

## LOK SABHA DEBATES

### LOK SABHA

Friday, August 31, 1990/Bhadra 9,  
1912 (Saka)

The Lok Sabha met at three minutes  
past Eleven of the Clock

[MR. SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

[English]

#### Suit against Sir Richard Attenborough

\*325. SHRI B. N. REDDY:

SHRI VASANT SATHE:

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) the profits earned by the National Film Development Corporation (NFDC) of the film 'Gandhi' and how much of it has been transferred to the Cine Workers Welfare Fund;

(b) whether Government propose to take any action against Sir Richard Attenborough for his failure to transfer part of the profits from the Film 'Gandhi' as per the agreement with Government of India in April, 1981; and

(c) if so, the details thereof?

THE MINISTER OF INFORMATION AND BROADCASTING AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI P. UPENDRA): (a) to (c) A statement is laid on the Table of the House.

### STATEMENT

(a) As per the Co-production and Finance Agreement entered into by NFDC for the film 'Gandhi', which was executed on 10th April, 1981 between the Indo-British Film Limited (called Producer) Sir Richard Attenborough, National Film Development Corporation (called Co-Producer) and International Film Investors and Gold-Crest Film International (called IFI) apportionment of net profits on the film is required to be made as under:

IFI	:	31.485%
NFDC	:	18.515%
Cine Artistes Welfare Fund	:	5%
Producer's share	:	5%
Director, Writers cast and crew	:	40%

As per this apportionment, NFDC has received its full share of the profits amounting to Rs. 3.05 crores. 5% of the total net profits earned on the film is to be apportioned to the Cine Artistes Welfare Fund. As on 5-8-1990, this amount, including interest accrued thereon, amounts to ₹ 11,45,635 (approximately Rs. 3.8 crores). Out of this, the principal amount is ₹ 7,00,000 and the interest accrued thereon is ₹ 4,45,635. NFDC did not have to transfer any amount to the Cine Workers Welfare Fund because it has only received profits as per the apportionment agreed to in

the original agreement viz., 18.515%. 5% of the net profits from the film payable to the Cine Artistes Welfare Fund have not yet been repatriated to India, as Sir Richard Attenborough, one of the parties to the Agreement, has raised certain issues regarding the nomenclature, scope and appropriateness of the above charitable fund. At present, this 5% of the net profits is deposited in a trust fund.

(b) & (c) The Government is adopting a two-pronged approach viz., that of negotiations with Sir Richard Attenborough to ensure that he agrees to the repatriation of 5% of the net profits earned from the film for crediting in the Cine Artistes Welfare Fund, and simultaneously preparing itself to get the issue settled in a Court of Law in U.K. in case the negotiations do not yield the desired results.

**SHRI B. N. REDDY:** Sir, the producers of the film "Gandhi" have been making profit from 1984 and the NFDC has got a share of 18½%. Out of the total net profit, they are supposed to have paid 5% towards the Cine-artistes Welfare Fund. The hon. Minister has been kind enough to give us information that it would have accrued to Rs. 3.8 crores so far. We have accrued Rs. 3.8 crores so far and for the last six years this money has not been repatriated to us. Why do we not ask Sir Attenborough to give us the amount for the welfare fund because it is 'Gandhi' film and he has been holding the money so far.

**SHRI P. UPENDRA:** About 11 lakh pounds or Rs. 3.8 crores are lying in this Fund and the original agreement says that this money should be credited to the Cine Artistes Welfare Fund but no such Fund existed till recently. Only Cine Workers Welfare Fund was existing and Sir Attenborough took the line that "Since I committed to the Cine Artistes Welfare Fund and since the Fund is not existing, I am not bound to give." Subsequently, to get over this

legal lacuna, we raised a fund in the name of Cine Artistes Fund. Now we negotiating with him to transfer this amount to this fund.

**SHRI B. N. REDDY:** NFDC has got a share of 18½% and the Cine Artistes Welfare Fund is only 5%. We have accrued Rs. 3.8 crores wherein Rs. 2.4 crores is original amount and Rs. 1.4 crores approximately, is the interest. If we have accrued so much only for 5%, how is it that for 18½%, meant for NFDC we have accrued only Rs. 3.05 crores.

**SHRI P. UPENDRA:** NFDC got 18.5% of the profit but the amount of Rs. 3.05 crores is the net profit. They have got already 6.4% of assets which they have invested. That they already got it. It is in addition to Rs. 6.5 crores which they have got.

**MR. SPEAKER:** Shri Vasant Sathe.

**SHRI VASANT SATHE:** This is a very important matter for the welfare of Cine workers and artistes. I know it is a matter of fact that Richard Attenborough later on became 'Sir' because of making of this film on Mahatma Gandhi. From my knowledge of Mr. Attenborough, Sir Attenborough now, he is an honourable man, a man of his word and Gandhi's film has influenced him so much that I have no doubt that if a proper approach can be made to his sense of respect and truth for which Gandhi stood, Sir Attenborough will not stand on a technical issue of the meaning of the word 'workers' against 'artistes'. Any man who knows elementary meaning of English words or law, for that matter, can understand that 'worker' is a generic word in which every one including artistes will be included. If you are so keen, we can persuade him to say that "All right. You can put this money in the name of artistes. We do not mind. We will use the generic word 'worker' only for the welfare of artistes." That would have solved the problem and I believe it would.

The agreement was entered into in my presence. There was a talk. Sir Attenborough himself had suggested that we must use some part of the profits for the welfare of those who work in the cine industry. He did not use the word 'artiste' at that time. I had myself piloted the Bill for Cine Workers Welfare Fund and, therefore, I know that although at that time neither such a fund nor Bill had existed but the intention was there.

