant of export promotion council status to NFDC, the Corporation must make utmost efforts to step up marketing activities, which at present are inadequate. Considering that Indian films are popular in U.K., Thailand, Peru, Cambodia and countries of Africa and Central Asia among others, NFDC must establish marketing tie-ups. NFDS must also identify and appoint the right kind of agents who would be familiar with local conditions, for the sale of films in the overseas market.

Action Taken by Government

The observations/recommendation of the Committee have been noted for compliance. The NFDC has been asked to take necessary follow-up action.

In order to arrest the decline in its direct exports and to improve its performance, the Corporation has initiated the following steps :—

(a) For opening of the University Circuit in USA and Europe, the NFDC has completed ground work such as identification, listing and cataloguing institutions with film/TV media/Communication Courses and the programmes that can be made available to these institutions.

(b) **Theatrical release of NFDC films and other Indian art films abroad** : This is being tried in France on an experimental basis with the release of 'UTTORAN' and 'CHARACHAR' in August 1995. This is likely to take off in UK and Canada during the same period.

(c) The Corporation has already started assuring films and programmes to put together an impressive catalogue. If considered necessary, the Corporation may acquire rights for even popular films for some territories and media.

(d) Plans are afoot to start an export-oriented monthly newsletter which will be mailed to potential buyers, Film Festival organisers, journalists and organisations abroad.

(e) The Corporation is looking out for reputed agents who can invest at least some money as minimum guarantee. A package of 10 films has already been handed over for promotion in the USA.

Comments of the Committee

Please see Para Nos. 8 & 9 of Chapter I

[F. No. 207/2/95-F(PSU) Dated : 16. 06. 95]

Recommendation Sl. No. 2 (Paras 33 & 34)

The Committee learn that lack of an organisation to undertake promotion and export of Indian films and other entertainment software abroad has been a major reason for India's dismal performance in the export of films. Since the number of agencies dealing in the export of entertainment related software and the volume of export have both been minuscule, and NFDC has the professional competence and infrastructure to undertake the responsibility of, and function as, a Film Export Promotion Council, the Committee opine that NFDC's claim in this regard merits consideration.

34. The Committee note that as against the expected expenditure of Rs. 60 lakh (if a Film Export Promotion Council is set up as part of NFDC) the projected returns for the future are expected to be as high as Rs. 31.25 crore in the first year after the Film Export Promotion Council starts functioning. It is further projected to go upto Rs. 40.06 crore in the second year and to Rs. 52.07 crore in the third. These

projections assume added importance when viewed in the present context of placing greater emphasis on export earnings. As such, no financial liability or loss is indicated if NFDC were to be granted export promotion council status, and the Committee trust that a Film Export Promotion Council would be a paying proposition.

Action Taken by Government

The recommendations of the Committee have been noted for compliance. The proposal for the grant of an Export Promotion Council status for films to NFDC is being taken up/pursued with the Ministry of Commerce.

Comments of the Committee

Please see Para No. 13 of Chapter I

[F. No. 207/2/95-F(PSU) Dated : 16. 06. 95]

Recommendation Sl. No. 3 (Para 36)

The Committee also recommend that NFDC must seriously follow up the possibility of greater overseas sale of video rights of films, so as to earn foreign exchange. NFDC should also explore the promising new market such as television channels, Pay TV, Satellite Broadcast, Cable TV, etc. which reach a very large audience in order to be able to sustain and expand the market niche for Indian films.

Action Taken by Government

The recommendations of the Committee has been communicated to the NFDC for compliance. The Corporation is taking necessary follow-up action through its participation in specialised programme markets like MIP TV, MIP ASIA and MIP COM.

[F. No. 207/2/95-F(PSU) Dated : 16. 06. 95]

Recommendation Sl. No. 4 (Para 37)

The Committee regret to note that no market surveys or analyses seem to have been undertaken by NFDC for tapping the vast external market. The Committee urge that NFDC must take steps to develop the infrastructure to undertake such surveys.

Action Taken by Government

The observations of the Committee have been noted. The NFDC has been asked to take necessary action in this regard. The Corporation

is preparing a questionnaire for distribution abroad through the MEA as a first step to conduct market surveys. Thereafter, the Corporation proposes to contact local distributors, TV, Satellite and Cable networks for programme content, sourcing and countries of origin.

