

FOURTEENTH REPORT
STANDING COMMITTEE ON
COMMUNICATIONS
(1994-95)

(TENTH LOK SABHA)

NATIONAL FILM DEVELOPMENT CORPORATION
(MINISTRY OF INFORMATION AND
BROADCASTING)

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(1994-95)

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INTRODUCTION

I, the Chairperson of the Standing Committee on Communications (1994-95) having been authorised by the Committee to submit the Report on their behalf, present this Fourteenth Report on National Film Development Corporation, relating to the Ministry of Information and Broadcasting.

2. The Committee took oral evidence of the representatives of the Ministry of Information and Broadcasting at their sitting held on 27 January, 1994. The Committee wish to express their thanks to the officers of the Ministry for giving evidence before the Committee and also for placing before them the material which they desired in connection with the examination of the subject.

3. The Report was considered and adopted by the Committee at their sitting held on 15 February, 1995.

4. 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.

NEW DELHI;
February 28, 1995

Phalgun 9, 1916 (Saka)

KUMARI VIMLA VERMA,
Chairperson,
Standing Committee on Communications.

REPORT

NATIONAL FILM DEVELOPMENT CORPORATION

(a) Introductory

National Film Development Corporation Limited (NFDC) was established in May 1975 with the broad objective to plan, promote and organise integrated, healthy and efficient development of the Indian Film Industry. The Corporation remained dormant in the initial years of its inception and was activated in April 1980, with the amalgamation of the erstwhile Film Finance Corporation (FFC) and the Indian Motion Picture Export Corporation (IMPEC). The establishing of NFDC was the result of the realisation of the part on the Government that the various aspects of film industry, *i.e.*, economic and artistic, were closely interrelated and that a long term policy encompassing the field of production, export, distribution and exhibition would help in its growth and development as a whole.

(b) Objectives

2. NFDC has been entrusted with a wide spectrum of activities of a diverse nature covering various facets of the Indian film industry. The main objectives of the Corporation are:

- (i) Financing, producing and co-producing good quality feature films with socially relevant themes; promoting creative and artistic excellence in films, and experimentations in form; distributing and disseminating financed/produced films through various channels.
- (ii) Production of healthy entertainment programmes for television, video channels etc., and rendering agency services for production of films to other departments such as Department of Culture, Ministry of Health and Family Welfare, etc.
- (iii) Export of financed/produced/co-produced films and also acquiring and exporting films from other producers who do not have their own export set-up and would like to avail the expertise and service of NFDC in this field.
- (iv) Import of feature films and other television/video rights as per the import policy guidelines of the Government of India, and distributing/sub-distributing the same in the country through various channels.
- (v) Providing essential pre-production and post-production infrastructure facilities not adequately available in the private sector, to the film industry.

- (vi) Financing and construction of theatres to ensure creation of additional seating capacity and to ensure wider outlets to the films produced by the Corporation.
- (vii) Promoting the culture and understanding of cinema with various activities organised through Film Societies, National Film Circle and such other fora, in respect of both Indian/foreign films.
- (viii) To ensure the welfare of cine artistes through the Cine Artiste's Fund of India, set-up by NFDC.

(c) Export of Films and other Audio-Visual Software

3. The export of films is one of the important functions of NFDC, in view of the immense foreign exchange earning potential of Indian films. Indian films are basically produced for the home market and any overseas sale means an additional advantage of foreign exchange earning with no extra inputs. The only costs required to be incurred are promotional costs. The value addition is reported to be extremely high.

4. The Committee were informed that India exports films to over 100 countries in the world, which indicates that there is a vast market for Indian films abroad. However, although India is the largest producer of films in the world (1/5th of the world's total), there is no organised effort to promote the sale of Indian films and other entertainment software abroad. India's presence in the international film market accounts for just 0.1% of the world entertainment market.

5. The Secretary, Ministry of Information and Broadcasting, stated during the course of evidence that a strong export promotion policy is imperative as there is indeed a good demand for Indian films abroad. Export of films and related software is stated to be quite different from export of other commodities. Film exports help promote culture, life style and tourism of a country. The Committee were informed that Indian films have been popular in the U.K., China, Thailand, Peru, Cambodia and countries of Central Asia and Africa, among others. It was further emphasised by the Managing Director, NFDC, that, "as far as Indian films are concerned, even when they are under production, there is a good market for sale". Besides the Indian film industry, the Government owned electronic media, viz., Doordarshan with its wide spread production and relay network also produced a lot of software on various subjects such as art, culture, history, heritage, drama, music, entertainment and news and current affairs.

