

**COMMITTEE
ON
PAPERS LAID ON THE TABLE
(1978-79)**

(SIXTH LOK SABHA)

THIRTEENTH REPORT

(Presented on 9 APR 1979 *)*



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 1979/Chaitra, 1901 (Saka)

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TO
THIRTEENTH REPORT OF THE COMMITTEE ON
PAPERS LAID ON THE TABLE

(Presented on 19.4.1972)

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**COMPOSITION OF THE COMMITTEE ON PAPERS LAID ON
THE TABLE**

(1978-79)

Shri Kanwar Lal Gupta—*Chairman.*

MEMBERS

2. **Shri Faquir Ali Ansari**
3. **Shri G. M. Banatwalla**
4. **Shri Chandan Singh**
5. **Shri K. B. Chettri**
6. **Shri Sudhir Ghosal**
7. **Shri M. Kalyanasundaram**
8. **Shri Annasaheb Magar**
9. **Shri Hari Shankar Mahale**
10. **Shri C. R. Mahata**
11. **Shri Mangal Deo**
12. **Shri Laxmi Narain Nayak**
13. **Shri Dwarikadas Patel**
14. **Shrimati B. Radhabai Ananda Rao**
15. **Shrimati Shanti Devi**

SECRETARIAT

Shri K. K. Saxena—*Chief Examiner of Bills and Resolutions.*

Shri P. C. Chaudhry—*Senior Table Officer.*

INTRODUCTION

I, the Chairman of the Committee on Papers laid on the Table of the House, having been authorised by the Committee to present the Report on their behalf, present this their Thirteenth Report.

2. On examination of certain papers laid during the Second, Fourth and Sixth Sessions (Sixth Lok Sabha) the Committee have come to certain conclusions in regard to delay in laying Annual Reports of the Indian Motion Pictures, Export Corporation Limited, Bombay and the Film Finance Corporation Limited, Bombay.

3. On 25 January, 1978, the Committee took evidence of the representatives of the Ministry of Information and Broadcasting on the subject.

4. The Committee wish to express their thanks to the Officers of the Ministry of Information and Broadcasting for furnishing information desired by the Committee.

5. The Committee considered the Report at their sittings held on April 2 and 6, 1979 and adopted the same at their sitting held on 6 April, 1979.

6. A statement giving summary of recommendations/observations of the Committee is appended to the Report (Appendix-II).

NEW DELHI;
April 7, 1979.
Chaitra 17, 1901 (Saka).

KANWAR LAL GUPTA,
Chairman,
Committee on Papers laid on
the Table.

REPORT

DELAY IN LAYING ANNUAL REPORTS OF INDIAN MOTION PICTURES EXPORT CORPORATION LIMITED, BOMBAY AND FILM FINANCE CORPORATION LIMITED, BOMBAY

The Annual Reports (both Hindi and English versions) of the Indian Motion Pictures Export Corporation Limited, Bombay for 1974-75 and the Film Finance Corporation Limited, Bombay for 1975-76, together with the audited accounts and comments of the Comptroller and Auditor-General thereon, were laid on the Table of Lok Sabha on 29-6-1977 and 13-7-1977, respectively, under section 619A(1) of the Companies Act, 1956 which reads as under:—

“619A. (1) Where the Central Government is a member of a Government company, the Central Government shall cause an annual report on the working and affairs of that company to be—

- (a) prepared within three months of its annual general meeting before which the audit report is placed under sub-section (5) of section 619; and
- (b) as soon as may be after such preparation, laid before both Houses of Parliament together with a copy of the audit report and any comments upon, or supplement to the audit report, made by the Comptroller and Auditor-General of India.”

A statement giving reasons for delay in laying the report was also laid on the Table with each of the above reports.

1.2. At the time of laying the reports the Minister of Information and Broadcasting also laid a 'Review' on the working of the Indian Motion Pictures Export Corporation Limited but no such 'Review' was laid in the case of the Film Finance Corporation.

1.3. When the Annual Report of Film Finance Corporation Limited, for the year 1975-76, was laid on the Table of Lok Sabha, a Member raised an objection to the delay in laying the Report.

1.4. In the case of Government Companies, the Committee had in para 4.16 of their Second Report (Fifth Lok Sabha)—*presented to the House on 12-5-1976*—recommended that:

"4.16...as in the case of the Reports of the Autonomous Organisations, Reports of Government Companies should also be laid within 9 months of the close of the accounting year. The Committee further recommend that where it is not possible for the Government to lay the Report of any company within that period they should lay on the Table a statement explaining the reasons for not laying the Reports within 30 days from the expiry of the period of nine months, and if the House is not in Session at that time, the statement should be laid on the Table within seven days of re-assembly of the House. However, to give some more time to the Government to lay the Reports of the Government Companies pertaining to the periods upto the end of 1974-75 which were in arrears, the Committee recommend that these Reports alongwith the delay statements should be laid on the Table by December 31, 1976. Reports for the year 1975-76 and subsequent years should be laid on the Table within 9 months of the close of the accounting year."

1.5. In terms of the above recommendation of the Committee the Annual Report for 1974-75 of the Indian Motion Pictures Export Corporation Limited, and the Annual Report for 1975-76 of the Film Finance Corporation Limited, should have been laid on the Table of the House by 31-12-1976 but they were actually laid on the Table on 29-6-1977 and 13-7-1977, respectively, i.e. 6 months and 6½ months after the prescribed period. In all the Ministry and the concerned Corporation together took 27 months and 16 months, respectively, in completing the formalities before the above Reports could be laid on the Table of the House.

1.6. In the statement showing reasons for delay in laying the Annual Report for 1974-75 of the Indian Motion Pictures Export Corporation Limited, the Ministry of Information and Broadcasting had given the following reasons for delay:

"The Annual Report and the statement of Audited Accounts of the Indian Motion Pictures Export Corporation for the year 1974-75 was adopted by the Company only on the 29th December, 1975. Printed copies of the report in English and the cyclostyled copies in Hindi were made available to the Ministry in the month of April, 1976. The Reports are being laid on the Table of the House now. The delay is deeply regretted."

1.7. As the reasons for delay advanced by the Ministry were not adequate, the Ministry were asked to explain the reasons for taking 14th months in laying the Report before the House, after the printed copies of the Report were made available to the Ministry by the Corporation in April, 1976.

