

Didn't withhold info for auditing by PwC: RCap

TIMES NEWS NETWORK

Mumbai: Armed with opinions from its statutory auditor and a legal firm that Anil Ambani-controlled Reliance Capital (RCap) had not violated any provisions relating to its relationship with auditing major Pricewaterhouse Coopers (PwC), the company on Thursday said that it would take all appropriate steps to safeguard the interest of its shareholders.

In June, PwC had resigned from being the statutory auditors of the company after alleging non-cooperation from RCap and had also indicated about instances of threats from top executives.

RCap sources said the company's top management was planning to file a suit aga-

inst PwC. "RCap's board noted the joint statutory auditors' view of 'no violation' under section 143(12) of the Companies Act. RCap's board also noted independent and reputed law firm's opinion confirming 'no violation' under section 143(12) of the Companies Act," a release from the company said.

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Its statutory auditors and a legal firm had independently examined all the relevant documents to confirm that there were no violations by the company as alleged by PwC.

Section 143(2) relates to wilful omission to provide information by any company official for carrying out statutory auditing of the company by its auditor.

PwC is yet to respond to RCap's comments in this matter. The company also said that the alleged basis relied upon by PwC for reporting under section 143(12) was "grossly inadequate, and does not even point to a single specific instance of alleged fraud".

On June 11 this year, PwC had resigned as auditor of RCap and subsequently informed the corporate affairs ministry about its decision.

RCap alleged that PwC did not share a copy of that letter with the ministry nor with the company nor with the board's independent audit committee. "RCap's board reaffirmed to take all appropriate steps to safeguard the interests of all stakeholders," the release said.