

43

**STANDING COMMITTEE ON
INFORMATION TECHNOLOGY
(2006-2007)**

FOURTEENTH LOK SABHA

**MINISTRY OF INFORMATION
AND BROADCASTING**

**DEMANDS FOR GRANTS
(2007-2008)**

FORTY-THIRD REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 2007/Vaisakha, 1929 (Saka)

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Presented to Lok Sabha on 27.4.2007

Laid in Rajya Sabha on 27.4.2007



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NEW DELHI

April, 2007/Vaisakha, 1929 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE
ON INFORMATION TECHNOLOGY
(2006-2007)

Shri Nikhil Kumar — *Chairman*

MEMBERS

Lok Sabha

2. Shri Abdullakutty
3. Shri Nikhil Kumar Choudhary
4. Shri Sanjay Shamrao Dhotre
5. Smt. Jayaprada
6. Shri Bhubaneshwar Prasad Mehta
7. Shri Harish Nagpal
8. Shri G. Nizamuddin
9. Shri Sohan Potai
10. Shri Lalmani Prasad
11. Kunwar Jitin Prasad
12. Shri Vishnu Deo Sai
13. Shri Tufani Saroj
14. Shri Tathagat Satpathy
15. Shri K.V. Thangkabalu
16. Shri P.C. Thomas
17. Shri Kinjarapu Yerrannaidu
- *18. Smt. Rubab Sayeda
- **19. Shri Narahari Mahato
- #20. Shri Badiga Ramakrishna
21. Vacant

* Nominated *w.e.f.* 25th September, 2006 in place of Shri Rajnarayna Budholiya, MP (L.S.)

** Nominated *w.e.f.* 28th November, 2006.

Nominated *w.e.f.* 23rd February, 2007.

Rajya Sabha

- ##22. Vacant
23. Shri Praveen Rashtrapal
 24. Shri Ravi Shankar Prasad
 25. Shri Dara Singh
 26. Shri A. Vijayaraghavan
 27. Shri N.R. Govindraj
 28. Shri Motiur Rahman
 29. Shri Eknath K. Thakur
 30. Shri Shyam Benegal
 31. Shri Rajeev Chandrasekhar

SECRETARIAT

1. Shri Rajagopalan M. Nair — *Additional Secretary*
2. Shri P. Sreedharan — *Joint Secretary*
3. Shri Cyril John — *Deputy Secretary*

##Vacated dated 15th December, 2006.

INTRODUCTION

I, the Chairman Standing Committee on Information Technology (2006-07) having been authorised by the Committee to submit the Report on their behalf, present this Forty-Third Report on Demands for Grants (2007-08) relating to the Ministry of Information and Broadcasting.

2. The Standing Committee on Information Technology (2006-07) was constituted on 5 August, 2006. One of the functions of the Standing Committee, as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha is to consider Demands for Grants of the concerned Ministry/Department and make a Report on the same to the House.

3. The Committee considered the Demands for Grants pertaining to the Ministry of Information and Broadcasting for the current year *i.e.*, 2007-2008, which were laid on the Table of the House on 16 March, 2007. The Committee took evidence of the representatives of the Ministry of Information and Broadcasting on 3rd April, 2007.

4. The Report was considered and adopted by the Committee at their sitting held on 20th April, 2007.

5. The Committee wish to express their thanks to the Officers of the Ministry of Information and Broadcasting for appearing before the Committee and for furnishing the information, that the Committee desired in connection with the examination of the Subject.

6. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in Part-II of the Report.

NEW DELHI;
25 April, 2007

5 Vaisakha, 1929 (Saka)

NIKHIL KUMAR,
Chairman,
Standing Committee on
Information Technology.

REPORT

PART I

I. Introductory

The Ministry of Information and Broadcasting, through the mass communication media consisting of radio, television, films, press and print publications, advertising and traditional modes of communication such as dance and drama, play an effective role in helping people have access to free flow of information. The Ministry are expected to play an important role in catering to the entertainment and intellectual needs of various age groups and focusing attention of the masses on issues of national integrity, environmental protection, health care and family welfare, eradication of illiteracy and issues relating to women, children and other weaker sections of the society.

2. The Ministry of Information and Broadcasting, as per the Allocation of Business Rules, have a wide mandate in respect of information, education and entertainment to be executed with functions relating to print and electronic media as also films.

3. The following is the Mandate of the Ministry of Information and Broadcasting:—

News Services through All India Radio (AIR) and Doordarshan (DD) for the people, including Indians abroad.

Development of Broadcasting and Television services.

Import and Export of films.

Development and promotion of film industry.

Organisation of film festivals and cultural exchanges for the purpose.

Advertising and Visual Publicity on behalf of the Government of India.

Development of Press relations to disseminate the policies of the Government of India.

Administration of the Press and Registration of Books Act, 1867.

Dissemination of information about India within and outside the country, through publications and media on matters of national importance.

Research, reference and training to assist the media units of the Ministry.

Financial assistance to distinguished artistes, musicians, instrumentalists, dancers, dramatists, etc. who have substantially contributed to the Ministry's institutions.

International relations in respect of broadcasting and news services.

4. The Ministry are assisted and supported in its activities through 14 Attached and Subordinate Offices, 6 Autonomous Organizations and 2 Public Sector Undertakings.

5. The Ministry are broadly divided into three sectors, *viz.*:

- (i) The Broadcasting Sector;
- (ii) The Information Sector; and
- (iii) The Film Sector.

II. Implementation Status of Recommendations contained in the Thirty Second Report of the Committee on Demands for Grants (2006-2007) of the Ministry of Information & Broadcasting

6. The Standing Committee on Information Technology presented their Thirty Second Report on Demands for Grants (DFG) relating to the Ministry of Information and Broadcasting for the year 2006-2007 on 2nd August, 2006. Out of 28 recommendations, 17 recommendations (Recommendations at SI. Nos. 1 to 6, 11, 13 to 16, 18, 19, 21, 23, 24 & 27) were accepted by the Committee. The Committee reiterated the recommendations in their 42nd Report. Besides, the Committee have given their comments on 3 recommendations (Recommendations at SI. Nos.16, 18 and 24). Replies to 7 recommendations (Recommendations at SI. Nos. 7 to 9, 12, 20, 25 & 28) are of interim nature.

III. Demands for Grants for 2007-2008

7. The Ministry of Information and Broadcasting presented to Parliament Demand No. 58, which has provision for the expenditure of the Secretariat of the Ministry of Information and Broadcasting, its media units and Grants-in-aid/Budgetary Support to the autonomous/

statutory bodies under the administrative control of the Ministry for the financial year 2007-2008. Briefly, the Demands are as under:—

(Rs. in crore)

		Revenue		Capital		Total	
		1391.76		290.12		1681.88	
Voted		Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
		184.88	1206.88	290.12	-	475.00	1206.88
Charged		0.03		-		0.03	

8. The details of the Budget Estimates and the Revised Estimates for the year 2006-2007 are given in the following Table:—

(Rs. in crore)

		Revenue		Capital		Total	
		1558.57		157.47		1716.04	
BE	Voted	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
		380.53	1178.04	157.47	-	538.00	1178.04
Charged		0.03		-		0.03	
		1521.52		138.52		1660.04	
RE	Voted	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
		351.48	1185.04	123.52	-	475.00	1185.04
Charged		0.03		-		0.03	

9. It may be seen from the Tables above that the Revenue (Plan) of 2007-2008 has been reduced by Rs 166.60 crore over the RE of 2006-2007 whereas there has been an increase in Capital (Plan) of 2007-2008 by Rs 166.60 crore over Capital (Plan) of 2006-2007. However, in the overall budget for 2007-2008, there has been a marginal increase of only Rs. 21.84 crore over that of 2006-2007 which works out to 1.32 % increase.

10. A statement showing the BE, RE and expenditure Sector-wise in respect of the years 2004-2005, 2005-2006 and 2006-2007 is given at Annexure.

IV. Tenth Plan Performance

11. The financial targets and achievements of 10th Plan as on 28.2.2007 are as under:—

(Rs. in crore)

Sector	X Plan Outlay	Total allocation made for Five Annual Plans	Total Expenditure upto 28.02.2007
Information Sector	119.68	147.28	86.36
Film Sector	153.42	151.84	88.69
Broadcasting Sector	4856.9	4081.87	2566.04
Total	5130.00	4381	2741.09

12. The total Plan expenditure of the Ministry of Information and Broadcasting up to 28th February, 2007 in respect of 10th Plan outlay is 53.43%. The Plan expenditure up to 28th February, 2007 in all the three sectors namely, Information, Film and Broadcasting are 58.63%, 58.41% and 62.86% respectively over the total allocation for the Five Annual Plan periods.

13. The year-wise 10th Plan allocation and Actual Expenditure for the years 2002-2007 is as under:-

(Rs. in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
(1) Budgetary Support (DBS)	415	415	480	528	538
(2) Internal Resources (IEBR)	463	475	475	592	0.00
(a) Approved Outlay (1+2)	878	890	955	1120	538
(b) RE	808.55	647.50	460.07	937.58	475.00
(c) Actual Expenditure	693.20	524.23	421.24	859.42	243.17
Percentage of (c) over (a)	78.95%	58.90%	44.11%	76.73%	45.19%
Percentage of (c) over (b)	85.73%	80.96%	91.56%	91.66%	51.16%

Expenditure up to 28.2.2007.

14. According to the Ministry the following major projects of 10th Plan could not be completed and have to be continued in the 11th Plan:

- (i) Setting up of National Press Centre at New Delhi
- (ii) Setting up of Museum of Moving Images at Mumbai
- (iii) Digitalisation and automation of Prasar Bharati
- (iv) Setting up of Transmitter under J&K Special Scheme and NE Special Package
- (v) Construction of Sookhna Bhawan at New Delhi
- (vi) CFSI Film Complex, Hyderabad
- (vii) Staff Quarters for staff of Prasar Bharati
- (viii) DFF's Film Festival Complex

15. The following were some of the Schemes dropped by the Planning Commission while approving the Annual Plan 2007-08:-

I. Information Sector

Indian Institute of Mass Communication

Building and Housing Project

Research & Evaluation Studies

Modernisation and Expansion of facilities for electronic/print/
Radio & TV Journalism

Collaboration with regional centers of learning

Photo Division

Modernisation of Photo Division

Song & Drama Division

Information, Communication, Technology (ICT) activities in
hilly/tribal/desert/sensitive & border areas

Training for Human Resource Development

II. Films Sector

Modernisation and Replacement of obsolete equipment of Films
Division

III. Broadcasting Sector

All India Radio

Continuing Schemes:

Expansion of MW Services

Expansion of FM Services

Expansion of SW Services

Archives

New Schemes:

New Technologies like Internet Radio Broadcasting, Digital Broadcasting, etc.

Doordarshan

Continuing Schemes:

Terrestrial Transmitters

Production facilities (Studio/OB)

Satellite Broadcast equipment

Upgradation/Expansion/Modernisation Schemes:

DTT

IT Enabled multimedia

Research & Development/Marketing

V. Thrust Areas of Eleventh Plan

16. The Working Group set up by the Planning Commission on Information & Broadcasting sector *inter alia* made the following recommendations:—

- (i) The entertainment and media services are on a vibrant growth path. These services promise robust growth potential during 11th Five Year Plan. There is need to create appropriate policy environment to sustain the growth; and
- (ii) Government should formulate a National Digital Policy for entertainment sector.

17. In this context the Committee desired to know as to what were the policy initiatives contemplated by Government as per the recommendations of the Working Group set up by the Planning Commission in order to create an appropriate policy to sustain the growth in the information and broadcasting sectors. In reply, the Ministry stated as follows:

“The Entertainment and Media Services sector is in fact on a vibrant growth path. The Approach Paper of the Planning Commission for the 11th Five Year Plan has documented that the Entertainment

and Media Services sector is expected to grow at a compounded annual growth rate exceeding 19 per cent during the 11th Plan period. This sector comprises Television (42%), Film (19%), Radio (4%), Music (2%), Print Media (31%), Live Entertainment (2%) and Advertising (3%). The dynamics of the sector is that the demand for entertainment goes faster than income. Moreover, the convergence of media technology to a common digital form provides scope for all kinds of new applications that help accelerate the growth in this sector. The Working Group, while formulating its recommendations, has kept in view the growth potentiality of the sector and the need to capture it through appropriate policy environment.

The Eleventh Plan proposals of the Ministry have been formulated keeping in mind the recommendations of the Working Group on Eleventh Plan. The following proposals have therefore been made in the 11th Plan proposals:—

- (i) Converting IIMC into International Media University
- (ii) Setting up of Institute of Mass Media Studies
- (iii) Setting up of Global Film School
- (iv) Holding of National Digital Festival
- (v) Setting up of National Centre of Excellence for Gaming and Special Effects

18. The Working Group also recommended starting of an international channel to project India's global presence and its soft power, to be set up with public-private partnership. They also recommended that an outlay of Rs 500 crore @ Rs 100 crore per annum for the 11th Plan may be provided as Government contribution for the project.

19. In the above context, the Ministry stated in a note as follows:

“The Prime Minister's Office has set up a Working Group within a Committee on Information, Communication and Entertainment under the Chairmanship of Principal Secretary to the Prime Minister to examine issues related to development of the Broadcasting sector. This Group had discussed the issue about setting up of International Affairs Channel. The deliberations are in a nascent stage. This Ministry has, however, approved an amount of Rs. 0.97 crore for the year 2007-08 under Plan, for this scheme under the Major Head “Social Services.”

VI. Information Sector

20. The Budget Estimates, Revised Estimates and Expenditure for the years 2002-2008 in respect of the Information Sector as a whole are as under:—

	(Rs. in crore)					
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Revenue (1)	12.75	12.50	19.65	15.01	13.64	
Capital (2)	16.25	8.50	12.35	22.99	13.64	
Approved Outlay (1+2) RE	29.00	21.00	32.00	38.00	27.28	42.47
	19.66	15.57	17.68	31.95	41.08	
Actual Expenditure	9.71	13.19	17.18	23.28	10.67*	

*Expenditure up to 28.2.2007.

21. The provisions under this Sector cover the activities *viz.* (a) Secretariat expenditure; (b) Research & Training in Mass Communication; (c) Advertising & Visual Publicity; (d) Press Information Services; (e) Field Publicity Division; (f) Song & Drama Division; (g) Publication Division; (h) Photo Division; (i) Registrar of Newspapers for India; (j) Employment News; (k) Central Monitoring Service (rechristened as Electronic Media Monitoring Centre).

(a) National Press Centre (NPC)

22. Press Information Bureau's Plan Scheme 'Setting up of National Media Centre' at New Delhi was started in the 8th Plan (1992-1997) with an allocation of Rs 20.00 lakh. The objective was to set up a world class National Press Centre by the PIB in New Delhi with state-of-art facilities for receiving and disseminating information to the media. The Centre is proposed to be equipped with a conference hall with audio-video presentation facilities, work rooms, press lounge/printing room, modern telecommunication facilities, studio facilities, etc.

23. In September, 1994, the Ministry of Urban Development had allotted a plot of land measuring 2042 sq. mtrs. at 3, Raisina Road, New Delhi for setting up of NPC. The foundation stone for the proposed Centre was laid by the then Prime Minister, Shri P.V. Narasimha Rao on 1st October, 1994. During the 9th Plan the scheme continued with an outlay of Rs 22.50 crore. In November-December,

2001 another plot measuring 1.995 acres was allotted to PIB at 7, Raisina Road. The then Prime Minister, Shri Atal Bihari Vajpai laid the foundation stone on 5th December, 2001. The plot was physically handed over to PIB on 16th October, 2002. The Expenditure Finance Committee (EFC) in its meeting held on 25th January, 2005 approved the project at a cost of Rs 35 crore. According to the Ministry, MoU was signed with NBCC on 16th February 2006 for construction of NPC within 18 months from the date of approval of design/drawings from statutory authorities, release of initial deposit and handing over of land for construction. The Committee were informed that the work on the project had not taken off for want of necessary clearances from Delhi Urban Art Commission (DUAC), New Delhi Municipal Council (NDMC) and Ministry of Urban Development.

