

Sixteenth Loksabha

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Title: Regarding refund to the people who invested in Pancards Club Limited

SHRI ARVIND SAWANT (MUMBAI SOUTH): In 1987 Pancards Club Ltd. company was formed and asked people to invest their money with lucrative offer of sharing 3/4 star hotels freely for certain days of the year or earn interest more than banks. Nearly 50 lakh people invested their money. The company grew, opened their hotels even abroad and was paying the assured interest regularly to the investors. In 2001/2002 Pancards Clubs Limited asked SEBI during the year 2001/2002 as to whether the current schemes of the company fall under CIS regulation. SEBI did not response. In July 2013, some amendments to CIS regulation were carried. After that a question was raised by the then MP Shri Sanjay Patil through his letter dated 21st Oct. 2013 whether PCL falls under CIS to which SEBI replied that they have examined the matter of PCL during 2010 to 2011 wherein it was found that the activities of the company do not attract SEBI (CIS) regulations 1999. However, they would further examine as to whether activities of the company fall under CIS as per regulations of 1999 as amended by ordinance of July 2013. After this SEBI closed the Pancards Club Ltd. Since then the investors are striving hard to get their money back. SEBI has already seized and acquired the properties of PCL. In fact, some of the hotels owned by PCL are still running and earning money from there. Hence, I demand and request the Hon'ble Finance Minister to initiate prompt action to protect the investors who have invested their hard-earned money in it by refunding their money at the earliest by auctioning the properties of PCL. Luckily, PCL is having assets more than the money of 50 lakh investors. Hence, speedy action is required.