6. NFDC has, till recently, been the canalising agency for export of films and other audio-visual software. The number and volume of agencies dealing with export of entertainment related software has remained very small. The Managing Director, NFDC, stated in evidence that:

"...although an individual producer can himself undertake the export of films, ... the proposed Export Promotion Council for

Films will render assistance in overall export promotion efforts...every producer has one or two films but an enormous amount of expenditure is involved in promoting exports. Like other export promotion councils such as the Leather Export Council, the Export Promotion Council for Films will render overall support to Indian Films."

It has been further stated that NFDC still has the professional competence and infrastructure to undertake the responsibility of, and function as, an export promotion council, provided it is given some initial grants-in-aid required for meeting promotional expenses.

7. The Ministry of Information and Broadcasting further clarified that the cost of participation in any international film or television market being exorbitantly high, only NFDC participated with a stand in any of these markets. Even NFDC could participate in only 2 or 3 such international markets, out of the 100 or so held every year.

Asked about the foreign exchange earned by the NFDC during the last three years, the Committee were informed that it was Rs. 320.24 lakh in 1991-92, Rs. 229.26 lakh in 1992-93 and Rs. 142.20 lakh in 1993-94.

(d) Need for a Film Export Promotion Council

8. It has been stated that the difficulties faced by individual exporters as well as the lack of an organisation to undertake promotion of export of Indian films and other entertainment software abroad, have been the main reasons for India's poor performance in the export sector.

9. Highlighting the importance of films, nationally and internationally, the Ministry of Information and Broadcasting stated that films promote the art and culture of a country, attract tourism, and their export earns valuable foreign exchange for the country. The widespread success and popularity of Hollywood cinema would bear this out. The Ministry have further stated that due to these reasons, there were organised efforts in this direction even in the countries with free market economies.

10. It was further stated that there is an urgent need for setting up an export promotion council and that NFDC might be given that status. In view of the great importance of film export and other audio-visual software, organisational support which could be provided by an export promotion council has become imperative. This would not only help the individual producers, but would also be of great help in boosting export of films to the overall benefit of the country.

11. The proposal for grant of an export promotion council status to NFDC was reported to have been sent by the Ministry of Information and Broadcasting to the Ministry of Commerce in April 1991. There was, however, a back reference from that Ministry stating that the Government had already decided to phase-out the grants-in-aid to all the export promotion councils during the next few years. This process was started in

April 1992, and the grants-in-aid of the councils was reduced by 20% during the financial year 1992-93 also. Further reduction in the grants-in-aid was envisaged for 1993-94. The intention was that the councils become self-supporting organisations by the time the grants are fully withdrawn. The Ministry of Commerce had also stated that NFDC, if and when granted recognition, may not qualify for grant of financial assistance.

12. The matter was considered in the Ministry of Information and Broadcasting in consultation with the National Film Development Corporation, and it was decided to again recommend to the Ministry of Commerce for grant of export promotion council status to NFDC. This reference was made to the Ministry of Commerce in November 1993, followed by three reminders on 21 December 1993, 3 & 22 February 1994. The Ministry of Commerce replied back in April 1994, reiterating their stand that NFDC, even if granted export promotion council status, would not be entitled for Government's financial support. The Ministry, however, desired that a self-contained proposal might be sent to them for further consideration, and this is awaited from NFDC.

13. The economics of the Film Export Promotion Council are given in Annexure I. It is seen that it would entail an annual expenditure of Rs. 84 lakh towards promotional expenses and Rs. 10.50 lakh (approximately) per annum on salaries and allowances plus administrative expenses like telephone and internal travel etc. The expenditure figure of Rs. 94.50 lakh is projected presuming that an export promotion council would be set up outside NFDC. In case, however, it is decided to set up such a council as a part of NFDC, the overall expenses would be around Rs. 60 lakh per annum (approximately). As against this expenditure, the export earnings projected for the first year after beginning of activities of a Film Export Promotion Council are estimated to be Rs. 31.25 crore; in the second year, Rs. 40.06 crore; and during the third year, Rs. 52.07 crore.

