

Date: 10/02/2016

From:

Vundavalli Arun Kumar,
Advocate,
(Former Member of Parliament),
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To

Hon'ble Shri Pranab Mukherjee,
Hon'ble President of India,
New Delhi.

Honoured Sir,

I bring to your kind notice as to how the prestigious National Award "Padma Vibhushan" for the year 2016, is bearing awarded to one Shri Ch. Ramoji Rao, who is involved in economic offenses, civil, criminal & revenue cases. By conferring such a prestigious award like Padma Vibhushan to an accused facing several trials... without any IB verification, is unfortunate. In an advanced technology of software and high speed internet world, with just a bare click of the mouse, on the name of Shri Ramoji Rao, the whole world can look into the cases and allegations which he has been involved in. I want to bring into your kind notice, few cases, which are in my personal knowledge.

1. Margadarsi Financiers :

C.C. 540 of 2008 on the file of I Additional Chief Metropolitan Magistrate, Hyderabad for offences under Sections 45(S)(1) and 45(S)(2) of the Reserve Bank of India Act, 1934. The allegation in this case was that Sri Ramoji Rao had illegally collected around Rs.2600 crores as deposits from around 2 ½ lakh persons. He admitted having collected the deposits. Under the provisions, if the guilt is established, he would be liable for fine which can be twice the amount of deposits he had collected i.e. Rs. 4200 crores and imprisonment , which can be extended up to 2 years.

Mr. Ramoji Rao approached the Hon'ble High Court of Andhra Pradesh by filing Writ Petitions challenging the appointment of the One Man Commission, to probe into the money collection. He made allegations not only against the then Chief Minister Sri YS Rajshekar Reddy but also the then ruling party. A Division Bench of the Hon'ble High Court of AP rejected the said plea of Mr. Ramoji Rao. A copy of the Affidavit filed by Mr Ramoji Rao in the said Writ Petition and a copy of the Order of the Division Bench of the Andhra Pradesh High Court are annexed to this Representation.

Mr. Ramoji Rao, after my exposure of his illegal business of collection of deposits realized that what he has been doing was illegal. He coolly announced that he stopped the collection of deposits. He claims that, till date, he has returned the deposits substantially, to his Depositors. But he is not allowing any independent Agency to verify or examine into the truth of such claims.

The State of Andhra Pradesh through an authorized Officer appointed by it under the Reserve Bank of India Act, 1934 filed a Criminal Complaint, the said C.C. 540 of 2008 on the file of I Addl. CMM, Hyderabad against Mr Ramoji Rao and Margadarsi Financiers to prosecute him for the violations committed by him under Sec.45 (S) (1) and under Sec.45 (S) (2) of the Reserve Bank of India Act, 1934. On one ground or the other, Mr Ramoji Rao was not allowing this case to be enquired into. Petitions after Petitions he had filed and stalled the proceedings. A book by me "RAMOJI RAO EXPOSED – IN SIDE STORY OF MARGADARSI FINANCIERS" is enclosed here with which will give the full details of the SCAM.

Annexure –A- Copy of the Complaint by the State of Andhra Pradesh CC 540 of 2008.

Annexure –AA- Copy of the Report of the commission of Sri N. RangaChari.

Annexure – C – Copy of W.P filed by Mr. Ch Ramoji Rao.

Annexure – D- Copy of the order of the High Court of Andhra Pradesh.

Annexure -1: Copy of the another letter from by Shri S S Palanimanickam, dated 09th April , 2010.

2.Margadarsi Chit Funds :

Mr. Ramoji Rao has also been carrying on Chit Fund business in the name of M/s Margadarsi Chit Fund Company. There are cases pending against him under the A.P. Chit Funds Act, 1971. In all those cases he has been avoiding the prosecution by stalling the proceedings by obtaining some stay orders. He has been contending that the A.P. Chit Funds Act, 1971 will not apply to his business as his company, Margadarsi Chit Funds was started in 1964, much prior to the said Act.

His contention in this regard is a blatant abuse of law, to say the least. The allegations against him, in this regard, include that he received cash instead of by cheque money from the Chit subscribers by creating vouchers in fictitious names.

He had violated payment of Income Tax on such receipts which runs into crores of Rupees. In the year 2007 a penalty of Rs.1157 Crores, was proposed as penalty by the income tax department Hyderabad, the proceedings in this regard are got stayed by filing cases in the High Court.

When the statutes obligate him to deposit the Prize money in Nationalized Banks he got the money in to his concerns be it Margadarsi Financiers or other concerns. For this violation also proceedings are pending against his Margadarsi Chit Fund Company.

In all the above said proceedings Mr. Ramoji Rao has been taking completely contradictory stands in order to secure interim Orders from several Courts including the Supreme Court of India.

Annexure -2 : A copy of the letter from RBI dt. 05.11.2008.

Annexure -3 : A copy of my letter to the Governor RBI dt 14.02.2011.

Annexure -4: A copy of the letter from Commission Inspector General of Register and Stamps to the Principal secretary to Chief Minister Andhra Pradesh non violation of Margadarshi Chit Funds.

3. M/s Margadarshi Marketing Pvt. Ltd

M/s Margadarshi Marketing Pvt. Ltd., was also involved in a case involving illegal export of antiquities and handicrafts in the name and style of 'Kalanjali'. The said company had violated the Antiquities and Art Treasures Act, 1972. The proceedings in this regard are still pending before the concerned authorities and there are serious charges levelled against Mr. Ramoji Rao and his company this above case relating to Antiques pertains to the year 1996. Mr. Ramoji Rao has been successful delaying the said proceedings to this date.