1.8. Giving reasons for not laying the Report earlier than 29-6-1977, the Ministry of Information & Broadcasting in their O.M. dated the 22nd August, 1977 stated as under:

“The draft Report was submitted to the former Minister of information & Broadcasting in July, 1976. He had wanted some improvements to be made in the report and this matter remained under consideration till February, 1977. Delay in its laying on the Table of the two Houses was accordingly regretted.”

1.9. On being enquired whether any improvements were really made in the Report at the instance of the former Minister and whether it was permissible to make improvements in the Report after it was approved at the Annual General Meeting of the Corporation, the Ministry in their O.M. dated the 28th November, 1977 *inter alia* stated:

“No improvements were made in the Annual Report of the IMPEC for the year 1974-75 at the instance of the former MIB. The report was circulated to Members of the IMPEC alongwith notice of Annual General Meeting issued on 27-11-1975 and was approved in the Meeting. Because of this it was not permissible to do so after the report had been approved at the Annual General Meeting.”

1.10. Since both the English and Hindi versions of the Report were laid on the Table in cyclostyled form, the Ministry were asked to state the reasons for not laying the printed copies of English version of the Report as it was available with them, as stated in the delay statement. In their O.M. dated August 22, 1977, the Ministry informed that:—

“IMPEC expressed their inability to have the report printed because of its precarious financial position. That was why printed copies of the report could not be laid on the Table of the House.”

1.11. When attention of the Ministry was drawn to the contradiction in the positions stated by the Ministry in their above reply and

the delay statement laid on the Table on 29-6-1977, the Ministry in their O.M. dated 28 November, 1977 stated that:

“Copies of the Annual Report—both in English and Hindi—were received from the IMPEC in the cyclostyled form only. It is regretted that through an oversight it was stated in the delay statement that printed copies of the report in English were received. The inconvenience thus caused is regretted.”

1.12. In regard to the reasons for delay in laying the Annual Report for 1975-76 of the Film Finance Corporation, the Ministry had stated in the delay statement that:

“The Annual Report and the Statement of Audited Accounts of the Film Finance Corporation for the year 1975-76 was adopted by the Corporation only in the Annual General Body Meeting held on May 18, 1977. Printed copies of the report in English and the cyclostyled copies in Hindi were made available to the Ministry only on June 21, 1977. The reports are now being laid on the Table of the House during the current session of the Parliament.”

1.13. When asked to state detailed reasons for delay in laying the Report, the Ministry in their O.M. dated October 1, 1977 *inter alia* stated as under:

“As regards delay in laying the Report on the Table of Lok Sabha, this Ministry has nothing more to add to what is stated in the ‘Statement of reasons for delay’ already submitted alongwith the Report.”

1.14. As regards laying of ‘Review’ by Government on the Reports of Government Companies, the Committee had in para 4.18 of their Second Report (Fifth Lok Sabha) observed:

“The Committee note that while laying the Report of a Government Company before Parliament the concerned administrative Ministry also lays alongwith the Report a Review on the working of that Company. However in certain cases no such Review is laid on the Table. The Committee are of the view that even in cases where Government are in agreement with the information given in the Report of the Company and they have nothing to add, Government should lay on the Table alongwith the Report a Statement saying that they are in agreement with the Report and hence no Review is being laid.”

1.15. On being asked about the reasons for not laying the 'Review' alongwith the report, the Ministry in their O.M. dated the 1st October, 1977 *inter alia* stated as under:—

“A Review on the Report of the Corporation for the year 1975-76 was not sent earlier, owing to oversight. This is very much regretted. A review on the working of the Corporation in English and Hindi, is now enclosed. It may please be intimated whether it would be necessary to formally lay it on the Table of the Lok Sabha. If laying of the review formally on the Table of the House is not considered to be necessary, requisite number of copies of the review will be supplied to the Lok Sabha Secretariat on receipt of the clarification.”

1.16. On being specifically asked to lay the 'Review' on the Table, the Ministry laid it on 14-12-1977.

1.17. To seek further clarifications as regards delay in the laying of the Annual Reports in question, the Committee took the evidence of the representatives of the Ministry of Information & Broadcasting at their sitting held on January 25, 1978.

1.18. On being asked to explain delay of 18 months in laying the Report of Indian Motion Pictures Export Corporation before the House, after its adoption in the Annual General Meeting of the Company held on the 5th January, 1976, the representative of the Ministry of Information & Broadcasting stated that in accordance with the recommendation of the Committee on Papers laid on the Table made in para 4.16 of their Second Report (Fifth Lok Sabha) the Report for 1974-75 of IMPEC should have been laid on the Table by December, 31st, 1976 but they had not received both the versions of the Report till March-April, 1976.

1.19. Asked when the accounts were sent to Audit, the witness stated that a meeting of the Board was held on 3-10-1975 to consider the accounts. Explaining the procedure the witness informed the Committee that after audit by the statutory auditors, the annual accounts have to be considered in the Board meeting and thereafter these are sent to the C & AG for comments. These are then adopted in the Annual General Meeting of the Corporation. He stated that the accounts were sent to the Commercial Audit on 24-10-1975, after their approval in the Board meeting held on 3-10-1975. The Audit suggested revision of accounts as these were not properly prepared. The revised accounts were approved in the Board Meeting held on 10-11-1975 and by the Commercial Audit on 25-11-1975.

The accounts were adopted in the adjourned Annual General Meeting held on 5-1-1976 as the Annual General Meeting called earlier on 29-12-1975 was adjourned for want of quorum.

1.20. As regards quorum, the witness stated that the total number of members on the Board of Directors was 12, out of which 5 Directors constituted the quorum. On being specifically asked about the number of shareholders in the Indian Motion Pictures Export Corporation Limited, the witness stated that there were about 82 shareholders, 74 out of them were private shareholders and there were 8 Directors nominated by Government. The quorum was 5 Directors—one third of the total strength of Directors or two Directors, whichever was higher—but even that number of Directors did not attend on 29-12-1975. As regards issue of notice for the meeting held on 29-12-1975, the Secretary, IMPEC informed the Committee that the notice was issued on 29-11-1975 along with Annual Report, the Directors' Report and the C & AG's comments to all the shareholders (about 82) appearing in the register, as per provisions of the Company Law. When asked whether even the Government representatives did not turn up for the Annual General Meeting, the witness stated "Yes, Sir".

1.21. In reply to a question the witness informed that only 3 Directors attended the meeting held on 29-12-1975 which was adjourned and 5 Directors attended the next meeting held on 5-1-1976 when the Report was adopted.

