

# Know Your Partner: CSF's Ownership

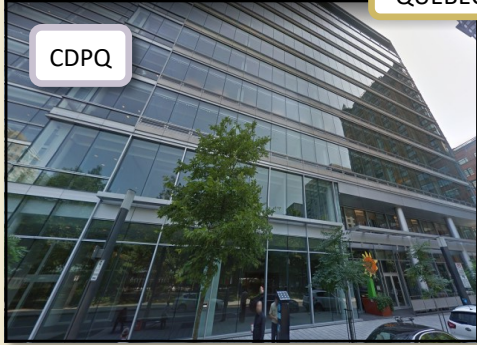
Chatfield Solar Fund, LLC [CSF], a Delaware chartered entity, is the petitioner for the Killingworth Route 80 solar farm. CSF possesses a convoluted corporate ownership structure. In ascending the layers of ownership, it is ultimately revealed to be owned entirely by Canadian entities. This document is a brief effort to penetrate this corporate web and highlight some of the **environmental** and **ethical** record of some of CSF's principal corporate owners. It represents a good-faith effort to correctly ascertain the current status of these complex and continuously-shifting interrelationships. The ownership of CSF consists of Canadian energy and construction firms which frequently operate jointly and have established a record of selling pieces of each other back and forth among themselves. Some of these are holding companies, normally established to avoid taxation and/or constrain liability. Standard Solar, Inc. entered this web when it sold itself in 2017 to these owners. Some of these companies have been colloquially and collectively referred to as Québec Inc.

**Counterparty risk** is a subject we are all familiar with. This refers to the probability or likelihood of default by the other party. It is foolhardy to enter any financial transaction without fully-informed knowledge of the other party. No competent landlord rents to a tenant without obtaining a credit history, employment history and statement of earnings, as well as a security deposit. The same holds true for any bank or credit card loan. In this brief document we attempt to profile some of the ownership of CSF from this perspective. The same scrutiny given a residential rental applicant or the buyer of a financed car must be given to any entity applying to install equipment in a fragile Connecticut environment. Any applicant with a negative record must be denied.

This document begins with an overview of the corporate structure above CSF, then the record of **Enbridge** (and the various holding companies under its corporate umbrella) is explored. This is followed by a look at **SNC-Lavalin**, which no longer directly holds an ownership interest in the entities controlling CSF. However, **CDPQ**, at the top of the ownership food chain, holds a major ownership interest in both CFS and SNC-Lavalin, *i.e.*, both entities can be considered as subsidiaries of the same corporate parent. CDPQ is the largest SNC-Lavalin shareholder, owning around 20%, and is the largest shareholder in the entities owning CSF, owning 43.38% of the Killingworth project, far more than either of the other two shareholders. CSF and SNC-Lavalin can thus be described as **corporate siblings, with similar parentage**. CDPQ has recently voiced its continuing support for SNC-Lavalin in the midst of the ongoing corruption scandal engulfing the latter. Our objective is to supply the Siting Council with sufficient facts to make an informed judgement as to whether the owners of this project can be trusted to act responsibly, both **environmentally** and **financially**. They are borrowing our environment to seek profits. We are obligated to future generations to ensure they have the financial and ethical track record warranting approval of this loan.

**Disclaimer:** Because of the deliberately opaque and complex ownership structure controlling CSF, and its constantly shifting history, the figures and relationships contained within this document represent a good-faith effort to depict the truth as it can be known as of March 2019. If errors have been made, no one would be surprised.

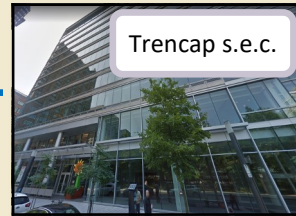
\$300+ billion



QUEBEC

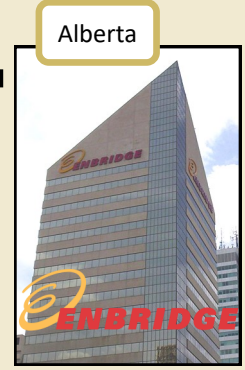
CDPQ

64.74%



Tremcap s.e.c.

Public



Alberta

ENBRIDGE

61.11%

Noverco, Inc.

38.89%

Énergir, Inc.

100%

71%

\$7+ billion

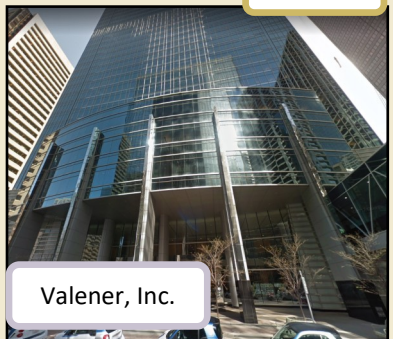


Énergir L.P.