Annexure -5: Copy of the My letter to Ambika Sony on 30.05.2008.

Annexure-6: Copy of The letter from P.S to the minister Tourism & Culture Government of India dt 08.07.2008.

Annexure -7 : Copy of the Archaeological Survey of India letter dated 12.10.2001

Annexure -8: Copy of the Archaeological Survey of India letter dated 22.04.2010.

4. Violation of Land Sealing Act, Ramoji Film City:

The Competent Authority under A.P. Land Reforms (Ceiling on Agricultural Holdings) Act, 1973 by a common order dated 8-8-2007 held that Ch. Ramoji Rao's kith and kin and his group Companies have been holding around 2000 acres of land in excess of the ceiling limit. A copy of the order of the competent authority is enclosed. In this land he had built up Ramoji Film City. The whole of this land, the allegations was, he had acquired by purchasing excess land from surplus land holders which otherwise would have been available to the Government for distribution to those below the poverty line. Even in this case, he filed proceedings in the High Court and got the orders stayed.

Annexure-B – Copy of the Report of the land reforms tribunal, Rangareddy Dt.

5. PERJURY (making a miss representation under oath):

In Margadarsi financiers case, Mr. Ramoji Rao filed (SP 2847/07) affidavit in Supreme Court of India and also in Hyderabad High Court (WP 27065/6) vouching that all his business is controlled by his family Ramoji HUF and in the list he gave in his affidavit, Margadarsi Chit Funds Ltd., is also there.

In a defamation case filed against me in the civil courts Hyderabad, The Margadarsi Chit Funds Ltd., represented by Sri P.Rajaji, filed a sworn affidavit that Mr Ramoji Rao has nothing to do with Margadarsi Chit Funds Ltd., and also stated that Margadarsi Financiers has no connection with Margadarsi Chit Funds Ltd.

Thus Mr. Ramoji Rao indulged in PERJURY by misleading the Supreme Court and High Courts, stating that his family owns Margadarsi Chit Ltd., where as Margadarsi Chit Ltd., authorized signatory declared it's not true.

This comes under "PERJURY" punishable under section 193 IPC. (seven years imprisonment) As soon as the trail of the defamation case against me starts in the city criminal Court, Nampally, Hyderabad... this PERJURY will be taken up.

If it is proved that what Mr.Ch Ramoji Rao filed in Supreme Court & High Courts is true, still he will be liable for punishment for the false affidavit given by authorized signatory of Margadarsi Chit Funds Ltd., as the company is Ramoji Rao's family property. Either way, Ramoji Rao cannot escape from the charges of misleading the Court willfully!

In the management of M/s Ushodaya Publications, one of the concerns of Ramoji rao, which publishes the news paper Eenadu, there are allegations that en masse huge number of its employees were either sacked or resignations were obtained by force. Complaints have been made to the Labour Commissioners, who passed an order on 15/9/2014.

ABOUT THE NEWS PUBLISHED IN EENADU, Ramoji rao himself through his lawyer had stated in the court of law about the nature of the stories in the said news paper run by him as hereunder:

“...Your client’s reference to some “news item” in Eenadu relating to sale value cannot be of any relevance in fixing a rent for a site with a building thereon.....assuming but not admitting that the value per sq.yard is 30,000 is mentioned in the news item it is an exaggerated figure. The value of the property is totally irrelevant in deciding the rent payable. Your client reference that my client is Chief Editor, Eenadu does not mean that every item published in his paper is binding on him.”

CHEATING CASE IN VISHAKAPATNAM: Mr Ramoji Rao is the First accused in Crime No 1160/2007 in the file of Vishakhapatnam III Town police station for offences under Sections 406, 409,417, 418,and 420 of Indian Penal Code 1860. Charges have been framed against him and his concerns after due investigation. Prosecution proceedings are got stalled at every stage by Ramoji Rao by filing some or other proceeding in one or other court. These offences also relate to the site and building in which the said News office is located in Vishakhapatnam. A copy of the Charge sheet is enclosed which is self explanatory of the criminal acts which are alleged against Ramoji Rao for which he is facing trial and enquiry.

Annexure –E- Copy of the Charge sheet filed in Vishakapatnam Court

On 10th may, 2012 I sent a representation to the then Prime Minister & Finance Minister to order and enquiry into the activities of Shri Ch.Ramoji Rao who has been indulging in multiple financial transactions amounting to "Money Laundering"

I have received a reply from the Minister of the state finance Shri S.S.Palanimanickam.

It was also informed to me that notice were issued by the Registrar of Companies-Andhra Pradesh, to Ramoji business concerns. Notices for violating various sections were given including under section 628, which is punishable with 2 years imprisonment.

Annexure 9: Copy of my representation to Honorable Shri Pranab Mukharjee, dated 10th May, 2012.

Annexure -10: Copy of the reply given by Shri S S Palanimanickam, dated 18th July, 2012.

In the larger interests of the Nation and probity in public life I request the Hon'ble President to cause an enquiry on the recommendation of State of A.P., recommending "Padma Vibhushan" to Mr. Ch. Ramoji Rao and withdraw the said Award to him in Public Interest.

Be pleased to consider,

Date: 10-2-2016

Hyderabad



(Vundavalli Arun Kumar)

Former MP, Rajahmundry, A.P