OCCRP Report on Adani Group

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What’s in Today’s Article?

- **Why in News?**
- **About Organised Crime and Corruption Reporting Project**
- **OCCRP’s Report on Adani Group**
- **Adani Group’s Response**

Why in News?

- After Hindenburg Research, the **Organised Crime and Corruption Reporting Project** (OCCRP) has made fresh allegations of stock manipulation against the Adani Group.

About Organised Crime and Corruption Reporting Project:

- The Organized Crime and Corruption Reporting Project is a global network of investigative journalists with staff on six continents.
- Founded in 2006, it specializes in organized crime and corruption.
- It publishes its stories through local media and in English and Russian through its website.
- The entity was involved in the coverage of **Pegasus spyware** as well as **Panama Papers leak**.

OCCRP's Report on Adani Group:

- The OCCRP conducted research and published a report on the Adani Group (AG).
- The OCCRP report claimed that **Mauritius-based 'opaque' funds were used to invest millions of dollars in public traded group stocks of AG** and it happened under the 'guidance' of partners linked to promoter's family.
- The OCCRP report claims that **it unearthed at least 2 cases where 'mysterious' investors bought & sold Adani shares via offshore structures**.
- In its report, it named two persons with long-terms ties with Adani family and how they 'colluded' in buying & selling Adani stocks through offshore structures and in turn raked in huge profits from dubious dealings.
- It said that Nasser Ali Shaban Ahli and Chang Chung-Ling enjoyed business ties with Adani family and also served as directors and shareholders in Group companies and firms linked with Gautam Adani's elder brother Vinod Adani.
- OCCRP's report comes eight months after the US-based **Hindenburg Research** accused the Adani Group of improper business dealings, citing offshore entities in tax havens.

Adani Group's Response:

- Following the report's release, Adani Enterprises, the flagship company, saw its shares fall by 3 per cent.
- Other companies within the group, including Adani Ports, Adani Power, Adani Green, Adani Total Gas, and Adani Wilmar, experienced declines ranging between 1% to 5%.
- Adani Group was quick to dismiss the allegations as 'recycled & motivated'.
- It said that it was yet another concerted bid by George Soros-funded interests and aided by a section of the foreign media to revive the "meritless" Hindenburg report.
- The conglomerate said that the timing of report was suspicious, mischievous, and malicious.

Q1) Can an Indian open an offshore account?

Indian residents are allowed to open offshore bank accounts for a variety of purposes, such as investing in foreign securities, buying property abroad, or conducting international business transactions.

Q2) What is the main purpose of FEMA?

The primary goal of the FEMA 1999 (Foreign Exchange Management Act) in India is to regulate foreign exchange transactions in a way that promotes economic growth and stability while ensuring compliance with regulatory requirements.

Source: Explained | Decoding the OCCRP's Adani report | Indian Express