(e) Foreign Exchange Earnings

14. India is the largest producer of films in the world, producing about 15th of the world total. But India's presence in the international film market accounts for just 0.1% of the world's entertainment figure.

15. Export earnings by NFDC during the last 3 years are stated to be as under:—

Year	Rs. in lakhs
1991-92	320.24
1992-93	229.26
1993-94	142.20

16. Replying to a query on the meagre foreign exchange earnings, the Secretary, Ministry of Information and Broadcasting, replied:

"Considering the capital base of the company, the amount will be over Rs. 3 crore a year and for earning foreign exchange this is not a bad amount. If the company is bigger, then the amount will be still bigger. If we make a bigger export drive, then we will earn more foreign exchange. Our investment is so small. The discouraging sign is that compared to last year, there has been a drop in our export earnings this year..."

There is a big market and films are there to be taken. Unless we bring the two things together, we will be failing and we will deny ourselves a great amount of valuable foreign exchange in this connection. We have to invest a large amount at the moment in our market effort and the returns will come in subsequent year to come."

17. In reply to a query regarding other export alternatives such as the sale of video rights, the Committee were informed that most of the video rights of films had already been sold overseas. The Committee also learnt that there is significant scope for exports to new markets such as video, television channels Pay TV, Cable TV, Satellite Broadcast and so on.

(f) Marketing Centres Abroad

18. The Working Group on National Film Policy had recommended in 1980, that:

"...the main function of NFDC, which has taken over the activities of IMPEC (Indian Motion Pictures Export Corporation), should be the promotion of exports. For this purpose, NFDC should set up regional marketing centres in important foreign markets for Indian films. These centres should regularly gather information about the actual collections from Indian films, establish regular contacts with buyers and also develop contacts in new territories... It is important that these centres are staffed by a cadre specialised in marketing ...Their functions should be to provide help and export advice to Indian exporters. These Branch offices should regularly participate in the market sections of foreign film festivals and provide advice, help and support to Indian exporters. It will be necessary for these centres of NFDC to directly enter the field of exhibition in at least some of the important countries such as U.K., Indonesia and Latin American countries so that a regular show window of cinema is created."

19. Replying to a query on the recommendation made by the Working Group to set up a regional marketing centre in the U.K., the Managing Director, NFDC, replied as under:

"The NFDC had a regional office in London earlier. That office was doing a fair amount of exports in Europe. However, with the changes in Government policy this office was turning out to be very expensive, particularly after the rupee was devalued and, therefore, we had to close this office down. That recommendation (of the Working Group) was considered at one point of time. Since the NFDC would have to raise the necessary resources, it was not found economically viable to set up such offices."

20. The Committee learnt that NFDC did not have the infrastructure to carry out market analyses in various countries on the potential demand for Indian films. NFDC has been depending on past trends of export of Indian films to a particular country, as also on feedback from Indian Embassies, Consulates and other Indian and Foreign Cultural Centres. It also depended on such feedback as available during discussions with potential buyers/participants at international film markets, and such other information as may be available in the film trade journals.

21. The Working Group on National Film Policy had also recommended in their Report in 1980, that one of the ways to expand the market for Indian films abroad is to encourage co-productions with foreign countries, since a co-production automatically guarantees a market in the foreign country which collaborates in the production. For this purpose it was essential to simplify procedural restrictions. These recommendations were accepted in principle by the Government.

22. The Corporation launched its programme of foreign co-productions with the film *Gandhi*, followed by *Salam Bombay*, *Unni*, *Miss Betty's Children*, *Maya Memsaab* and a 7-episode TV Serial, *The New Indian Trunk*.

23. The Committee were informed that NFDC also co-produces films with Doordarshan and exploits them in the commercial and non-commercial sectors, within India and abroad. Upto 31 March 1993, 27 films were approved under the NFDC-DD co-production scheme.

24. Annexure II shows the figures for investments in foreign co-productions as well as co-production with Doordarshan. It will be seen that two foreign co-productions were undertaken in 1991-92 (*Unni* and *Miss Betty's Children*), one of which (*Miss Betty's Children*) was continued in 1992-93. There was no venture in 1993-94.

25. As for investments in co-production with Doordarshan, there were 11 ventures in 1991-92, 12 in 1992-93 (of which 9 were carry-overs from the previous year) and 15 in 1993-94 (of which 7 were carry-overs from the previous year/s).