I don't think Sir Richard Attenborough will go behind his intention. I have a feeling that if the views of this House, this Parliament are conveyed to him, it will work.

**PROF. MADHU DANAVATE:** What is your question?

**SHRI VASANT SATHE:** I am coming to my question. Madhuji, at least you should not do this. You have been the past-master in this art..... *(Interruptions)* I am saying all this to put it on record that the Government should approach him. I would like to know from the hon. Minister whether he would take up, at his level, this matter—of course at bureaucratic level he has been doing. Before he hands over this Ministry, one very good aspect he can perform. He can take up this matter personally with Sir Richard Attenborough. I have no doubt about it. Will he kindly do this to persuade Sir Richard Attenborough to agree to transfer the fund?

*[Translation]*

**PROF. VIJAY KUMAR MALHOTRA:** You took 10 minutes to ask this thing.

*(Interruptions)*

*[English]*

**SHRI P. UPENDRA:** Sir, I fully support hon. Shri Sathe's contention. I met Sir Richard Attenborough in London on June 27, this year. *(Interruptions)*

**MR. SPEAKER:** The Minister has already met Sir Richard Attenborough.

**SHRI P. UPENDRA:** I conveyed exactly the same sentiments as mentioned by Shri Sathe telling: "You have earned a good name by producing a film on Mahatma Gandhi. You should be truthful to the assurance given. Don't take a cover under legal lacuna. The intention was very clear. Don't take this step. Therefore, we do not accept your argument that the word is worker and not artist." In fact, the definition of the Act which you piloted and passed says worker includes the artist also. Therefore, there is no lacuna, strictly speaking. Anyhow, I try to convince him. Negotiations are still going on. I hope he will come round to transfer this amount. *(Interruptions)*

**SHRIMATI BHATTACHARYA:** Sir, while we are talking of foreign films being produced in Indian locations, I would like to know from the hon. Minister whether the Government is providing any infrastructural facility for the filming of City of Joy in India, and whether this is creating any problem in this locality.

**MR. SPEAKER:** This doesn't form part of the question. This question relates to Sir Richard Attenborough's film on Mahatma Gandhi.

*(Interruptions)*

*[Translation]*

**SHRI RAM NAIK** (Bombay North): Mr. Speaker, Sir, profits to the tune of crores of rupees have accrued in this film. Though the film was made in Mahatma Gandhi's name, it appears that Sir Richard Attenborough is more interested in making profit. I would like to ask whether the Government of India has verified the accounts and the profit which have been worked out. He has further stated that there has been a net profit. Please let us know whether it is a fact? Whether any scrutiny in this regard was done on behalf of India?

*[English]*

**SHRI P. UPENDRA:** The scrutiny was done by the N.F.D.C. N.F.D.C. is also the co-producer.

They had invested money also. Only after verifying the accounts they arrived at the share. (*Interruptions*)

**SHRI K. S. RAO:** Sir, the hon. Minister as well as the former Minister Shri Sathe were praising Sir Richard Attenborough like anything probably not aware of the person. But the fact is that he has used Mahatma Gandhi's name. Shrimati Malini Bhattacharya was telling about the infrastructure facility in India. Also, the NFDC financed this project. I understand that the support given by the NFDC is substantial. Compared to his own investment, it is possibly nothing in terms of the money. So, almost it can be treated as if the major shareholder is the NFDC, both in terms of finance and infrastructure etc.

**MR. SPEAKER:** Please come to the question.

**SHRI K. S. RAO:** Both legally and morally, NFDC is the major share holder. Keeping in view the praise or admiration for Sir Richard Attenborough he should have already passed on this amount long back i.e. five years back. Now, I think he is taking shelter under a technical aspect i.e. the word is worker and not artist. He knows well that the Welfare Fund Act was brought into force later only to take care of this. I have got a doubt about his intention to pass on the money. Secondly, he is not sending also the audited report of his company stating that how much profit he has earned out of this film because it is almost exhibited in the entire world.

(*Interruptions*)

**MR. SPEAKER:** What do you want to know?

**SHRI K. S. RAO:** Not only are the cine artists losing Rs. 3.8 crores but even the NFDC also must not have got the full amount which is due to them because they did not receive the audited report. NFDC is also crediting petty amount in their

books of account based on un-audited report that are being received from Sir Attenborough. I wish to know from the hon. Minister, having done a delay of five years, is he going to take it seriously to see that even criminal action is taken against Sir Attenborough, if necessary to ensure that amount of Rs. 3.8 crores reaches the cine workers immediately and also he submits the audited report to NFDC?

**SHRI P. UPENDRA:** Shri K. S. Rao has said that this had been going on for more than five years. I do not want to blame anybody. But I can only say that since I took over, things have started moving and moving very fast. We are taking all steps to get that money and what other steps are to be taken to persuade them, that are also under contemplation.

**SHRI SONTOSH MOHAN DEV:** Sir, the hon. Minister has said that he has persuaded and he has not been successful as yet. May I know, if his persuasion fails, is he going to take legal action because it is a breach of partnership deed which was made between the two parties? May I know what legal action will he take?

**SHRI P. UPENDRA:** At this stage, I do not want to hold out any threat or anything on this. First we try to use the persuasive method and failing which other methods are always there. *(Handwritten note: Steel plants)*

#### Steel Industry in Nagpur and Vidarbha Regions

\*326. **SHRI BANWARILAL PUROHIT:** Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the small and medium steel industries in Nagpur and Vidarbha regions are facing severe shortages of raw materials;

(b) if so, whether the Steel and Hardware Chambers of Vidarbha