

## CHAPTER XIV : MINISTRY OF INFORMATION AND BROADCASTING

### **14.1 Film and Television Institute of India, Pune**

**Students are not completing their respective courses within the prescribed time schedule. This resulted in students occupying hostels beyond scheduled completion of course. The admissions were held up during academic year 2010-11, 2014-15 and 2015-16. The students continued to be on academic roll and in hostels without any payment of fees/hostel charges after the prescribed tenure of their courses, resulting in revenue loss of ₹ 11.83 crore. The cases of irregular payment of Service Tax, excess release of advance payment and unfruitful expenditure on consultancy fees without any commensurate benefits were also noticed.**

The Film Institute of India was established in 1960 on the erstwhile Prabhat Studio premises at Pune. The Institute was renamed ‘The Film and Television Institute of India’ (FTII) in 1971. The Television Wing at New Delhi was shifted to Pune in the early seventies, bringing together the training in Film and Television under a common roof. The FTII is registered under Societies’ Registration Act 1860 and functions as an Autonomous Organisation under the Ministry of Information & Broadcasting. The Governing Council (GC), as the apex body of the FTII, is responsible for making all major policy decisions.

The FTII offers Diploma and Certificate courses of different durations in Film and Television streams. The audit was conducted (June 2016) covering the period 2010-11 to 2015-16. Audit findings are discussed in the subsequent paragraphs.

#### **14.1.2 Audit Findings**

The Institute imparts training in both Film and Television Streams. This includes Five 3 years/One 2 years/One 1 year Post Graduate Diploma courses (PGDC) in Film Stream and Four 1 year Post Graduate Certificate courses in TV stream covering various aspects of Film and TV production.

#### **14.1.2.1 Non Completion of Courses in time**

Students are not completing courses within the prescribed time schedule. We noted that between 2008 and 2012, out of 352 total seats available for the six long duration Diploma courses i.e. courses with scheduled completion time of two and three years, 315 students were admitted. Of these, 212 students i.e.

67.30 *per cent* of the total students enrolled, were still on roll as on 31 March 2016 due to non-completion of their academic exercises, projects etc. This included 94 students, i.e. 44.34 *per cent* (49 students of 2008 and 45 students of 2009 batch) who were on roll for more than three years beyond the scheduled completion of their courses.

We noted that the Institute neither has any specific rule to extend the tenure of such students nor any approval for such group extensions were taken from the Academic Council or Governing Council. Further, the tuition and hostel fees are not charged after the scheduled completion of courses. Hence, the students continued to be on academic roll and in hostels without payment of fees/hostel charges beyond the prescribed tenure of their courses. Continuance of a very large percentage of enrolled students creates additional pressure on the academic and other infrastructure of the Institute.

As per the notes below para 10 of the Students Hand Book, a student has to leave the hostel room and campus after completion of the academic tenure of his course. No overstay would be permitted unless and until approved by the Registrar and the Director on payment of ₹ 500 per day in advance. We noted that the 212 students mentioned earlier who had not completed their studies continued to stay in hostels without paying any charges. The Institute incurred a revenue loss of ₹ 11.83 crore as on 31 March 2016 (₹ 2.78 crore due to not charging of fees for the extended duration of the courses and ₹ 9.05 crore due to non-recovery of hostel fee for overstay).

Further though eighteen students did not pay even their regular tuition, hostel and other fees amounting to ₹ 8.21 lakh, they were allowed to pursue the studies by staying in the hostel despite any provision in the rules.

The FTII stated (September 2016) that there was problem with students for not completing their work on time and the Institute was not having a system of coping with such situation. It further stated that by May 2017, most of the backlog would be cleared. In respect of hostel charges it stated that no permission was granted by the competent authority for overstaying in hostels.

#### **14.1.2.2 Break in admission process and denial of opportunity to aspiring candidates**

We noted that continuation of substantial percentage of the students of previous batches had a cascading effect during the subsequent batch years. The delayed courses resulted in further delays as the exercises of the delayed

students often clashed with those of their juniors resulting in infrastructure availability issues. These also resulted in fresh admissions being skipped by the Institute for batch year 2010, 2014 and 2015 (except four TV courses of one year duration in 2014).

Forgoing the admission process in an academic year defeats the purpose of setting up of such a premier institute besides denying students to secure admission in the country's most prestigious film and television institute and potential revenue loss to the extent of ₹ 4.57 crore in the form of non-realisation of tuition fees from candidates.

The FTII stated (September 2016) that due to non-clearance of backlog and unrest in Campus in 2015, admission were held up during academic year 2010-11, 2014-15 and 2015-16.

#### **14.1.2.3 Rationalisation of Tuition Fees for various courses**

Four certificate courses in Television, Acting, Animation & Computer Graphics, Feature Film, Screenplay Writing and Diploma course in Art Direction with varying duration were introduced during 2003 to 2005 batches. The tuition fees to be charged for these courses ranged between ₹ 50,000 and ₹ 120000 on commencement of the courses. The GC in its 120<sup>th</sup> meeting dated 19 August 2011 decided to reduce the fees for the above courses to ₹ 36,300 to be on par with the fees charged for the Diploma courses, from 2012 batch onwards. However, the fact remained that the courses like Acting were introduced as self-supporting courses. Further, from the year 2012 Animation and Computer Graphic Course (one and the half year) was discontinued without assigning any reason.

In a scenario where the cost of higher and specialised education is steadily increasing, it is imperative for the FTII to frame a consistent policy and rationalise the fixation of tuition fees for the courses offered.