(g) Grant of NFDC Loans for Film Production

26. In reply to a query regarding the oft-received complaint that films were arbitrarily selected for the purpose of grant of loans for production, the Managing Director, NFDC, clarified that NFDC followed a two-tier system. First, the Script Committee which has well known film producers, writers, film critics etc. as its members made its recommendations after going through the script. Thereafter, the Board, on the basis of the project report and recommendations of the Script Committee, gave its approval. It was further contended that the films selected by NFDC have all been very good ones. Out of the annual production of 800 or so Indian films, NFDC production accounted for 10 or 12 films. Of the award winning films every year in the Panorama section (total of 21 films), 8 to 10 have been NFDC productions. "This amply illustrates that the selection process is fair." It was further stated that

the budgetary allocation had been to the tune of Rs. 2 crore a year which was sufficient for financing only 10 to 12 films.

27. It was further stated during the course of evidence that loans were given keeping in mind whether the applicant was a graduate of Film and Television Institute of India, Pune, had experience in television production, and showed talent, creativity and potential. About 25% of NFDC film makers were first-timers.

28. Replying to a query on recovery of loans, the Managing Director, NFDC, stated that "on an average 70% of the loans were recovered. 30% had to be written off."

(h) Cinema in India

29. A film magazine, *Cinema in India*, was started five years back by NFDC, to encourage serious and analytical writing on films and related activities like art designing, choreography, costume designing, lighting, camera work, etc. The Committee were informed that the magazine had a limited circulation of about 4000 copies and was being financially subsidised. The advertisement support also continued to be weak. Therefore, the Board of NFDC had recently decided to cease publication of this magazine as it was felt that the magazine was unlikely to become a self-supporting activity. In this connection, it was stated that the Board had decided to close down this magazine since the subsidies were increasing.

"The annual subsidy element was to the extent of Rs. 8-10 lakh. Actual expenditure (was) around Rs. 13-14 lakh, of which about Rs. 4-5 lakh was recovered by way of sale and advertisement."

30. The Committee pointed out that the magazine gave a fairly good picture of Indian films and could be made more useful. In view of these facts they enquired if the magazine could not be revived. In reply, a representative of the Ministry stated as under:

"We will re-submit it for consideration. It was an important magazine. A lot of film lovers were happy about it."

(i) Budget Estimates

31. The Budget (Revised) Estimates for the years 1992-93, 1993-94 and 1994-95 for the four schemes of NFDC, that is, (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, has been stated to be Rs. 650 lakh, Rs. 550 lakh and Rs. 800 lakh, respectively, for 1992-93, 1993-94 and 1994-95. However, the actual utilisation has been Rs. 532.96 lakh and Rs. 408.97 lakh for 1992-93 and 1993-94, respectively. For the year 1994-95, the utilisation upto December 1994 has been Rs. 628.58 lakh. It is also seen that there has been a downward revision of the physical targets for the scheme of theatre construction (loans and joint ventures), from 15 to 4 in 1992-93, and from

10 to 5 in 1993-94. The achievements are 5 and 2 respectively, for 1992-93 and 1993-94. (See Annexure—III, B & C for details)

(j) Observations and Recommendations

32. 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 lakh in 1993-94 from Rs. 320 lakh in 1991-92. The Committee trust that urgent steps would be taken to reverse this declining trend.

33. 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 infra-structure 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.

35. 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. NFDC 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.

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 markets 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.

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.

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.

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.

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 carry-overs 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.

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 feel 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.

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.

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.

KUMARI VIMLA VERMA,

Chairperson,

Standing Committee on Communications.

NEW DELHI;

February, 15, 1995

Magha 26, 1916 (Saka)

ANNEXURE-I

**ECONOMICS OF THE FILM EXPORT PROMOTION COUNCIL
(FEPC)**

COSTS: **(Rs. in lakhs)**

Promotional

1. Printing and distribution of catalogues and news letters	10.00
2. Participation with Stand in 8 International Film markets abroad (Stand + 2 representatives)	56.00
3. Promotional visits to 4 countries by 2 member delegations	8.00
4. Inviting guests from foreign countries	3.00
5. Preparation and distribution of preview material like VHS cassettes sub titling/dubbing in 3 major languages etc.	3.00
6. Miscellaneous	4.00
	84.00

The Set Up

Chief Executive Officer (NFDC Manager level)	1
Sr. Promotion Officer (Dy. Manager level)	1
Promotion Officer (Junior Officer level)	1
Stenographers	2
LDC-Cum-Typist	1
Driver	1
Peon	1
Salaries and Allowances	6.50 lakh p.a.
Administrative expenses like telephone, internal travel etc.	4.00 lakh
Renting of office space not included in this as the Government may locate this council with NFDC etc.	

