

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO. 3435  
ANSWERED ON FRIDAY, THE 18<sup>TH</sup> DECEMBER, 2015  
[AGRAHAYANA 27, 1937 (SAKA)]**

**NON-COMPLIANCE OF COMPANY ACT**

**QUESTION**

**3435. SHRI JANAK RAM:**

**Will the Minister of CORPORATE AFFAIRS**

**be pleased to state:**

- (a) whether the Government has taken cognizance of complaints regarding alleged non-compliance of Companies Act and irregularities being committed by owners of teams participating in Indian Premier League (IPL);**
- (b) if so, the details thereof;**
- (c) whether the Government has received any complaints in this regard; if so, the details thereof;**
- (d) whether the Government has conducted/proposes to conduct any inquiry in this regard; and**
- (e) if so, the details thereof along with the action taken by the Government in this regard ?**

**ANSWER**

**THE MINISTER OF CORPORATE AFFAIRS**

**(SHRI ARUN JAITLEY)**

**(a) to (e) - Details are provided in the Annexure.**

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**Annexure to Lok Sabha Un-Starred Question No.3435 for 18.12.2015 by Sh. Janak Ram regarding Non-Compliance of Company Act.**

<b>Sl. No.</b>	<b>Name of the owner of the IPL Team</b>	<b>Violations of the Provision of Companies Act, 1956 u/s</b>	<b>Status in respect of scrutiny of documents under Section 234 of the Companies Act, 1956 ordered in April, 2010</b>
<b>1.</b>	<b>Indiawin Sports Pvt. Ltd</b>	<b>23</b>	<b>For non-compliance of Section 23 of the Companies Act, 1956 relating to signing of the franchisee agreement in the erstwhile name, i.e., Rathipriya Trading Pvt. Ltd on 10.4.2008, the company was warned. ROC, Mumbai had received a complaint against Indiawin Sports Pvt. Ltd for not providing certified copies of the Register of Members and Annual Returns and the matter was taken up with the company and the company replied that the inspection sought by the complainant was allowed and the certified copies of the Register of Members and Annual Returns for the last five years 2009-10 to 2013-14 were provided to him. The complaint was closed on 07.08.2015.</b>
<b>2.</b>	<b>Royal Challengers Sports Pvt. Ltd</b>		<b>No contravention of the Companies Act, 1956 was noticed.</b>
<b>3.</b>	<b>Deccan Chargers Sporting Ventures Ltd</b>		<b>Deccan Charges IPL Team was initially owned by Deccan Chargers Sporting Ventures Ltd., which was a wholly owned subsidiary of Deccan Chronicle Holdings Ltd. On scrutinizing the balance sheet of Deccan Charges Sporting Ventures Ltd., no violations of the provisions of Companies Act, 1956 were noticed.</b>
<b>4.</b>	<b>India Cement Ltd.</b>	<b>217A</b>	<b>On scrutinizing the balance sheet of the company, violation of Section</b>

		<p><b>372A (7 counts), 217 (2A)</b></p> <p><b>211,</b></p>	<p><b>217(2A) of the Companies Act, 1956 relating to non-furnishing of particulars of employees in the Director's Report was noticed and the company was warned.</b></p> <p><b>Subsequently, inspection and re-inspection of books of account of India Cement Limited were ordered under Section 209A of the Companies Act, 1956 on the basis of questionnaire of CBI relating to Jagan Case.</b></p> <p><b>Prosecutions were filed for contravention of Section 372A (7 counts) and Section 217(2A), which were compounded and prosecutions were withdrawn in respect of the above cases.</b></p> <p><b>Instructions have been issued by the Ministry to launch prosecution for contravention of Section 211 on 14.12.2015 and to examine certain other issues arising out of inspection and to submit report.</b></p>
<b>5.</b>	<b>GMR Sports Pvt. Ltd.</b>	<b>211(3C) read with Accounting Standard 11</b>	<b>ROC has been instructed to file prosecution. Show cause notices issued to the company and its directors and reply is awaited.</b>
<b>6.</b>	<b>KPH Dream Cricket Pvt. Ltd.</b>	<b>159, 220</b>	<b>Prosecutions were filed for non-filing of balance sheet and annual return for the year 2008-09. The prosecutions were withdrawn after compounding of offence by the Hon'ble Company Law Board.</b>
<b>7.</b>	<b>Knight Riders Sports Pvt. Ltd</b>	<b>383A and 211</b>	<b>Prosecutions were filed for violation of Sections 383A and 211 of the Companies Act, 1956. However, later on the company compounded the said offences.</b>

<b>8.</b>	<b>Jaipur IPL Cricket Pvt. Ltd</b>	<b>297, 301</b>	<b>Prosecutions were filed for violations of Sec.297 and 301 of the Companies Act, 1956. However, later on the company compounded the said offences.</b>
<b>9.</b>	<b>Sahara Adventure Sports Ltd.</b>		<b>No violations of the provisions of the Companies Act, 1956 were noticed.</b>

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