1.22. Subsequently, the Indian Motion Pictures Export Corporation furnished to the Committee a statement (Appendix-I) with their note dated the 9th February, 1978, showing details of the Board Meetings held, the Directors who attended those meetings, the Directors who remained absent in the meetings and the replies, if any, received from the absentee Directors etc., during the years 1974-75, 1975-76 and 1976-77 (upto 19-11-1976).

1.23. On enquiry whether attention of the Ministry was drawn to the fact that adequate cooperation was not available from the Government Directors in the Board of Directors, the Secretary, IMPEC, stated:

"We have not specifically brought to the notice of the Ministry of Information & Broadcasting the fact about the non-attendance of some of the Directors at the periodical Board Meetings."

1.24. In reply to a question whether there was any provision in the Articles of Association of the Corporation that a Director who

was absent in three or four consecutive meetings would lose his Directorship automatically, the representative of the Ministry stated that that was a standard provision for all companies. When asked whether any Director was informed that he would forfeit his Directorship if he continuously absented himself from 3 or more meetings and whether his Department was also informed about this and asked to nominate another person in his place, the Secretary, IMPEC, stated:

“We have not done that—normally out of courtesy the absentee Directors are granted permission.”

1.25. As regards disqualification of Directors, following their continuous absence from the Meetings of the Board, the Indian Motion Pictures Export Corporation had in a note dated February 9, 1978, informed the Committee that.—

“As per Section 283(g) of the Companies Act, 1956, a Director is disqualified to be a Director if he absents himself continuously for three consecutive meetings or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board.

From the Minutes of the Board Meetings, it is observed that invariably leave of absence was granted to absentee Directors up to the year ending 1976.

From the year 1977 onwards the above practice has been dispensed with and leave of absence was granted only to those Directors who sought such leave of absence, considering the merits of each case.

Upto the year ending 1976, as leave of absence was granted by the Board to absentee Directors, the question of enforcing the disqualification clause on the absentee Directors did not arise. The enforcement of this provision will be considered hence forward.”

1.26. In reply to a query the Committee were informed that after the adoption of the Report for 1974-75 on 5-1-1976 in the Annual General Meeting, both the English and Hindi versions of the Report were received in the Ministry in April, 1976. On further enquiry the Committee were informed that only 20 copies of the English versions of the Report were received on 15-1-1976 and Hindi version was received in the beginning of April, 1978. The Ministry took some time in preparation of 'Review' on the Report.

1.27. When particularly asked about the time taken by the Ministry in preparing the Review on the Report the representative of the Ministry stated:

“It was prepared in April and was put up on May 21, 1976. Then some officers wanted change here and there. Finally it was put up by the Secretary to the Minister on July 16, 1976. The papers came back and the Special Assistant to the then Minister wrote that the papers had been shown to the Minister during his visit to Bombay and he had discussed it. The Secretary should further see.”

1.28. The witness informed the Committee that a note dated 10-8-1976 recorded on the file showed that further discussions were held but ‘unfortunately we do not really know what exactly was discussed and what directions were given.’ He further stated that the next note recorded on the file was dated 10th or 16th February, 1977 but “It does not mention the Minister. We assume that since it went to the Minister, he said ‘the report needs brightening up’”.

1.29. In reply to a question the witness, however, agreed that once the Report was adopted in the Annual General Meeting it could not be changed.

1.30. When pointed out that since the Minister of Information and Broadcasting had no power to change the Report whether this fact was brought to his notice and whether the Minister was also informed that the Report was to be placed before Parliament in time, the representative of the Ministry stated that the file did not remain with the Minister continuously. He admitted that it was not pointed out to the Minister that he could not make any changes. He, however, stated that two office notes were recorded in the file in August, 1976 and February, 1977. He added that thereafter it took the Ministry some time to place the Report before the new Minister.

1.31. Asked why the Review on the Report was not prepared at the time when the English version was received and why they kept on waiting till the Hindi version was received, the witness conceded that the Review could be prepared at that time and assured that it will be expedited in future.

1.32. The Committee noted that Government had invested Rs. 25 lakhs in the Indian Motion Pictures Export Corporation upto 1974-75 and the review of the Corporation was made available to

Parliament in the middle of 1977 although the Report along with Review should have been laid by December, 1975.

1.33. Asked whether the Review contained only the bright side or even dark side of the picture of the Corporation or both, the representative of the Ministry stated 'It should be a purposeful one'. The witness agreed that the Review should not be a technical one but should be a balanced view of the functioning of the Corporation. The witness, however, assured the Committee that Review of the 1976-77 Report would be prepared on those lines.

1.34. When asked whether the rules of the Corporation prescribed any time limits for preparation of accounts, their auditing and laying on the Report on the Table, the witness stated that the Companies Act required that the annual accounts should be audited by a certain time.

1.35. Asked whether the Ministry had taken up the matter regarding delay in laying the Report with the Corporation and if so, the reasons advanced by the Corporation, the witness replied that there was some delay on the part of the Ministry also. He, however, added that since the English version alone had been received and they had asked the Corporation to send Hindi version immediately, there was a delay of only 4 months on the part of the Corporation.

1.36. As regards 1976-77 *Report the witness stated that the English version of the Report had been printed and would be laid along with cyclostyled Hindi version of the Report on the Table as soon as the ensuing Session (Budget Session) starts.

1.37. On his attention being drawn to the wrong information given by the Ministry to the House that printed copies of the 1974-75 report in English and cyclostyled copies in Hindi were made available to the Ministry by IMPEC in April, 1976 whereas cyclostyled copies of the Report in both the versions were actually laid before Lok Sabha on 29-6-1977, the witness conceded mistake on the part of the Ministry and stated 'It is true. All I can say is that we are extremely sorry for this'.

1.38. Regarding delay in laying Annual Report of the Film Finance Corporation Limited for 1975-76, the Committee enquired whether any rules had been framed specifying time limits for audit-

*Laid on 15-3-1978.

ing of accounts, holding of Annual General Meeting and laying of reports on the Table. The representative of the Ministry replied:

"If there are time-limits, things have to be done within time limits. We have drawn lessons ourselves. We have prepared certain lists both for the company as well as for the Ministry and there is some kind of the cross-check. All the time it is ensured that things are done in time."

1.39. The Committee noted that the Annual Report for 1975-76 of the Film Finance Corporation was adopted in the Annual General Meeting of the Corporation held on 18-5-1977 and laid on the Table of the Lok Sabha on 13-7-1977.