Total Expenses

Promotional expenses	84.00
Administrative expenses	10.50
	94.50 lakh

Out of this Rs. 51 lakh will be in foreign exchange.

Existing levels—a five year survey of figures

<i>Year</i>	<i>Rs. in lakhs</i>
1986-87	718.42
1987-88	906.74
1988-89	1019.00
1989-90	1316.39
1990-91	1602.90

During 1991-92 (31 August 1991) Canalisation of films was withdrawn.

During 1993-94, the export figures are believed to be in the region of Rs. 25.00 crores.

NFDC film exports are 0.01% of the global Film/programme exchange.

PROJECTION FOR THE FUTURE

With the setting up of the Export Promotion Council and internal promotion activities, the following targets can be achieved.

One year after the beginning of activities of FEPC	— 31.25 crore
The Second Year	— 40.06 crore
The Third Year	— 52.07 crore

These figures are calculated at the existing foreign exchange rate of Rs. Vs \$

The overall expenses can be brought down to about 60 lakh per annum if it is decided to set up FEPC as a part of NFDC.

(A) INVESTMENTS IN FOREIGN CO-PRODUCTIONS

(Rs. in Lakhs)

<i>Year</i>	<i>Title</i>	<i>Amount</i>	<i>Total</i>
1991-92	UNNI	0.81	
	MISS. BEATY	15.31	16.12
1992-93	MISS. BEATY	17.20	17.20

(B) INVESTMENT IN CO-PRODUCTION WITH DDK
1991-92

(Rs. in Lakhs)

<i>Title</i>	<i>Amount</i>	<i>Total</i>
TINNU KI TINNA	3.87	
HASTAK	14.75	
RUDAALI	39.39	
MARUPAKKAM	0.20	
DHARAVI	3.57	
CHURCHA GALLI	0.05	
GALLI		
WOH CHHOKRI	8.64	
KASBAH	0.17	
DIKSHA	0.54	
NAZAR	0.64	
MARHI DA DIWA	0.13	
		71.95

(C) INVESTMENT IN CO-PRODUCTION WITH DDK-1992-93
(Rs. in lakhs)

<i>Title</i>	<i>Amount</i>	<i>Total</i>
JAGORAN	20.00	
DIKSHA	0.40	
KASBA	0.02	
DHARAVI	0.25	
WOH CHHOKRI	6.75	
CHURCHA GALLI	1.08	
GALLI		
MARHI DA DIWA	0.13	
HASTAK	4.54	
RUDALI	6.07	
TINNU KI TINNA	0.28	
SURAJ	29.00	
BADSHAH KA	3.00	71.52
KHATME		

(D) 1993-94 (Rs. in lakhs)

<i>Year</i>	<i>Title</i>	<i>Amount</i>	<i>Total</i>
	OH CHHOKRI	2.21	
	CHURCHA GALLI	4.00	
	GALLI		
	HASTAK	0.47	
	RUDALI	0.5	
	TINNU KI TINNA	16.72	
	CINEMA JEMON HOI	15.92	
	BADSHAH KA	23.90	
	KHATME		
	JAGORAN	5.01	
	TARPAN	25.76	
	ARANYAKA	11.74	
	TRIYA CHAZITRA	9.00	
	AMODINI	19.87	
	PRILIMURTI	0.22	
	KAKA BABU	10.29	
	NIRBACHAN	2.24	
		147.40	

ANNEXURE III**A. NATIONAL FILM DEVELOPMENT CORPORATION LIMITED**

Statement showing the Scheme-wise Plan allocation approved for the 8th Five Year Plan (1992—97) together with Physical Targets

(Rs. in Lakhs)

Sr. No.	Scheme	Financial Target	Physical Target
1.	Financing for Film Productions and Equipment (including loans, Own and Co-productions)	1550.00	131
2.	Theatre Construction (loans and Joint Ventures)	440.00	59
3.	Import and Distribution of Films (including TV and Video rights)	1160.00	670
4.	Replacement and Modernisation of Projects	250.00	
		<u>3400.00</u>	

