

CHAPTER IV : MINISTRY OF CULTURE

National Library

4.1 Failure to provide reader services

Failure of the Director to take effective steps for timely processing of the books resulted in idle expenditure of Rs. 183.63 lakh and also deprived the users of the Library from getting readership service, frustrating the main objective of the Library.

National Library (Library), Kolkata was established with the primary aim to render both general and specialised bibliographical and documents services of current and retrospective material. Under the Delivery of Books and Newspapers (Public Libraries) Act, 1954, National Library is entitled to receive a copy of every publication brought out by anyone anywhere in the country. Besides these, it also purchases books and journals in foreign languages including English. A book is available on the racks of the Library for readers only after due processing¹.

Audit scrutiny disclosed that during 2006 the Library acquired 16,198 books under the Act out of which 14,662 books (90.52 *per cent*) had not been processed till March 2007. Besides, audit scrutiny of English Language Division relating to accessioning and processing disclosed the following:

Source of acquisition	Period of acquisition of books	No. of books unprocessed	Value in Rs.
DB Act 1954	Till December 2006	9500	----
Purchase	Till December 2006	4322	183.63 lakh
Total		13822	

Thus out of 13,822 books, 4,322 books purchased by the Library itself at a cost of Rs. 183.63 lakh were lying unprocessed in different divisions of English language, and therefore unavailable to readers.

Besides English Language Division, there are 13 major Indian language divisions in the National Library, where books are received under the Act. Test check of records in respect of language divisions revealed that total 2,47,155 books were lying unprocessed in these divisions. The Library did

¹ The Professional Divisions of the National Library select, receive, access and process books and publications obtained through purchase, Delivery of Books (Public Libraries) Act 1954, gift and exchange. On receipt of the books, the Acquisition Unit allots an accession number to each book and sends the books to the Processing Unit. The Processing Unit after processing of books as per MARC (Machine Readable cataloguing)-21 format, issues them to the readers as per requisition.

not even maintain the records regarding the number of total acquisitions in different languages. In the absence of proper records, the possibility of pilferage could not be ruled out in such weak documentation and control environment.

Further, the Library receives books of more than 43 foreign languages through gift or exchange of Indian books. Except Russian and Chinese books, no other foreign language books have ever reached the readers as all of them were lying un-processed till date. The library expressed inability to process the books as there was no person well versed with these languages. National Library had no documentation on total number of books in this category, their prices and other details.

No initiatives were ever taken to clear this huge backlog in processing by the Library Authorities, despite mention in Para 13.1 of Comptroller and Auditor General's Audit Report No. 2 of 2000. Huge numbers of books are still lying unprocessed, some for as long as 13 years after their possession or purchase, resulting in idle expenditure of Rs. 183.63 lakh and defeating the very purpose of existence of the National Library.

The matter was referred to the Ministry in June 2007; their reply was awaited as of September 2007.

National Museum

4.2 Questionable terms of contract

Ministry of Culture approved the financial terms of the contract for development and maintenance of digital audio guide for the National Museum, New Delhi which *prima-facie* favoured the contractor by Rs. 1.11 crore.

Ministry of Culture approved introduction of digital audio tour guide in the National Museum, New Delhi in July 2003 and directed them to enter into contract with M/s Narrow Casters Ltd. for development and maintenance of the digital audio guide on the terms and conditions approved by it. As per the terms of the agreement, M/s Narrow Casters was to develop digital audio guides in five languages at a cost of Rs. 20.75 lakh and maintain it for five years. The development cost was to be recovered at the rate of Rs. 40 per visitor against the total compulsory charge of Rs. 150 each for foreign visitor. For native visitors, the audio guide was optional. The maintenance charges were to be recovered by M/s Narrow Casters through appropriation of the balance of Rs. 110 out of Rs. 150 charged from the visitors, while Rs. 40 of

the total charge for the audio guide from the visitor was to be retained by National Museum after the total development cost of Rs. 20.75 lakh was recovered and appropriated by M/s Narrow Casters.