1.40. When enquired about the reasons for not holding the Annual General Meeting of the Corporation within 6 months of the close of the accounting year (i.e. in September, 1976 in this case) as provided in the Companies Act, 1956, the representative of the Ministry stated 'dates of meetings were suggested by them; the Ministry officials, probably because of the elections or there was the work relating to the International Film Festival, could not agree. Officers would have been pre-occupied with the International Film Festival which was to be held in January last'. The witness further informed the Committee that the Company had suggested the meeting within the stipulated period.

1.41. When asked how the Film Festival affected the Annual General Meeting, the witness replied:

"There is a note. It says that the shareholders are mostly government officials and in 1976, when the International Film Festival was held, they were busy. That was why the Annual General Meeting as such could not be held."

1.42. Asked why the Annual General Meeting could not be held in September, 1976, the Chairman, Film Finance Corporation stated:

"The auditing of accounts was not complete by September 30th which was the stipulated period. So, at the Board meeting held on 25th August it was pointed out that this was the situation. Therefore, it was decided to get it extended upto 31st December."

1.43. While admitting delay on the part of Corporation in resolving audit queries the Chairman, F.F.C. stated that the auditors were

also responsible for delay because the Corporation had submitted their accounts from April, 1976 onwards but they had delayed the matter. When asked to clarify further the witness stated 'The reason is very clear that the accounts were not completed in the manner that they should have been within the stipulated time'. As regards completion of audit the Chairman, FFC stated that the auditing of accounts was completed by December, 1976 after settlement of audit queries.

1.44. In reply to a query the witness stated that the Annual General Meeting was called on 18-12-1976 and was postponed to 29-2-1976. About the reasons for postponement of the meeting the witness informed 'that was at the request of the shareholders, namely, the Ministry's officials. 100 per cent shareholding is with Government'.

1.45. Asked why the Annual General Meeting could not be held earlier than 18-5-1977 when the Film Festival had concluded on 17-1-1977 (held from 3 to 17 January, 1977), the Chairman, F.F.C. replied:

"All that I say is that from Corporation side, we had fixed several dates. 17th January was the date which was postponed to 1st February; in fact, notice was also issued for that meeting. It got postponed to 17th February and then to third week of April and finally to 18th May."

1.46. On being pointed out that the Review on the Report for 1975-76 was laid on the Table on 14-12-1977 only when this omission was brought to the notice of the Ministry, the representatives of the Ministry admitted that that was an omission on their part.

1.47. As regards the position about the 1976-77 report the Chairman, F.F.C. informed the Committee that the Report had already been printed.

The following statement shows the latest position as regards laying of reports of IMPEC and F.F.C.:

Name of Corporation	Year to which Annual Report Pertains	Date of laying
1. Indian Motion Pictures Export Corporation Ltd., Bombay.	1975-76	22-6-1977
	1976-77	13-3-1978
	1977-78	20-12-1978
2. Film Finance Corporation Limited, Bombay.	1976-77	15-3-1978
	1977-78	20-12-1978

1.48. The Committee note that the Annual Report for the year 1974-75 of the Indian Motion Pictures Export Corporation Limited, Bombay and for 1975-76 of the Film Finance Corporation Limited, Bombay were laid on the Table of Lok Sabha on 29-6-1977 and 13-7-1977 respectively, i.e., 27 months and 16 months after the close of the accounting year. The Committee further note that on the basis of the time limit prescribed by the Committee for laying the Reports of Government Companies on the Table in para 4.16 of their Second Report (Fifth Lok Sabha) the delay in laying the Reports comes to 6 months in the case of Indian Motion Pictures Export Corporation and 6½ months in the case of Film Finance Corporation. The Committee, however, note that the Annual Reports of both the Corporations for the year 1977-78 were laid within the stipulated period.

1.49. The Committee further note that the Annual Report for 1974-75 of Indian Motion Pictures Export Corporation was adopted at the adjourned Annual General Meeting of the Corporation held on 5-1-1976 (after 9 months of the close of the year) as the Annual General Meeting scheduled to be held on 29-12-1975 was adjourned for want of quorum. Similarly the Annual Report for 1975-76 of Film Finance Corporation was adopted at the Annual General Meeting held on 18-5-1977 (after about 14 months of the close of the year) as the 6 meetings earlier fixed for adoption of the Report (on 18-12-1976, 29-12-1976, 17-1-1977, 1-2-1977, 17-2-1977 and in April, 1977) had to be postponed at the instance of the Ministry of Information and Broadcasting.

1.50. The Committee also note that the Corporations did not follow the time schedules laid down in Section 166(1) of the Companies Act, 1956 for holding the Annual General Meeting which states that:

“Every company shall in each year hold in addition to any other meetings a general meeting as its annual general meeting and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of a company and that of the next.”

It is surprising and shocking to note that the Ministry of Information and Broadcasting who are charged with the responsibility of keeping a watch that the provisions of the Companies Act are strictly followed by the Corporations in holding their Annual General Meetings, themselves contributed in violating the provisions of the Act.

1.51. The Committee hope that the Ministry of Information and Broadcasting will ensure that such lapses do not recur in future. If the Annual General Meetings are fixed after mutual consultation, between the Ministry and the Corporations there will be no need to postpone them. Thus it will avoid loss of time and money.

1.52. In the delay statement laid with the Annual Report for 1974-75 of IMPEC the Ministry have stated that printed copies of the report in English and cyclostyled copies in Hindi were made available to the Ministry in the month of April, 1976 whereas only cyclostyled copies of both the versions were laid on the Table. Later on it was revealed during evidence that in fact 20 copies of the report in English were received in the Ministry on 15-1-1976, which was not mentioned in the delay statement. The Committee observe that the delay statement was not prepared by the Ministry with due care and attention. The Committee cannot help expressing their unhappiness over the carelessness on the part of the Ministry in preparing the delay statement and placing facts before Parliament which are later on found to be untrue.

1.53. The Committee, therefore, recommend that even the delay statement giving reasons for delay should be examined by a Senior Officer in the Ministry in order to ensure that no factual inaccuracy creeps into the delay statement.