24. When asked about the reasons for the undue delay in the implementation of the project, the Secretary, Ministry of Information and Broadcasting stated during evidence as follows:—

“Sir, the National Press Centre was one of the important schemes of the Tenth Plan which was taken up and we had provided substantial sums of money for this project. But this project got delayed on account of one major issue that is the allocation of land. This land has been given to us after a lot of difficulty by the L&DO about a year and a half back. This was given next to the Meridian Hotel on Raisina Road. The plot next to the Meridian Hotel on Raisina Road has been earmarked. Once we got the land, then we had to prepare the plan and we had appointed one of the leading Architects of India, namely, Hafeez Contractor from Mumbai to do the Plan....There was an issue at first, when Hafeez Contractor submitted the plan he had sought several exemptions from the building by-laws and the urban form requirement because he came up with his own fancy in terms of the design which required certain exemptions. On review, we then told him that this is not feasible. He has to conform to all the required regulations because there is nobody who is going to take up a Government building's cause for exemptions or relaxations of the building by-laws. Therefore, we asked him to resubmit his plan in conformity, strictly within the building regulations, which he did. To revise the project design, it took him some time. Once the revised project was given, there was an issue in the Urban Arts Commission, what is known as 'urban form'. What they do is they say that for the whole area, for that whole Raisina Road wherever vacant plots are there, they design a comprehensive urban form that will develop. Within that urban form individual plots and individual

buildings have to conform to that urban form. DUAC had not finalized the urban form for that locality. Therefore, they were not willing to look at the individual proposal of our Ministry to take up the approval of our building *per se*. Then we had to take it up with CPWD, Ministry of Urban Development to request them to segregate the two things that the overall urban form they may decide as they go along because it is DUAC's privilege how and when they decide on that; but our plot, our urban design may be segregated and approved. It took some time for them in the process to negotiate with DUAC, to write to them and get their approval. We followed it up from our Ministry to request the DUAC to agree. Once that segregation was permitted then only we could submit our individual building design which then they said is now within the urban form which they will have. All that procedure took quite some time for us to get the approval."

25. Updating the Committee about the latest position with regard to implementation of the project, the witness stated:—

"That plan has now been finalized and was submitted to the Delhi Urban Arts Commission (DUAC). Very recently the Delhi Urban Arts Commission also gave its clearance to us. Now the proposal for the demolition of the existing building on that has been submitted and I was told that from the CPWD side we are likely to get that permission very shortly. Therefore, we will be able to commence the work for this project very shortly within a couple of weeks or within a few weeks we should be able to start. The building plan has also been finalized and approved by DUAC. They have given some norms within which the detailed drawings and plans have been submitted for approval for building by-laws, etc. After a long time of getting the land issue settled and then getting the clearances from the CPWD and the Urban Arts Commission, we have finally come to a situation where we are ready to start the process. We have allocated this work to the National Building Construction Corporation and they are ready. Some part of the money which was available during the current year has been also transferred to them and this scheme is now being taken as an ongoing scheme because this scheme was approved in the Tenth Plan and has been provided adequate resources in the Eleventh Plan also including 2007-08. We are hopeful that in the next couple of years, we should be able to complete this project after a fairly long delay in the initial phases."

26. The Committee were subsequently informed by the Ministry in a written reply that NDMC has given approval to demolish the existing building subject to submission of NOC from Director (Estates) and CPWD. Accordingly, both were further requested to issue a demand letter based on the valuation report which was worked out to Rs. 9,01,188/- after NBCC approached a Government Valuer. NBCC *vide* their letter dated 21st March, 2007 has intimated that NOC has since been received from Directorate of Estates and NDMC has been requested to release demolition plans. The existing building at the proposed site is, therefore, likely to be dismantled in April 2007.

27. The Delhi Urban Art Commission has conveyed its approval to the conceptual drawing of NPC with the observation that site treatment of 24mt. Setback area should conform to their observation on redevelopment work of the Institutional Area at Rajendra Prasad Road. However, NDMC has returned the architectural plan with the remarks that they cannot approve it till the DUAC approves the Master Plan for the Rajendra Prasad Institutional Area and architectural plans are approved by NDMC. DG(M&C) has sought a meeting with Chairman, DUAC where she will discuss delinking the said plot of land from the Rajendra Prasad Institutional Area. Indications are that DUAC meeting will take place in May and approvals are likely by July, 2007. The project is likely to be completed within 18 months from the date of commencement of construction.

(b) International Media University

28. The Indian Institute of Mass Communication (IIMC) is an autonomous organization under the Ministry of Information and Broadcasting and a 'Centre of Excellence' in the field of communication, teaching, training and research. The Institute was set up on 17th August 1965 and receives grant-in-aid from the Government of India through the Ministry of Information and Broadcasting to meet its recurring and non-recurring expenditure. While it provides knowledge and skills to communicators in a variety of disciplines including print, photography, radio and television, development communication, communication research, advertising and public relations, the Institute also collaborates with national and international agencies in conducting seminars, trainings, workshops, etc. It also undertakes joint research projects and organizes short-term courses to meet the specific needs of the industry, Government and public sector organizations.

29. During the year 2006-07, the IIMC conducted the following long-term training programmes and Diploma Courses:

1. Orientation Course for Officers of the Indian Information Service (Group "A");

2. Post-graduate Diploma Course in Journalism (English) at New Delhi and Dhenkanal (Orissa);
3. Post-graduate Diploma Course in Journalism (Hindi);
4. Post-graduate Diploma Course in Advertising and Public Relations;
5. Post-graduate Diploma Course in Radio and TV Journalism;
6. Post-graduate Diploma Course in Oriya Journalism; and
7. Diploma Course in Development Journalism.

In addition the Institute runs short-term academic programmes for middle level and senior officers of the Indian Information Service and the personnel of different media units.

30. Initially Rs 1455 lakh was allocated under 10th Plan to the Institute for four schemes which was later reduced to Rs 1264.30 lakh by the Standing Finance Committee of the Ministry. The allocations and the actual expenditure thereagainst were as follows:—

(Rs. in lakhs)

Sl. No.	Name of the Scheme	Original 10th Plan Outlay	Revised Outlay for 5 years	Total Actual Exp. for 5 years (upto 31.3.2007)	Total Exp. % w.r.t. Col. (4)
1.	Building & Housing Project				
	i. New Delhi				
	ii. Dhenkanal	565.00	386.30	241.00	62.38%
2.	Research & Evaluation Studies	210.00	198.00	114.44	57.79%
3.	Modernisation & Expansion of facilities for Electronic/Print/Radio & TV Journalism	300.00	300.00	300.00	100%
4.	Collaboration with Regional Centres of Learning	380.00	380.00	37.20	9.78%
5.	Centre for New Media Policy	125.00	*	*	-
6.	Creation of Content & Study Material for Training in Mass Communication for Vernacular Language Courses	50.00	*	*	-
	Total Rs.	1455.00	1264.30	692.00	55%

31. The Committee were informed that the main reason for shortfall under the Building & Housing Project was due to unexpected denial of permission by the JNU authorities for construction of residential buildings due to environmental concerns. Further only 57.99% of the sanctioned amount could be utilized under Research and Evaluation Studies on account of the vacant faculty positions. According to the Ministry the vacant posts have been advertised and the recruitment process is under progress. Under the Scheme Collaboration with Regional Centres of Learning, the utilization of funds was only 9.78%. The reason for the shortfall is stated to be the poor response from Universities for entering into MoUs. On the efforts made for entering into MoU with more number of Universities, the Secretary, Ministry of Information and Broadcasting apprised the Committee as follows:

“What they (Planning Commission) have been advocating, and which we were trying to do it in the 10th Plan was, to take the existing Universities in those areas with some technical know-how from the Indian Institute of Mass Communication in curricula setting, in faculty selection, in laying down certain norms and standards of teaching and training in the Mass Communication; and encouraging them to start programmes in Mass Communication because they have all the facilities. It does not help to replicate more facilities, if they have some spare facilities there. That is why we entered into an MoU with other universities; we have entered into an MoU with Nagaland. We have set up one institute in Dhenkanal, Orissa, which has been running. That is the only outreach center that we have. But in other places, particularly, in remote areas, private mass communications institutions do not go, because there are already a number of private institutions. We have been interacting with the North-East. We wanted one MoU with the University of the J&K. We have been interacting with the Kashmir University to have an MoU. Similarly, in Kerala, they tried to have an MoU route. So, the route which we have been pursuing in the last four to five years is to encourage MoU route. The MoU route has to be encouraged so that the existing facilities can be better utilised than put a lot of money into brick and mortar all over the country.”

32. The Committee were informed that during the 11th Plan, IIMC will be converted into International Media University which will cater to the training and research needs of third world countries in the area of Journalism/Mass Media. Elaborating the proposal, the Secretary, Ministry of Information & Broadcasting stated as follows:

“This is a new proposal that we have identified for the 11th Plan and some amounts have been provided for in the current year,

2007-08. Sir, the Indian Institute of Mass Communication, as you know, is more than 40 years old institution set up by Mrs. Indira Gandhi. It is one of the premier institutions in mass communication. It has international recognition. We get a number of international students also coming from developing countries under the Technical Education Support Programme. It is also very popular amongst our own students and people in mass communication field. This institute has been running reasonably well and has a very good reputation. But we felt that with media and entertainment industry really taking off in this country in the last two-three years that we need to upgrade the skills and the profile of this institution and make it into an internationally reputed institution, for which we have requested for it to be treated as an institute of excellence. Therefore, we have worked out a plan in the 11th Plan for this purpose, and it is now under negotiation with the Planning Commission because it will be a new Scheme that we will be taking up. Once the 11th Plan is finalized, we hope that we will be able to take it forward.”

33. The Committee then wanted to know about the courses which will be offered to the students by the proposed University. Responding to this, the Joint Secretary & Director, IIMC stated:—

“Sir, actually when we envisaged conversion of IIMC into a global school like International University, it was looking to the demand that we get from the foreign students for courses. Some of them are coming under I-Tech, but lot of them would like to come on their own. But we have no way of accommodating such students. We are also getting a lot of demands from the practitioners for all courses for upgradation of skills; also for going in for Developmental Journalism. Today, we have no way of taking these students, of training them in that field. Therefore, we thought that if we are going to upgrade this IIMC, then we will be able to provide all these courses. Just now, we are only giving Post-Graduate Diploma after the 9-months course to students who are freshly passed out. But now, certainly, we will be going in for many more courses. We are getting people who wanted to do Development Journalism Courses. The Indian students wanted to pay the course fee of Rs. 3.5 lakh or so. But we had no way of accommodating this need. With IIMC—it has such a repository and it has such a good reputation—I felt, we should take this lead not only here but even to the regional centres, so that we could transfer our expertise to those regional centres especially in areas where they do not have established colleges. Now we are like in

any other media institution, any other private sector institution; and I feel that IIMC should grow of it and it becomes a national institute, it becomes like a mother institute in the process.”

34. It has been stated that as part of the process of converting IIMC into International Media University, the Centre will construct 15 additional classrooms, expand the hostel facility, upgrade the existing facilities and also strengthen the faculty – both technical and secretarial.

(c) Modernisation of Photo Division

35. Photo Division, a media unit for visual support, is a subordinate office under the Ministry of Information and Broadcasting. The Division is responsible for visual documentation and preparing photographs both in black & white and colour, for internal and external publicity on behalf of the Government of India. The main function of the Photo Division is to document photographically, the growth, development and the political, economical and social changes in the country and to provide visuals (still) to the media units of the Ministry of Information and Broadcasting and other Central and State Government Ministries/ Departments including President’s Secretariat, Vice-President’s Secretariat, Prime Minister’s Office, Lok Sabha & Rajya Sabha Secretariats and Indian Missions abroad through XP Division of the Ministry of External Affairs. The Division also supplies photographs on payment both in black & white and colour to the non-publicity organizations and general public through its Pricing Scheme.

36. The BE, RE and Actual Expenditure of Photo Division from 2004-05 to 2007-2008 are as under:

(Rs. in lakh)			
Year	BE	RE	Actual Expenditure
2004-05	70.00	16.00	15.75
2005-06	110.00	110.00	102.09
2006-07	125.00	155.00	69.42
2007-08	2.00		

37. Apprising the Committee about the process of synergisation done between the Photo Division and Press Information Bureau with a view to providing better service to the public as well as the press, the Secretary, Ministry of Information and Broadcasting stated:

“The Photo Division has been so far working as a kind of autonomous unit within the Information and Broadcasting Ministry

under the Information Wing. We have the Press Information Bureau; we have the Photo Division; we have the Directorate of Advertising and Visual Publicity; we have the Press Registrar and the Directorate of Field Publicity. So, it is one of the Divisions within the Government as one of the Heads of Departments. But the work of synergisation and its coordination with the Press Information Bureau was not happening very well in the past because as you know, Sir, there is a huge reservoir of photos that we have. But it is the Press and the journalists who need those photographs on a day-to-day basis. Whenever a new photograph is taken or some snapshots are taken, the Press wants to use those and they go to the Press Information Bureau. The Press Information Bureau would send them to the Photo Division to get it. So, there was a little disconnect between the two. Last year, what we have decided and what we have implemented is that the Photo Division and the Press Information Bureau at the field level have been merged. The Photo Division has now become a part and parcel of the field offices and the regional offices of the Press Information Bureau so that whenever the PIB offices need the photographs or the journalists need the photographs, they will be available from the Photo Division, and they do not have to approach separately the Photo Division. But in the Headquarters, in Delhi, we have not done that total merger because the Photo Division has a library of its own, has a repository of lakhs and lakhs of photos which they have, which they are in the process of digitalizing. Actually, the process of digitalization is almost complete now. With that, they can be online available. So, what we have done is that we have created an Audio Visual Unit within the Press Information Bureau to provide a total comprehensive service to the journalists who need both the reports and photographs from the Government. So, the photographs in physical form as well as in digital form are now available through the Press Information Bureau. So, it is a single window approach that we have. But the actual Photo Division's job is now essentially to do the library work, and maintain and run photo exhibitions wherever they need, which is not a part of the PIB. But accessing the photographs by journalists is through the PIB now. So we have done more synergisation between the two institutions to make sure that both the public is serviced by the Photo Division wherever photo exhibitions have to be done and the journalists are served through the PIB whenever they need to get any access to photographs. So, we feel that this system will work very well. Now, the Photo Division is well integrated with the supply of information to two different types of clients."

38. Supplementing it, the Director General, PIB apprised the Committee of the services provided by the Photo Division as follows:

“The digitized photographs are now coming online. As they are digitalising in the Photo Division, they are sharing it with us, and it is now in the PIB’s website. But while you can see the photograph and make a choice, you cannot just download and start using them because they are low resolution. Then, you have to place an order because the negatives are at the Photo Division office in Delhi, at the headquarters but the choice can be made. There is a search engine and you can call for photographs on the internet and make a selection from the huge library available on the net through name of a person or a year or an event. There is a search engine. You cannot really use them by downloading because they are low resolution. You have to place an order.”

VII. Films Sector

39. The Budget Estimates, Revised Estimates and Expenditure for the years 2002-2008 in respect of the Films Sector as a whole are as under:—

	(Rs. in Crores)					
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Revenue (1)	17.48	15.92	12.39	16.99	17.82	
Capital (2)	8.52	8.08	13.51	18.01	23.12	
Approved Outlay	26.00	24.00	25.90	35.00	40.95	41.98
(1+2) RE	18.48	18.26	14.39	29.62	40.77	
Actual Expenditure	8.84	15.27	13.10	21.84	20.00*	

*Expenditure up to 28.2.2007

40. The provisions under this Sector cover various activities of the Ministry, viz., (a) Films Division which disseminates information on all important aspects of country’s life to Indian and foreign audience through news-reels, short films and documentaries; (b) Establishment expenses of Directorate of Film Festivals; (c) National Film Awards; (d) Expenditure on Panorama of Indian Films in the Film Festivals; (e) National Film Archive of India which preserves the best of national and foreign film classics; (f) Grants to Children’s Film Society of India (CFSI) which produces and distributes films for children; (g) Grants to

Film and Television Institute of India, Pune and Satyajit Ray Films & TV Institute, Kolkata, which impart training in the art and technique of film making; (h) Central Board of Film Certification and (i) Loans to National Film Development Corporation.

(a) National Film Development Corporation Ltd (NFDC)

41. The National Film Development Corporation Ltd (NFDC) is the central agency established by the Government of India to promote growth of the Indian film industry and to foster excellence in cinema. The primary mandate of NFDC is to plan, promote and organize an integrated and efficient development of the Indian film industry. The broad activities and functions of NFDC are: (i) production of films – own, co-productions, and subsidy scheme; (ii) creation of own exhibition infrastructure facilities in Metro centers; (iii) modernisation and replacement of Technical Projects and commissioning of new projects; and (iv) creation of market infrastructure for promotion of Indian films abroad.

