

Last week, Uncovered reported how Dinesh Dalmia is wanted by authorities in a Rs 2,000 crore scandal spanning continents. Here is a look at how he built his empire in the US, through a maze of entities that allegedly helped him funnel funds from lenders into his own pocket. The keys to whether Dalmia is guilty or not may well lie with TC Ashok. In 2000, Dinesh Dalmia had illegally issued and later sold 1.3 crore preferential shares to three Mauritius based companies; New Vision, Softec Trust and Technology Trust. But in 2004, in his statement to Sebi, he justified it by saying that it was done as a share swap deal, to buy out Fortuna Technologies, a company owned by TC Ashok. The 2004 Sebi order against Dalmia says TC Ashok owns the three companies. It says the shares were further transferred to DSQ Holding Ltd and other Dalmia controlled companies and were used in allegedly rigging DSQ Software's shares - another Dalmia company. Sebi then goes on to establish how these entities were nothing but fronts for Dalmia. Moreover, a Kolkata based broker H Biyani told the Joint Parliamentary Committee, that probed the Ketan Parekh scam, that he received part of these shares during the Kolkata stock exchange payment crises from TC Ashok. So who owns these three entities? If investigators can prove these are owned by Dalmia himself, then Dalmia effectively sold his own company's shares at a throwaway price to his own entities and earned gains of close to Rs 2,000 crore. So does T C Ashok own these entities? Did he receive any share from Dalmia? Did he deliver these shares to brokers? TC Ashok clearly said to CNBC-TV18, that he does not own these entities and has not been shown any evidence to this effect by Sebi. Meanwhile, let's take a look at how Dalmia carried out a rather audacious network of companies to funnel funds from lenders into his pocket. With regulators on his heels for an alleged Rs 2,000 crore scandal, Dinesh Dalmia decided to move to New Jersey, USA in 2003. He had planned this move 13 years ago, when he floated DSQ Software in the USA as well. This is how Dalmia weaved his web. Allserve Systems, a New Jersey based firm filed for bankruptcy last year. The firm owes companies and banks in the USA \$85 million. A report by a leading American credit rating agency, Dunn & Bradstreet, shows Allserve's earlier name was DSQ Software. It was changed to Allserve Systems in 2002! Dalmia's game continued in the US uninterrupted, even as an Interpol red corner alert was posted against him. That's not all. Another report shows IGTL occupying the same address as Allserve - 204, North Center Drive, North Brunswick, New Jersey. It lists Dinesh Dalmia as its president. So Dalmia had floated two companies in the US from the same address. Both were earlier called DSQ Software! Documents available with Uncovered from the United States bankruptcy court in New Jersey show, that \$2.7 million were transferred to IGTL from Allserve's accounts, just weeks before Allserve filed for bankruptcy. The same documents also show \$13 million were shipped to Vanguard Info-solutions' accounts - a BPO having offices in Gurgaon and New Jersey. Was Dalmia funneling money from his US companies to India? Vanguard officials say that they have nothing to do with Allserve's US operations. According to a Dunn & Bradstreet report, b2b solutions which is now called Vanguard and Allserve also shared the same Chief Operating Officer- a Joseph Princeton. Not just that, but they also shared offices next door to each other. Despite all these activities, Dinesh Dalmia's life was going fine. He drove a Ferrari and lived in a palatial bungalow till the US press exposed him and the FBI got on his case. Only then, did Dalmia come back to India expecting the authorities to be softer on him. Mehak Kasbekar

Read more at: http://www.moneycontrol.com/news/features/the-bankrupt-millionaire_204207.html?utm_source=ref_article