1.54. The Committee note that one of the reasons which contributed towards delay was that the accounts of the Indian Motion Pictures Export Corporation which were adopted at the Board Meeting held on 3-10-1975 were not properly prepared and had to be revised on the suggestion of the Audit. The revised accounts were again approved at the Board Meeting held on 10-11-1975 and at the adjourned Annual General Meeting of the Corporation held on 5-1-1976. Similarly in the case of Film Finance Corporation the accounts for the year 1975-76 were not completed in the manner in which these should have been completed and, therefore, the Audit could complete auditing of accounts only in December, 1976 when the audit objections were settled by the Corporation. The Committee are of the view that had the accounts been prepared properly there would have been no difficulty in getting them cleared from Audit early and consequently much of the delay could have been avoided.

1.55. The Committee need hardly stress that apart from proper maintenance of accounts by the concerned Corporations, there has to be a time bound programme for making the accounts available in time to Audit for auditing, resolving of audit queries with

expedition so that the Annual General Meeting is held within the time limit prescribed in the Act and the Report is laid before Parliament within the stipulated period.

1.56. The Committee note that Report of Indian Motion Pictures Export Corporation for 1974-75 was adopted at the adjourned Annual General Meeting of the Corporation held on 5-1-1976 (adjourned from 29-12-1975) but the Report was laid on the Table on 29-6-1977, i.e. 18 months after its adoption. The Committee also note that, as stated by the Ministry, the Report was made available to the Ministry in April, 1976 who submitted it to the then Minister of Information and Broadcasting in July, 1976. The representative of the Ministry informed the Committee that the then Minister of I. & B. wanted some improvements to be made in the Report and the matter remained under consideration till February, 1977. The Committee were also informed that no improvements were made in the report at the instance of the then Minister. The Committee were informed that no improvements could be made in the Report after it was adopted in the Annual General Meeting of the Company, and this fact was not brought to the notice of the Minister by any officer of the Ministry.

1.57. The Committee are constrained to observe that much of the delay could be obviated if the concerned officers in the Ministry had advised the then Minister for I. & B. that after a Report was adopted in the Annual General Meeting of a Company it was not open to the Ministry to carry out improvements in the Report. The Committee trust that such lapses on the part of the Ministry will not recur and proper advice will be given to the Minister in such matters.

1.58. From the statement furnished by the Indian Motion Pictures Export Corporation Limited (Appendix-I) the Committee find that out of 8 meetings of the Board of Directors of the Corporation held from 16-5-1974 to 7-4-1975, 7 meetings were not attended by two Directors (Sarvashri S. S. Shukla and M.B. Srinivasan), 6 meetings were not attended by another Director (Shri S. P. Chaudhry) and three Directors (Sarvashri S. K. Singh, A. N. Mishra and Shrimati Mahanatra) absented themselves from 5 meetings. The Committee further find that Shri S. K. Singh, whose term of Directorship of the Corporation was from 28-8-1971 to 30-12-1974, remained continuously absent from 5 meetings of the Board held from 16-5-1974 to 30-11-1974. Likewise Sarvashri S. P. Chaudhry and M. B. Srinivasan did not attend 5 and 7 meetings of the Board held from 2-11-1974 to 7-4-1975 and 9-7-1974 to 7-4-1975, respectively. Similarly out of 6 Board meetings held during 1975-76 Sarvashri A. M. Tariq, S. S.

Shukla, M. B. Srinivasan, A. N. Mishra and S. P. Chaudhry did not attend any of them whereas Shrimati Mahapatra did not attend 5 of them. Out of the 4 meetings of the Board of Directors held from 28-6-1976 to 19-11-1976 during the year 1976-77, 5 Directors (Sarva-Shri A. M. Tariq, L. Dayal, S. P. Chaudhry, A. N. Mishra and M. B. Srinivashan) did not attend any of those meetings. The Committee also find that the meetings of the Board of Directors held on 7-4-1975 and 26-9-1975 had to be adjourned as no Director, except the Chairman of the Corporation, was present and no reasons were assigned by the absentee Directors for their absence. Similarly none of the absentee Directors even cared to intimate to the Board the reasons of their inability to attend the Board meetings held on 16-5-1974, 30-11-1974 and 27-7-1975.

1.59. The Committee are constrained to observe that the absentee Directors generally do not care to intimate to the Board the reasons due to which they would not be able to attend the meetings even when they are required to do so in fulfilment of the statutory requirement of the provisions of section 283 (g) of the Companies Act, 1956 which lays down that:

‘The office of a director shall become vacant if he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board.’

The Committee fail to understand why the IMPEC had not “specifically brought to the notice of the Ministry of Information and Broadcasting the fact about the non-attendance of some of the Directors at the periodical meetings” as they were not getting adequate cooperation from the Government Directors on the Board of Directors.

1.60. From the information supplied by the Corporation the Committee also find that leave of absence from the Board Meetings was invariably granted by the Board to the absentee Directors up to the year ending 1976. From the year 1977 onwards the above practice has been dispensed with and leave of absence is granted only to those Directors who seek such leave of absence on the merits of each case.

1.61. The Committee are shocked to find this apathetic attitude of the Directors in attending the Board meetings and in certain cases circumventing the specific provisions of the Companies Act by simply informing the Board about their inability to attend the Board meetings. Even the Ministry of Information and Broadcasting did

not care to keep a watch whether their nominees are taking interest in the Corporation. Had these reports been placed in time on the Table of the House, the matter could be raised by any Member in the House. Thus the delay in laying the report on the Table of the House has forfeited the very purpose for which this rule was framed. The delay hits the accountability of the Corporation to the Parliament.

1.62. The Committee are of the view that no useful purpose is served by appointing such Directors on the Board of Directors who cannot attend Board Meetings continuously and who do not show any interest in the Board. The Committee, therefore, recommend that in order to make the Board of Directors really effective and purposeful, Government should review the methods of appointment of Directors.

1.63. The Committee need hardly stress that only such persons should be appointed as Directors who can make themselves available at the Board Meetings regularly and thereby safeguard the interests of the Government. The Committee feel that if Government Directors take active interest in the working of the Corporation there is no reason why the report and accounts are not finalised in time and placed before Parliament within the period laid down by the Committee. As regards continuous absence of certain Directors from the meetings of the Board, the Committee recommend that the procedure laid down in the Companies Act should be strictly observed, without any favour.

1.64. The Committee note that 'Review' on the working of the IMPEC was laid on the Table alongwith the Report for 1974-75 but no 'Review' was laid with the Report for 1975-76 of FFC. It was later on laid on the Table by the Ministry on 14-12-77 when the lapse was specifically brought to their notice. The Committee trust that the Ministry would in future lay before Parliament alongwith the Reports their 'Review' on the working of the Corporation, without fail.