42. The following is the Statement of Approved Plan Outlay for 2005-06 with regard to physical targets set for NFDC and the actual achievements there against:-

(Rs. in Crores)

S. No.	Name of scheme	Approved outlay for 2005-2006		Actual achievements for 2005-2006	
		Fin.	Phy	Fin	Phy
1.	Production of films (own production, co-production & subsidy scheme)	4.65	13	0.09	1
2.	Creation of own exhibition infrastructure in metro centres	1.10	1	-	-
3.	Modernization and replacement of technical & commissioning of new projects	1.50	-	0.01	-
4.	Creation of market infrastructure & promotion of Indian films abroad	0.50	-	0.11	-
Total		7.75		0.21	

43. On being asked about the reasons for non-utilisation of allocated funds and failure in achieving the physical targets set in the Annual Plans, the Secretary, Ministry of Information and Broadcasting stated as follows:-

“The performance has been very poor in financial terms as well as in physical output terms in the last few years, and this has been mainly for two reasons. Firstly, you mentioned that its original mandate was to give chance to new talent and co-produce good quality films with new talent, which could be commercially released whether they make a lot of money or not. They should be commercially released and seen by the public. This was the original mandate where a lot of young talent was encouraged by NFDC in the past. But, as you know that the investment in running and making those films can happen only when you have a healthy balance sheet, and you are able to use those funds. In the last few years NFDC was not able to produce new films because they had such a severe cash crunch in terms of working capital that they were not able to take up those schemes.

Now, they had two major problems. One was locking up of a large inventory of resources in receivables. They were not able to encash a lot of resources, which they had put in because the films were never completed. They had put in the money, and they could not recover it. Then NFDC had an ongoing arbitration issue with Doordarshan running into roughly Rs. 30 crore. The result was that NFDC was so resource starved that they were unable to use even the resources that were placed before them in the Plan. Let me also add that while under the Plan side you have seen that they were not able to use the resources, but on the non-Plan side, last year we have given them Rs. 15 crore and we have again given them Rs. 15 crore this year from non-Plan side – which is not reflected in the Plan document as of now – to get over this blocked inventory of resources, which they have done. They are unable to rotate that money unless they pay all their old debtors and get even the distribution rights because the films have not been completed or given to NFDC for marketing. We have tried to get over that problem, and they have now managed to get over that problem. Their liquidity issues are getting resolved. It will take a year or so to show actual improvements in their performance, which is actually happening now.”

As I mentioned, this was in terms of management also. Two years back we had a problem in getting the management at that time to

be able to make use of the limited resources and to recycle them to produce films because they were all tied up in arbitration and litigation. They were not able to take up new projects for a variety of reasons. I would only seek your indulgence that we had a really poor management capability in NFDC to be able to turn it around at that time and they were overburdened by their legacy of litigation.”

44. Having been established in order to be a leader in fostering excellence in cinema and to promote culture and understanding through the audio-visual media, the Committee wanted to know whether NFDC had been able to achieve these objectives. Responding to this, the Secretary, Ministry of Information and Broadcasting stated;-

“In the last three years or so – in the 10th Plan period except the last one and a half years — NFDC was only acting as an agent for procuring films for DD and supplying them or they were acting as agents to do some spots and jingles and that kind of activity for DAVP. That is not the mandate for which NFDC was created, that is, to be a kind of small petty producer of advertising programmes and jingles or to be the agent for procurement of films for DD. This is only an additional activity, which may give them some revenue, but it is not so. They actually became doing only that activity instead of focusing on production. Now, that has changed.”

45. The Committee were informed that over a year ago a new Managing Director has taken over in NFDC. Commenting on the new initiatives of the Corporation in the area of production of quality films, the Managing Director, NFDC stated as follows:-

“In terms of production, we are trying to revert to the original mandate that we have of encouraging new talents as also of producing films in various Indian languages. On the other side, as PSU which also has to generate its own revenue, we have a collaboration scheme through which we are inviting film makers every six months to give us their projects and we ask them to come with a 30 per cent fiscal investment from their side at the very least. We select a maximum of five every six months. We commit an additional 30 per cent of that and we give them a period of one year to raise the balance 40 per cent for which we have also the back up done, a tie up with IDBI because IDBI were also very interested in working with us in that scheme. The funding is really in place for those. We closed the first edition last year in

December. We selected two projects. The second edition is under evaluation and we hope to be able to identify the projects in the next 10 days. Once we select these projects we give each one of these film makers one international platform to pitch their projects and to identify potential partners, producers or to identify future sales agents or distributors in the international market for these films. First two projects have been selected in the first edition of our initiative - a Malayalam film and a Hindi film, Bubblegum. We took both to Rotterdam where they interacted in cinema which is a collaboration market. They interacted with buyers and sales agents and potential co-producers across and they themselves are in talks with all these people to see how they can build up a partnership for the production or release of these films."

46. The Committee further expressed their concern that NFDC had done practically nothing in the past years for marketing the films, especially in the international market. Responding to this, the Managing Director, NFDC stated:

"I do not see why film producers would come to us unless we really have strong marketing and distribution capabilities. So I realize that is really the area that we need to focus upon. Within the country, we have started the work on that. We are already in talks with some distributors. We have been trying to negotiate much better deals than probably an independent film maker would be able to do because as a corporate entity I give business plans that we have in the future, we do look at resources, has been able to commence production/roll out five to seven films this year, may be 8 to 10 from next year onwards. Nobody disputes the fact that we have a very stringent selection system. As Government entity, we are able to solicit the help of eminent members of the film industry in helping us, zero in on the projects that we ultimately produce.

Within the country, we have already got very good feedback and we hope to have those deals in place before the first film rolls out which would be sometime in the next three or four months. We are also looking simultaneously for PR agencies which would help us to take on publicity work. We are drawing up the panel which would help us to prepare art work and have publicity from the production stage so that we are able to have concerted publicity and ad campaign for the films that are going to be under production. We have already commenced that work.

Internationally, we now intend in the last year to focus on four key markets, MITCOM, American film market, etc. In addition, we went to Rotterdam which is essentially a co-production market, not a sales market as such. We have compiled the database of these markets and now we have a data base which constitute about 5,000 to 6,000 key buyers across the world, which is compiled from the data base that is sent to us by each of these markets. We have now begun weekly e-mailers marketing strategy. We got these mailers designed from outside. For instance, we made mailers of Shri Satyajit Ray, the three films that we produced. We have a separate one on *Pather Panchali* and another on *Gandhiji*. We sent this out across the world on a weekly basis. We started getting results in the last one year. Our export turnover has gone up as opposed to the previous financial year. But we also need new films. As of today, the perception is NFDC has made great films in the past but it has not done in the present. Sir, we hope to correct that and it will take sometime. Hopefully by March next year we would have better results.”

47. Informing the Committee further about the new initiatives being taken by NFDC in the area of co-production, marketing and distribution of films, the Secretary, Ministry of Information and Broadcasting implemented:

“In terms of reorientation of their mandate now – apart from taking to production of new good quality films – is to provide a marketing and distribution service to both young directors and producers who do not have enough resources to market their films either in India domestically or abroad.

So, NFDC takes part in film festivals and so on. They enter into a service arrangement with Indian producers who would like to purvey their films abroad and they actually do it on commission basis for them so that Indian films can be promoted abroad. NFDC provides them a platform and a funnel through which Indian film-makers can reach international audiences. Secondly, they are also now acting as line producers for foreign companies who want to make films in India and provide them the facilitation within the country. There are any number of private line producers available who are doing it for them, but in India the NFDC is also planning to provide a single window service to foreign producer not only when they do their own collaboration with those producers but even to provide as a service. They are actually trying to provide both marketing and distribution support to those who really want

it...They are going back to their old mandate of doing film production in conjunction with IDBI and also provide distribution and marketing support both within the country and also abroad for new producers.”

48. Summing up NFDC’s new initiatives, the Ministry further stated as follows:-

- i. The Corporation has proposed the infusion of additional funds and enhancement of its share capital. In addition, Plan support has been proposed to support the Corporation’s mandate of identifying new talent and promoting films in various regional languages. A token provision of Rs. 10 lakh has been made in the Annual Plan 2007-08 for equity enhancement. The proposed 11th Plan scheme support for films in regional languages is for Rs. 60 crore. A provision of Rs. 3 crores has been made in Annual Plan 2007-08. In the meantime, the Ministry of I&B has now extended a total working capital loan of Rs. 19.77 crore in the financial year 2005-06 and 2006-07.
- ii. In August 2006, NFDC floated a co-production initiative, which is announced every six months, whereby filmmakers are asked to submit projects with a minimum 30% fiscal investment from their side. In each edition of the scheme, the Corporation will select a maximum of five projects and commit 30% of the budget, subject to a cap of Rs. 1 crore. The filmmaker is given a period of one year thereafter to raise the balance forty percent of the budget from the market. The corporation anticipates the selection and commencement of a few projects before the end of this financial year.
- iii. As part of its developmental mandate, NFDC would undertake 100% production of films in various Indian languages by first time filmmakers. The revised bye-laws for the same have been approved by the Board of Directors and will be announced shortly.
- iv. To strengthen its activities for marketing and distribution of films within India and abroad, the following steps are being taken:
 - a. Negotiations with distributors and exhibitors for distribution deals for its films.
 - b. Publicity companies, design teams are being identified to draw up publicity strategies for NFDC films from pre-production stage itself.

- c. NFDC has identified key markets abroad for participation. Email marketing and publicity of NFDC films is being actively pursued round the year.
- d. Participation in various film festivals to promote the broad value of NFDC.
- e. NFDC is also focusing on promoting India as a filming destination for foreign filmmakers in collaboration with Ministry of Tourism under the Incredible India Brand.

(b) Children's Film Society of India (CFSI)

49. The Children's Film Society of India (CFSI) was established as an autonomous body under the aegis of the Ministry with the main objective of providing children and young people with 'value based' entertainment through the medium of films. The Tenth Plan outlay for CFSI was stated to be Rs. 2108.30 lakh and the Actual Expenditure up to 31st December, 2006 was stated to be Rs. 1469.97 lakh which is about 70% of the allocation. The anticipated expenditure in the remaining three months of the Tenth Plan period was stated to be Rs. 200 lakh.

50. The Committee wanted to know the justification for low utilization of the Tenth Plan allocation by CFSI. In reply, the Ministry informed the Committee that due to non-availability of suitable stories/ scripts, directors not sticking to schedules, etc. production was affected and consequently, print cost was also affected. As purchase of films depends on suitability of the films and the offers made by producers, only 7 films could be purchased. One scheme, namely Audience Research, Market Survey & Marketing of CFSI Films was discontinued midway during the plan period without utilization of the allocated funds of Rs. 150 lakh under the 10th Plan.

51. It has been observed that film production, dubbing, subtitling and purchase have been the most important continuing scheme of CFSI. The Tenth Plan outlay for the scheme was Rs. 1759 lakh whereas the Actual Expenditure up to 31.12.2006 was Rs. 983.05 lakh only. The physical targets set, achievements there against and shortfalls of the Scheme in the Tenth Plan period are as follows:-

	Targets	Achievements	Shortfalls
Feature Films	29	22	7
Short Films	12	10	2
Dubbing	70	31	39
Subtitling	43	24	19
Purchase	19	7	12

Further as against a target of reaching out to 207 lakh children audience, only 166 lakh children were covered under the scheme "Exhibition of films in Municipal Schools".

52. According to the Ministry, shortfall in production is caused by non availability of child artistes, technicians, location of shooting, weather, etc. Added delay in submission of rough-cut final material etc from the producer also affects the targets set for the Plan period.

53. The Committee wanted to know as to why no fund requirement had been projected for the Scheme in fiscal 2007-08. In reply, the Ministry informed the Committee as follows:

"The scheme "Film Production" which includes the sub-schemes, viz. production, dubbing, subtitling, purchase & print cost, has been shifted from "Plan" to "Non plan" by Planning Commission for the Annual Plan 2007-2008. An amount of Rs. 1173.00 lakh was asked for this scheme for the Annual Plan 2007-2008. However, it appears from Demand No.58 of Ministry of Information & Broadcasting, that a total of Rs. 271.00 lakh has been allocated for all the plan schemes in the Annual Plan 2007-2008 while an amount of Rs. 42.00 lakh has been allocated in Non-plan which is utilised to meet the day to day expenditure of the Society, including payment of salaries to the staff and officers, etc."

54. The 2007-2008 targets in this regard are production of 5 feature and 2 short films, dubbing of 14 films, subtitling of 10 feature and 2 short films and purchase of 3 films.

55. A major project that was initially mooted in the 9th Plan, but was taken to the 10th Plan and has been continued in the 11th Plan is the CFSI Film Complex at Hyderabad. The project envisaged construction of Children's Film Complex for providing in-house facilities as regards all aspects of filmmaking. Giving the genesis of the project, the Secretary, Ministry of Information & Broadcasting stated:

"Sir, as regards the CFSI is concerned, the Government of Andhra Pradesh allocated about ten acres of land in Jubilee Hills area to the CFSI for setting up a building complex. The CFSI is a very small institution. Its total staff strength is about forty plus. Ninety percent of them are located in Mumbai. The reason why Hyderabad was chosen was that every alternate year the International Film Festival is conducted in Hyderabad. Therefore, the Government of Andhra Pradesh was keen that there should be a permanent facility at Hyderabad... The Government of Andhra Pradesh would like

to have a film training institute there, whereas the CFSI is talking of a different facility. So, there has been kind of stalemate on the nature of the activity to be undertaken there. I have spoken to the Chief Minister, Andhra Pradesh and Chief Secretary, Andhra Pradesh. We are trying to resolve that issue. But unfortunately this has not fructified. We are still making our efforts..”

56. On being asked about the latest stage of the project and expected time of completion, the Ministry informed subsequently that further progress in the project is directly linked to MoU to be signed with State Government of Andhra Pradesh. However, efforts are being made to complete the project at the earliest, preferably in the 11th Plan period itself.

(c) Museum of Moving Images (MOMI)

57. Setting up of Museum of Moving Images (MOMI) at Films Division, Mumbai is a project that was started in the 10th Plan has been continued in the 11th Plan. The objective is to establish a permanent museum which will depict the history of Indian Cinema through audio-visual presentation and display of important artifacts relating to the history of Indian cinema, exhibiting the work of noted directors, producers, institutions, etc. for the benefit of visitors/film enthusiasts and also to arrange seminars and workshops for film makers and film students.

58. The Committee were informed that an agreement was entered into with NBCC on 30th June, 2006 by Films Division on behalf of Ministry of Information and Broadcasting to prepare a Detailed Project Report (DPR) for setting up MOMI. Towards this, Director, American Museum of Moving Images (AMMI), New York, USA was appointed as Consultant to the project for seven days. The consultant visited India in February, 2007 to study the project and has given ideas/suggestions which are being incorporated into the Architectural Concept & Design Paper by NBCC. In response to a specific query regarding the expected time of completion of the project, the Ministry stated that the project is likely to be completed in the 11th Plan period.

59. Responding to the apprehension expressed by the Committee that there seemed to have been no clarity with regard to the objective for which the Museum was being established and as to what was intended to be shown about the Indian cinema to ourselves and to the rest of the world, the Secretary, Ministry of Information and Broadcasting stated:

“I can only assure you and we can share with you the concept that we have developed not only in architectural conceptualization

but the actual heart of the museum as to how it is to be done. We have looked at, I have personally seen the MOMI when it used to exist, it is no longer existing. We have sent teams of officers to see the New York MOMI which is one of the most thriving institutions as of now. We have engaged a Director of the New York Museum of Moving Images to come to India as our consultant and give us advice on exactly the issues that you have mentioned. What objective this museum has and based on that the conceptualization of the architectural forms and the facilities and services have been done.