The FTII stated (September 2016) that the proposal to rationalise the fee structure w.e.f. academic year 2017-18 will be discussed in Academic Council and Governing Council in their next meetings.

#### **14.1.2.4      Inadequate functioning of the GC**

As per FTII Rules the GC shall hold at least three meetings in a financial year and not more than five months shall elapse between any two meetings. However, the GC did not meet even once in 2014-15 and once during 2015-16. Further there was more than five months gap between the first and second meeting in 2012-13.

The FTII replied (December 2016) that the Government reconstituted the FTII Society with effect from 4 March 2014 only in June 2015. Further, there was no GC between 9 June 2015 and 7 January 2016 and the meetings could not be held in the earlier part of 2015-16 due to student agitations.

However, the fact remained that the number of meetings as provided by the FTII Rules did not take place during 2014-15 and 2015-16.

#### **14.1.2.5      Unfruitful expenditure in respect of Consultants**

**A)** As per Rule 168 and 169 of GFR, selection of consultants for specific tasks should be done after short listing of potential candidates. The Institute in May 2013 appointed Shri Michael Joseph as Consultant (Academics) on contract basis to ensure that the new syllabus is put in place in 2014, with consolidated emoluments of ₹ 70,000 per month. The consultant was paid an amount of ₹ 6.53 lakh during the period June 2013 to June 2014.

Audit noted that no advertisement or short listing of potential candidates was done as per the GFR provisions. Shri Joseph, however did not complete the syllabus work as per the instruction of the Academic Council. Hence, the new syllabus could not be finalised even by November 2015 resulting in non-fulfilment of the set goal. Eventually, the new syllabus was implemented from the 2016 batch on own initiative of FTII. Thus, the expenditure of ₹ 6.53 lakh was unfruitful.

**B)** The Institute appointed the consultancy firm M/s. Hewitt Associates to prepare a Detailed Project Report (DPR) in April, 2010 to study the up-gradation of the Institute to international standards. The DPR prepared by the consultant was circulated among a number of experts and stake holders in a workshop in September 2010. The consultant's report was rejected as it was considered inappropriate for the FTII by a committee of stakeholders headed by Shri P K Nair, a renowned film archivist, scholar and the former Director of National Film Archives of India. The entire report was thus set aside by the

committee who opined that the report lacked vision, was superficial and of inadequate understanding of the subject and its context. A total amount of ₹ 18.87 lakh was paid to the consultant for the above work. This resulted in rejection of the report and unfruitful expenditure to the extent of ₹ 18.87 lakh.

#### **14.1.2.6 Premature disbursement of funds amounting to ₹ 431.36 lakh to Civil Construction Wing of All India Radio (CCW, AIR)**

As per the CPWD manual in the case of deposit works of autonomous bodies which are financed entirely from Government grants, 33.33 *per cent* of the estimated cost of the work should be deposited in advance. Thereafter, the expenditure incurred may be got reimbursed through monthly bills simultaneously with rendering of monthly accounts on the progress of work. The deposit of 33.33 *per cent* obtained as the first instalment should be retained for adjustment against the last portion of the estimated expenditure. The manual also required to prepare a Memorandum of Understanding (MoU) between the assigning authority and the concerned Public Work Organisation.

FTII entrusted the Construction of Studio Floor Acting (SFA) and Class Room Theatre (CRT) to the CCW AIR, a Public Work Organisation as per GFR 126, after getting the Administrative approval and Expenditure sanction of an amount of ₹ 4.12 crore and ₹ 3.29 crore respectively on 24 February, 2014. As against the mandated provisions for advance payments of ₹ 1.37 crore and ₹ 1.10 crore, payments of ₹ 3.50 crore and ₹ 3.29 crore were made between February 2014 and October 2015 to CCW, AIR. This resulted in excess release of advance payments amounting to ₹ 2.13 crore and ₹ 2.19 crore respectively. Further, no Memorandum of Understanding was signed with CCW, AIR as required under CPWD Manual.

The FTII stated (December 2016) that the construction work actually commenced only in September 2016 due to delay in getting tree cutting permissions. Thus, almost the entire amount deposited remained blocked as on 31 March 2016.

#### **14.1.2.7 Irregular payment of service tax of ₹ 61.23 lakh**

Central Board of Excise and Customs exempted service tax for services provided to or by an educational institution in respect of auxiliary educational services vide Notification No.25/2012, dated 20 June 2012 and subsequent amendment No. 6/2014-ST dated 11 July 2014. During the scrutiny of records it was noticed that FTII, Pune availed various services like security,

housekeeping and cleaning from various agencies and had paid a total amount of ₹ 61.23 lakh by way of service tax to above service providers for the period 2012-13 to 2015-16. This resulted in irregular payment of service tax to the extent of ₹ 61.23 lakh.

The FTII stated (September 2016) that service tax will not be paid from August 2016 and demand for refund of service tax already paid is in progress.

#### **14.1.3 Conclusion**

FTII failed to ensure that the students enrolled for its prestigious Diploma courses complete their courses within the prescribed duration and hence large percentage of enrolled students continue to be on the rolls of the Institute. This has not only created additional pressure on the limited infrastructure of the Institute but has also indirectly resulted in the opportunity loss for aspirants who were not able to get admission as Institute is already saddled with a very high backlog of existing students. Institute incurred unfruitful expenditure on consultancy fees without any commensurate benefits, excess release of advance payment and made irregular payment of Service Tax.

The matter was reported to the Ministry in August 2016; their reply was awaited as of January 2017.