

**GOVERNMENT OF INDIA  
COMPANY AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:5185

ANSWERED ON:29.04.2005

SALE OF RIL SHARES

Das Gupta Shri Gurudas;Madhwaraj Smt. Manorama;Mehta Shri Alok Kumar;Mishra Dr. Rajesh Kumar;Mollah Shri Hannan;Owaisi Shri Asaduddin;Patel Shri Kishanbhai Vestabhai;Singh Shri Brij Bhushan Sharan;Singh Shri Sugrib;Tripathy Shri Braja Kishore

**Will the Minister of COMPANY AFFAIRS be pleased to state:**

- (a) whether Reliance Industries Ltd. and its sister organisation have sold out shares at discounted price in violation of law of the land;
- (b) if so, the details thereof;
- (c) whether the Government is aware that Reliance Infocom sold their 10 million shares @ Re. 1 each, but their parent Reliance Industries Ltd. (RIL) had paid @ 250/- each for the shares given to them;
- (d) if so, the reason for such differences in share price;
- (e) whether the Government/Securities and Exchange Board of India (SEBI)/Company Law Board has instituted any enquiry into the matter;
- (f) if so, the details thereof and outcome of such enquiry; and
- (g) the steps taken by the Government to protect the interest of shareholders of Reliance Industries Ltd. ?

**Answer**

THE MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA)

(a) & (b) Information is being collected and will be laid on the Table of the House.

(c) As per records available with the Registrar of Companies (ROC), 10 million shares of M/s Reliance Infocom Ltd. were acquired by three companies on 12th September 2002 as under:-

- i) M/s Fairever Traders & Consultants Pvt. Ltd. - 34,00,000 equity shares
- ii) M/s Softnet Traders & Consultants Pvt. Ltd. - 33,00,000 equity shares
- iii) M/s Prerna Auto Pvt. Ltd. - 33,00,000 equity shares

As per the statutory form filed by the company with ROC, M/s Reliance Industries Ltd. was not allotted any equity shares of the company after amalgamation order dated 16.12.2002 of Hon`ble High Court of Gujarat.

(d) Does not arise.

(e) & (f) Information is being collected and will be laid on the Table of the House.

(g) Reliance Industries Ltd. is a listed company. There is regulatory institutional structure in the form of SEBI to protect the interest of the shareholders of the company. In the event of violations of any other law, the Government may take legal action as appropriate.