As you know, Sir, any museum ultimately is an educational institution. It is meant to disseminate information, educate people about the history, the art, art forms of the Museum of Moving Images. It is not a mausoleum of Moving Images where only history is kept. It is a museum where you keep changing the exhibits, you keep showing the new techniques, you keep showing the cinema, the direction that it is taking, you keep educating people. You bring in children, adults, industry people to come and witness from different perspectives and you also exhibit films of good quality in the auditorium that you have. So, looking at all these aspects of what this museum when it is ready would be doing 365 days a year, the conceptualization of the architectural designs have been done. The Director of the New York Museum has also offered their equipment, their personnel and their staff for helping the Films Division and NFDC to actually operationalise these things. So, we are very much in touch with one of the better run and better managed Museum of Moving Images and in consultation with them we have designed this facility...The main purpose is that it is going to be more of an educational and entertaining institution rather than this is a historical content of Indian Cinema. This is how the museum is being planned. The funds have been identified, have been given also. Last year a part of the money was released. It has been fully provided for in the 11th Plan. We are on board and quite on target and within next three to four years we should be able to complete that project."

(d) National Centre of Excellence for Animation, Gaming and Special Effects

60. It was stated that a Committee was set up to identify new opportunities in the areas of Information, Communication & Entertainment (ICE Committee) where the State needs to play a proactive role. The ICE Committee identified one of the areas for

improvement as enhancing the availability of trained personnel for the animation and gaming sector. In the animation and gaming fields, it was perceived that there was a clear need for generating, on an average, at least 3000 trained persons per year. While most of the domestic opportunities were in the mobile gaming segment, the next opportunity was to cater to the demand from online gaming segment. It was observed that training required for a student to advance from basic level to a specialized level would cater to both sectors. The special effects sector is also expected to grow at similar levels, indicating a consistent need for trained manpower.

61. The Committee were further informed that for catering to this projected demand, setting up of a National Centre of Excellence for Animation, Gaming and Special Effects, on a public private partnership basis, is being considered. This would require the appointment of a consultant for which terms of reference will be called for from NASSCOM. While the appointment of consultant could be estimated at about Rs. 50 lakh, the Government share in the cost of setting up of the above National Centre would approximately be Rs. 75 crore. While the above recommendation of the Committee is still under consideration and the proposal awaits approval for inclusion in the 11th Five Year Plan, a budgetary allocation of Rs. 10 lakh has been proposed for the year 2007-08.

62. Highlighting the new concept, the Secretary, Ministry of Information & Broadcasting stated:

“In Kerala, Hyderabad, Goa – all these places have got a huge amount of investment coming in these areas for animation, gaming and special effects. Most of the international productions are using Indian technicians, like the IT sector, to do the visual effects and special effects and animation in India. Now, there again the human resources development and requirement of trained manpower are enormous. So, in one of the programmes of the Eleventh Plan proposals, we have mentioned that we have to set up an institution of excellence for animation and gaming sector. Since it is the state-of-the-art technology, it requires huge amount of investment as well as highly skilled manpower both faculty and students.”

(e) Digitalisation of Films

63. In view of its historical importance, the films of Films Division which have suffered different degrees of decay and decomposition over time are required to be restored and preserved for posterity and measures are envisaged in the present scheme “Restoration and

Preservation of Film Division's Archive", which is a modified proposal of the ongoing plan scheme "Webcasting and digitization of Films Division Films". Television has become important medium of dissemination of information along with extra ordinary growth in the subscription of the internet. Hence Films Division has to change the mode of distribution of its informative & educative films through these modern outlets. To comply with the purpose, Films Division's films have to be digitalized and preserved for transfer and broadcast and Films Division has undertaken the transfer of its celluloid films on High Definition Tapes at 4:2:0 at higher Bid rate (approx. 9 X MBPS) and also additional Digital Audio Transfer on High Definition Tapes.

64. The Committee were informed that efforts are being made on war footing to digitalise all the 8100 above films in Archive by March, 2007. Thereafter in 2nd phase, work on restoration of celluloid material will be undertaken as celluloid has long preservation value. It is more important with the Digital Technology changing every day.

65. The Committee pointed out that the Films Division has at its disposal the largest archives of newsreel pertaining to the time of Independence and even prior to that, but it was not being preserved properly. Again it was told that Mumbai where the film archives is situated is not the right place for the purpose. The Committee, therefore, wanted to know the corrective measures being taken in this regard. In reply, the Secretary, Ministry of Information & Broadcasting stated:—

"Sir, you are absolutely right. As of now, that has been the situation. But we have been waiting. An internal decision has been taken some time back that Mumbai is not the right place because of the humidity conditions. Even if you have air-conditioned vaults it is really not worthwhile. The energy efficiency is very low in Mumbai. Therefore, we plan to move them to NFAI in Pune which is far better. The vaults at Pune are getting ready. The phase-2 of the storage capacity is getting ready. Once that happens, because the amount of films that they have is very high, very large number, they have several lakh prints with them in celluloid form; so, they will be moved over a period of time to Pune where we have the regular air-conditioned vaults which are being created for preservation."

66. When the Committee brought out that it was not only a question of preservation, but also restoration of the films belonging to

the 40s and 50s, which are now in very poor condition, the witness stated:—

“Sir, what we have managed to do so far is that we got some experts to look at what is going on. What we found was that the deterioration in a very large percentage has already taken place because of poor storage conditions. We have started the process and for the last three years it has been going on, to do both the things. First it is to identify them. We have put them into three grades – very high priority, high priority and normal priority. Whichever comes in the very high priority, there its digitalization and preservation and restoration in digital format is possible because it is easy to maneuver that. But, on preservation and re-conditioning in celluloid form, we found it difficult technically. In India there are very few people who can do such a large inventory of restoration.

“It is very costly also in celluloid form. In fact, it is reverse telecine that we were trying to do there which we found was very expensive, but as far as public is concerned, in order to access the inventory – about 60 percent has already been digitized and restored digitally for good quality – we are putting them on our website. We are doing our website upgradation so that people can access this information. We are linking their website with NFAI website so that people can know where what movies are available, documentaries are available, but in celluloid form, restoration in the original truly archival material is very cost prohibitive and very difficult.”

67. Giving further details of the steps taken for digitalization of films, the Chief Producer of Films Division stated:—

“Sir, out of 8,000 or so films, we have already digitalised about 5,000 and odd. This is our first phase of preserving the material so that more deterioration does not take place in so many other films. Now in our next phase, after this is over, we are trying to identify what material is available with us which can be retrieved to the original form. We may go through inter-negative. We may go for inter-positive. We may go for dupe negative and all that. So, we will just try to identify those materials out of which we can restore the original material. That will take place in the second phase. Along with, we also propose to upgrade the sound system because in most precious films which we have right from 1950s and before that, the sound quality has deteriorated and it is harsh

and sharp. Now, we have a plan to get the original track from wherever we can, most probably from AIR. Then, we will try to put that track on our film so that we can have the original sound track with us. For other films, we may have to re-do the entire track to get the better quality of sound. These are some things which we have planned for future.”

68. In this context the Committee were further informed that a Plan Scheme titled ‘Digitalisation of Archive Films’ was proposed in the draft 11th Plan document with an outlay of Rs 25 crore. However, the Planning Commission has not made any provision for Digitalisation of Archive Films in the approved Annual Plan 2007-08. The Ministry informed that the matter would be taken up with the Planning Commission for the 11th Plan.

(f) Exports in Films Sector

69. The Working Group set up by the Planning Commission has recommended that Government should make a roadmap with strategies to double the export earning of films sector by the end of the 11th Plan. In response to a query about the export earnings in the film sector in the previous three years, the Ministry furnished the following information:—

Disaggregated figures of export earnings of the film industry are not available. Industry estimates (FICCI – Pricewater House Cooper Reports of 2006 and 2007) provide details of overseas box office collections, popularly considered to be revenues from exports of Indian films by the industry. However, overseas box office receipts would not include exports pertaining to home video segment and ancillary income from the overseas market.

1. 2004:- Filmed Entertainment Industry estimated at Rs. 5990 crore in 2004. Overseas box office receipts at (estimated) 8% approximating to Rs. 479 crore.
2. 2005:- Filmed Entertainment Industry estimated at Rs. 6800 crore in 2005. Overseas box office receipts at (estimated) 9% approximating to Rs. 612 crore.
3. 2006:- Filmed Entertainment Industry estimated at Rs. 8450 crore in 2006. Overseas box office receipts at (estimated) under 10% approximating to Rs. 700 crore.
4. 2007:- Reports project growth of overseas box office receipts at a Compounded Annual Growth of 18% (and higher than

projected growth rate of 16% for domestic box office), to reach Rs. 1600 crore by 2011. On this basis the projected overseas box office receipts for 2007 could be estimated at Rs. 826 crore.

70. The Committee wanted to know the strategy being drawn up by Government to increase export earnings in films sector. In reply, the Ministry enumerated the following measures:

1. The Indian Film Industry is in the private sector. Though industry associations exist, there is no targeted approach towards export markets. Export is still dependent on individual efforts. The Government is encouraging the creation of an Export Promotion Council (EPC) for the film industry. The industry associations have been requested for creating an EPC which could then seek government support provided by the Department of Commerce under its various schemes. The creation of an Export Promotion Council in the XI Plan Period would be significant in boosting exports.
2. Primarily a tool for soft diplomacy, films have emerged as an important export in entertainment. As a strategy for market development and penetration of existing markets abroad, this Ministry would continue to promote Indian films abroad by—
 - (i) participation in international film festivals
 - (ii) organization of Indian Film Festivals abroad (a) under cultural exchange programme; (b) through our embassies; (c) through ICCR and (d) in association with other Ministries and Departments for special events and festivals organized abroad. The participation and organization of these festivals/events is mainly through the Directorate of film festivals. Films Division and Children's Films Society of India could also participate in respect of Documentaries and Children's films respectively.
3. (i) To provide special boost to the Industry for sale of rights of Indian films, the Government takes the lead in participation in International Film markets such as at Cannes Film Market, American Film Market, Rotterdam, MIPCOM (Cannes), MIPTV (Cannes), etc. The participation has been in association with the National Film Development Corporation and Confederation of Indian Industry. The market participation is expected to boost all aspects of the film industry.

- (ii) The Government also organizes Film Bazaar along with the International Film Festival of India. This is being developed as a place for sale and purchase of rights, promotion of India as a shooting destination and for activities of post-production work.
 - (iii) Recently, the Government has also provided small financial support to FICCI for organization of 'Frames' – the largest annual even in Asia for media and entertainment industry. There is significant participation, both national and international, in the event.
4. The Government is also negotiating and signing co-production agreements with different countries which is expected to facilitate financing of films and opening of new markets.
 5. The need for disaggregated figures for different segments of the export market is felt strongly. The film industry would be requested to improve maintenance of export figures and trends.
 6. As a fiscal measure, the issue of Duty Drawback for export of films is under consideration. Industry request's for easier terms for export credit and subsidies for promotion of films abroad would be examined for further action.

71. An amount of Rs 3.82 crore has been allocated in the Annual Plan 2007-08 to the Directorate of Film Festivals under the Scheme, 'Export Promotion through Film Festivals in India and abroad'. The proposals for the year include: (1) organizing of an International Film Festival of India, (2) Participation of Indian films in 45 foreign film festivals in different countries and (3) Selection of 21 feature and 21 non-feature films.

VIII. Broadcasting Sector

(i) Prasar Bharati

(a) Budget Estimates

72. The Committee have been informed that the Plan outlay for 2007-2008 for Prasar Bharati has been fixed at Rs 385.59 crore. Government will provide total financial support in the form of Grant-in-aid and loan. There will not be any IEBR support by Prasar Bharati

towards Plan 2007-2008. Break-up of the Plan Outlay for 2007-08 is as under:

REVENUE (PLAN)					
Media	Actual 2005-06	SBG 2006-07	RE 2006-07	BE 2007-08	Variation % (5&4)
AIR	24.67	48.40	53.97	15.65	(-) 71.00
D Dn	110.44	294.81	241.62	105.00	(-) 56.54
Total	135.11	343.21	295.59	120.65	(-) 59.18

CAPITAL (PLAN)					
(Rs. in crores)					
Media	Actual 2005-06	SBG 2006-07	RE 2006-07	BE 2007-08	Variation % (5&4)
AIR	61.40	23.20	17.00	63.30	(+) 272.36
D Dn	113.76	87.51	74.41	201.64	(+) 170.99
Total	175.16	110.71	91.41	264.94	(+) 189.83

73. Financial support to Prasar Bharati under Revenue Non-Plan will be in the form of Grant-in-Aid. The Grant-in-aid details are as under:

Revenue Non-Plan					
(Rs. in crores)					
Media	Actual 2005-06	SBG 2006-07	RE 2006-07	BE 2007-08	Variation % (5&4)
AIR	522.08	523.65	525.52	537.88	(+) 2.35
D Dn	411.24	412.21	413.71	422.90	(+) 2.22
Total	933.32	935.86	939.23	960.78	(+) 2.29

(b) Digitalisation of Archives of Prasar Bharati

74. Digitalisation of Archival Records in Doordarshan was started in 2004, but was not being carried out at the optimum pace. According

to the Ministry the required funds have been projected in the 11th Plan. All India Radio is stated to have achieved a major goal by digitalizing its analog archives of 43,000 tapes collected up to November, 2001 and the project was over on 31st January, 2005. All the recordings have been converted into digital format with proper data entry. However, approximately 10,000 tapes collected in the archives from November, 2001 till date are yet to be digitalized. For this purpose a project has already been approved by CEO/Director General, AIR.

75. The Committee during evidence enquired about the progress made in digitalization of archival records in Doordarshan and AIR. In reply, the CEO, Prasar Bharati stated:—

“Sir, the management of the media assets is a priority area for us. As a matter of fact, for quite a few months now, an exercise is underway in Delhi wherein we have already obtained the footages from outside kendras of the more important ones and digitalization is going on. As a matter of fact, there is a constraint of space. We do not have adequate area within the present premises. So, what I have decided is that we will be moving the archives to CPC in the Asian Games Village area because currently DD News is housed there. We are going to shift DD News to Mandi House. We will get adequate space in the Asian Games Village Complex where we will have this. This is a priority area. We are doing it both in AIR and Doordarshan.”

76. On being asked about the steps taken for marketing of archival records in digital form, the Director General, Doordarshan stated:—

“Sir, as far as marketing is concerned, to sell whatever DVDs and CDs we have produced, not only AIR but Doordarshan also, all the kendras of AIR and Doordarshan have opened one counter and this material is available for the purpose of sale. We have gone to a certain extent of negotiations with the Postal Department also and they are also trying to make it possible if with every post office we are in a position to put one counter.

As far as international marketing is concerned, we have not really started, but NFDC is interested and we are negotiating something with NFDC also. Maybe the NFDC takes up non-exclusive marketing at the international level. That is at the discussion stage. We are also planning to put our stalls wherever these Films Shows

and Film Festivals are there. It is a very modest beginning, but we have yet to achieve.”

77. The Committee pointed out that this is an area where a lot of revenue could be earned since some of these records are in great demand in the market. On being enquired about the steps being taken for proper marketing of the records, the CEO, Prasar Bharati stated as under:—

“Sir, I may submit that the work is really going on now. We are entirely mindful of the importance and relevance this particular area has. We will take steps. We have made the beginning and we will take steps very soon. You will not be in a position, I am sure, to say later that we did not take concrete and substantial steps. We will do that.”

(c) Special Package for North East

78. NE Special Package Phase I was approved on 31st January, 2002. Year wise budget allocation and expenditure in respect of Doordarshan for Special Package for NE is given below:

(Rs. in crore)

Sl. No.	Year	SBG	RE	Exp.	Reason for shortfall
1	2002-03	35.00	32.50	26.50	Low cost of transmitters
2	2003-04	35.00	22.00	4.81	Non-approval of NE Spl. Package Ph. – II
3	2004-05	40.00	6.00	0.56	-do-
4	2005-06	40.00	0.98	0.62	-do-
5	2006-07	53.00	45.00	5.00	Delay in approval of NE Spl. Package Ph-II

The Committee were informed that implementation of Special Package (Phase-I) for NE States was completed during 10th Plan period. Phase II of NE Package was approved by the Government in May, 2006 with an Annual Plan outlay of Rs. 40 crore for Doordarshan and are expected to be completed in phases by 2008-2009.

79. The details regarding year wise budgetary allocation to All India Radio for NE Special Package and its utilization is given below:-

Sl.No.	Year	Annual Allocation	Expenditure (Rs. in crores)
1.	2002-03	12.50	8.18
2.	2003-04	16.00	3.66
3.	2004-05	18.80	2.49
4.	2005-06	20.90	2.69
5.	2006-07	13.90	0.57 (as on 31.12.06)
Total		82.10	17.59

The allocations were made for NE Special Package Phase-I and the short-fall is basically due to low cost of equipment ordered and as such there is a saving in implementation of NE Special Package Phase-I. Except 10 KW FM Transmitter at Kohima, all the projects have been commissioned.