B. NATIONAL FILM DEVELOPMENT CORPORATION LIMITED
(B) Statement showing the Budget / Revised Estimates for the 1st three years
of 8th Plan vis-a-vis Targets & Achievements

(Rs. in Lakhs)

Sr. No.	Scheme	Budget Esti- mate	Revised Esti- mate	Actual Per- form- ance	Physical Targets		Achie- vements
					Original	Revised	
FINANCIAL YEAR 1992-93							
1.	Financing of Film Productions and Equipment (including loans, Own and Co-productions)	300.00	330.00	194.99	30	30	26*
2.	Theatre Construction (loans and Joint Ventures)	104.00	30.00	50.50	15	4	5
3.	Import and Distribution of Films	230.00	240.00	242.00	180	180	137
4.	Replacement & Modernisation of Projects	50.00	50.00	45.47	—	—	—
		<u>684.00</u>	<u>650.00</u>	<u>532.96</u>			

*Including films under production.

(Rs. in Lakhs)

(C)

Sr. No.	Scheme	Budget Estimate	Revised Estimate	Actual Performance (upto Dec. 94)	Physical Targets		Achievements (upto Dec. 94)
					Original	Revised	
FINANCIAL YEAR 1993-94							
1.	Financing for Film Productions and Equipment (including loans, Own and Co-productions)	300.00	280.00	238.04	24	22	22*
2.	Theatre Construction (loans and Joint Ventures)	80.00	40.00	8.50	10	5	2
3.	Import and Distribution of Films	220.00	200.00	130.00	120	135	135
4.	Replacement and Modernisation of Projects	50.00	30.00	32.43			
		650.00	550.00	408.97	—	—	—

* Including films under production.

Rs. in Lakhs

Sr. No.	Scheme	Budget Estimate	Revised Estimate	Actual Performance (upto Dec. 94)	Physical Targets		Achievements (upto Dec. 94)
					Original	Revised	
FINANCIAL YEAR 1994-95							
1.	Financing for Film Productions and Equipment (including loans, Own and Co-productions)	320.00	320.00	150.06	25	25	17
2.	Theatre Construction (loans and Joint Ventures)	50.00	50.00	22.00	6	06	03
3.	Import and Distribution of Films (including TV and Video rights)	160.00	120.00	109.48	90	60	52
4.	Replacement and Modernisation of Projects	50.00	310.00	347.04	—	—	—
		580.00	800.00	628.58			

MINUTES OF THE TWENTYFOURTH SITTING OF THE STANDING COMMITTEE ON COMMUNICATIONS (1993-94)

The Committee sat on Thursday, 27 January, 1994 from 15.00 hrs. to 17.20 hrs. in Committee Room No. 62, Parliament House, New Delhi.

PRESENT

Kumari Vimla Verma — Chairperson

MEMBERS

Lok Sabha

2. Shri Surajbhanu Solanki
3. Shri N. Dennis
4. Shri Somjibhai Damor
5. Shri Lal Krishna Advani
6. Shri Shivsharan Verma
7. Shri Rupchand Pal
8. Shri Satyagopal Misra
9. Shri A. Asokaraj
10. Shri G.M.C. Balayogi
11. Shri Sanat Kumar Mandal
12. Shri Chandrajeet Yadav

Rajya Sabha

13. Smt. Kailashpati
14. Shri Virendra Kataria
15. Shri Mohammed Afzal *alias* Meem Afzal
16. Shri G. Prathapa Reddy
17. Smt. Sushma Swaraj
18. Shri Vizol

SECRETARIAT

Smt. Revathi Bedi — Deputy Secretary

Shri K.K. Dhawan — Under Secretary

Witnesses

REPRESENTATIVES OF THE MINISTRY OF INFORMATION AND BROADCASTING

1. Shri Bhaskar Ghose, Secretary
2. Shri S.C. Mahalik, Addl. Secy. & Finance Advisor
3. Shri R. Basu, Addl. Secretary
4. Ms. Sharwaree Gokhale, Joint Secretary
5. Shri J.K. Sharma, Director
6. Shri K.S. Venkatarman, Dy. Secretary
7. Shri R. Krishna Mohan, Chief Producer, FD
8. Shri John Shankaramangalam, Director, FTII
9. Shri Ravi Gupta, M.D., NFDC
10. Shri Shakti Samanta, Chairman, CBFC
11. Shri D.K. Dixit, Chief Executive Officer, NCYP

2. The Chairperson welcomed the Members as well as the representatives of the Ministry of Information and Broadcasting to the sitting. The Committee sought clarifications on various points relating to the wings of the Ministry of Information and Broadcasting with regard to National Film Archive of India, Pune, Film and Television Institute of India, Pune and National Film Development Corporation. The officials replied to various queries raised by the Committee.