[F. No. 207/2/95-F(PSU) Dated : 16. 06. 95]

Recommendation Sl. No. 5 (Para 38)

In the context of the increased efforts for export of films, the Committee caution that adequate thought must be given to the selection of the right kind of films for export. Films must reflect Indian ethos and culture and show the world the positive side of the country.

Action Taken by Government

The observations of the Committee have been noted. The NFDC has been asked to take necessary action for compliance thereof.

Comments of the Committee

Please *see* Para No. 16 of Chapter I

[F. No. 207/2/95-F(PSU) Dated : 16. 06. 95]

Recommendation Sl. No. 6 (Para 39)

The Committee find that NFDC has not ventured in a significant way in any international co-production after its success in GANDHI. It has been observed that two foreign co-productions were undertaken in 1991-92, one of which continued in 1992-93. In this context, the Committee note that the Working Group on National Film Policy had recommended more international co-productions by NFDC. There seems to have been no new venture in 1992-93 and 1993-94. The Committee recommend that NFDC must enlarge its foreign co-production activity, so as to ensure greater and continued returns in foreign exchange.

Action Taken by Government

The recommendation of the Committee has been noted. The NFDC has been asked to take necessary steps in this regard.

The Corporation has taken on one major international co-production "MAKING OF A MAHATMA" in collaboration with SABC (South African Broadcasting Corporation) to be directed by the well-known Indian film maker Shri Shyam Benegal. Shooting of the film in South

Africa is expected to commence in July 1995. The other international co-production undertaken by the Corporation during this year (1995) is titled "JAYA GANGA". This is being made in collaboration with France.

[F. No. 207/2/95-F(PSU) Dated : 16. 06. 95]

Recommendation Sl. No. 7 (Para 40)

The Committee note that for the year 1992-93, of the total investment in 12 co-productions with Doordarshan, NFDC has invested in 3 new co-productions. The other 9 were carryovers from the previous year. For the year 1993-94, NFDC has made 7 new investments, out of a total of 16. The Committee desire that NFDC should undertake co-production of a larger number of films with Doordarshan, with a view to making the optimum use of its infrastructure and also to exploit these films both commercially and non-commercially. NFDC must also utilise its expertise to expand its interaction with Doordarshan.

Action Taken by Government

The NFDC has been asked to take necessary follow-up action. It has stepped up its co-production activities with Doordarshan. The Corporation has projected 10 co-productions with Doordarshan for 1995-96. The NFDC is also capsuling for Doordarshan International channel as also programming and capsuling for DD Movie Club. Besides, it is also marketing and programming many of the films telecast on DD I and DD II Channels.

[F. No. 207/2/95-F(PSU) Dated : 16. 06. 95]

Recommendation Sl. No. 10 (Para 43)

The Committee are concerned to note that NFDC has not utilised the sanctioned budget for its four schemes, *viz.*, (i) financing of film productions and equipment (including loans, own and co-productions); (ii) theatre construction (loans and joint ventures); (iii) import and distribution of films and; (iv) replacement and modernisation of projects, for the years 1992-93 and 1993-94. For the year 1992-93, an amount of Rs. 117.40 lakh was surrendered, and for the year 1993-94, the amount surrendered was Rs. 141.03 lakh. For the year 1994-95 out of the revised budget of Rs. 800 lakh, Rs. 628.58 lakh was utilised upto December 1994. The Committee urge that sanctioned funds must be profitably used for optimising the growth potential of NFDC.

Action Taken by Government

The observations of the Committee have been noted for compliance. The NFDC has been asked to take necessary remedial steps in this regard. It may, however, be mentioned here that the Corporation did not surrender any funds during 1992-93 and 1993-94 inasmuch as the shortfall in performance during these two years was covered up during 1994-95.

Comments of the Committee

Please *see* Para No. 19 of Chapter I.

[F. No. 207/2/95-F(PSU) Dated : 16. 06. 95]

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES OF GOVERNMENT

Recommendation Sl. No. 8 (Para 41)

Regarding grant of production loans, the Committee note that because of budget constraints it may not be possible to grant loans for all the films selected by the Script Committee. The Committee feels that there is a need for stepping up the budgetary grant of the Corporation for the purpose. In addition, it will be advisable for the Corporation to explore other avenues for resource mobilisation. The Committee further urge that it is imperative that greater transparency be effected in the selection procedure. Accordingly, the procedure should be further streamlined and there should be no cause for complaints.