QUEBEC

Valener is a widely held public company that serves as the investment vehicle in Énergir, L.P.

29%



ALBERTA

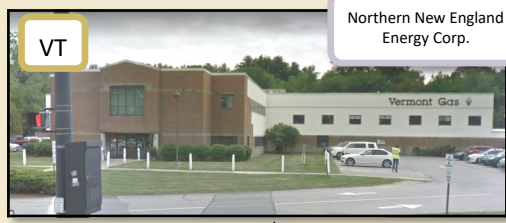
Valener, Inc.

Public

CANADA

UNITED STATES

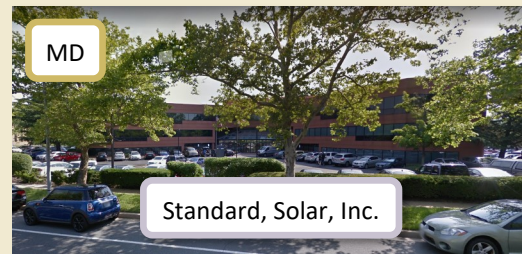
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Northern New England Energy Corp.

VT

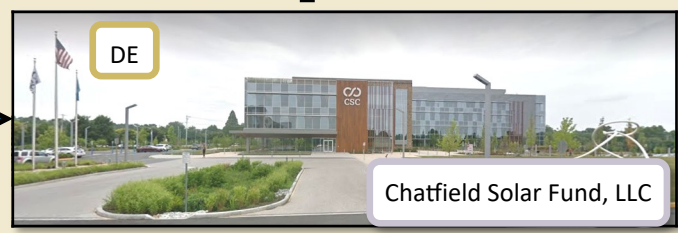
100%



Standard, Solar, Inc.

