

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

RAJYA SABHA

QUESTION NO 22.08.1995

ANSWERED ON

SPECIAL AUDIT FOR EXPORT DEALS OF ITC .

1985

SHRI SANJAY SINGH

Will the Minister of FINANCE be pleased to state :-

(a) whether Government are aware that a Social Audit is being conducted on various export deals of ITC Ltd.; and

(b) if so, what are the details of the deals which have been audited and what are the details of the report submitted by it?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY):

(a) and (b) ITC Ltd., is a private sector company and the Board of Directors of the company deals with issues raised in the Board regarding its operations. The nominee directors of financial institutions (FIs) on the board of an assisted company are expected to act in the best interest of the company and also safeguard the interests of the FI concerned. The nominee directors periodically submit their reports to the FIs concerned on the board meetings attended by them. Based on their reports, where necessary, FIs take up the issues with the assisted companies. However, in accordance with the practices and usages customary amongst banks and in conformity with provisions of statutes governing public sector banks and FIs as also the provisions of public Financial institutions (Obligation as to Fidelity and Secrecy) Act, 1983, the information relating to individual constituents cannot be divulged.