1.65. The Committee also recommend that laying of 'Review' on the Table should not be treated as a mere formality but should be a purposeful one, highlighting the bright as well as the dark sides of the picture. In other words the 'Review' prepared by the Government on the Report should not be a stereotyped or a technical one but should reflect a true picture of the working of the Corporation and should clearly bring out the achievements as well as deficiencies of the Corporation. Where the Report mentioned any serious

irregularity or any other matter of importance which needed corrective action or further enquiry, it was expected that Government would make a mention in the 'Review' of the action being taken in that direction.

KANWAR LAL GUPTA,

NEW DELHI;

April 2, 1979

Chaitra 16, 1901 (Saka)

Chairman,

Committee on Papers laid on the Table.

APPENDIX I

(Vide para 1.22 of the report)

The statement showing the dates of Board Meetings, the date on which the notice sent, the Directors attended, the Directors remained absent, replies, if any, from the absentee Director.

The date of Meeting/ adjournment thereof.	The date on which notice of BM sent	The directors Attended	The Directors remained absent	Replies if any from absentee Directors.
1	2	3	4	5
<i>Year 1974-75</i>				
16-5-1975	13-5-1974	Mr. A.M. Tariq " H.C. Khanna " M.B. Srinivasan " M.N. Nadkarni " Nitin Sethi " M.Y. Dehlvi	Mr. S.K.Kooka " S.K. Singh " S.S. Shukla " A.N. Mishra " K. Venkatraman " V.M. Bhatt Mrs. C. Mahapatra	
9-7-1974	1-7-1974	Mr S.K. Kooka " A.M. Tariq " H.C. Khanna " B.N. Nadkarni " Nitin Sethi " A.N. Mishra " S.P. Chowdhury " K. Venkatraman " V.M. Bhatt	Mr. S.K. Singh " S.S. Shukla " M.B. Srinivasan. " M.Y. Dehlvi	Telegram recd. from Mr. Shukla regretting inability. Telegram received from Mr. Dehlvi Telegram received from Mr. Singh Letter received. from Mr. Srinivasan.
29-9-1974	20-9-1974	Mr H.C. Khanna " B.N. Nadkarni. " Nitin Sethi " M.Y. Dehlvi Mrs. C. Mahapatra	Mr. S.K. Kooka " A.M. Tariq " S.K. Singh " S.S. Shukla " M.B. Srinivasan	Telegram recd. from Mr. Shukla regretting inability.
2-11-1974	26-10-1974	Mr. S.S. Shukla " H. C. Khanna " B. N. Nadkarni " K. Venkatraman Mrs. C. Mahapatra	Mr. S.K. Kooka " A.M. Tariq " S.K. Singh " Nitin Sethi " M.B.Srinivasan " M.Y. Dehlvi " S.P. Chowdhury " V.M. Bhatt.	Letters recd. from Mr. Mishra, Dehlvi & Srinivasan regretting in ability to attend the meeting.

1	2	3	4	5
30-11-1974	26-11-1974	Mr. B.N.Nadkarni " Nitin Sethi " M.Y. Dehlvi " V. M. Bhatt	Mr. S.K. Kooka " A.M. Tariq " S.K. Singh " S.S. Shukla " H.C. Khanna " M.R. Srinivasan " A. N. Mishra " S.P. Chowdhury " K. Venkatraman Mrs. C. Mahapatra
31-1-1975	22-1-1975	Mr. S. K. Kooka " S.M. Murshed " B. N. Nadkarni " Nitin Sethi " M. Y. Dehlvi " V.M. Bhatt	Mr. A. M. Tariq " S.S. Shukla " M.B. Srinivasan. " A. N. Mishra " S.P. Chowdhury " K. Venkatraman Mrs. C. Mahapatra	Telegram/Letter Message received from Mr. Shukla, Mr. Mishra & Mr. Srinivasan.
31-3-1975 (Adjourn - ed for want of quorum for 7-4-1975)	25-3-1975	Mr. S.K. Kooka " B.N. Nadkarni " Nitin Sethi " K. Venkatraman	Mr. A.M. Tariq " S. S. Sukla " S.M. Murshed " M.B. Srinivasan " A. N. Mishra " M. Y. Dehlvi " S. P. Chowdhury " V. M. Bhatt. Mrs. C. Mahapatra	Letter recd. Mr. A.N. Mishra Telegram recd. from Mrs. C. Mahapatra.
7-4-1975 (Adjourn- ment of 31-3-1975)		Mr. S. K. Kooka	All other Directors were absent.	..
Year 1975-76				
21-5-1975	21-5-1975	Mr. S. K. Kooka " S. M. Murshed " B. N. Nadkarni " K. Venkatraman " V. M. Bhatt	Mr. A.M. Tariq. " S. S. Shukla " M. B. Srinivasan " Nitin Sethi " A. N. Mishra " M.Y. Dehlvi " S. P. Chowdhury Mrs. C. Mahapatra.	Letter recd. from Mr. A. N. Mishra and Mr. M.Y. Dehlvi regretting inability.
27-7-1975	23-7-1975	Mr. S. K. Kooka " S. M. Murshed " B. N. Nadkarni " Nitin Sethi " V. M. Bhatt	Mr. A. M. Tariq " S.S. Shukla " M.B. Srinivasan " A. N. Mishra " M.Y. Dehlvi " S.P. Chowdhury " K. Venkatraman Mrs. C. Mahapatra.