80. According to the Ministry NE Special Package Phase-II was approved by the Government in May, 2006 and budgetary provision during 2007-08 for NE Special Package is Rs. 22.50 crore under Capital and Rs. 2.50 crores under Misc. Revenue for procurement of initial spares. AIR proposes to acquire sites for 19 Nos. of 1 KW FM Transmitter projects during the year. Action for procurement of equipment included in the Scheme is under process and likely to be ordered. It is likely that NE Special Package – Phase II will be completed during 2009-2010.

81. In this context, the Committee desired to be apprised of the reasons for shortfall in utilization of allocated funds. In reply, the Secretary, Ministry of Information and Broadcasting stated:—

“Phase I was sanctioned towards the end of the Ninth Plan and they were spilled over to the Tenth Plan. Those have been completed during the Tenth Plan period with whatever outlay was available and more than 90 percent has been utilized for Phase I of J&K and North-East. The Tenth Plan extended projects for about two years were also conceived and proposals were sent by Prasar Bharati both for All India Radio and Doordarshan which included transmitters in border areas, setting up of DTH, the supply of equipments for DTH which also had transmitters both for

Doordarshan and All India Radio in the North East. There were packages for creation of new facilities in those areas. Of the two projects, one was about Rs. 490 crore and the other was around Rs. 300 and odd crore and very substantial sums were earmarked for these projects. We were told that to finally get the North East project approved by the CCEA a few months back. It was in January that the North East package was finally approved. So, the delay in actual utilization of funds was because the project took considerable period of time for its maturity and approval by the Cabinet and therefore, a shortfall in the actual use of these resources."

(d) J&K Special Package

82. Special Plan for improvement and expansion of Radio coverage by All India Radio in the state of Jammu & Kashmir was approved by the Government in 1999-2000, *i.e.* prior to 10th Plan and has been completed during the 10th Plan period. Against the original cost of Rs. 73.32 crore for projects covered under the package, the actual expenditure incurred up to February, 2007 was Rs 64.26 crore. The Committee were informed that under Special J&K Plan, Phase I has been completed and approval of Special Package Phase II is still awaited.

83. Doordarshan Transmitters under J&K Special Plan was approved in 1999. In all, 94 TV transmitters were envisaged to be set up under Special J&K Plan. All the 94 transmitters have been commissioned. Transmitters at two places *viz.* Kupwara and Amritsar are functioning with the help of temporary towers, in interim set ups. Construction of permanent tower at Kupwara has almost been completed and the transmitters at Kupwara are expected to be operationalised on full power with antenna on new tower by May, 2007. Work of construction of tower at Amritsar is in progress and is expected to be completed by end of 2007-2008. There had been delay in availability of site at Amritsar. J&K Special package Phase II for Doordarshan is yet to be approved.

84. On being enquired about the J&K Special Package, the Secretary, Ministry of Information and Broadcasting informed the Committee as follows:

"J&K Special Package Phase II has still not been sanctioned because while the project was being formulated, the Ministry of Finance, the Planning Commission and the Ministry of Home Affairs who were consulted about the project came out with different demands

and the project contours kept changing depending on the perception of the Ministries concerned. Finally, the project has now been posed and it is in the inter-ministerial consultation. We hope that it will be sanctioned as part of the Eleventh Plan. The project of J&K Phase II could not be sanctioned and so, within the normal allocation, the J&K funds have been released and they have been able to do what is required. But the long-term investment in J&K Phase II has not been started because it has not been sanctioned. So, there is a shortfall in J&K and the North East and within that, comes the individual transmitters both for All India Radio and Doordarshan. We have been picking up and wherever there was an immediate requirement, they have been done with other funds but not as part of the Special Package. The North East Package has been sanctioned and we hope that it will be taken as part of the 11th Plan.”

(e) Shortage of Manpower

85. The Committee were informed by the Ministry that the shortage of manpower has severely affected the operations of Prasar Bharati. Doordarshan has so far commissioned 194 projects without any staff sanction. Additional 251 projects, which include 20 studio centres, have been commissioned for which only partial staff sanction is available. However these projects have been commissioned by providing limited staff by way of redeployment. Two studios at Calicut and Rajouri are technically ready and are yet to be commissioned. Staff for manning these two studios has not been sanctioned. Further 53 LPTs are relaying only partial transmission due to non-availability of adequate staff. For 42 LPTs no staff has been sanctioned and for 11 LPTs only partial staff has been sanctioned. Doordarshan has observed that redeployment of staff has been done to the maximum possible extent and it is no more possible to provide staff by way of redeployment. Similarly in All India Radio, 30 projects have been commissioned without sanctioning of O&M staff. 8 projects are technically ready but could not be commissioned, as O&M staff has not yet been sanctioned. Further 1 KW MW transmitter at Diskit, Nyoma and Padam are technically ready but could not be commissioned as ban on recruitment has not been lifted. The Committee were further informed by the Ministry that no staff has been sanctioned even for operation & maintenance of new Doordarshan stations for the last about 7 years.

86. Pointing out that many projects were commissioned without additional staff being sanctioned for the project, the Secretary, Ministry of Information & Broadcasting stated:

“Unfortunately, the system that we are working within is such that when we sanction a project, we say this is the staff required,

this is the requirement of equipment, machinery, building etc. When we go to different Ministries like Finance Ministry, the Planning Commission, etc., the other element of the project gets sanctioned but staff strength is not sanctioned because of the overall economic restrictions of Ministry of Finance. We hope that later on some staff would be redeployed and they will sanction it. Unfortunately, in these cases, despite our best effort, this has not happened. I would only like to re-assure that both Prasar Bharati and the Ministry of Information and Broadcasting have been straining every nerve to see that staff strength is sanctioned for these projects which have been commissioned. Each one of the projects has been commissioned but the exact amount of staff required after doing redeployment of the existing staff, has not been met. Prasar Bharati, time and again, by any norms, has conveyed to the Ministry of Finance that it has done all the redeployment possible in those sectors and segments of staff; there is no redeployment anymore possible and therefore, only additional staff strength is required. We have been trying to convince the Ministry of Finance but we have not been able to succeed. Ultimately, we had to take this decision before the Group of Ministers that we are unable to break through with the Ministry of Finance. Therefore, we have now placed this matter of urgent requirement of additional staff for commissioned projects as a separate item and a term of reference for the Group of Ministers. We are hoping that the Group of Ministers will give us relief in that respect.”

87. Explaining the predicament further, the CEO, Prasar Bharati stated:

“It is a fact that a lot of public money has been spent, the return thereon is mostly sub-optimal. We have installed studios. We have got transmitters but we do not have staff. It is just like buying the *tonga* and not the horse. So, you have to have the requisite minimal staff to run these new establishments which have come in.

To give you the fact, I would submit that since the 9th Plan, 191 such projects have been commissioned for which no sanction of staff has been made. Over 240 such projects have been commissioned where partial staff was sanctioned. So, Prasar Bharati, over the years, has been trying to do a certain amount of redeployment but it is not satisfactory. So, this will have to be taken care of. Otherwise, I personally am of the view that it is better we do not commission any other project, we do not spend public money unless we know that the money will be utilized effectively and the return to the people would be available.”

(f) Construction of Staff Quarters

88. The proposal for staff quarters at four Metro cities and 15 other places for employees of Prasar Bharati was approved during December 2004 with the target for completion as March, 2007. Against the approved total cost of Rs 215 crore, the actual expenditure incurred up to February 2007 is Rs 33.77 crore. The Committee were informed that due to delay in getting approval of the project and subsequently delay in getting various approvals from local bodies it is likely that construction of 323 Nos. out of total 600 Nos. in Delhi will be completed in Phase I during 2007-2008. Construction work at other Metro cities is yet to start as they are still awaiting clearances from local bodies. Construction work at 2 other places has been completed and is in progress at 8 places. Work of construction is to be awarded at 5 places.

89. The Committee pointed out that construction of Staff Quarters by Prasar Bharati taken up during the 10th Plan has been considerably delayed. Enquired about the latest position of the project, the CEO, Prasar Bharati stated:

“Money has been sanctioned for that and the work is going on. There is a problem on the quarters because the Ministry of Urban Development has given dispensation till November, 2007 wherein employees of Prasar Bharati will be entitled to retain Government accommodation. This matter will have to be taken up by the Group of Ministers and it seems to me that there is no way out to give an extension.”

90. An amount of Rs 6 crore has been allocated in the fiscal 2007-08 for the construction of staff quarters.

(g) Doordarshan—Digitalisation & Modernisation of Production Facilities

91. According to the Ministry, digitalisation was one of the main thrust areas of 10th Five Year Plan in Doordarshan. During 2006-07, six major studio centers at Jalandhar, Srinagar, Thiruvananthapuram, Bhubaneswar, Bhopal and Lucknow were being fully digitalised. Work of digitalisation of these six studio centres was nearing completion. In addition, work at 19 smaller studio centres at Shillong, Tura, Kohima, Itanagar, Imphal, Silchar, Dibrugarh, Aizawl, Pune, Vijayawada, Agartala, Sambalpur, Shimla, Mau, Jalpaiguri, Allahabad, Rajkot, Indore and Guwahati (PPC) have been completed. Work of digitalization of remaining 16 smaller studio centers is at different stages and is expected

to be completed by the end of 2006-07.

92. Modernisation Schemes during the 10th Plan included digitalization and modernization of production facilities, digitalization and modernization of Satellite Broadcast Equipment, augmentation of existing studio facilities and automation of Transmitters (LPTs and VLPTs). Against the allocation of Rs 424.66 crore under Plan (Capital) for Modernisation Schemes, the utilization up to February, 2007 was Rs 295.62 crore which works out to only 69.61% utilization.

93. Details of yearly SBG and expenditure there against during the 10th Plan are given below:

Year	SBG	Expenditure (Rs in crores)
2002-03	38.87	35.85
2003-04	77.80	75.48
2004-05	130.00	25.93
2005-06	137.46	60.53
2006-07	40.53	97.83

94. The Committee were informed that the utilization remained low mainly due to delay in availability of site, construction of building, towers, delay in getting plan approval, delay in procurement of equipment, etc.

95. On being enquired about the existing mechanism in Doordarshan for planning, implementation and monitoring of schemes/projects, the Committee were informed that planning and formulation of TV projects is carried out at Doordarshan Directorate. Projects are executed by the zonal offices located at Delhi, Mumbai, Kolkata and Chennai within their respective zones. Major activities pertaining to the projects are monitored by the Directorate. Zonal CEs are holding monthly meetings with concerned CCW officers to review the progress of civil works. Regular meetings are being held with the agencies involved in construction of towers, at Directorate. Meetings at the level of CEO, DG, E-in-C are being held regularly to review the progress of implementation of projects.

96. An amount of Rs 61.43 crore has been allocated in the Annual Plan for 2007-08 for digitalisation and modernization of production facilities in Doordarshan.

(h) High Definition Television (HDTV) and DVB-H Transmission

97. The Committee have been informed that Doordarshan's proposal for a pilot project in HDTV (High Definition Television), which produces five times more visual information than a conventional TV picture, has been approved recently. Approved Annual Plan for 2007-08 includes provision of Rs 39.20 crore for the project out of which Rs 15 crore is for HDTV pilot project of field production at Delhi. The Pilot Project envisages outdoor programme production in HDTV with an EFP (Electronic Field Production) van and establishment of post production facilities at DDK, Delhi. Preliminary Project note for the purpose has already been prepared and specifications for the equipment drawn. Tenders for the various items of equipment are being invited. The objective of the pilot project is for Doordarshan to be in preparedness for providing feeds of TV coverage of important events of Commonwealth Games in 2010 at New Delhi to foreign broadcasters in HDTV format.

98. The Ministry informed that Schemes for setting up of HDTV Studio at Delhi, Mumbai, Kolkata and Chennai are included in draft 11th Plan, which is yet to be approved. Also, schemes for establishment of digital transmitters at Delhi, Mumbai, Kolkata and Chennai for relay of HDTV programmes and putting two HDTV channels on DTH platform are included in the draft 11th Plan proposal.

99. According to the Ministry, Doordarshan had also taken up a pilot project of DVB-H transmission which will make it possible to receive TV signals on mobile phones in the coverage zone of the transmitter. The proposal includes setting up facility for DVB-H transmission in the cities of Mumbai, Kolkata and Chennai, where digital transmitters exist. Likely expenditure involved for setting up the facility for DVB-H transmission at Mumbai, Kolkata and Chennai will be about Rs 40 crore. However, the scheme in this regard is yet to be formulated and approved.

(i) All India Radio—Digitalisation and Automation

100. Digitalisation of production facilities and automation of studio & transmission facilities to enhance the technical quality of content and to economise the cost of operation was a major project of AIR in the 10th Plan. In spite of this, against the original 10th Plan Capital Outlay of Rs 204 crore, the actual outlay was for an amount of 120.96 crore and the actual expenditure incurred up to February, 2007 was

Rs. 66.46 crore. Given below are the yearly allocations and actual expenditure incurred by AIR during the 10th Plan:

(Rs in crores)

Year	Annual Allocation	Actual Expenditure
2002-03	04.00	0.00
2003-04	40.07	23.51
2004-05	42.24	12.55
2005-06	22.61	21.91
2006-07	12.04	02.27 *Upto Feb'2007
Total	120.96	66.46

101. Given below are the projects undertaken and their expected time of completion:

- (i) Hard Disc Based System (HDBS) at 76 stations has been provided costing Rs. 8.25 crores.
- (ii) Order for Hard Disc based System for another 61 stations has been placed. It is expected to be commissioned by September, 2007.
- (iii) Scheme for provision of Hard Disc Based System at 48 major stations costing Rs. 29 crores was approved in June, 2006.
- (iv) Digital Portable Recorders (526 Nos.) costing about Rs. 7.5 crores have been provided and are in use at stations.
- (v) 21 Nos. of Portable MSS Terminals – Equipment has been received and is under operationalisation.
- (vi) 113 stations have been provided with C-Band Down link Terminals.
- (vii) Existing uplinks at 16 places have been upgraded to digital system at Guwahati, Shillong, Itanagar, Lucknow, Srinagar, Patna, Jaipur, Cuttack, Shimla, Trivandrum, Hyderabad, Ahmedabad, Bangalore, Bhopal, Delhi & Mumbai.
- (viii) Digital microwave Studio Transmitter Link equipment at the costing about 252 lakhs has been ordered for Cuddapah, Vijaywada, Srinagar, Patna, Jodhpur, Chandigarh, Kargil, Kota and Aurangabad.

102. The approved Annual Plan for 2007-08 includes an allocation of Rs 15 crore for digitalisation of production facilities in AIR. The scheme includes the following projects:

- (i) Permanent studio at Leh & Tawang (Limited working season).
- (ii) Permanent studio at Jaipur & Mysore.
- (iii) Captive Earth Stations at Varanasi, Rohtak, Leh, Aurangabad & Silchar.
- (iv) Procurement of 564 Computerised Hard disc based systems & Portable MSS terminals, etc.

(j) All India Radio—Expansion of FM Services

103. Against the 10th Plan outlay of Rs 11.45 crore for continuing schemes and Rs 153.6 crore for new schemes for Expansion of FM Services in the 10th Plan, the actual expenditure up to 31.12.2006 was Rs 8.36 crore and Rs 27.46 crore respectively which works out to corresponding utilization of 73.01% and 24.32%.

104. The Committee were informed that 133 FM Transmitter projects were proposed in 10th Plan. This comprised of 75 New Stations and 58 number of projects at existing stations. A total of 120 FM projects were approved for implementation. Out of these 19 projects including interim set ups have been achieved and 3 are expected to be achieved shortly. Balance 98 approved projects are spilling over to 11th Plan. On being asked about the reasons for under-utilisation of allocated funds, the Ministry gave the following reasons for shortfall in achievement:

- (1) Procurement proposal for 28 Nos. of 10 KW FM Transmitters could not be finalized as the firm did not deposit Performance Guarantee. Therefore, order has to be cancelled. Now, fresh tenders are being floated.
- (2) 6 Nos. of 20 KW FM Transmitters have since been received & installation is in progress.
- (3) In case of 19 numbers of new stations with 1 KW FM Transmitters included under phase-II of North East Special Plan, sites are being identified with the help of State Governments.
- (4) Delay in offer of sites and demand notes from State Governments. Besides, cost of sites in some cases is very high like Jamnagar (Rs. 67 lakh), Maldah (Rs. 35 lakh), Tamruk (Rs. 2.34 crore), Motihari (Rs. 25 lakhs) & Nellore (Rs. 68 lakh).