MD

100%



Chatfield Solar Fund, LLC

DE

LANDLORD



Rajvilla, LLC

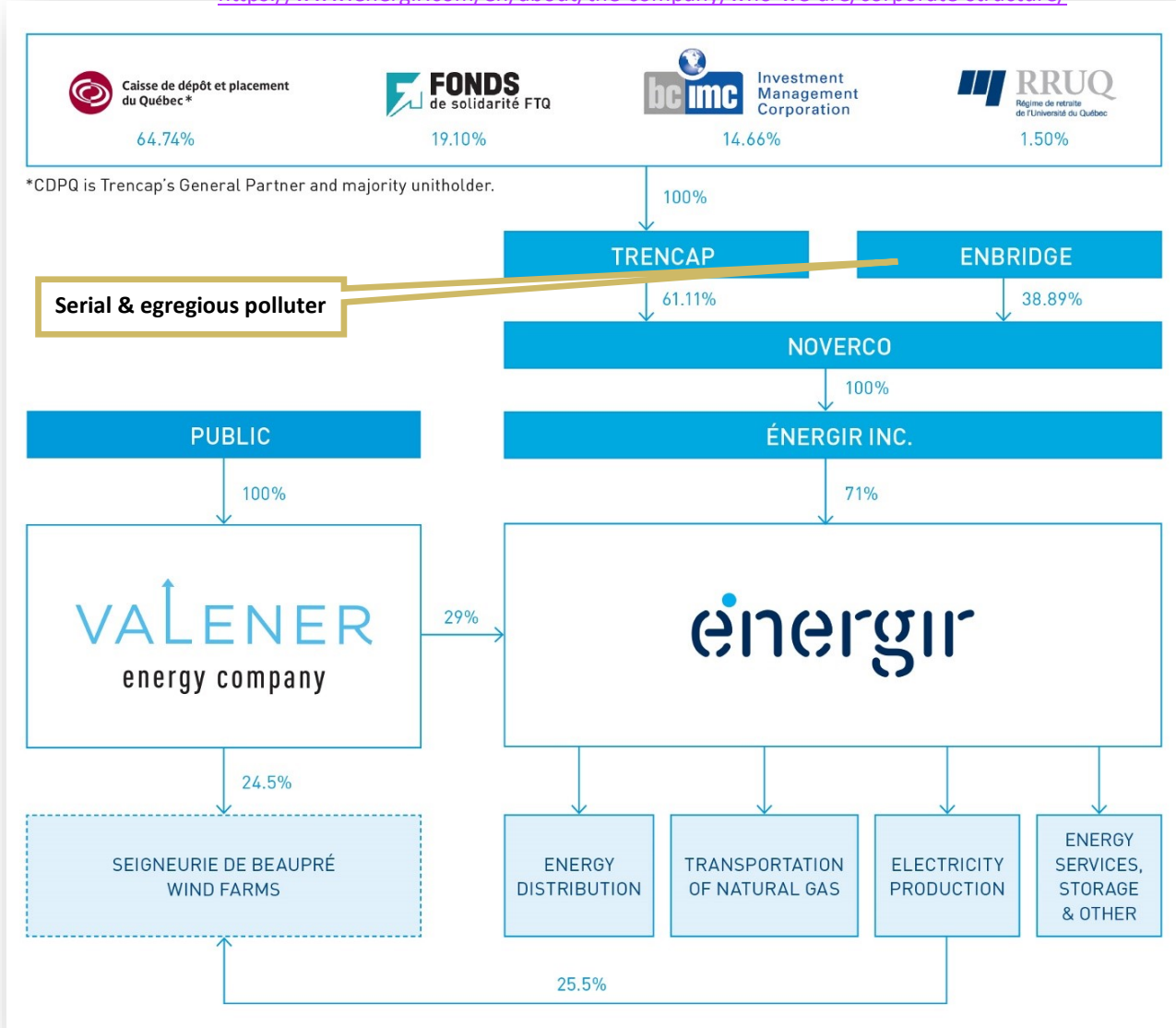
CT

Arrows point to owners

Partial listing of the interlocking holding and publicly-traded Canadian companies behind the Killingworth solar project.



<https://www.energir.com/en/about/the-company/who-we-are/corporate-structure/>



Caisse de dépôt et placement du Québec  
1000, Place Jean-Paul Riopelle, Montréal  
Québec, H2Z 2B3, Canada

Capital d'Amérique CDPQ Inc.  
1000, Place Jean-Paul Riopelle, Montréal,  
Québec, H2Z 2B3, Canada

Trenchap L.P.  
1000, Place Jean-Paul Riopelle, Montréal,  
Québec, H2Z 2B3, Canada

Noverco Inc.,  
1000, Place Jean-Paul Riopelle, Montréal,  
Québec, H2Z 2B3, Canada.

Énergir and its corporate owners are primarily housed in the same **Montréal building.** These entities include holding companies created for various purposes, none of which benefit anyone other than their owners. 100%, direct ownership of CSF stops at the level of Énergir, a privately held limited partnership. On its surface, Énergir appears relatively innocuous. But once we peek behind the corporate curtain behind its ownership, troubling facts appear. The picture that emerges is not pretty. Once corporate entities acquire a certain critical mass, they inevitably obtain control of the political process. This has now occurred in Canada, especially in the province

of Québec.

**THE CORE QUESTION:** What liabilities are these Canadian corporate entities attempting to protect themselves against by erecting an almost impenetrable web of holding companies? The answer will become obvious.



Enbridge owns 27.6% of CSF

## Spills and violations

**Enbridge's Line 3 pipeline was responsible for the largest ever inland oil spill in the United States.[25] In 1991, 1.7 million gallons of oil ruptured from the pipeline in Grand Rapids, MN.[25]**

Using data from Enbridge's own reports, the Polaris Institute calculated that **804 spills occurred on Enbridge pipelines between 1999 and 2010**. These spills released approximately 161,475 barrels (25,672.5 m3) of crude oil into the environment. [26]

On July 4, 2002, an Enbridge pipeline ruptured in a marsh near the town of Cohasset, Minnesota, in Itasca County, spilling 6,000 barrels (950 m3) of crude oil. In an attempt to keep the oil from contaminating the Mississippi River, the Minnesota Department of Natural Resources set a controlled burn that lasted for one day and created a smoke plume about 1-mile (1.6 km) high and 5 miles (8.0 km) long.[27]

In 2006, there were 67 reportable spills totaling 5,663 barrels (900.3 m3) on Enbridge's energy and transportation and distribution system; in 2007 there were 65 reportable spills totaling 13,777 barrels (2,190.4 m3) [28]

On March 18, 2006, approximately 613 barrels (97.5 m3) of crude oil were released when a pump failed at Enbridge's Willmar terminal in Saskatchewan.[29] According to Enbridge, roughly half the oil was recovered.

On November 28, 2007, **two workers were killed** when an uncontrollable blaze started at an Enbridge terminal/tank farm in Clearbrook, Minnesota. The fire forced Enbridge to shut down the operating pipelines in the area, temporarily halting roughly 1/5 of US imports and increasing the price by nearly \$1 per barrel. The pipe had leaked two weeks before and a temporary repair had been put in place. As workers were removing the temporary repair, oil began leaking and the fumes ignited. As of 2013, **local municipal water supplies in Clearbrook would be insufficient to put out another fire should one occur**.