1	2	3	4	5
26-9-1975 Adjourn- ed for want of quorum for 3-10-1975	23-9-1975	Mr. S. K. Kooka	All other Directors were absent.	
		Mr. S. K. Kooka " B. N. Nadkarni " Nitin Sethi " M.Y. Dehlvi " K. Venkatraman " V. M. Bhatt	Mr. A. M. Tariq " S. S. Shukla " S. M. Murshed " M.B. Srinivasan " A. N. Mishra " S.P. Chowdhury Mrs. C. Mahapatra.	Telegram recd. from Mrs. C. Mahapatra.
10-11-1975	7-11-1975	Mr. S. K. Kooka " B. N. Nadkarni " M. Y. Dehlvi " K. Venkatraman " V.M. Bhatt	Mr. A.M. Tariq " S. S. Shukla " S. M. Murshed " M.B. Srinivasan " Nitin Sethi " A. N. Mishra " S.P. Chowdhury Mrs. M. Mahapatra.	Letter received from Mr. A. N. Mishra.
30-3-1975	29-3-1976	Mr. Nitin Sethi " B.N. Nadkarni " V. M. Bhatt " M. Y. Dehlvi " K. Venkatraman Mrs. C. Mahapatra	Mr. S. K. Kooka " A. M. Tariq " L. Dayal " S.P. Chowdhury " A.N. Mishra " M.B. Srinivasan	Letter received from Mr. Mishra.
Law 1976-77				
28-6-1976	22-6-1976	Mr. S. K. Kooka " M.Y. Dehlvi " K. Venkatraman " V. M. Bhatt	Mr. A. M. Tariq " L. Dayal " Nitin Sethi " B.N. Nadkarni " S. P. Chowdhury " A. N. Mishra " M.B. Srinivasan Mrs. C. Mahapatra.	Telegram/ Letter Telex Missing received from Mr. Mishra, Mr. Dayal & Mrs. Maha patra.
29-9-1976	23-9-1976	Mr. S.K. Kooka " B. N. Nadkarni " M. Y. Dehlvi " K. Venkatraman Mrs. C. Mahapatra	Mr. A.M. Tariq " L. Dayal " Nitin Sethi " V. M. Bhatt " S.P. Chowdhury " A. N. Mishra " M.N. Srinivasan.	Letter from Mr. Mishra received.

1	2	3	4	5
12-11-1976 (Adjourned for want of quorum for 19-11-76)	5-11-1976	Mr. S. K. Kooka " B.N. Nadkarni " M. Y. Dehlvi	Mr. A. M. Tariq " L. Dayal " Nitin Sethi " K. Venkatraman " V. M. Bhatt " S.P. Chowdhury " A. N. Mishra " M.B. Srinivasan Mrs. C. Mahapatra.	Letter from Mr Mishra received.
19-11-1976 (Adjournment of 2-11-1976)	12-11-1976	Mr. S. K. Kooka " B. N. Nadkarni " V. M. Bhatt	Mr. A.M. Tariq " L. Dayal " N.V. Dehlvi " K. Venkatraman " S.P. Chowdhury " A. N. Mishra " M. B. Srinivasan Mrs. C. Mahapatra.	Letter / Telex Message received from Mr. Mishra and Mr. Dayal.

APPENDIX II

Summary of Recommendations|Observations contained in the Report

S. No.	Reference to para No. of the Report	Summary of Recommendations/Observations
1	2	3
1.	1.48	The Committee note that the Annual Report for the year 1974-75 of the Indian Motion Pictures Export Corporation Limited, Bombay and for 1975-76 of the Film Finance Corporation Limited, Bombay were laid on the Table of Lok Sabha on 29-6-77 and 13-7-77 respectively i.e. 27 months and 16 months after the close of the accounting year. The Committee further note that on the basis of the time limit prescribed by the Committee for laying the Reports of Government Companies on the Table in para 4.16 of their Second Report (Fifth Lok Sabha) the delay in laying the Reports comes to 6 months in the case of Indian Motion Pictures Export Corporation and 6½ months in the case of Film Finance Corporation. The Committee, however, note that the Annual Reports of both the Corporations for the year 1977-78 were laid within the stipulated period.
2.	1.49	The Committee further note that the Annual Report for 1974-75 of Indian Motion Pictures Export Corporation was adopted at the adjourned Annual General Meeting of the Corporation held on 5-1-1976 (after 9 months of the close of the year) as the Annual General Meeting scheduled to be held on 29-12-1975 was adjourned for want of quorum. Similarly the Annual Report for 1975-76 of Film Finance Corporation was adopted at the Annual General Meeting held on

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18-5-1977 (after about 14 months of the close of the year) as the 6 meetings earlier fixed for adoption of the Report (on 18-12-1976, 29-12-1976, 17-1-1977, 1-2-1977, 17-2-1977 and in April 1977) had to be postponed at the instance of the Ministry of Information and Broadcasting.

3. 1.50 The Committee also note that the Corporations did not follow the time schedules laid down in Section 166(1) of the Companies Act, 1956 for holding the Annual General Meeting which states that:

“Every company shall in each year hold in addition to any other meetings a general meeting as its annual General meeting and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of a company and that of the next.”

It is surprising and shocking to note that the Ministry of Information and Broadcasting who are charged with the responsibility of keeping a watch that the provisions of the Companies Act are strictly followed by the Corporations in holding their Annual General Meetings, themselves contributed in violating the provisions of the Act

4. 1.51 The Committee hope that the Ministry of Information and Broadcasting will ensure that such lapses do not recur in future. If the Annual General Meetings are fixed after mutual consultation between the Ministry and the Corporations, there will be no need to postpone them. Thus it will avoid loss of time and money.

5. 1.52 In the delay statement laid with the Annual Report for 1974-75 of IMPEC the Ministry have stated that printed copies of the report in English and cyclostyled copies in Hindi were made available to the Ministry in the month of April, 1976 whereas only cyclostyled copies of both the

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versions were laid on the Table. Later on it was revealed during evidence that in fact 20 copies of the report in English were received in the Ministry on 15-1-1976, which was not mentioned in the delay statement. The Committee observe that the delay statement was not prepared by the Ministry with due care and attention. The Committee cannot help expressing their unhappiness over the carelessness on the part of the Ministry in preparing the delay statement and placing facts before Parliament which are later on found to be untrue.

6. 1.53 The Committee, therefore, recommend that even the delay statement giving reasons for delay should be examined by a senior officer in the Ministry in order to ensure that no factual inaccuracy creeps into the delay statement.
7. 1.54 The Committee note that one of the reasons which contributed towards delay was that the accounts of the Indian Motion Pictures Export Corporation which were adopted at the Board Meeting held on 3-10-1975 were not properly prepared and had to be revised on the suggestion of the Audit. The revised accounts were again approved at the Board Meeting held on 10-11-1975 and at the adjourned Annual General Meeting of the Corporation held on 5-1-1976. Similarly in the case of Film Finance Corporation the accounts for the year 1975-76 were not completed in the manner in which these should have been completed and, therefore, the audit could complete auditing of accounts only in December, 1976 when the audit objections were settled by the Corporation. The Committee are of the view that had the accounts been prepared properly there would have been no difficulty in getting them cleared from Audit early and consequently much of the delay could have been avoided.