(5) Proposals for new projects are not being approved as Ministry of Finance has not approved creation of posts.

105. Highlighting the growing trend of FM radio in the country, the Secretary, Information and Broadcasting stated:

“So it is another area which is growing very fast. In India it is already showing very high percentage of growth and in the next two to three years, it will be even more.”

(ii) Private FM Radio

106. According to the Ministry Private FM Radio was opened in 1999 through the FM Phase I Policy. Keeping in view the large-scale default during the Phase I and after taking into consideration the recommendations of TRAI and other relevant factors, a new policy of expansion of FM Radio broadcasting service through private agencies (Phase II) was approved on 30th June, 2005 and was notified on 13th July, 2005. The objective of this policy is to attract private agencies to supplement and complement the efforts of AIR by operationalising radio stations that provide programme of local content and relevance, improve the quality in reception and generation and to encourage participation of local talent and generate employment.

107. The Committee were informed that permission has been granted for operation of 266 private FM channels under the policy of expansion of FM Radio Broadcasting services through private agencies under the Scheme Phase I and Phase II. Out of this, 58 channels were operational as on 29th March, 2007. 97 channels are still vacant for allotment to private broadcasters. Action would shortly be initiated for allotment of the vacant channels on the basis of closed tender system. Till 21st February, 2007 a revenue of Rs 1145.48 crore was earned as One Time Entry Fee (OTEF) from Phase II licensees and Rs 27.79 crore as annual fee during 2006-07. A sum of around Rs 38.16 crore is expected as annual fee from Private FM Radio during 2007-08.

108. An amount of Rs 1 crore has been allocated in the Plan Budget for the purpose for co-location of 5 nos. of new towers.

109. Giving details of Private FM Radio network in the country, the Secretary, Ministry of Information and Broadcasting stated:

“I would like to rectify an impression that we have gone only to A and B category of cities so far. We have actually auctioned in 91 cities which cover A plus metros, A, B, C, and D categories—

all five categories of cities—different cities in the country in which 337 radio stations have been auctioned. Of these 337 stations, about 260 stations have actually been taken. In some other categories, the bids were so low or there were no bids that about 70 odds stations were not taken at all. But around 260 stations have been actually auctioned for which the Government has received funds which cover all categories of cities like A plus, A,B,C and D cities. The difference is that in A plus metros, the number of stations may be nine to ten whereas in A, it maybe six, in B—it may four and in C and D categories, the number of stations maybe two. Now the reason why we have chosen these 91 cities in the first phase or the phase II as we call it was that Prasar Bharati's or AIR's towers were available for locating the private transmitters. Now because without the towers, the investment by private people would have gone up much more because they would have to put up either a joint tower or individually towers would have to be set up by them which is very expensive and time consuming whereas here in these 91 cities, Prasar Bharati towers were available and the same towers where the AIR's antennas are there, additional antennas could be hosted and facilities created for the private players. So it cuts down on cost, it cuts down on time and it gave more value. Therefore, we were able to auction these places...The cities that we have not taken in this phase do not have the basic towers that are required which if we auction; the bid that we will get will be much less because people will have to put that much of extra money to put the towers there."

(iii) Community Radio

110. Community Radio, as distinct from public service broadcasting, serves to bring small communities together, focuses on the common man's day-to-day concerns and helps in realizing local aspirations. In this sense, it aims at contributing to the lives of the local community by creation of content by the people and for the people of that community. It has a unique advantage of being received through low cost, battery operated and mobile receiving sets affordable to almost everyone even in the rural areas. The decision to grant licenses for setting up of Community Radio was initially taken by the Government in December, 2002 by granting it to well established educational institutions including IITs/IIMs. The Government has since liberalized the policy for Community Radio and decided to grant permission for setting up Community Radio Stations to Non-profit Organisations, *viz.* Civil Society & Voluntary Organisations, State Agricultural Universities, Indian Council of Agricultural Research (ICAR) institutions, Krishi

Vigyan Kendras, Registered Societies and Autonomous Bodies and Public Trusts registered under Societies Act or any other such Act relevant for the purpose in addition to educational institutions, subject to fulfilment of eligibility conditions.

111. From the Plan allocation, Rs 1.00 lakh has been set aside for 2007-08 for creating awareness among the NGOs/CSOs about the policy. The Committee were informed that it has been decided to give wide publicity to the policy so that eligible organizations come forward with the request for permission to set up community radio stations in various parts of the country. The Government also plan to organize a number of workshops and seminars etc. in various parts of the country to provide information, educate the Civil Society & Voluntary organizations to develop communication skill for establishing and running the Community Radio Stations.

112. Stating that Community Radio is one of the three initiatives which are going to take the entertainment industry and media to its very zenith, the Secretary, Ministry of Information and Broadcasting stated:

“Now we have got about 40 to 50 stations which are running. But more and more non-Governmental organizations and community organizations are going to set up community radios throughout the country. We hope that in the next five to seven years, we will have 4000 to 5000 Community Radio stations throughout the country which will cover may be 10 to 20 percent of the rural areas also with Community Radio facilities.”

113. Replying to a query regarding financial assistance, if any, being provided for setting up of Community Radio Stations, the Secretary, Ministry of Information and Broadcasting stated:

“The NGOs will start on their own. We are not giving anything. We have liberalized the licensing. NGOs will put up a few lakh Rupees and set up their own radio stations and their range is only 5 to 10 kms. They cover the local community. They may be fishermen or any other area. This is going to be a very big time effort. In fact, most of the international organizations like UNESCO and UNDP are so happy with India’s new liberal policy that we have started that they are looking to invest in NGOs to set up such stations. So, it is going to be a very important area. In that, mass communication training will be very important for such programmes. So we are trying to work out training modules for Community Radios.”

PART II

RECOMMENDATIONS/OBSERVATIONS

I. *Demands for Grants for 2007-2008*

1. The Committee observe that as per Demand No. 58 in respect of the Ministry of Information and Broadcasting, the Budgetary allocation is for a total amount of Rs 1681.88 crore wherein the Plan section accounts for Rs. 475 crore and the Non-Plan section for Rs. 1206.88 crore. Against this, the Budgetary Support for the year 2006-2007 stood at Rs 1716.04 crore (Plan Rs. 538 crore + Non-Plan Rs. 1178.04 crore) which was reduced to Rs. 1660.04 crore at the Revised Estimates stage to accommodate a higher Non-Plan expenditure of Rs. 1185.04 crore and a reduced Plan expenditure of Rs. 475 crore. The overall budget for the year 2007-2008 has, therefore, been increased by Rs. 21.84 crore over the budgetary provision for the year 2006-2007 which amount to an insignificant increase of 1.32%. On a close scrutiny of the data relating to the Demands for Grants and the utilization of Budgetary allocations provided to the Committee year after year, it is quite evident that the main reason for slashing down the Annual Plan allocations in 2006-2007 and 2007-2008 was the inability of the Ministry to utilize sizeable portion of the funds allocated. This reflects poorly on the capability of the Ministry to plan and implement the Plan schemes and projects. They also notice that another cause for substantial reduction in the Annual Plan outlay since 2006-2007 is the failure on the part of Prasar Bharati to provide Internal and Extra Budgetary Resources (IEBR) for the Plan side on account of their pressing commitments on the Non-Plan side. The Committee's examination of the various activities of the Ministry as commented upon in the subsequent paragraphs clearly reinforces the Committee's viewpoint in this regard. They would, therefore, like to stress that the Ministry should take a serious note of the recommendations of the Committee and reorient their role particularly in fulfilling the targets in the 11th Plan making optimum use of the available funds. The Committee also urge that Ministry should make serious efforts to identify the weakness in the system in the light of the experience gained in the past and try to plug the loopholes so as to effectively utilize the allocated sum of Rs. 475 crore provided in the grants for meeting the Plan expenditure during the year 2007-2008.

II. Tenth Plan Performance

2. The Committee note that the total Tenth Plan proposed allocation to the three sectors of the Ministry, viz. Information, Films and Broadcasting Sector was Rs. 5130 crore. Against this, the actual allocation made for the Five Annual Plans 2002-2007 was Rs. 4381 crore and the total expenditure up to 28th February, 2007 was Rs. 2741.09 crore. The percentage of the total Plan expenditure of the Ministry upto 28th February, 2007 in respect of 10th Plan outlay was 53.43. The Plan expenditure in all the three sectors namely, Information, Film and Broadcasting were 58.63%, 58.41% and 62.86% respectively over the total allocation for the Five Annual Plan periods. The figures speak for themselves bringing out the dismal performance of the Ministry in utilization Plan allocations and achievements of targets. Taking note of the unsatisfactory trend in the utilization of funds under the Plan allocation, as early as in 2004-2005, i.e. in the beginning of the third year of the Plan, the Committee had in their 4th Report on Demands for Grants 2004-2005 cautioned the Ministry to take corrective steps to arrest the trend, which does not seem to have been taken heed of. Without mincing words, the Committee would like to place on record their anguish about the functioning of the Ministry and their capability to effectively fulfil the wide mandate given to them in respect of information, education and entertainment in the specific fields of print and electronic media and films. What dismays the Committee is that the Ministry does not seem to have made any serious internal assessment to identify the root causes leading to abysmally low utilisation of Plan funds. The Committee are of the firm view that such state of affairs cannot be allowed to continue in a Ministry assigned with the responsibility of information and broadcasting which is a very socially sensitive and vital sector. There is an emergent need to bring about greater efficiency and revitalize the three key sectors of information, films and broadcasting with a view to ensuring better results during the current 11th Plan. They, therefore, recommend that a concrete plan of action for improved performance in the new Plan period be drawn with specific strategy for each sector in consultation with different Wings/Units under the Ministry. This should also be communicated to all the Wings under the Ministry and their strict compliance ensured at all levels through regular review and monitoring. The Committee would like to be informed of the measures taken by the Ministry in the above context.

3. The Committee note with concern that a number of schemes/projects chosen for implementation during the 10th Plan were

dropped while formulating the Plan Outlay for the first year of the 11th Plan. This included important schemes like modernization of Photo Division; Information, Communication, Technology (ICT) activities in hilly/tribal/desert/sensitive and border areas and training of human resources development by Song & Drama Division; modernization and replacement of obsolete equipments of the Films Division; induction of new technologies like Internet Radio Broadcasting, Digital Broadcasting, etc. by All India Radio; induction of IT enabled multimedia by Doordarshan; etc. Although the 11th Plan has not been finally approved, it is a clear indication that the schemes had remained on paper during the 10th Plan period and have not seen the light of the day. Undoubtedly, it implies bad planning and poor implementation of schemes prevalent in the Ministry that definitely calls for a radical change. The Committee also feel concerned that several major projects which were part of the 10th Plan have not been completed and are being carried forward to the 11th Plan. Digitalisation and automation of Prasar Bharati, setting up of Transmitter under J & K Special Scheme and NE Special Package, construction of Sookna Bhawan in New Delhi, Directorate of Film Festival's Film Festival Complex, etc. are a few among such projects. While on the one hand several projects were either not taken up or were delayed, on the other hand, there were serious shortfalls in the utilization of Plan allocations. These facts further reinforce the Committee's observations made earlier about the Ministry's unsatisfactory approach to the planned activities in this vital sector. The Committee, therefore, urge the Ministry to take corrective measures in all these spheres with a view to reversing these negative trends and improving the overall performance of the Ministry during the 11th Plan period.

III. Thrust Areas of Eleventh Plan

4. The Committee note that the Approach Paper of the Planning Commission for the 11th Five Year Plan has found that the entertainment and media services sector is expected to grow at a compound annual growth rate exceeding 19% during the 11th Plan period. The indications are that the growth level will be about 42% in Television, 19% in films, 4% in radio, 2% in music, 31% in print media, 2% in live entertainment and 3% in advertising. The Working Group set up by the Planning Commission on Information and Broadcasting, while formulating its recommendations, has taken a view that the growth potentiality of the sector needs to be captured through appropriate policy environment. According to the Ministry some of the new proposals included in the 11th Plan proposals are

conversion of Indian Institute of Mass Communication into International Media University, setting up of Institute of Mass Media Studies, setting up of Global Film School, holding of National Digital Festival and setting up of National Centre of Excellence for Gaming and Special Effects. The Working Group had also recommended starting of an international channel with public-private partnership to project India's global presence and its soft power for which an outlay of Rs. 500 crore @ of Rs. 100 crore per annum in the 11th Plan might be provided as Government contribution. This proposal is stated to be under the consideration of a Working Group under the chairmanship of Principal Secretary to the Prime Minister. In the meantime, the Ministry have approved an amount of Rs. 0.97 crore for the year 2007-2008 for the Scheme. The Committee trust that the findings of the Planning Commission and the recommendations of the Working Group would be pursued with utmost sincerity by the Government. They suggest that the Ministry should look into the need to create appropriate policy environment to sustain the projected growth in the entertainment and media services sectors. The Committee would like to be apprised of the specific action taken by Government in this regard.

IV. Information Sector

(a) National Press Centre (NPC)

5. The Committee note that Press Information Bureau's Scheme for setting up the National Press Centre (NPC) was initiated as early as in the 8th Plan (1992-1997). It is distressing to find that despite the land being allotted at 3, Raisina Road, New Delhi initially in September, 1994 and at 7, Raisina Road subsequently in November-December, 2001 and the foundation stone for the project having been laid by two Prime Ministers on 1st October, 1994 and 5th December, 2001, the project has been in the doldrums during the span of three successive Five Year Plans. The reasons advanced for justifying the slippage, viz. procedural delays at different stages and the need for obtaining clearances from statutory bodies, etc., are not tenable as these are the usual formalities required to be completed for any project of this nature. Not only has the undue delay deprived the nation the advantage of a world class National Press Centre, it has also exposed the lack of proper mechanism in place within the Ministry to monitor implementation of Plan schemes and optimum utilization of scarce resources allocated for their execution. The Committee had deplored the delay in setting up of the National Press Centre in their Fourth Report on Demands for Grants

(2004-2005) and Thirty Second Report on Demands for Grants (2006-2007). They regret to note that despite the Committee pursuing the project so vigorously, there has hardly been any tangible progress. While placing on record their serious displeasure at the way the entire project has been inordinately delayed, the Committee stress that at least henceforth stringent measures should be taken to ensure speedy completion of the remaining formalities before handing over of the plot to NBCC for completion of the project within the stipulated 18 months.

(b) International Media University

6. The Indian Institute of Mass Communication (IIMC) has been able to establish itself as an institute of repute in the field of communication, teaching, training and research. Notwithstanding the various long-term and short-term courses offered by it to meet the specific needs of the industry, Government and public sector, its performance in the area of research and evaluation studies and collaboration with Regional Centres of learning has been quite unimpressive with the utilization of allocated funds during the 10th Plan period for various Schemes. The under-utilization of allocations for the Scheme, Research and Evaluation Studies, is stated to be on account of the vacant faculty positions. During the examination of Demands for Grants (2006-07), the Committee were informed that steps were being taken to fill up the vacant position in the Research Department of the Institute. The vacant posts do not seem to have been filled up and neither must have subsequent vacancies been filled up. The Committee also note with concern that despite the tall claims and the available funds, hardly has any progress been made in entering into collaboration with Regional Centres of learning for courses in mass communication in order to make available the Institute's expertise through the existing centres. The dismal performance of the Institute in these spheres raises doubts about the capability of the institution to expand its operations beyond the existing framework. The Committee were informed that a proposal has been worked out to convert the IIMC into International Media University which is to be approved by the Planning Commission. After upgrading the skills and profile of the institution, the proposed University is expected to cater to the training and research needs of third world countries in the area of journalism and mass media. When enquired about the courses that will be offered to the students by the University, there seemed to be no clarity in this regard. With the advancement being made by the media and entertainment industry throughout the world, it is

imperative that a set of degree as well as diploma courses in tune with the changing needs of the industry will have to be designed by the institute before being upgraded as an International University. The Committee desire that prompt measures be taken for bringing about overall improvement in the functioning of the institute and also for commencing preparatory work for its conversion into an International University.