### ***Identical to the situation in Killingworth.***

On January 1, 2007, an Enbridge pipeline that runs from Superior, Wisconsin to near Whitewater, Wisconsin cracked open and spilled ~50,000 US gallons (190 m3) of crude oil onto farmland and into a drainage ditch.[30] The same pipeline was struck by construction crews on February 2, 2007, in Rusk County, Wisconsin, spilling ~201,000 US gallons (760 m3) of crude, of which about 87,000 gallons were recovered. Some of the oil filled a hole more than 20 feet (6.1 m) deep and **contaminated the local water table**.[31][32]

In April 2007, roughly 6,227 barrels (990.0 m3) of crude oil spilled into a field downstream of an Enbridge pumping station near Glenavon, Saskatchewan.[29]

In 2009, Enbridge Energy Partners, a U.S. affiliate of Enbridge Inc., agreed to pay **\$1.1 million to settle a lawsuit** brought against the company by the state of Wisconsin for 545 environmental violations.[33] In a news release from Wisconsin's Department of Justice, Attorney General J. B. Van Hollen said "...the **incidents of violation were numerous and widespread, and resulted in impacts to the streams and wetlands** throughout the various watersheds".[34] The violations were incurred while building portions of the company's Southern Access pipeline, a project to transport crude from the oil sands region in Alberta to Chicago.

In January 2009, an Enbridge pipeline leaked about 4,000 barrels (640 m3) of oil southeast of Fort McMurray at the company's Cheecham Terminal tank farm. Most of the spilled oil was contained within berms but about 1% of the oil, about 40 barrels (6.4 m3), sprayed into the air and coated nearby snow and trees.[35]

On January 2, 2010, Enbridge's Line 2 ruptured near Neche, North Dakota, releasing about 3,784 barrels of crude oil, of which 2,237 barrels were recovered.[32][36]

In April 2010, an Enbridge pipeline ruptured spilling more than 9.5 barrels (1.51 m3) of oil in Virden, Manitoba. **This oil leaked into the Boghill Creek**, which eventually connects to the Assiniboine River.[37]

In the July 2010 Kalamazoo River oil spill, a leaking pipeline spilled **more than 1,000,000 US gallons** (3,800 m<sup>3</sup>) of oil sands crude oil into Talmadge Creek leading to the Kalamazoo River in southwest Michigan on July 26, near Marshall, Michigan.[38][39] A United States Environmental Protection Agency update of the Kalamazoo River spill concluded the pipeline rupture "caused the largest inland oil spill in Midwest history" and reported the cost of the cleanup at \$36.7 million (US) as of November 14, 2011. [38] **The cleanup is unfinished as of March 2013.**[40] PHMSA raised concerns in a Corrective Action Order (CAO) about numerous anomalies that had been detected on this pipeline by internal line inspection tools, yet Enbridge had failed to check a number of those anomalies in the field.[41] The Michigan spill affected more than 31 miles (50 km) of waterways and wetlands and about 320 people reported symptoms from crude oil exposure.[42] The National Transportation Safety Board said **at \$800 million, it was the costliest onshore spill cleanup in U.S. history.**[43] The NTSB found Enbridge **knew of a defect in the pipeline five years before** it burst.[44] In June 2013, a Kalamazoo man lodged himself into an Enbridge pipeline in Marshall, MI to protest Enbridge's lack of accountability for the 2010 spill and to encourage landowners along Enbridge's Line 6B expansion to offer increased resistance to construction in 2013.[45][46]

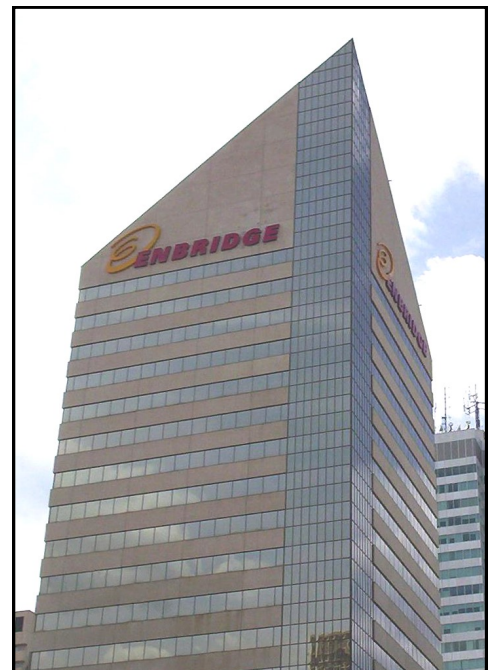
On September 9, 2010, a rupture on Enbridge's Line 6A pipeline near Romeoville, Illinois, released an estimate 7,500 barrels (1,190 m<sup>3</sup>) of oil into the surrounding area.[38][47]

Enbridge Pipelines (Athabasca) Inc., or Athabasca pipelines, subsidiary of Enbridge Inc., (TSX:ENB) (NYSE:ENB) reported a pipeline leak site, about 70 kilometres southeast of Fort McMurray, on June 22, 2013 of approximately 750 barrels of light synthetic crude oil from Line 37 near Enbridge's Cheecham, Alberta, terminal. Line 37, constructed in 2006, a 17-kilometre-long, 12-inch diameter pipe links the Long Lake oilsands upgrader to the Cheetham terminal and is part of Enbridge's Athabasca system. [48] Unusually heavy rainfall in the region, that caused the 2013 Alberta floods, may have caused "ground movement on the right-of way that may have impacted the pipeline." [49] Enbridge's Athabasca (Line 19) shares a portion of right of way with Line 37 and Enbridge's Wood Buffalo/Waupisoo (Line 75/18) which also shares a portion of right of way with Line 37, a major part of the network that serves Alberta's oilsands,[48] were closed down as a precautionary measure. Operations between Hardisty and Cheecham were restored on June 23 when Enbridge's Athabasca pipeline (Line 19) was restarted.[49] [unreliable source?]