Action Taken by Government

The observations of the Committee have been noted for compliance. While the NFDC is being given adequate budgetary support every year in the form of equity and loans, the Corporation is also exploring other avenues for resource mobilisation in the form of television activities.

As regards the procedure for grant of loans for production of films, the Corporation has a well-devised mechanism inasmuch as all scripts are sent to the Script Committee which consists of well-known film-makers, writers and critics. After receipt of recommendations of the Script Committee, proposals are referred to the Board of NFDC which takes final decision on financing.

[F. No. 207/2/95-F(PSU) Dated : 16. 06. 95]

Recommendation Sl. No. 9 (Para 42)

The Committee recommend that the Ministry of Information and Broadcasting should consider reviving the magazine, CINEMA IN INDIA. They note that there is virtually no magazine in the market analysing cinema seriously, and this need can be fulfilled only through a specialised film magazine. Further, the promotion of this magazine

abroad should be undertaken along with film export. For this purpose, the Ministry of Information and Broadcasting should actively tie up with the Ministry of External Affairs.

Action Taken by Government

The recommendation of the Committee has been noted for compliance. The NFDC has been asked to take necessary action in this regard. In view of the economic non-viability as also lack of advertisements and marketing support, it does not seem feasible to restart the magazine "CINEMA IN INDIA". The Corporation has, however, initiated steps to launch a monthly newsletter.

[F. No. 207/2/95-F(PSU) Dated : 16. 06. 95]

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

— NIL —

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

— NIL —

NEW DELHI;
8, March, 1996
18, Phalgun, 1917 (Saka)

PAWAN KUMAR BANSAL,
Chairman,
Standing Committee on Communications.

APPENDIX-I

MINUTES OF THE EIGHTEENTH SITTING OF THE STANDING COMMITTEE ON COMMUNICATIONS (1995-96)

The Committee sat on Friday, the 2 February, 1996 from 15.00 hrs. to 15.30 hrs. in Committee Room 'E', Parliament House Annex, New Delhi.

PRESENT

Shri Pawan Kumar Bansal — *Chairman*

MEMBERS

Lok Sabha

2. Shri Somjibhai Damor
3. Shri N. Dennis
4. Shri B. Devarajan
5. Shri Sanat Kumar Mandal
6. Shri Satyagopal Misra
7. Dr. B.G. Jawali
8. Shri Mohan Lal Jhikram
9. Shri Mahesh Kumar Kanodia
10. Shri Rupchand Pal
11. Shri Kodikkunnil Suresh
12. Shri Shivsharan Verma

Rajya Sabha

13. Shri Prakash Yashwant Ambedkar
14. Shri Jalaludin Ansari
15. Shri Virendra Kataria
16. Shri Janeshwar Mishra
17. Smt. Anandiben J. Patel
18. Shri G. Prathapa Reddy
19. Smt. Sushma Swaraj
20. Smt. Veena Verma
21. Shri Vizol

SECRETARIAT

1. Shri G.C. Malhotra — *Joint Secretary*
2. Shri Ram Autar Ram — *Deputy Secretary*
3. Shri S.K. Sharma — *Under Secretary*

2. The Committee took up for consideration draft Report on Action Taken by Government on the recommendations contained in its Fourteenth Report on National Film Development Corporation. A need was felt to seek some further clarifications from the Ministry. Accordingly, the Committee decided to call the representatives of the Ministry of Information and Broadcasting to seek further clarifications on some of the Action Taken Notes and also to know the latest position regarding the various issues replied to in the Action Taken Notes of the Ministry.

*The Committee then adjourned to meet on
12th February, 1996 at 16.00 hrs.*

MINUTES OF THE NINETEENTH SITTING OF THE STANDING
COMMITTEE ON COMMUNICATIONS (1995-96)

The Committee sat on Monday, the 12 February, 1996 from 16.00 to 17.00 hrs. in Committee Room 'D', Parliament House Annex, New Delhi.

