

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
STARRED QUESTION NO. 268
ANSWERED ON MONDAY, MARCH 15, 2021/ PHALGUNA 24, 1942 (SAKA)

SAHARA INDIA GROUP INVESTORS

QUESTION

***268. SHRI NISITH PRAMANIK:**

SHRIMATI SANGEETA KUMARI SINGH DEO:

Will the Minister of CORPORATE AFFAIRS
be pleased to state:

कारपोरेट कार्य मंत्री

- (a) whether the Government has examined the complaints received against Sahara India for its Sahara Q Shop (SQS) scheme and if so, the details thereof;**
- (b) whether the Government is aware that SQS scheme came into existence on forced conversion of investments from Sahara India Real Estate Corporation/ Sahara Housing Investment Corporation and if so, the details thereof and the action taken thereon;**
- (c) whether the Government has collected data of SQS Investors and cases lodged by them across the country and if so, the details thereof and if not, the reasons therefor;**
- (d) whether the Government is aware that SQS investments are now converted into Saharayan Universal Multipurpose Society Ltd and other Sahara Group schemes and if so, the Government's reaction thereto; and**
- (e) The measures proposed to be taken by the Government to ensure the safe refund to investors at the earliest?**

ANSWER

MINISTER OF FINANCE
AND CORPORATE AFFAIRS

वित्त एवं कारपोरेट कार्य मंत्री

(SHRIMATI NIRMALA SITHARAMAN)

(श्रीमती निर्मला सीतारमण)

(a) to (e): A Statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF LOK SABHA
STARRED QUESTION NO. 268 FOR 15TH MARCH, 2021 REGARDING SAHARA INDIA
GROUP INVESTORS:**

(a): Ministry of Corporate Affairs has been receiving large number of complaints approx. 17000 from investors and through various authorities for non-payment of investment amount against Sahara Q Shop Unique Products Range Limited. Central Government had ordered Investigation under Section 212(1)(a) & (c) of the Companies Act, 2013 (the Act) into the affairs of Sahara Q Shop Unique Products Range Limited, Sahara Q Gold Mart Limited and Sahara Housing Investment Corporation Limited on 31.10.2018 to be carried out by the Serious Fraud Investigation Office (SFIO) on the recommendation of Registrar of Companies (ROC), Mumbai vide his report dated 14.08.2018 under section 208 of the Act. All the complaints are being investigated. Further, SFIO has examined that majority of the complaints pertain to the following:

- **Collection of deposits on false assurance.**
- **Conversion of investments of Sahara Housing Corporation Limited and Sahara India Real Estate Corporation Limited into Sahara Q Shop and other Sahara group companies.**
- **Conversion of deposits from Sahara Q Shop to co-operative societies of Sahara Group.**
- **Non-payment of maturity deposits; and**
- **Forceful conversion of money of investors into other group companies.**

(b): There are complaints alleging the conversion of investments of Sahara Housing Corporation Limited and Sahara India Real Estate Corporation Limited. The directors of these companies of Sahara have confirmed the conversions during the investigation by SFIO. The collection/ repayments/ conversions have been done through a partnership firm namely "Sahara India" and huge fund flow is seen from Sahara India into the books of account of Sahara Housing Corporation Limited and Sahara Q Shop. Funds have been transferred from Sahara Housing Corporation Limited to Sahara Q Shop also.

(c): The database of the investors of SQS and other group entities who have collected money from public has been obtained. The database of investors revealed that the money collected across 26 States of the country is through 2.77 crore policies. The data regarding the cases lodged by the investors in different States is not maintained by this Ministry.

(d) and (e): The investigation by SFIO so far has revealed that SQS investments are being converted into other schemes in Saharayan Universal Multipurpose Society Limited, Sahara Credit Co-operative Societies and two other societies of the group. SFIO is entrusted with the investigation into the affairs of Sahara Q Shop and 8 other companies of the Sahara Group. Hon'ble Supreme Court vide its Order dated August 31, 2012 directed SEBI to make refund to only those investors, who invested in Optionally Fully Convertible Debentures (OFCDs) of Sahara India Real Estate Corporation Ltd. (SIRECL) and/ or Sahara Housing Investment Corporation Ltd. (SHICL). Prima facie refund to investors of Sahara Q Shop is not covered under Hon'ble Supreme Court Order.