On July 1, 2013, WWMT News in Michigan reported that the Michigan Department of Environmental Quality had issued a citation against Enbridge for contamination of North Ore Creek by an Enbridge pipeline maintenance activity.[50]

On January 30, 2017, a road crew punctured the Seaway S-1 crude oil pipeline in Texas, which is jointly owned by Enterprise Products Partners and Enbridge Inc. through the joint venture Seaway Crude Pipeline Company. Two days later, it was unclear how much oil had spilled over the nearby Highway 121 northeast of Dallas. After the incident, supply concerns reportedly helped push "oil prices 2% higher in early trading to nearly \$54 a barrel." [51]

Source: [https://en.wikipedia.org/wiki/Enbridge#Spills\\_and\\_violations](https://en.wikipedia.org/wiki/Enbridge#Spills_and_violations)





The 2010 [Kalamazoo River oil spill](#) resulted in **over 1,000,000 US gallons** of oil leaking into Talmadge Creek and Kalamazoo River

August 9, 2010 - Aerial view of oil sheen emitting from contaminated vegetation at the Ceresco Dam area between the spill site and Battle Creek, Michigan. More about EPA's response to the **Enbridge** oil spill: [www.epa.gov/enbridgespill/](http://www.epa.gov/enbridgespill/)

## SNC-Lavalin

<https://globalnews.ca/news/5062179/quebec-government-snc-lavalin-shares/>

### Quebec government won't rule out buying SNC-Lavalin shares

The province's pension fund manager already has a stake of about 20 per cent in the company

<https://www.cbc.ca/news/politics/oecd-snc-lavalin-trudeau-wilson-raybould-1.5057435>

In 2010 SNC-Lavalin sold its direct holdings in the owners of the Killingworth solar project. (See flow chart on second page.) However, through CDPQ, the principal owner of the Killingworth project and the principal shareholder in SNC-Lavalin, its culture of corporate corruption continues to contaminate this web of interlocking entities.

### Canada risks deep prestige damage from OECD review of SNC-Lavalin affair

An international body that works to boost trade and fight **corruption** is subjecting Canada to a special review in the wake of the SNC-Lavalin allegations

Drago Kos, chair of the Organization for Economic Co-operation and Development's Working Group on **Bribery**, told CBC's Power & Politics on Wednesday that Canada will face a "phase four" OECD review — **an evaluation of Canada's compliance with the OECD Anti-Bribery Convention** by experts from two member countries and the secretariat of the working group.

The review was triggered by the SNC-Lavalin affair.

[https://en.wikipedia.org/wiki/SNC-Lavalin#Legal\\_Issues](https://en.wikipedia.org/wiki/SNC-Lavalin#Legal_Issues)

prosecutors with Directeur des poursuites criminelles et pénales [fr](DPCP) are cooperating with **RCMP** in an investigation called Agrafe 2[26] on **potential criminal charges** against SNC-Lavalin, concerning a contract in the early 2000s to repair Montreal's Jacques Cartier Bridge.

a **Libyan bribery and fraud scandal** involving crimes that took place from 2001-2011 led to charges in "connection with **payments of nearly \$48 million**" to **Libyan public officials**. [53] In the same article, it was reported that the company was also accused of "**defrauding Libyan organizations of an estimated \$130 million**".

By February 2012, SNC investors had found out that **audited financial statements had been delayed** to accommodate an internal review relating to SNC's operations. The internal review probed **\$35 million of unexplained payments in Libya**. Prior to the launch of the investigation, there had been months-long media speculation about the company's work in Libya and its **ties to the Muammar Gaddafi family**.

In 2012, the **Royal Canadian Mounted Police investigated** the company on these charges in the Project Assistance investigation and, [69] in 2015, they **charged SNC-Lavalin with "fraud and corruption"**,

SNC-Lavalin employees allegedly were involved in **fraud and forgery** in relation to a \$22.5 million kick-back described as "consulting fees" to Dr. Arthur Porter on the contract to build the new \$1.3 billion hospital at the McGill University Health Centre's . . . **SNC-Lavalin were awarded the contract even though they were outbid by \$60 million**. . . . Porter was **arrested in Panama on fraud** charges on May 27, 2013, which alleged that he took part in the kick-back scheme. [76] The Canadian Broadcasting Corporation called it the **biggest fraud investigation in Canadian history**. . . . Duhaime was **arrested on fraud** charges by Quebec authorities on November 28, 2012.