PRESENT

Shri Pawan Kumar Bansal — *Chairman*

MEMBERS

Lok Sabha

2. Shri R. Anbarasu
3. Shri N. Dennis
4. Shri B. Devarajan
5. Shri Mohan Lal Jhikram
6. Shri Sanat Kumar Mandal
7. Shri Satyagopal Misra
8. Shri Rupchand Pal
9. Shri Laeta Umbrey
10. Shri Shivsharan Verma

Rajya Sabha

11. Shri Prakash Yashwant Ambedkar
12. Shri Mohammed Afzal
13. Shri V. Kishore Chandra Deo
14. Smt. Anandiben J. Patel
15. Shri O. Rajagopal
16. Smt. Veena Verma

SECRETARIAT

1. Shri Ram Autar Ram — *Deputy Secretary*
2. Shri S.K. Sharma — *Under Secretary*

WITNESSES

Officers of the Ministry of Information Broadcasting & National Films Development Corporation (N.F.D.C.)

1. Shri Bhaskar Ghose — *Secretary*
2. Shri N.P. Nawani — *Additional Secretary & F.A.*
3. Shri Raghu Menon — *Joint Secretary*
4. Shri Ravi Gupta — *Managing Director, NFDC*

2. At the outset, the Chairman welcomed the representatives of the Ministry of Information & Broadcasting and National Film Development Corporation to the sitting of the Committee.

3. During the course of evidence, the Members of the Committee sought clarifications on certain Action Taken replies sent in by the Ministry on the recommendations contained in the Fourteenth Report of the Committee on National Film Development Corporation. Certain other queries relevant to the subject were also raised.

4. The representatives of the Ministry and National Film Development Corporation replied to the queries raised by the Members of the Committee and clarified the position.

5. The Chairman thanked the witnesses for appearing before the Committee and assisting in examination of the subject. The witnesses then withdrew.

6. A verbatim record of the proceedings of the sitting was kept.

The Committee then adjourned.

MINUTES OF THE TWENTY-SECOND SITTING OF THE
STANDING COMMITTEE ON COMMUNICATIONS (1995-96)

The Committee sat on Friday, the 8 March, 1996 from 10.30 to 11.00 hrs. In Committee Room 63, Parliament House, New Delhi.

PRESENT

Shri Pawan Kumar Bansal — *Chairman*

MEMBERS

Lok Sabha

2. Shri R. Anbarasu
3. Shri Jagmeet Singh Brar
4. Shri N. Dennis
5. Shri Somjibhai Damor
6. Shri Mohan Lal Jhikram
7. Shri Satyagopal Misra
8. Shri Raj Kishore Mahato
9. Shri Sanat Kumar Mandal
10. Shri Shravan Kumar Patel
11. Shri Rupchand Pal
12. Shri Laeta Umbrey
13. Shri Shivsharan Verma

Rajya Sabha

14. Shri Jalaludin Ansari
15. Shri G. Prathapa Reddy
16. Smt. Veena Verma
17. Shri Vizol

SECRETARIAT

1. Shri G.C. Malhotra — *Joint Secretary*
2. Shri Ram Autar Ram — *Deputy Secretary*
3. Shri S.K. Sharma — *Under Secretary*

2. The Committee considered and adopted the following Action Taken Reports :

- (i) Draft Report on Action Taken by Government on the recommendations contained in the Eighth Report relating to Central Board of Film Certification;
- (ii) Draft Report on Action Taken by the Government on the recommendations contained in the Fourteenth Report relating to National Film Development Corporation.

Thereafter, the Committee authorised the Chairman to finalise and present the Reports to Lok Sabha and have them laid on the Table of the Rajya Sabha.

The Committee then adjourned.

APPENDIX II

(*vide* : Introduction of Report)

Analysis of Action Taken by Government on the Fourteenth Report of Standing Committee on Communications (Tenth Lok Sabha).

I.	Total Number of Recommendations	10
II.	Recommendations/observations which have been accepted by the Government :	
	Sl. No. 1 (Paras 32 & 35), 2 (Paras 33 & 34), 3 (Para 36), 4 (Para 37), 5 (Para 38), 6 (Para 39), 7 (Para 40), 10 (Para 43).	
		Total 8 Percentage 80
III.	Recommendations/observations which the Committee do not desire to pursue in view of the reply of the Government :	
	Sl. No. 8 (Para 41) 9, (Para 42),	
		Total 2 Percentage 20
IV.	Recommendations/observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration :	
	- NIL -	
V.	Recommendations/observations in respect of which replies are of interim nature :	
	- NIL -	