

**GOVERNMENT OF INDIA
MINISTRY OF COOPERATION**

**LOK SABHA
UNSTARRED QUESTION NO. 3034
TO BE ANSWERED ON 08/08/2023**

Refund from Cooperatives

**3034. SHRI RAVNEET SINGH BITTU:
SHRI THIRUNAVUKKARASAR SU:**

Will the Minister of COOPERATION (सहकारिता मंत्री) be pleased to state:

- (a) whether a significant number of investors have lost their hard earned money due to investment in various groups of cooperative societies including that of the Sahara Group;
- (b) if so, the details thereof along with the total estimated loss of investors money in such investments till date;
- (c) whether the Government has taken any steps for return of money to the concerned aggrieved individuals in the country;
- (d) if so, the details thereof and the timeframe for the return of the entire amount and if not, the reasons therefor; and
- (e) whether the Government has proposed any steps or to launch portals for submission of legitimate claims of the poor depositors and if so, the details thereof?

ANSWER

THE MINISTER OF COOPERATION
सहकारिता मंत्री (SHRI AMIT SHAH)

(a) to (e): The Cooperative Societies with objects not confined to one State are governed by Entry 44 of the List I - Union List of the Seventh Schedule to the Constitution and provisions of centrally administered Multi-State Co-operative Societies Act, 2002. The Cooperative Societies with objects confined to one State are governed by Entry 32 of the List II - State List of the Seventh Schedule to the Constitution and provisions of respective State Cooperative Societies Act.

A multi-State cooperative society registered under the provisions of Multi-State Cooperative Societies (MSCS) Act, 2002 and rules framed thereunder, functions as autonomous cooperative organisations and accountable to their members. As per the provisions of Section 49 of the MSCS Act, 2002, the business matters such as to admit members, to accept the deposits and investing the same and staff matters including payment of salary to them, etc. fall under the powers and functions of the board of the Society and the day to day management of the Society fall under the powers and functions of the Chief Executive of the Society as per the provisions of Section 52 of the MSCS Act, 2002.

Further, a very large number of complaints were received from the depositors of 4 Sahara Group of Cooperative Societies namely, Sahara Credit Cooperative Society Ltd., Lucknow, Saharayan Universal Multipurpose Society Ltd., Bhopal, Humara India Credit Cooperative Society Ltd., Kolkata and Stars Multipurpose Cooperative Society Ltd., Hyderabad. Thereafter, hearings were held between November, 2019 to December, 2020 before the Central Registrar of Cooperative Societies for these societies and during hearing, it was submitted by these societies that an amount of Rs. 86,673 crores has been collected from around 9.88 crore investors and out of which Rs. 62,643 Crore has been invested in Aamby Valley Ltd only.

Thereafter, an IA No. 56308/2023 was filed by the Ministry of Cooperation in the matter of WP (C) No. 191/2022 –Pinak Pani Mohanty vs UoI & ors. in which the Hon’ble Supreme Court vide order dated 29.03.2023, inter alia, directed that:

“(i) Out of the total amount of Rs. 24,979.67 Crores lying in the “Sahara-SEBI Refund Account”, Rs. 5000 Crores be transferred to the Central Registrar of Cooperative Societies, who, in turn, shall disburse the same against the legitimate dues of the depositors of the Sahara Group of Cooperative Societies, which shall be paid to the genuine depositors in the most transparent manner and on proper identification and on submitting proof of their deposits and proof of their claims and to be deposited in their respective bank accounts directly.

(ii) The disbursement shall be supervised and monitored by Justice R. Subhash Reddy, Former Judge of this Court with the able assistance of Shri Gaurav Agarwal, learned Advocate, who is appointed as Amicus Curiae to assist Justice R. Subhash Reddy as well as the Central Registrar of Cooperative Societies in disbursing the amount to the genuine depositors of the Sahara Group of Cooperative Societies. The manner and modalities for making the payment is to be worked out by the Central Registrar of Cooperative Societies in consultation with Justice R. Subhash Reddy, Former Judge of this Court and Shri Gaurav Agarwal, learned Advocate

(iii) We direct that the amount be paid to the respective genuine depositors of the Sahara Group of Cooperative Societies out of the aforesaid amount of Rs. 5,000 Crores at the earliest, but not later than nine months from today. The balance amount thereafter be again transferred to the “Sahara-SEBI Refund Account.”

In compliance of above order, an Online Portal ‘CRCS-Sahara Refund portal’ has been launched on 18.07.2023 for the genuine depositors of 4 Multi-State Cooperative Societies of Sahara Group. The Portal can be accessed through Ministry of Cooperation website <https://cooperation.gov.in> and <https://mocrefund.cres.gov.in>. The genuine depositors of these Societies may login the portal and submit their refund claims by filing online application and upload requisite documents i.e. proof of their deposits and claims. Only claims filed through online portal will be entertained. Subject to fund availability, the payment to the genuine depositors will be credited in their Aadhar seeded Bank account within 45 days after filing their online claims and they will be intimated the status through SMS/Portal. The entire process is being supervised and monitored by Justice (Retd.) Shri R. Subhash Reddy.