<https://www.nationalobserver.com/2019/03/08/analysis/hidden-key-snc-lavalin-scandal>

During the 2001-2011 period of the alleged Libyan bribery, the company has:

- been [barred from bidding](#) on Asian Development Bank projects for **fabricating** qualifications and documents (2004); settled [corruption allegations](#) with the African Development Bank over **bribes** in Mozambique (2008) and Uganda (2010);
- [bribed Canadian officials](#) with \$22.5 million in relation to a McGill hospital contract (2009);
- been [credibly found by the World Bank as participating in high-level corruption](#) in Bangladesh in 2009-2010, and entered into a voluntary **debarment from World Bank-financed projects**;
- entered into a [voluntary agreement](#) to compensate seven Quebec municipalities for **obtaining contracts through questionable means** (1996-2011);
- made [illegal federal election campaign donations](#) (2004-2011), entering into a voluntary compliance agreement with the federal elections commissioner

<https://www.bullfax.com/?q=node-snc-lavalin-paid-gadhafi-sons-debauchery-while-he-was-c>

Receipts gathered during an investigation of a former SNC-Lavalin executive show **\$30,000 in payments to Saadi Gadhafi for sexual services** in Canada in 2008, La Presse reported.

The bodyguards handled Gadhafi's expenses and provided receipts to SNC-Lavalin, according to court testimony by an RCMP investigator. **Transactions they wrote in as "companion services" in their expense reports would cost between \$600 and \$7,500 each. Close to \$10,000 in services went to a single escort service in Vancouver. Other payments went to a Montreal strip club** and covered events at the Air Canada Centre in Toronto, such as box seats for a **Spice Girls concert**.

SNC-Lavalin was writing off the expenses as associated with construction projects in Libya, La Presse reported, with the **total bill for Gadhafi's trip totalling nearly \$2 million**.

<https://nationalpost.com/news/millions-in-snc-lavalin-bribes-bought-gaddafi-son-luxury-yachts-unsealed-rcmp-documents-allege>

The son of dictator Col. Muammar **Gaddafi** was paid **\$160-million in kickbacks** for steering major contracts in Libya to SNC-Lavalin, Canada's biggest engineering and construction company, police are alleging

... the RCMP document charts a financial web in which **tens of millions** of dollars flowed from SNC-Lavalin accounts in Canada and the United Kingdom to **offshore companies**

<https://www.winnipegfreepress.com/opinion/analysis/snc-lavalin-controversy-reaches-into-manitoba-507129682.html>

SNC-Lavalin is one of four partners in the Canadian National Energy Alliance, which operates the Pinawa site and is intent on filling the defunct radioactive reactor's remains with concrete. The alliance intends to monitor the sarcophagus for a mere 100 years and **leave future generations to clean up the mess** that will eventually occur **when the radioactivity leaches into the Winnipeg River**.

It has altered the original decommissioning plan significantly, **cutting corners to save money**. Deteriorating concrete canisters next to the Winnipeg River will be emptied, and these 46 truckloads of high-level radioactive waste will accompany another 2,000 shipments of low- and intermediate-level waste through the Whiteshell and Kenora. The ultimate destination is a poorly designed near-surface disposal facility in Chalk River, Ont.



