

Adarsh scam report: Patil panel details 22 benami transactions

The inquiry report into the Adarsh housing scam here, that has already resulted in more than one political upheaval, is like the script of a Bollywood movie, with politicians and bureaucrats playing star roles.

Among other things, you have a driver in Nagpur who'd never been to this city and a roadside vegetable vendor both suddenly buying a flat in the now infamous 31-storey Adarsh cooperative [housing society](#) (CHS).

A two-member commission headed by a retired judge of the high court here, J A Patil, and also comprising former bureaucrat P Subrahmaniam, has given a 670-page report. This has 36 pages exposing 22 [benami transactions](#) of sales and purchases, such as the two instances mentioned earlier. The commission says such 'members' were almost fully financed by third parties and by advancing huge amounts of loan without security or interest.

The commission has referred to seven court cases to substantiate its scathing observation that 22 of 103 cases of purchases of flats were found to be benami, prohibited under the relevant law of 1988. Of these 22 flats, as many as eight are associated with Abhay Sancheti, brother of Ajay Sancheti, a Rajya Sabha member of the Bharatiya Janata Party. The latter is considered a confidant of the BJP's former national president, Nitin Gadkari. The commission says Abhay Sancheti and the Nagpur-based San Finance Corporation were the proxy owner of all eight flats. Abhay is a director of San Finance Corporation and of SMS Infrastructure, a sister concern.

The panel has named Suresh Atram, Sudhakar Madke, Rajesh Bora, Jagdishprasad Sharma, Parmanand Hinduja, Manilal Thakur, Paramhans Ram, Amarjit Singh and Kiran Bhadange as benami holders financed by Sancheti's firm.

Here's a closer look at these findings:

Suresh Gulabrao Atram (flat no 904, B wing) works as a peon with SMS Infrastructure and was given a loan of Rs 59,50,000 by San Finance.

Sudhar Laxman Madke (flat no 902, B wing), a driver with San Finance Corporation, was given a loan of Rs 60 lakh by the company for buying a flat.

Rajesh Bora (flat no 1004, B wing), brother-in-law of Abhay Sancheti, took a loan of Rs 60 lakh from the company. The flat allotted to Bora is adjoining the flat of Madke.

Kiran Bhadange's (flat no 1503, B wing) stated monthly income is Rs 500. The commission said it was

obvious that with this income, he would not have ventured to buy a flat in the Cuffe Parade area by spending Rs 63 lakh. He is close to the Gidwani family. The late Kanhaiyalal Gidwani was co-promoter of the Adarsh CHS.

Vishal K Kedari (flat no 802, A wing), a vegetable vendor, purchased a flat for Rs 59,10,768. He raised the amount by borrowing Rs 3,40,000 from Sevakram Nayyar and Rs 28 lakh from Parveen Nayyar, Rs 20 lakh from Amit Thepade and Rs 10 lakh from Sunil Advani. All these loans are interest-free. He has not made repayment of any loan to the persons from whom he borrowed.

Rupali Raorane (flat no 1703 B wing) is believed to be close to a senior minister in the state's council of ministers. She paid Rs 65,05,768. She obtained a loan from Superline Constructions, at 10 per cent annual interest. However, given with no security and without ascertaining the repayment capacity. "It is not a charitable company to advance loans from needy persons. There is nothing in the evidence of Rupali as to for what purpose she wanted to buy a flat in Mumbai," notes the panel. Probably benami, too, it has said.

Forward

In view of Congress Vice-President Rahul Gandhi's directive to review the state cabinet's decision to reject the commission's report, the government is expected to initiate an [CID](#) inquiry against these 22 transactions. Opposition parties have already made a strong demand in this regard.

Additionally, the Central Bureau of Investigation, which is currently probing the Adarsh scam, might look into these. The enforcement directorate and income tax departments are also likely to step in.

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