Director General, National Museum entered into a contract with M/s Narrow Casters Ltd. in August 2003 on the terms and conditions approved by the Ministry. He, however, advised the Ministry in February 2005 to review the financial terms of the agreement, which was still open for revision. As per his proposal, Rs. 20.75 lakh was to be paid by the National Museum to the agency for development of the programme. The agency had agreed to maintain the audio guides at a cost of Rs. 2 lakh *per month* for five years. The revenue from the visitors was to be appropriated by the National Museum. The Ministry rejected the proposal for revision of the financial terms.

The basic premise for the determination of financial terms was the consideration that these did not entail any cost to the National Museum since the cost of development of the five language digital guide was to be borne entirely by the Agency, which was to be recovered by appropriation of Rs. 40 out of the fee of Rs. 150 charged to each visitor. The recovery of the cost of maintenance was to be made by M/s Narrow Casters Ltd. by appropriating the remaining Rs. 110 out of the charges levied for audio guides.

The considerations for approving the financial terms were flawed in as much as the Ministry did not compare the total cost of the development of the digital audio guides and their maintenance over the five years period and the revenue generated from the charges levied from the visitors to arrive at the option favourable to the National Museum.

The financial terms, particularly that relating to recovery of the cost of maintenance against the charges levied from the visitors was *prima-facie* defective, since under this arrangement the agency was to get Rs. 38.59 lakh *per annum* on the basis of the then total number of foreign visitors² against their demand of Rs. 24 lakh *per annum* only, a clear gain of Rs. 14.59 lakh *per annum* for five years, even without reckoning the increase in the number of visitors over the five year's period.

Had the Ministry, instead opted for payment of the development and maintenance charges by the National Museum and permitted it to appropriate the revenue of Rs. 150 per visitor, the National Museum was to gain at least Rs. 72.95 lakh over the five year's period, after meeting fully the cost of

² 35,084 *per annum*

development and maintenance to the agency, which accrued as a favour to the agency. The Ministry overlooked the unfavourable financial terms, even while rejecting the request for the review by the Director General, National Museum.

Moreover, under the terms of the contract approved by the Ministry, the intellectual property was to be jointly owned by the agency and the National Museum, while in the alternative model suggested by the Director General, National Museum in February 2005, the rights of the script were to rest with the National Museum. The Ministry ignored this advantage too.

The audio guide developed by the agency was introduced in the National Museum in October 2005. The average number of foreign visitors *per annum* to the National Museum on the basis of visitors during October 2005 to September 2007³ was 42,045 which was much more than 35,084 visitors in 2004, on the basis of which the financial terms for recovery of the maintenance charges was determined. Moreover, number of visitors was growing. The benefit of growth in the total number of foreign visitors in terms of more recovery towards maintenance charges will also accrue to M/s Narrow Casters. On the basis of foreign visitors since introduction of the audio guides the additional benefit to the agency in the five years period is expected at Rs. 1.11 crore.

The Ministry stated in November 2007 that the proposal of National Museum was not agreed because as per the existing agreement there was no financial liability on the National Museum. With the proposed changes, National Museum would have spent approximately Rs. 140.75 lakh over the next five years. It added that substantial financial implications would need to work out the project afresh and execution of the project would get delayed which had already been delayed. It also added that there was no loss to the Government and on the contrary revenue to the extent of Rs. 40 per foreign visitor had accrued to the National Museum.

The reply of the Ministry is not acceptable as the cost of the programme was payable to the agency, whether it was met by National Museum or recovered out of the user charges from the visitors. Moreover as per the proposal of National Museum, the agency was to get maintenance charges of Rs. 24 lakh *per annum* against Rs. 38.59 lakh *per annum* appropriated by it as per the agreement on the basis of total number of visitors of 35,084 in 2004, even without reckoning the increase in number of visitors over the next five years

³ Figures available up to September 2007 and pro-rated

period. Therefore, the additional revenue over and above the cost demanded by the agency that would have accrued to the National Museum has been appropriated by the agency. As regards need to work out the project afresh resulting in delay, the contention of the Ministry is not correct as the total cost and revenue figures were already available and the agency had already given its consent for accepting the changed development and maintenance.

The considerations for approval of the financial terms of the agreement for the audio guide project as also the basis of subsequent rejection of the proposal of the Director General, National Museum in the face of the *prima-facie* favourable financial terms to the agency needs to be investigated to determine accountability.