<https://www.cdpq.com/sites/default/files/medias/en/nouvelles-medias/>

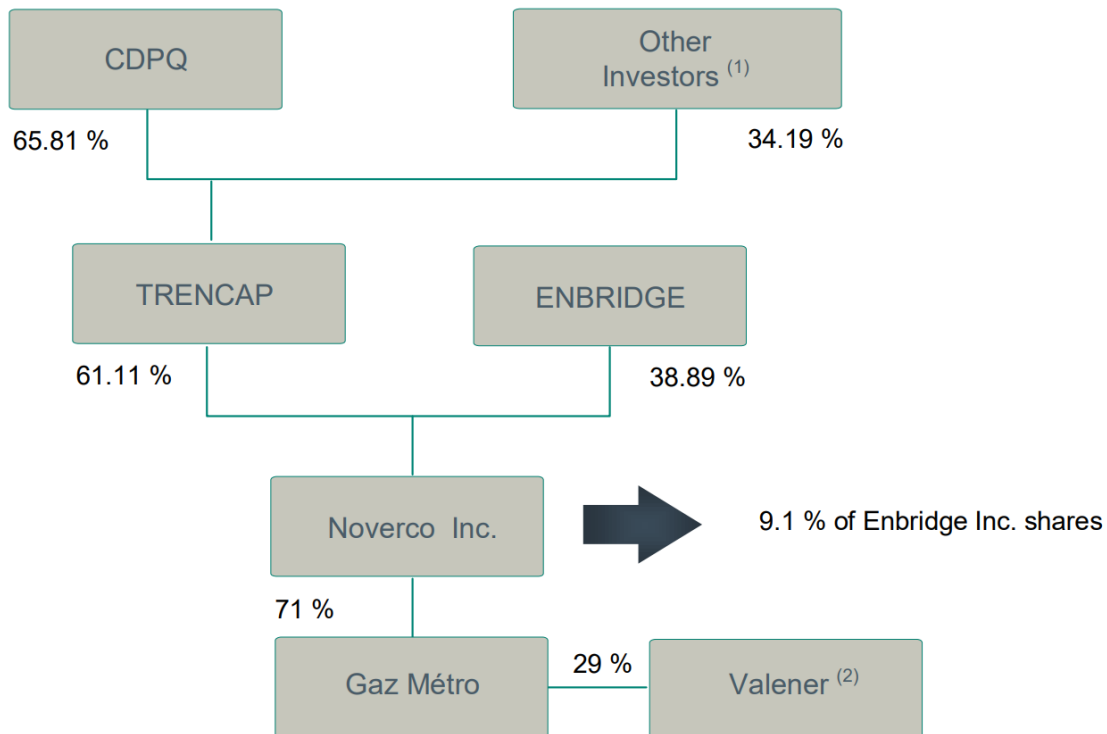
## FACT SHEET

**TRENCAP L.P.** is a limited partnership that owns a significant stake in Noverco. The Caisse acquired the **SNC-Lavalin** interest in Trencap in November 2010, which led to a 3.7% increase in its indirect Noverco stake.

**NOVERCO** is an investment company that owns 100% of Gaz Métro Inc. and, as a result, stakes of 71% in Gaz Métro Limited Partnership and 9.1% in Enbridge Inc., a strategic partner of the Caisse for many years.

## PRO FORMA OWNERSHIP STRUCTURE

(If other Trencap investors do not exercise their right to participate)



(1) Fonds de Solidarité FTQ, bclMC, Desjardins Group Pension Plan and Université du Québec Pension Plan. If these partners exercise their rights to participate in the transaction, their stakes will increase by 7.3% to 41.5%. The Caisse's interest would consequently be 58.5%.

(2) Publicly traded company

*(Gaz Métro has since changed its name to Énergir)*

## Recent press references illustrating SNC-Lavalin's perfidy & CDPQ's continuing support for SNC-Lavalin.

(*Caisse* means *fund* in French, and is shorthand for CDPQ in the press accounts below.

<https://montreal.ctvnews.ca/caisse-de-depot-grew-4-2-in-2018-bought-more-shares-in-snc-lavalin-1.4306780>

**February 21, 2019** . . . questions about the Caisse's investment in SNC-Lavalin.

**Multiple former executives have been charged or convicted in bribery and fraud** cases, and the company is facing a **ban which would prohibit it from bidding on federal contracts** for ten years.

That hasn't prevented the Caisse from dramatically increased [sic] the percentage of shares in the company in the past year, going from 14 to **20 per cent**.

<https://www.bnnbloomberg.ca/it-s-sad-no-one-asked-questions-while-snc-profits-soared-ex-caisse-exec-1.1214272>

**Feb 14, 2019** The **long series of scandals** ensnaring SNC-Lavalin Group Inc. has one former executive of the Caisse de dépôt et placement du Québec calling for more accountability when it comes to **corporate bribes for global contracts**.

. . . under former SNC chief executive Pierre Duhaime, who **pleaded guilty Feb. 1 for his role in a bribery scandal** around the construction of a Montreal hospital, the company's average profit rose substantially.

"When you double your profits, shareholders, directors – they will never ask, 'Why are you doubling the profits? What is the secret?'" . . . The RCMP has also charged the company, its construction division and a subsidiary with one charge each of **fraud** and **corruption** for allegedly **defrauding** various Libyan organizations of roughly \$130 million.

<https://montrealgazette.com/opinion/columnists/macpherson-snc-lavalin-the-tarnished-jewel-of-quebec-inc>

**March 8, 2019** . . . in 2008, SNC lavished \$2 million on entertaining the playboy son of the late Libyan dictator Moammar Gadhafi on a cross-Canada travelling **orgy of hookers, strippers and porn**.

Among the expenses was \$7,500 for a single session with escorts. Further details of what Saadi Gadhafi got for SNC's \$7,500 are not available.

But we do know what SNC got: a **contract to build a \$275-million prison for the notoriously repressive Gadhafi regime**.

