

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UN-STARRED QUESTION NO. 1282
ANSWERED ON MONDAY, JULY 25, 2022/
SRAVANA 3, 1944 (SAKA)**

FRAUD BY SAHARA INDIA GROUP

QUESTION

**1282: SHRI RAJA AMARESHWARA NAIK:
SHRI RAJVEER SINGH (RAJU BHAIYA):
SHRIMATI SANGEETA KUMARI SINGH DEO:
DR. SUKANTA MAJUMDAR:
SHRI VINOD KUMAR SONKAR:
SHRI BHOLA SINGH:
DR. JAYANTA KUMAR ROY:**

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

- (a) whether cases of financial fraud by the Sahara India Group companies are under investigation of Serious Fraud Investigation Office;**
- (b) If so, the current status of the investigation and the steps being taken by government to nail the real culprit;**
- (c) the steps taken by Government to ensure Sahara Chief would not flee the country on the lines of other financial fraudsters;**
- (d) whether the Government is planning to seize all the properties of Sahara India Group companies and their owners and if so, the details thereof;**
- (e) whether the Government will arrest Sahara Chief as he failed to return the investments to public/ SEBI instead indulged in full page newspapers advertisements to fool Government/Public and if so, the details thereof; and**
- (f) whether the Government is aware that the family of Sahara Chief have taken citizenship in a foreign county, if so, the reaction of the Government thereto and the other steps being taken by the Government in this regard?**

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

[RAO INDERJIT SINGH]

- (a) & (b): The Ministry had assigned the investigation to Serious Fraud Investigation Office into the affairs of following three companies under the provisions of the Companies Act, 2013 vide its order dated 31.10.2018:**
- 1. Sahara Housing Investment Corporation Limited**
 - 2. Sahara Q Shop Unique Products Range Limited**
 - 3. Sahara Q Gold Mart Limited.**

In addition to above, the Ministry had ordered investigation u/s 219 of Companies Act, 2013 in respect of following companies:

- 1. Aamby Valley Limited**
- 2. Qing Ambay City Developers Corporation Limited**
- 3. Sahara India Commercial Corporation Limited**
- 4. Sahara Prime City Limited**
- 5. Sahara India Financial Corporation Limited**
- 6. Sahara India Real Estate Corporation Limited**

No investigation report has been submitted by Serious Fraud Investigation Office to the Central Government;

(c): Look-out circulars have been issued by Serious Fraud Investigation Office against the persons involved in the fraudulent activities relating to the companies under investigation;

(d): The Supreme Court in the matter titled Securities and Exchange Board of India Vs Sahara India Real Estate Corporation Limited & Ors. (Contempt Petition (C) No. 412 of 2012 in Civil Appeal No. 9813/2011) vide Order dated 21.11.2013 inter-alia ordered “.....Sahara Group of Companies shall not part with any movable and immovable properties until further orders....”

Subsequently, the Supreme Court vide its Order dated 04.06.2014 partially modified its Order dated 21.11.2013 and SEBI Orders dated 13.02.2013 as below:

“.....FDs, bonds and securities held by Sahara Group of companies may be encashed by the holders thereof subject to the condition that the maturity value/sale consideration of such FDs, bonds and securities shall be deposited in the designated bank account of SEBI referred to in the earlier part of this order and details of such maturity values and sale consideration furnished to this Court on affidavit to be filed within four weeks from the date the FDs, bonds and securities are encashed, sold and/or transferred.....”

Further, the Supreme Court vide its Order dated 11.07.2016 directed as below:

“.....we modify our order issued earlier and permit Saharas to sell the properties owned by them subject to the condition that such sales are not for a price less than 90% of the circle rates stipulated for the area in which the properties are situated. Needless to say, that the sale price so recovered by Saharas shall be deposited in entirety less expenses, TDS and all other applicable taxes in the SEBI Sahara Account....”;

(e): Any arrest under the provisions of Companies Act, 2013 is on need basis and at present there is no such proposal;

(f): During investigation into the affairs of company, citizenship of individual does not impede action under the provisions of the Companies Act, 2013.
