

**GOVERNMENT OF INDIA**  
**MINISTRY OF CORPORATE AFFAIRS**  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 4062**  
**ANSWERED ON FRIDAY, THE 10<sup>TH</sup> AUGUST, 2018**  
**[SHRAVANA 19, 1940 (SAKA)]**

**FINANCIAL FRAUDS**

**QUESTION**

**4062. SHRI TEJ PRATAP SINGH YADAV:**  
**SHRIMATI ANJU BALA:**

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

कारपोरेट कार्य मंत्री

- (a) whether the Government has received several complaints of financial fraud against Sahara Q Shop as they are not able to return investment of lakhs of investors and if so, the details thereof along with the reaction of the Government thereto;
- (b) whether Securities and Exchange Board of India (SEBI) has returned money to all investors of Sahara Group companies and if so, the details thereof and if not, the reasons therefor;
- (c) whether the SEBI is directed to accommodate investors of other schemes of Sahara India Group namely Sahara India Q Shop as investors were forced to convert their investments into Sahara Q Shop from Sahara India Real Estate Corp (SIREC) and Sahara Housing Investment Corp (SHIC) and if so, the details thereof along; and
- (d) the details of corrective steps being taken by the Government to prevent/avoid such type of financial frauds in future in the country?

**ANSWER**

**MINISTER OF STATE FOR LAW AND**  
**JUSTICE AND CORPORATE AFFAIRS**

**(SHRI P. P. CHAUDHARY)**

(a): This Ministry has received 537 complaints till date against Sahara Q Shop Unique Products Range Limited of Sahara India Group for not returning the matured amount to the investors. Pursuant to the said complaints, the Ministry has ordered Inquiry u/s 206 of the Companies Act, 2013.

(b): No, Madam. The Hon'ble Supreme Court vide its Order dated August 31, 2012 had directed SEBI to make refunds to the investors of Optionally Fully Convertible Debentures (OFCDs) in only two of the Sahara Group Companies namely, Sahara India Real Estate Corporation Limited (SIRECL)

**and Sahara Housing Investment Corporation Limited (SHICL). As per the directions of the Hon'ble Supreme Court, SEBI had started the process of refunding the moneys to the investors of OFCDs of the above two companies viz., SIRECL and SHICL. In this regard, SEBI had issued a Press Release on 28.05.2013 and Press Advertisements during the months of August-September 2014 and December 2014, advising the investors at large to make necessary applications to SEBI for refund of their moneys invested in the OFCDs of the aforesaid two Companies viz., SIRECL and SHICL. SEBI has also made available the format of Application for Refund on its website ([www.sebi.gov.in](http://www.sebi.gov.in)) to enable the investors to make their applications for refund. Further, SEBI had recently issued Press Advertisements on March 26, 2018 and June 19, 2018 informing the investors that July 2, 2018 (cutoff date) was the last and final date for receiving applications for refund and that no application was to be accepted/entertained beyond the cutoff date. Further, SEBI had also informed investors that this was the last and final opportunity provided to the OFCD holders of the above two companies, to make their applications for refund.**

**As on March 31, 2018, SEBI had received 15,146 applications involving 43,405 accounts, and made refunds with respect to 12,522 applications involving 35,300 accounts for an aggregate amount of Rs.98.56 Crore including the interest of Rs.45.26 Crore.**

**(c): No, Madam. SEBI has informed that the Hon'ble Supreme Court vide its Order dated August 31, 2012 directed SEBI to make refunds to only those investors, who had invested in Optionally Fully Convertible Debentures (OFCDs) of Sahara India Real Estate Corporation Ltd., (SIRECL) and/or Sahara Housing Investment Corporation Ltd. (SHICL). Accordingly, the investments in other Schemes/Group Companies of Sahara including the Sahara Q-Shop are prima facie not covered in the said Order of Hon'ble Supreme Court.**

**(d): The Government has taken stringent measures against non compliant companies and directors.**

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