<https://www.bloombergquint.com/business/snc-lavalin-wins-caisse-support-as-trudeau-controversy-deepens#gs.CCdR9QjU>

**February 21 2019** The **Caisse de Depot et Placement du Quebec [CDPQ]** will be a "**rock of support**," for SNC, said Michael Sabia, chief executive officer of the pension fund manager. Sabia said he continues to back management

**SNC** is also fighting a Canadian prosecutor's decision to reject a request for an out-of-court settlement over **corruption charges dating back more than a decade**.

The Royal Canadian Mounted Police charged SNC in 2015 with attempted **bribery and fraud** related to projects in Libya.

<https://www.cdpq.com/en/news/pressreleases/la-caisse-supports-snc-lavalins-global-expansion-projects>

La Caisse supports SNC-Lavalin's global expansion projects

APRIL 20, 2017 Caisse de dépôt et placement du Québec announced today a **\$1.9-billion investment**, in the form of debt and equity, to support SNC-Lavalin's global expansion projects.

## Adani Group

Adani is the solar panel manufacturer. **Adani is in bed with Modi**, the Indian PM. This is hardly a secret, and Modi's rise and Adani's accumulation of wealth were intertwined.

<https://adanifiles.com.au/>

### **A short history of corruption, destruction and criminal activity.**

Adani uses dodgy **tax havens in the Cayman Islands to hide assets and revenue**. 13 of the 26 Adani subsidiaries registered in Australia are ultimately owned in the Cayman Islands. Companies who pay their taxes don't register themselves in the Cayman Islands.

Adani was involved in a **bribery** scandal that involved **bribing customs officials, the police, the State pollution control board and more**. Companies who obey the law don't have to pay bribes.

. . . Adani are, at their core, **a dangerous, criminal organization**, not a viable proponent to be trusted with one of the most environmentally destructive projects in Australian history. **Adani's corporate structure is deliberately convoluted and opaque**. There are 26 Adani subsidiaries registered in Australia, 13 of which are ultimately owned through the Cayman Islands. Many of the incidents, **criminal charges** and allegations outlined in this report involve various Adani subsidiaries

[https://en.wikipedia.org/wiki/Gautam\\_Adani](https://en.wikipedia.org/wiki/Gautam_Adani)

According to Forbes, his net worth is estimated to be around \$8.7 billion as of August 2018.

<https://www.thecitizen.in/index.php/en/NewsDetail/index/1/3375/The-Incredible-Rise-and-Rise-of-Gautam-Adani-Part-One>

### **The Incredible Rise and Rise of Gautam Adani:**

Gautam Adani, the business magnate who is perceived to be Prime Minister Narendra Modi's blue-eyed boy . . . what has attracted considerable attention to Adani is his **proximity to Prime Minister Modi**.

<https://www.theguardian.com/world/2017/aug/16/adani-mining-giant-faces-financial-claims-as-it-bids-for-australian-coal-loan>

### **Allegations by Indian customs of huge sums being siphoned off to tax havens**

. . . allegations it inflated invoices for an electricity project in India to **shift huge sums of money into offshore bank accounts**.

Details of the alleged 15bn rupee (**US\$235m**) **fraud** are contained in an Indian customs intelligence notice . . . a **complex money trail** from India through South Korea and Dubai, and eventually to an offshore company in Mauritius

. . . ordering hundreds of millions of dollars' worth of equipment for an electricity project in western India's Maharashtra state using a **front company** in Dubai.

<https://www.michaelwest.com.au/revealed-adani-embroiled-in-african-corruption-scandal/>

Adani embroiled in African corruption scandal via arms deal 2017

Adani Group has become embroiled in a **corruption scandal** in South Africa after a series of leaked emails revealed the Indian power company was in talks to do a **weapons deal** with the **controversial** Gupta family.

The Dubai company allegedly sold the exact same equipment back to Adani Group-controlled businesses in India at massively inflated prices, in some instances said to be **eight times the sale price**.

According to the allegations in the file, the effect of these transactions was that the **Adani Group spent an average 400% more for the materials.**

one effect of the alleged scheme would have been to **move vast sums of money from the Adani Group's domestic accounts into offshore bank accounts where it could no longer be taxed or accounted for.**

Because **tariffs for using electricity transmission networks are determined partly by what they cost to build**, if the DRI's accusations are correct, the overvaluation of capital goods would have been likely to have led to **higher power prices for Indian consumers.**

**A significant proportion of the money the Adani Group allegedly siphoned out of India was provided by taxpayers in the form of loans**

<https://www.abc.net.au/news/2016-12-22/adani-companies-facing-multiple-corruption-probes/8140100>

Adani companies facing multiple financial crime, corruption probes

Indian authorities investigating Adani companies for **siphoning money offshore and artificially inflating power prices** at the expense of Indian consumers.

. . . one into the **fraudulent invoicing** of coal imports and the other into a scam involving **false invoicing** for capital equipment imports.