

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1883
ANSWERED ON:09.03.2001
BUNGLING BY PLANTATION COMPANIES
BHUPENDRASINH PRABHATSINH SOLANKI

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government are aware of the bungling to the tune of Rs.500 crore by the Anubhav Group of Companies in Gujarat;
- (b) whether the Green Gold Company of Mumbai has also deceived the public by showing seven times enhancement of money within five years;
- (c) whether the cheques of various schemes of these companies have bounced;
- (d) whether these companies assured the investors to refund the money immediately;
- (e) if so, the reasons for not refunding the amount so far; and
- (f) the action being taken by the Government against these companies ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (BALASAHEB VIKHE PATIL)

(a) : The Securities and Exchange Board of India (SEBI), which regulates Collective Investment Schemes (CISs), vide its press release dated December 18, 1997, directed existing schemes to file the details of their schemes with SEBI. According to information filed by M/s Anubhav Plantations Ltd., Chennai with SEBI on 28.01.1998, they have mobilised Rs.127.13 crores from the public under four schemes. The break-up of the amount mobilised in Gujarat is not available with SEBI.

(b) M/s Green Gold Agro Development Ltd., M/s Green Gold Forestry Ltd. and M/s. Green Gold Horticulture Ltd. had filed details of their schemes with SEBI. Thereafter, SEBI conducted a special audit of M/s. Green Gold Horticulture Ltd. As per the audit report, the company had launched 8 schemes offering varying returns.

(c). SEBI has received a few complaints from investors in these companies regarding bouncing of cheques.

(d), (e) & (f) : M/s. Anubhav Plantations Ltd. has been wound up by orders of the High Court dated 23.06.2000. The Official Liquidator, High Court, Chennai has been appointed as liquidator for the company. The administrator appointed by the court has intimated that the properties of the said company are being identified and sold on the orders of the court and the sale prices are deposited into the account of the Official Liquidator, High Court, Chennai. Further, he has stated that after all the saleable properties of the company are sold, the High Court will appoint a Claims Commissioner who will give a public notice in all leading newspapers inviting depositors/investors to file their claim petitions.

On notification of the SEBI (CISs) Regulations, 1999 M/s. Green Gold Agro Development Ltd., M/s. Green Gold Forestry Ltd. and M/s. Green Gold Horticulture Ltd. had applied for grant of registration. Since these companies did not fulfil the requirements of registration, their applications were rejected on February 12, 2001. Accordingly, in terms of the regulations, these entities are required to wind up their schemes and repay their investors. Further, they are required to send an information memorandum to the investors, within 2 months from the date of receipt of the intimation from SEBI.