

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2977

ANSWERED ON:02.08.2002

VIOLATION OF COMPANIES ACT BY RPL

GADDE RAMAMOCHAN;GANGASANDRA SIDDAPPA BASAVARAJ;M.V.V.S MURTHI;V. VETRISILVAN

Will the Minister of FINANCE be pleased to state:

(a) whether the Department of Company Affairs has detected that Reliance Petroleum Ltd (RPL) violated the Companies Act, 1956 by not circulating information about its dealings in shares of Reliance Industries Ltd (RIL) and RPL in the balance-sheet;

(b) if so, the facts in this regard;

(c) whether RPL had diverted public money about Rs.1000 crores for speculative activities;

(d) if so, whether the Government have ordered a full-fledged inspection of RPL and other group companies.

(e) if so, the details thereof; and

(f) the outcome thereof?

Answer

MINISTER OF FINANCE & COMPANY AFFAIRS (SHRI JASWANT SINGH)

(a) to (f) Inspection of books of accounts and other records of M/s Reliance Petroleum Ltd, M/s Reliance Industries Ltd and their four sister concerns have been ordered under Section 209A of the Companies Act, 1956. The inspection reports have since been received. A public interest litigation (Writ Petition No 1549 of 2001) has also been filed in the High Court of Delhi. The matter is sub-judice.