3. Thereafter, the Chairperson thanked the officials for giving valuable information to the Committee during the course of evidence.

4. A verbatim record of the proceedings has been kept.

5. The Committee adjourned to meet again on 28 January, 1994 to consider the Draft Report on Films (Chapter on Films Division and National Centre of Films for Children and Young People).

MINUTES OF THE TWENTYFOURTH SITTING OF THE STANDING COMMITTEE ON COMMUNICATIONS (1994-95)

The Committee sat on Wednesday, 15 February, 1995 from 11.00 hrs. to 12.00 hrs. in Committee Room No. 50, Parliament House, New Delhi.

PRESENT

Kumari Vimla Verma — Chairperson

MEMBERS

Lok Sabha

2. Shri R. Jeevarathinam
3. Shri Shravan Kumar Patel
4. Shri N. Dennis
5. Shri Pawan Kumar Bansal
6. Dr. B.G. Jawali
7. Shri Mohan Lal Jhikram
8. Shri Ram Pujan Patel
9. Shri Rupchand Pal
10. Shri G.M.C. Balayogi
11. Shri Sanat Kumar Mandal
12. Shri Sultan Salahuddin Owaisi

Rajya Sabha

13. Shri Jalaludin Ansari
14. Shri Yirendra Kataria
15. Smt. Malti Devi
16. Shri G. Prathapa Reddy
17. Shri Janeshwar Mishra
18. Smt. Veena Verma

SECRETARIAT

1. Shri G.C. Malhotra — *Joint Secretary*
2. Shri O.P. Ghai — *Deputy Secretary*
3. Shri S.K. Sharma — *Under Secretary*

The Committee took up for consideration, the Draft Report on National Film Development Corporation and adopted the same with additions/modifications as indicated in the Appendix.

Thereafter the Committee authorised the Chairperson to finalise the Draft Report in the light of factual verification and present the same to Lok Sabha.

The Committee then adjourned.

APPENDIX

<i>Page No.</i>	<i>Para No./Line</i>	<i>Amendments/Modifications</i>
14	32/Line 2 Lines 4-5 Lines 5-7	<i>For the word Producing Read "Accounting for"</i> <i>Omit the words "of the world"</i> <i>For the sentence "However, India's presenceworld entertainment market".</i> <i>Read "However, in real terms India's presence in the international film market has been only 0.1 per cent".</i>
15	33/Lines 9-10 34/Line 2 Line 12 Line 11	<i>For the words "an Export Promotion Council (EPC),"</i> <i>Read "a Film Export Promotion Council."</i> <i>For acronym "EPC"</i> <i>Read "a Film Export Promotion Council".</i> <i>Delete acronym "(FEPC)".</i> <i>For acronym "EPC"</i> <i>Read "export promotion Council".</i>
16	35/Line 2	<i>For acronym "EPC"</i> <i>Read export "promotion council"</i>
17	39/Line 9	<i>Delete words "strongly."</i>
17-18	41/Lines 4-7 Lines 7-9	<i>For the sentence "There is, therefore,..... given loan assistance."</i> <i>Read "The Committee feel 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."</i> <i>For the sentences "The Committee further urge..... requires to be....."</i> <i>Read "The Committee further urge that it is imperative that greater transparency be effected in the selection procedure. Accordingly the procedure should be..."</i>

Page No.	Para No./Line	Amendments/Modifications
18	43/Line 2	<p>After the words "four schemes" Add, "viz., (i) financing of film productions and equipment (including loans, own and coproduction); (ii) Theatre construction; (loans and joint ventures); (iii) import and distribution of films; and (iv) replacement and modernisation of projects,</p>
	Line 5	<p>After sentence ending "Rs. 141.03 lakh." Add, "For the year 1994-95, out of the revised budget of Rs. 800 lakh, Rs. 628.58 lakh was utilised upto December, 1994."</p>
	Lines 6-8	<p>Delete sentences, "Evidently either the.....in this regard."</p>
19	44	Delete para.