



## Economy

FORTIS/RELIGARE SAGA

# Malvinder: For spiritual seat, Shivinder allowed Dhillon to siphon off ₹8,646 crore

**PALAK SHAH** Mumbai | Updated on February 17, 2019 Published on February 17, 2019





In happier times Malvinder and Shivinder Singh - THE HINDU

In police complaint, accuses former head of Religare Godhwani of fraud; Malvinder claims he was threatened whenever he tried any recovery

After years of speculation that Gurinder Singh Dhillon, head of Radha Soami Satsang Beas (RSSB), a North India-based spiritual commune, received thousands of crores from the Singh brothers of Ranbaxy, Malvinder Singh has now detailed how money allegedly flowed from his companies to the 'spiritual leader.'

In a complaint this month to the Economic Offences Wing (EoW) of the Delhi police, Malvinder accused his younger brother, Shivinder, the Dhillon family and the former head of Religare Enterprises, Sunil Godhwani, of criminal conspiracy, cheating and fraud for allegedly siphoning off thousands of crores from RHC Holdings, the group's holding company that once promoted Fortis Hospitals and Religare.

Article Continues Below



What the complaint says

According to the complaint, a copy of which is with the *BusinessLine*, loans extended to the Dhillon family reached ₹5,481 crore and Malvinder was repeatedly threatened whenever he tried any recovery. The complaint has various ledger details, bank account statements and email correspondence between the associates of Dhillon, Shivinder and Malvinder.

It claims that apart from loan termed as 'Part 1', the total outstanding from Dhillon as on March 2016 stood at ₹8,646.47 crore. 'Part 2' included "investments held for Dhillon and losses proportionate to his shareholding parked with (Singh brothers) for business reasons."

"Shivinder initiated these actions and permitted siphoning and malfeasance of funds with the ulterior motive of gaining control of the seat of the spiritual head of RSSB, which was promised to him by Dhillon in lieu of the financial gains," the complaint states.

According to Malvinder, the genesis of the fraud can be traced to Godwani's induction into Fortis Finance (now Religare) in 2001 and later RHC (which he managed), both at the behest of Dhillon. Being a member of Fortis Healthcare and SRL boards, Godhwani was also a key decision maker in the financial affairs of these companies and controlled the subsidiaries of RHC. After their father's death, the Singh brothers considered Dhillon as a 'guide.'

Malvinder says Shivinder was involved in the affairs of RSSB and visited its headquarters frequently. Godwani intertwined the finances of the Dhillon family and the companies of the Singh brothers, and in collusion with Shivinder, diverted group funds. Malvinder presents detailed reports on personal loans extended to Dhillon, his wife, children and close associates by his group companies. He has also attached copies of several requests made by him to Dhillon for settlement and return of funds as apart from RCH Holdings, the Dhillon and Godwani family owed ₹600 crore to Fortis Healthcare. SEBI has accused the Singh brothers of diverting ₹403 crore from Fortis Healthcare to RHC.

The complaint says Shivinder acquired six companies belonging to Dhillon and his associate Rajveer Singh Gulia to absorb the loans into the books of RHC. Also, “Shivinder unilaterally signed a purported family settlement with Dhillon to absolve him of any wrongdoing and Malvinder was threatened to do the same.” Malvinder has said in his correspondence he was shocked to know that companies acquired by RCH were not going concerns by 2017-18. “How can this happen so quickly?” he wondered.

Malvinder states that Dhillon wrote to him seeking discharge from the liabilities. While Shivinder did not reply to emails, calls and WhatsApp messages, Malvinder did not want to comment. Dhillon could not be reached. Gulia said Malvinder’s claims are imaginary.

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# When cover for farmers came a cropper

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Amount : Rs. 506150/-  
Date : 30.12.2017  
UTR No : SBIN517564430769  
Number of Farmers : 62

As per required by  
the applicant with  
letter dated  
29/01/2019

## How 140 farmers in Maharashtra's Jalna district have been left high and dry

Farmers of Jalna district in Aurangabad Division of Maharashtra, who planted pomegranate, mango and sweet lime in the 2017 kharif season and lost their crop because of a drought are in a state of despair. Despite coughing up premiums for the Pradhan Mantri Fasal Bima Yojana (PMFBY), they have not received a penny from the insurance company, which contends that the relevant papers have not reached it. However, the SBI branch through which the farmers tendered the premium refutes the contention of the insurance company.

Caught in this game of 'passing the buck', farmers are fast losing hope of getting their compensation in the near future.

Article Continues Below



The distress of the 140-odd farmers is understandable as there is hardly any redress mechanism available to them. In a bid to understand the core issue better, this writer reached out to the farmers, the SBI branch in Badnapur and the representative of the insurance company, IFFCO Tokio.



Farmers' angst

The excessive reliance on the fickle weather conditions has left farmers high and dry in this arid Marathwada region. The story of Raisingh Zendusingh Sundrde from Rajawadi Village in Badnapur, Jalna, perhaps best explains this. Awarded as the best *mosambi* farmer in the area in 2016, Sundrde soon ran out of luck and suffered huge crop losses in 2017. Despite taking cover under the PMFBY, he is now caught in a debt trap. For the 20 acres split between him and his brothers, he paid a premium of about ₹32,000 through the SBI branch in Badnapur in 2017. “I actually borrowed from a money-lender at 4 per cent monthly interest to pay the premium and am now neck-deep in trouble,” laments Sundrde.

The insurance for that particular season was handled by IFFCO Tokio for the region.

Ramdas Shesharao Bhargaje, a farmer who has two hectares and had insured his mango crop, is also in the same boat. “I paid the premium for my crop to IFFCO Tokio through SBI, but didn’t get any payment. Farmers who paid through other banks or through the CSC (Common Service Centre) have been paid the claim.”

The amount of premium paid by the 140 farmers of the area totals ₹9.76 lakh. All of them have paid through the SBI branch.

“I get suicidal instincts sometimes...if I go to the bank to enquire, the manager doesn’t speak properly; he doesn’t give respect...” says Sundrde.

### What the SBI branch says

The farmers in the area had joined together and had lodged a complaint with SBI and also the District Collector, but no action has been taken.

When *BusinessLine* visited the SBI branch in Badnapur, the manager didn't offer much. "We don't know! We sent all documents and premium as and when we received them. We don't know anything else about this..."

Curiously, the manager had no information of the insurer or any representative who could clarify on the matter.

*BusinessLine* tracked the representative of the insurance company concerned and reached out to him on phone. "We didn't get the documents of the farmers on time, so we didn't process their claims," was his reply.

## No solution in the near term

With no office set up by the private insurer — IFFCO Tokio — in the district, farmers running from pillar to post — from bank branches to government agencies — have little hope of the issue getting resolved.

Though the missing documents have now finally reached the insurer, it doesn't look like the farmers will receive their settlement.

"Only now the bank has sent the documents. But we can't settle the claims now as we haven't received government subsidy for these farmers," states the same IFFCO Tokio representative.

According to the guidelines for the PMFBY, if there has been incorrect/partial/non-uploading of details on the national crop insurance portal due to which insurance has been denied, the banks concerned will be held responsible for the payment of claims. But in this case, SBI has washed its hands off the issue.

After over a year of struggle, the farmers are despondent. It is shocking that policies taken over a year back are still pending settlement for want of documents. Government norms mandate that crop insurance payments are settled within 45 days. But, then, there is no redress system in place to ensure that the timeline is met and action is taken against the the banks or insurers.

*(to be continued)*

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