(c) *Photo Division*

7. From the figures furnished by the Ministry, the Committee note that in 2006-2007 the Direct Budgetary Support to the Photo Division at BE stage was Rs 125 lakh which was raised to Rs. 155 lakh at RE stage, but the utilization up to 31st December, 2006 has been Rs. 69.42 lakh only. Against this, it is surprising to note that in the year 2007-2008 the DBS has been slashed down to a meager amount of Rs. 2 lakh although the allocation proposed by the Ministry was to the tune of Rs. 55 lakh. The Committee have gathered an impression that in the fast changing scenario in the information sector, the role of Photo Division is fast eroding. In this context, the Committee welcome the move of the Ministry to merge the Photo Division with the Press Information Bureau (PIB) at the regional and field levels with a view to facilitate synergy and coordination between the two units and enabling easy and prompt access to the huge reservoir of photographs available at the disposal of the Photo Division. However, such a merger at the headquarters has not been done. The Photo Division has a huge repository of photographs for which the digitalisation process is reportedly almost complete and they are being made available online in the PIB's website. Although the services provided by the Division are basically meant for media units of Central and State Governments, non-publicity organizations and the general public besides the Press, at the field level it caters mainly to the needs of the Press desiring visuals for use along with news reports. With a view to synergize the operations and facilitate single window approach for the services provided by the Ministry, the Committee are of the strong view that the Government should seriously consider the possibility of merging the Photo Division with PIB. In the Committee's view, merging of the Ministry's media unit for visual support with the Information Bureau will equip the merged unit to cater to the information needs of the Government Departments, the press and the public more effectively, besides facilitating optimum utilization of the rich repository of photographs at its disposal.

V. Films Sector

(a) National Film Development Corporation Ltd. (NFDC)

8. The National Film Development Corporation Ltd. (NFDC) was established with the distinct objective of promoting growth of the Indian film industry and fostering excellence in cinema. As stated, the primary mandate of NFDC is to plan, promote and organize an integrated and efficient development of the Indian film industry. Viewing from this perspective, the overall performance of NFDC and its achievements in financial terms and physical output over the years has been, to say the least, dismal. Admittedly, for more than three years of the 10th Plan period, NFDC was merely acting as an agent for procuring films for DD and as producer of petty advertisements for DAVP, activities which were in fact intended to be peripheral ones meant to generate some additional revenue. The Corporation was reportedly so cash starved on account of locking up of inventory of resources in films which remained uncompleted and an arbitration with Doordarshan involving roughly Rs. 30 crore that even the Plan funds at its disposal could not be put to proper use. Astoundingly, the Corporation had been saddled with litigation involving Doordarshan although both entities come under the administrative control of the same Ministry. All these factors led to the sad spectacle of the Corporation settling down for peripherals forgetting its main mandate. The Committee are of the considered opinion that the Ministry cannot absolve itself of the responsibility for remaining a mute spectator for a long time when a tiny public sector unit like NFDC was almost gasping for breath. The Committee have reasons to believe that the performance of the Corporation at that period of time deteriorated, admittedly, on account of poor management. At this stage, the Committee can only express their serious displeasure about the callousness of the Ministry in monitoring the performance of NFDC and the inaction of the Corporation's management. They trust that having learnt lessons from the past experience, concerted efforts will now be made for restoring the Corporation to its past glory.

9. The Committee have been informed that the new management of the Corporation has embarked upon a number of new initiatives viz. mooted the proposal for infusion of additional funds and enhancement of its share capital, co-production of films, production of films in regional languages by first time filmmakers, etc. In keeping with its original mandate, NFDC has also undertaken a number of measures for creating a marketing and distribution

network for films through negotiations with distributors and exhibitors for distribution deals, e-mail marketing and publicity campaigns and participation in various film festivals. NFDC is also rightly focusing on promoting India as a filming destination for foreign filmmakers in collaboration with Ministry of Tourism under the Incredible India Brand. Apart from the working capital loan of Rs. 19.77 crore extended by the Ministry during 2005-2006 and 2006-2007, the Corporation has proposed infusion of additional funds and enhancement of its share capital. A token provision of Rs. 10 lakh has been made in the Annual Plan 2007-2008 for equity enhancement. Against the proposed 11th Plan allocation of Rs. 60 crore for the scheme to support films in regional languages, provision made in the Annual Plan 2007-2008 is only Rs. 3 crore. The Committee welcome the new initiatives. Notwithstanding the optimism raised on account of the latest moves by NFDC, which of course are still at the nascent stage as of now, the Committee's feeling is that those might not be translated into reality unless drastic measures are taken for infusion of funds and revamping of the Corporation. The Committee, therefore, recommend that no efforts should be spared in pursuing these initiatives and proposals to their logical conclusion so that NFDC will able to establish itself as a leader in fostering excellence in cinema and promoting culture and understanding through the audio-visual media.

(b) *Children's Film Society of India (CFSI)*

10. The Committee have been engaging their attention on the low utilization of funds and poor performance in physical targets by the Children's Film Society of India (CFSI) for quite sometime. Against the 10th Plan allocation of Rs. 1759 lakh for the most important continuing scheme, 'Film Production', which includes production, dubbing, subtitling and purchase of films, the actual utilisation up to 31st December, 2006 has been stated to be only Rs. 983.05 lakh which works out to only 55.89% of the allocation. The physical achievement by the Society for making feature films was 22 as against a target of 29, for short films it was 10 against a target of 12, for dubbing it was 31 against a target of 70, for subtitling it was 24 against a target of 43 and for purchase of films 7 against a target of 19. Further as against a target of reaching out to 207 lakh children audience, only 166 lakh children were covered under the scheme, 'Exhibition of films in municipal schools'. The same reasons, viz. non-availability of suitable stories/scripts, directors not sticking to schedules, non-availability of child artistes, technicians and location of shooting, etc. are being advanced before the Committee every

time which is an indication of lack of seriousness and determination on the part of CFSI to overcome the constraints and achieve the targets. Not surprisingly, the Planning Commission has shifted the Scheme, 'Film Production', from Plan to Non-plan without making any allocation for fiscal 2007-2008 although an amount of Rs 1173 lakh was proposed. With the meager Non-plan allocation of Rs 42 lakh for CFSI in 2007-2008 which is also to be utilized to meet day to day expenditure of the Society, the targets have been sliced down to production of 5 feature films and 2 short films, dubbing of 14 films, subtitling of 10 feature and 2 short films and purchase of 3 films. Considering the level of allocations and the lack of will prevalent in CFSI, even these targets seem to be too ambitious. The Committee are of the firm view that with the increasing rise in the corrupting influence of media on children, the mandate of CFSI to provide children and young people with value based entertainment through films attains greater importance. They, therefore, express their serious displeasure at the way the physical and financial performance by CFSI consistently fell below the targets and the lack of initiative on the part of the Society to overcome the bottlenecks. In the opinion of the Committee, shifting the scheme, 'Film Production' from Plan to Non-plan and non-allocation of specific funds for it would not only adversely affect the scheme itself but also would make the very existence of the Society infructuous. The Committee, therefore, recommend that need for adequate funds for the scheme should be taken up at the RE stage.

11. A major project of CFSI i.e. the CFSI Film Complex at Hyderabad which envisaged construction of in-house facilities for all aspects of filmmaking and initially mooted in the 9th Plan, continued to remain a non-starter in the 10th Plan and has now been continued in the 11th Plan. Despite the State Government of Andhra Pradesh having allotted about 10 acres of land in Jubilee Hills area for setting up the building complex, there has been a stalemate on account of the insistence of the State Government to have a film training institute there instead of production facilities as proposed by CFSI. Discussions at the level of the Chief Minister and the Chief Secretary of the State have not yielded any results. In this context, the Ministry have not been able to set any time-frame for completion of the project as further progress is directly linked to MoU to be signed with the State Government. It is astonishing to find that there has been no clear understanding between the Ministry and the State Government regarding the nature of the CFSI Film Complex even after the land for the project was allotted by the State Government. The Committee desire that the project, having

languished during the last two Plan periods, should receive the top most attention of the Ministry and every effort should be made to sort out the matter with the State Government and take the project to its logical conclusion.

(c) Museum of Moving Images (MOMI)

12. The Committee note that setting up of Museum of Moving Images (MOMI) by Films Division is a project that was conceived during the 10th Plan and continuing in the 11th Plan with hardly any progress other than the MoU signed with the National Building Construction Corporation (NBCC) for preparation of Detailed Project Report. Intended to be an entertaining and educational museum that will depict the history of Indian cinema through audio-visual presentation and display of important artifacts and at the same time educate film makers and film students through seminars and workshops, the Committee view it as a prestigious and unique institution in the film sector and attach much significance to it. The MOMI being a novel venture, the Committee desire that depiction of specific details, provision of facilities and achievement of aims of objectives should be spelt out clearly without leaving any room for ambiguity. While deprecating the delay in its implementation, the Committee stress that the project should be taken up in right earnest and its timely completion ensured.

(d) National Centre of Excellence for Animation, Gaming and Special Effects

13. The Committee have been informed that in places like Kerala, Andhra Pradesh and Goa, sizeable investment is being done in the areas for animation, gaming and special effects. A Committee set up to identify new opportunities in the areas of Information, Communication & Entertainment where the State needs to play a pro-active role highlighted the need for generating, on an average, at least 3000 trained personnel every year for the animation and gaming sector. The special effects sector is also expected to grow at similar levels indicating a consistent need for trained manpower. This would require appointment of a consultant. Since it requires state-of-the-art technology, highly skilled manpower and huge investment, Government's share for setting up the Centre on a public-private partnership basis is expected to be approximately Rs 75 crore. While the proposal awaits approval for inclusion in the 11th Plan, a budgetary allocation of Rs 10 lakh has been proposed for the year 2007-2008. In view of the significance attached to setting up of the

Centre in the context of growing demands of skilled manpower in the areas of animation, gaming and special effects, the Committee recommend that the project be pursued and implemented at the earliest.

(e) Digitalisation of Films

14. It is needless to highlight the importance of digitalization of films of historical importance preserved in the archives of Films Division. When the Committee pointed out that Mumbai, where the Film Archives is situated, is not the right place for preservation of films because of humidity conditions, the Secretary, Ministry of Information and Broadcasting conceding to the observation informed the Committee that storage facility with air-conditioned vaults was being constructed at National Film Archives of India, Pune for shifting the Archives there. Efforts were stated to be on war footing to digitalise about 8100 films preserved in the Archives by March, 2007 as part of Phase I of the Digitalisation process in order to check further deterioration in the films and work has been completed in respect of 5,000 odd films. These films are also being put on the website so that people could access the information. In Phase II of the Digitalization process, it was proposed to concentrate more on restoration of the original material and upgrading the sound system by calling for original track from wherever possible, as the sound quality has deteriorated and become harsh and sharp in historically important films of 40s and 50s. However, the Committee are constrained to note that against a proposed allocation of Rs 25 crore in the 11th Plan for the scheme, 'Digitalisation of Archive Films', no provision at all has been made in the Annual Plan 2007- 2008. The Ministry have assured the Committee that the matter would be taken up with the Planning Commission as part of the 11th Plan proposals. In view of the urgency involved in restoration and preservation of films of historical importance, the Committee stress the due priority be accorded to the scheme for digitalization of archive films and adequate allocations be made for it so that Phase II of digitalization could be taken up and completed with the urgency it deserves.

(f) Exports in Films

15. The Committee note that the Working Group set up by the Planning Commission has recommended that Government should make a roadmap with specific strategies to double the export earning of films sector by the end of the 11th Plan. Projection based on the current trend is that of a growth rate of overseas box office receipts

at a compounded annual growth of 18% on the basis of which overseas box office receipts are expected to rise from Rs 700 crore approx. in 2007 to Rs 1600 crore in 2011. Apart from the routine efforts by the Ministry there is no integrated approach towards promotion of exports of films as the Indian film industry is in the private sector and the export performance is dependent on individual efforts. In view of this, reportedly there is a proposal to create an Export Promotion Council (EPC) for the film industry. As this is expected to be a significant move for boosting film exports, the industry associations have been asked to set up EPC which could then seek Government support provided by the Department of Commerce under various schemes. Annual Plan 2007-2008 has provided Rs 3.82 crore to the Directorate of Film Festivals under the scheme, Export Promotion through Film Festivals in India and abroad. The proposals under the scheme for the year include organizing of International Film Festival of India, participation of Indian films in 45 foreign film festivals in different countries and selection of 21 feature and 21 non-feature films. The Committee are of the firm view that Indian films enjoy an edge over several other countries and, therefore, exports should received focussed attention of the Government. They, therefore, desire that while ensuring proper utilization of allocated resources and meeting the set physical targets, the proposal for setting up Export Promotion Council for the film industry should be pursued vigorously as a thrust area.

VI. Broadcasting Sector

(i) Prasar Bharati

(a) Digitalisation of Archives of Prasar Bharati

16. The Committee note that All India Radio has completed the process of converting its analog archives of 43,000 tapes collected up to November, 2001 into digital format. For approximately 10,000 tapes collected thereafter, approval has been given by the CEO/Director General, AIR for digitalisation, which is yet to be taken up. Although the process of digitalization had already been started in Doordarshan since 2004, it is yet to pick up momentum. On account of constraints of space experienced by Doordarshan, it has been decided to move the Archives to CPC in the Asian Games Village after shifting DD News from there to Mandi House. In their 42nd Action Taken Report relating to Demands for Grants (2006-2007), the Committee had recommended that efforts should be made by the Ministry for obtaining required funds to procure equipments for establishing

professional and digitalised Archives in Doordarshan. The Committee trust that, as assured by the Secretary, Ministry of Information and Broadcasting and the CEO, Prasar Bharati, digitalization of Archives in AIR and Doordarshan would be taken up on priority basis and completed without further delay.

17. The Committee further note that the archival holdings of Prasar Bharati contain recordings of people, events, speeches, etc. which are of immense historical value. These are very rare and valuable assets which are available exclusively in the Archives of Prasar Bharati. The Committee do not see any reason why these recordings cannot be produced and marketed commercially through different marketing outlets in the country and abroad. Presently DVDs and CDs produced by AIR and Doordarshan are sold only through the counters at their centers and during special events like Film Festivals. It has been stated that efforts are being made to market them through the wide network of post offices in the country. They recommend that Prasar Bharati should seriously consider commercial production and extensive marketing of its archival holdings.

(b) Special Package for North East

18. The Committee note that Phase I of Special Package for North East which was approved on 31st January, 2002, towards the end of the 9th Plan, was completed by AIR and Doordarshan during the 10th Plan period except for 10 KW FM Transmitter at Kohima. However, it is seen that Prasar Bharati has taken practically the whole of 10th Plan period to implement the projects included in Phase I, thereby defeating the very purpose of the Special Package meant for speedier development of the North Eastern Region. On scrutiny of the annual allocations, RE and actual expenditure, it is seen that although more than the required amount was available in the allocation available for Phase I of the Special Package, both AIR and Doordarshan chose to implement lesser number of projects. The Committee are not inclined to agree with the justification of low cost of equipment put forward as the main reason for low level of utilisation of allocations for Phase I of the package. They strongly feel that more number of projects should have been identified by AIR and Doordarshan to ensure optimum utilisation of allocated funds for the Special Package.

19. Similarly, the way the Ministry have been dragging their feet in the process of approval of Phase II of the Special Package

for North East is equally a cause of serious concern to the Committee. It is unimaginable that the Government would require about four years to formulate and approve a small scheme like NE Special Package which is practically meant for upliftment and speedier development of that Region. Even after formal approval of Phase II of the NE Package was given in May, 2006, nothing concrete seems to have been done so far to ensure timely implementation of the Package except that AIR has planned to acquired sites for 19 Nos of 1 KW FM Transmitter projects during the year. The Annual Outlay under the Special Package for 2007-2008 for Doordarshan is Rs. 40 crore and for All India Radio it is Rs. 25 crore. As the Committee are seriously concerned about the development of North East and are keen that the allocations for the Special Package are utilized to the fullest extent, they would like to insist that the Ministry gear up for taking up the projects in right earnest and complete them well within the stipulated time. The Committee would expect the Ministry to closely monitor implementation of projects covered under the Special Package on a regular basis in order to ensure that there are no slippages both in physical and financial targets.