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8	1.55	The Committee need hardly stress that apart from proper maintenance of accounts by the concerned Corporations, there has to be a time bound programme for making the accounts available in time to Audit for auditing, resolving of audit queries with expedition so that the Annual General Meeting is held within the time limit prescribed in the Act and the Report is laid before Parliament within the stipulated period.
9.	1.56	The Committee note that Report of Indian Motion Pictures Export Corporation for 1974-75 was adopted at the adjourned Annual General Meeting of the Corporation held on 5-1-1976 (adjourned from 29-12-1975) but the Report was laid on the Table on 29-6-1977, i.e. 18 months after its adoption. The Committee also note that, as stated by the Ministry, in the Report was made available to the Ministry in April, 1976 who submitted it to the then Minister of Information and Broadcasting in July, 1976. The representative of the Ministry informed the Committee that the then Minister of I & B wanted some improvements to be made in the Report and the matter remained under consideration till February, 1977. The Committee were also informed that no improvements were made in the report at the instance of the then Minister. The Committee were informed that no improvements could be made in the Report after it was adopted in the Annual General Meeting of the Company, and this fact was not brought to the notice of the Minister by any officer of the Ministry.
10.	1.57	The Committee are constrained to observe that much of the delay could be obviated if the concerned officers in the Ministry had advised the then Minister for I & B that after a Report was adopted in the Annual General Meeting of a Company it was not open to the Ministry to carry out improvements in the Report. The Com-

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mittee trust that such lapses on the part of the Ministry will not recur and proper advise will be given to the Minister in such matters.

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1.58

From the statement furnished by the Indian Motion Pictures Export Corporation Limited (Appendix-I) the Committee find that out of 8 meetings of the Board of Directors of the Corporation held from 16-5-1974 to 7-4-1975, 7 meetings were not attended by two Directors (Sarvashri S. S. Shukla and M. B. Srinivasan), 6 meetings were not attended by another Director (Shri S. P. Chaudhry) and three Directors (Sarvashri S. K. Singh, A. N. Mishra and Shrimati Mahapatra) absented themselves from 5 meetings. The Committee further find that Shri S. K. Singh, whose term of Directorship of the Corporation was from 28-8-1971 to 30-12-1974, remained continuously absent from 5 meetings of the Board held from 16-5-1974 to 30-11-1974. Likewise Sarvashri S. P. Chaudhry and M. B. Srinivasan did not attend 5 and 7 meetings of the Board held from 2-11-1974 to 7-4-1975 and 9-7-1974 to 7-4-1975, respectively. Similarly out of 6 Board meetings held during 1975-76 Sarvashri A. M. Tariq, S. S. Shukla, M. B. Srinivasan, A. N. Mishra and S. P. Chaudhry did not attend any of them whereas Shrimati Mohapatra did not attend 5 of them. Out of the 4 meetings of the Board of Directors held from 28-6-1976 to 19-11-1976 during the year 1976-77, 5 Directors (Sarvashri A. M. Tariq, L. Dayal, S. P. Chaudhry, A. N. Mishra and M. B. Srinivasan) did not attend any of those meetings. The Committee also find that the meetings of the Board of Directors held on 7-4-1975 and 26-9-1975 had to be adjourned as no Director, except the Chairman of the Corporation, was present and no reasons were assigned by the absentee Directors for their absence. Similarly none of the absentee Directors even cared to intimate to the Board the reasons of their inability to attend the Board

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meetings held on 16-5-1974, 30-11-1974 and 27-7-1975.'

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The Committee are constrained to observe that the absentee Directors generally do not care to intimate to the Board the reasons due to which they would not be able to attend the meetings even when they are required to do so in fulfilment of the statutory requirement of the provisions of section 283 (g) of the Companies Act, 1956 which lays down that:

'The office of a director shall become vacant if he absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board.'

The Committee fail to understand why the IMPEC had not specifically brought to the notice of the Ministry of Information and Broadcasting the fact about the non-attendance of some of the Directors at the periodical meetings" as they were not getting adequate cooperation from the Government Directors on the Board of Directors.

13.

1.60

From the information supplied by the Corporation the Committee also find that leave of absence from the Board Meetings was invariably granted by the Board to the absentee Directors up to the year ending 1976. From the year 1977 onwards the above practice has been dispensed with and leave of absence is granted only to those Directors who seek such leave of absence on the merits of each case.

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The Committee are shocked to find this pathetic attitude of the Directors in attending the Board meetings and in certain cases circumventing the specific provisions of the Companies Act by simply informing the Board about their inability to attend the Board meetings. Even the Ministry of Information and Broadcasting did

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not care to keep a watch whether their nominees are taking interest in the Corporation. Had these reports been placed in time on the Table of the House, the matter could be raised by any Member in the House. Thus the delay in laying the report on the Table of the House has forfeited the very purpose for which this rule was framed. The delay hits the accountability of the Corporation to the Parliament.

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The Committee are of the view that no useful purpose is served by appointing such Directors on the Board of Directors who cannot attend Board Meetings continuously and who do not show any interest in the Board. The Committee, therefore, recommend that in order to make the Board of Directors really effective and purposeful, Government should review the method of appointment of Directors.

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1.63

The Committee need hardly stress that only such persons should be appointed as Directors who can make themselves available at the Board Meetings regularly and thereby safeguard the interests of the Government. The Committee feel that if Government Directors take active interest in the working of the Corporation there is no reason why the report and accounts are not finalised in time and placed before Parliament within the period laid down by the Committee. As regards continuous absence of certain Directors from the meetings of the Board, the Committee recommend that the procedure laid down in the Companies Act should be strictly observed, without any favour.

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1.64

The Committee note that 'Review' on the working of the IMPEC was laid on the Table alongwith the Report for 1974-75 but no 'Review' was laid with the Report for 1975-76 of FTC. It was later on laid on the Table by the Ministry on 14-12-1977 when the lapse was speci-

1	2	3
18.	1.65	<p>fically brought to their notice. The Committee trust that the Ministry would in future lay before Parliament alongwith the Reports their 'Review' on the working of the Corporation, without fail.</p> <p>The Committee also recommend that laying of 'Review' on the Table should not be treated as a mere formality but should be a purposeful one, highlighting the bright as well as the dark sides of the picture. In other words the 'Review' prepared by the Government on the Report should not be a stereotyped or a technical one but should reflect a true picture of the working of the Corporation and should clearly bring out the achievements as well as deficiencies of the Corporation. Where the Report mentioned any serious irregularity or any other matter of importance which needed corrective action or further enquiry, it was expected that Government would make a mention in the 'Review' of the action being taken in that direction.</p>