(c) J & K Special Package

20. J & K Special Package is yet another crucial scheme devised with a view to improving and expanding radio and television coverage in Jammu & Kashmir region. To their dismay, the Committee find that the Special Package approved as early as in 1999-2000 is yet to be fully implemented. The work of construction of transmitters at Kupwara and Amritsar are yet to be completed and operationalised. Significantly, unlike in other schemes, as far as J & K Special Scheme is concerned, there has been no scarcity of funds as there has been consistent under utilization of allocated funds and also savings in projects implemented. The Committee cannot but express their displeasure at the way strategic and well meaning projects conceived in the overall interest of the nation are allowed to languish for no reason other than lack of determination on the part of the implementing agency. They also view seriously the undue delay in finalizing Phase II of J & K Special Package on account of inter-Ministerial differences at the stage of project formulation. As the second Phase of the Package has been considerably delayed, the Committee would impress upon the Ministry to follow up the scheme with the concerned Ministries and have it finalized at the earliest. They expect the Ministry to ensure timely planning and implementation of the Package so that the people of the region are not deprived of the consequent benefit of the scheme.

(d) Shortage of Manpower

21. The Committee note that the Achilles' heel hindering optimum utilization of the infrastructure built by Prasar Bharati is the acute shortage of manpower being experienced by AIR and Doordarshan. Doordarshan has reportedly commissioned 194 projects without any staff sanction. Additional 251 projects, which include 20 studio centres, have been commissioned for which only partial staff sanction is available. Two studios at Calicut and Rajouri are technically ready and yet to be commissioned for want of staff. Further, 53 LPTs are relaying only partial transmission due to non-availability of adequate staff. In All India Radio, 30 projects have been commissioned without sanctioning Operation & Maintenance staff. 8 projects are technically ready, but could not be commissioned as staff is yet to be sanctioned. According to the Ministry, redeployment of staff has been done to the maximum possible extent and it is no more possible to provide staff by way of redeployment. While the Committee are in agreement with the austerity measures initiated by the Government in general, they feel that in the case of a corporation like Prasar Bharati, the question of recruitment of manpower would have to be viewed separately keeping in view the unique nature of its role and working. With projects scattered all over the country, it is not possible to operate and maintain the projects without the minimum number of Operation & Maintenance staff. It perturbs the Committee that with several of the completed projects having been not commissioned on account of shortage of staff, the very objective for which scarce resources were invested is being defeated. Lying idle for a long time, the installed projects face the danger of turning obsolete and unusable. Having failed to convince the Ministry of Finance about the need to sanction additional staff for its operations, the Ministry have taken up the matter of urgent requirement of additional staff for commissioned projects as a separate item and a term of reference for the Group of Ministers. Having taken a close look at the entire situation, the Committee have arrived at the inevitable conclusion that a solution has to be found to help Prasar Bharati fully operationalise all the completed projects in order to the masses with full benefits of the mass media. The Committee stress that the matter be pursued vigorously at the highest level so that an amicable solution could be found for meeting the requirements of manpower in Prasar Bharati.

(e) Construction of Staff Quarters by Prasar Bharati

22. The Committee note that construction of staff quarters by Prasar Bharati which was approved in December, 2004 has been

carried forward to the 11th Plan. The project envisaged construction of staff quarters at four Metro cities and 15 other places for employees of Prasar Bharati by March, 2007. However, out of the total number of 600 quarters to be constructed in Delhi, only 323 are expected to be ready during 2007-2008. Only in two places the construction work has been completed, whereas in 8 places the work is in progress. In the other Metro cities and five other places the work is yet to begin for want of clearances from local bodies, etc. As against the total approved cost of Rs. 215 crore for the project, the expenditure incurred up to February, 2007 is only Rs. 33.77 crore. Going by the target of March, 2007 for completion of construction, the progress achieved is totally unimpressive more so in the face of the deadline given to Prasar Bharati employees by the Ministry of Urban Development to vacate their Government accommodation latest by November, 2007. Realizing the urgency involved and keeping in view the welfare of the employees of Prasar Bharati, the Committee would like to impress upon Prasar Bharati to expedite the construction work so that its employees may not be put to undue hardship for want of accommodation.

(f) Doordarshan—Digitalisation & Modernisation of Production Facilities

23. Digitalisation and Modernisation of production facilities is undoubtedly a thrust area for Doordarshan for constantly upgrading and improving its operations. In spite of this, out of the 10th Plan targets under the scheme, digitalization of only 19 smaller studios have been completed whereas work in six major studio centres at Jalandhar, Srinagar, Thiruvananthapuram, Bhubaneswar, Bhopal and Lucknow and 16 smaller studios are only nearing completion. The scheme included digitalisation and modernisation of production facilities, augmentation of existing studio facilities and automation of Transmitters (LPTs and VLPTs). Against the allocation of Rs. 424.66 crore under Plan (Capital) for the scheme, the actual utilization up to February, 2007 was only Rs. 295.62 which is only 69.61% of the allocation. The reasons for the low level of utilization are stated to be delays in availability of site, getting approval, construction of buildings and towers, procurement of equipment, etc. Mostly these are matters which should have been foreseen and overcome through regular review and monitoring of projects instead of allowing them to persist leading to undue delay in modernisation of production facilities and non-utilisation of allocated funds. While expressing their displeasure at the tardy implementation of the digitalisation process, the Committee urge that prompt measures be taken for

completion of the projects identified under the scheme during fiscal 2007-2008 and also for optimum utilization of the allocated amount of Rs. 61.43 crore.

(g) Doordarshan—High Definition Television (HDTV) and DVB-H Transmission

24. The Committee have been informed that the pilot project in High Definition Television (HDTV), which produces five times more visual information than a convention TV picture, has been approved and included in the draft 11th Plan. Besides upgrading its facilities, the pilot project is expected to help Doordarshan in its preparedness for providing feeds of TV coverage of important events of Commonwealth Games 2010 to foreign broadcasters in HDTV format. A provision of Rs. 39.20 crore has been made in the approved Annual Plan for 2007-2008 out of which Rs. 15 crore is for the HDTV pilot project for field production at Delhi. The proposals covered in the draft 11th Plan include schemes for setting up HDTV studios and digital transmitters at Delhi, Mumbai, Kolkata and Chennai, for relay of HDTV programme and starting two HDTV channels on DTH platform. In a sense, the project attains greater significance in view of the forthcoming Commonwealth Games. While appreciating the timely decision taken by the Government for induction of the technology, the Committee desire that the proposals included in the Plan Scheme be taken up and implemented promptly.

25. It has been reported that Doordarshan had also initiated a pilot project of DVB-H transmission that will make possible to receive TV signals on mobile phones in the coverage zone of the transmitter. The project envisaged setting up the facility for DVB-H transmission in the cities of Mumbai, Kolkata and Chennai, where digital transmitters presently exist, involving an estimated expenditure of about Rs. 40 crore. However, the scheme is yet to be formulated and approved. In view of the constant need for inducting innovative technologies in electronic media and the need for widening the viewership of Doordarshan, the Committee desire that the proposal be taken up for serious consideration so that it could be sent to the Planning Commission for approval.

(h) All India Radio—Digitalisation and Automation

26. In AIR too digitalisation of production facilities and automation of studio and transmission facilities for enhancing technical quality of content and economizing the cost of operation was a major project in the 10th Plan. In spite of the scheme being

taken up right at the beginning of the Plan period, it is distressing to find that the expenditure throughout five years of the Plan period has been far below the allocation leading to an actual utilization of only Rs 66.46 crore upto February, 2007 against the allocation of Rs 120.96 crore, which accounts for a mere utilization of 54.94% of the allocation. Therefore, it is not surprising that a number of projects which are part of the scheme, viz. provision of Hard Disc Based System at 109 stations, installation of 21 Nos of Portable MSS Terminals and installation of Digital Microwave Studio Transmitter Link at Cuddapah, Vijayawada, Srinagar, Patna, Jodhpur, Chandigarh, Kargil, Kota and Aurangabad are pending completion. The Committee have been time and again recommending that the Ministry should adhere to the time schedules and also strive to utilize the allocations fully. With the new Plan period having commenced already, they hope that the pending projects would be completed without any further delay. The Committee would like to be apprised of the final status of implementation of the projects and utilization of allocated funds. They also recommend that the projects identified for the Annual Plan 2007-2008 should be implemented within the time-frame and optimum utilization of the Plan funds be made.

(i) All India Radio—Expansion of FM Services

27. Yet another sphere where the projects have been lagging behind the schedules and utilization of allocations over the years has been abysmally low is in the implementation of the scheme for Expansion of FM Services. This has been engaging the attention of the Committee in the past. Both in the 32nd Report on Demands for Grants (2006-2007) and its Action Taken (42nd) Report, the Committee had expressed their serious displeasure at the way proposals meant for Expansion of FM Services have been languishing for years together. It is seen at the end of the 10th Plan period that against the Plan outlay of Rs 11.45 crore for continuing schemes and Rs 153.60 crore for new schemes for Expansion of FM Services, the actual expenditure up to 31st December, 2006 was Rs 8.36 crore and Rs 27.46 crore respectively, the utilization being 73.01% in continuing schemes and as low as 24.32% in new schemes. Obviously, the trend of achievements in the physical targets is disheartening with 120 out of the proposed 133 FM Transmitter projects getting approval and only 22 of them having been completed or are likely to be completed shortly. The remaining 98 projects have been carried forward to the 11th Plan, many of which are still at the very initial stages of implementation. What startles the Committee is that the gloomy scenario in the implementation of projects for Expansion of

FM Services in AIR has been continuing unabated, despite the conviction voiced by the Ministry that "it (FM Radio) is another area which is growing very fast". The Committee hope that at least from now, the Ministry and the AIR will take up the challenge and make concerted efforts to speed up the implementation process for the scheme, clear the backlog and also focus on achieving the physical and financial targets set for the 11th Plan period.

(ii) Private FM Radio

28. The new policy initiative in the area of Private FM Radio was initially started in 1999 for attracting private initiative to operationalise FM radio stations that provide programme of local content and relevance, improve the quality in reception and generation, encourage participation of local talent and generate employment. Phase II of the policy for expansion of FM Radio broadcasting through private agencies was notified on 13th July, 2005. Thus far, permission has been granted to 266 private FM channels for starting FM Radio stations, out of which 58 channels were operationalised till 29th March, 2007. 97 channels which could not be allotted as the bids were low, would be notified again. An amount of Rs 1145.48 crore was collected as One Time Entry Fee from Phase II licensees and Rs 27.79 crore as annual fee during the year 2006-2007 till 21st February, 2007. An amount of Rs 1 crore has been allocated in the Annual Plan for the purpose of co-location of 5 new towers. While appreciating the move, the Committee would like to impress upon the Government to create a hassle-free environment for the private broadcasters so that more and more entrepreneurs may be encouraged to join the cause. They also desire that prompt action be taken for allotment of the remaining channels so that more number of new players may be encouraged to take up private broadcasting.

(iii) Community Radio

29. The Committee note with satisfaction that their Recommendation No.15 in the 32nd Report on Demands for Grants (2006-2007) to allow local communities and non-profit organizations to set up Community Radio has been accepted by the Government. As per the initial policy announced in December, 2002, licenses were to be granted only to well established educational institutions including IITs and IIMs. The Committee are hopeful that the change in policy will definitely encourage many local communities and NGOs to come forward to start Community Radio Stations which

will facilitate integration of local communities and also help in educating and empowering the rural masses. From a list furnished to the Committee, it is seen that there are 20 Community Radio Stations which are operational as of now and 63 Communities/NGOs have been issued Letters of Intent for setting up Station. However, the Committee would like to point out that unless wide publicity about the facility is given in the rural areas, especially among the NGOs, small institutions and communities, the concept may remain confined to a few affluent institutions and NGOs and may never be taken advantage of by the local communities and groups for whom it is intended. Therefore, there is an urgent need to give wide publicity about the concept of Community Radio in the rural areas of the country. The Committee urge that the Government should work out a detailed strategy for doing it through various means like seminars and workshops, advertisements in the media and awareness programmes targeting Self Help Groups, NGOs, Panchayati Raj institutions, etc. As the allocation of Rs 1 lakh for fiscal 2007-2008 is too meager for the purpose, the Committee desire that the Ministry should strive for getting more funds allocated at the RE stage and in the subsequent Annual Plans.

NEW DELHI;
25 April, 2007

5 Vaisakha, 1929 (Saka)

NIKHIL KUMAR,
Chairman,
Standing Committee on
Information Technology.

ANNEXURE II

MINUTES OF THE SIXTEENTH SITTING OF THE STANDING
COMMITTEE ON INFORMATION TECHNOLOGY (2006-2007)

The Committee sat on the 3rd April, 2007 from 1500 hours to 1745 hours in Committee Room '62', Parliament House, New Delhi.

PRESENT

Shri Nikhil Kumar — *Chairman*

MEMBERS

Lok Sabha

2. Shri Nikhil Kumar Chaudhary
3. Shri Sohan Potai
4. Shri Tathagata Satpathy
5. Shri K.V. Thangka Balu
6. Shri Kinjarapu Yerrannaidu
7. Shri Narahari Mahato

Rajya Sabha

8. Shri Shyam Benegal

SECRETARIAT

1. Shri P. Sreedharan — *Joint Secretary*
2. Shri Cyril John — *Deputy Secretary*
3. Shri A.K. Ahluwalia — *Under Secretary*

WITNESSES

**Representatives of the Ministry of Information and Broadcasting
(MoIB)**

1. Shri S.K. Arora, Secretary
2. Shri Ramesh C. Mishra, Additional Secretary & FA
3. Shri Pradeep Singh, Additional Secretary
4. Shri B.S. Lalli, CEO, Prasar Bharati

5. Shri L.D. Mandloi, DG: Doordarshan
6. Shri Brajeshwar Singh, DG: AIR
7. Shri A.K. Jain, Member (Finance)
8. Smt. Stuti Kacher, Joint Secretary (P&A)
9. Shri N. Baijendra Kumar, Joint Secretary (B)
10. Shri V.B. Pyarelal, Joint Secretary (Films) & Dir. (DFF)
11. Shri Vilas R. Ghodeswar, CCA
12. Shri B. Brahma, Economic Advisor
13. Shri A.S. Guin, E-in-C, DG: AIR
14. Smt. Krishna Tyagi, GM (Budget)
15. Ms. Deepak Sandhu, DG (M&C), PIB
16. Dr. Umakant Mishra, DG: DAVP
17. Shri Debatosh Sengupta, Director Photo Division
18. Ms. Neelam Kapur, Press Registrar, RNI
19. Ms. Radhika Rastogi, CEO, CFSI
20. Shri Kuldeep Sinha, Chief Producer, Films Division
21. Shri Tripurari Sharan, Director FTII
22. Shri Swapan Mullick, Director SRFII
23. Ms. Nina Lath Gupta, Managing Director, NFDC
24. Smt. Veena Jain, Director, DPD
25. Shri Mohan Chandak, Director, S&DD & RR&TD
26. Shri D. Mukhopadhyay, DG: DFP

2. At the outset, the Chairman welcomed the Secretary, Ministry of Information & Broadcasting and other officers accompanying him to the sitting of the Committee. Following this, the Secretary, Ministry of Information and Broadcasting highlighted the salient features of the Demands for Grants (2007-08).

3. Thereafter, the members sought certain clarifications on the issues relating to the Demands for Grants (2007-08). The representatives of the Ministry responded to the same.

4. The Chairman thanked the witnesses for appearing before the Committee as well as for furnishing valuable information that the Committee desired in connection with the examination of Demands for Grants (2007-08).

5. A verbatim record of the proceedings has been kept separately.

The witnesses then withdrew.

The Committee, then, adjourned.

ANNEXURE III

MINUTES OF THE SEVENTEENTH SITTING OF THE STANDING
COMMITTEE ON INFORMATION TECHNOLOGY (2006-2007)

The Committee sat on the 20th April, 2007 from 1500 hours to 1800 hours in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Shri Nikhil Kumar — *Chairman*

MEMBERS

Lok Sabha

2. Shri Abdullakutty
3. Shri Nikhil Kumar Chaudhary
4. Shri Sanjay Shamrao Dhotre
5. Shri Bhubaneshwar Prasad Mehta
6. Shri P.C. Thomas
7. Shri Narahari Mahato
8. Shri Badiga Ramakrishna

Rajya Sabha

9. Shri Praveen Rashtrapal
10. Shri A. Vijayaraghavan
11. Shri Eknath K. Thakur

SECRETARIAT

Shri P. Sreedharan — *Joint Secretary*

WITNESSES

Representatives of NASSCOM

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