

# GUPTAS RIPPED OFF POOR IN PLANNED R1BN A YEAR SCAM

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**T**he poor in North West and Free State were fleeced to build a billion-dollar hospital for the rich in Dubai, in a plan concocted by the Gupta family.

Out of the R954 charged per patient for screening by healthcare provider Mediosa, R650 was to be paid to subcontracted companies from Dubai.

The money would then be funnelled into the companies' United Arab Emirates bank accounts, from where it would be used to fund the Guptas' new business venture, Dubai Healthcare City.

A former senior Mediosa employee told City Press this week that the Guptas hatched the plan to raise money through lucrative health tenders in South Africa. He said Mediosa was a Gupta front company that planned to expand across the country.

They apparently intended to do so using officials including North West health department head Thabo Lekalaka, whom they feted at a five-star Oberoi hotel in India. North West Premier Supra Mahumapelo has been drawn into the fray, because he was in control of the department at the time Mediosa's R180 million contract was awarded.

Documents City Press obtained show that, while Mediosa had lucrative contracts with North West and Free State, the plan was to sign up all nine provinces. The company projected an annual income of close to R1 billion once this had been achieved. According to the documents, Mediosa's existing clients would pour more money into the project.

"It is anticipated that both provinces [North West and Free State] will increase their spend on this project within the next six months, based on the successful roll-out and positive impact of the project on the targeted communities," states a service-level agreement between Mediosa and two Dubai companies.

"It is also anticipated that more provinces will award the company with the deployment of the project in their areas in the short to medium term. The total expected contract value on a national level is expected to be in the region of R950 million per year."

The former employee said Mediosa was about to seal a deal with KwaZulu-Natal and Mpumalanga.

"The two provinces were promising and the company had people meeting officials in other provinces," he said.

This is confirmed in the same document: "The company has been actively pursuing various other provinces and national departments in government to facilitate the large-scale implementation of the project on a national level in South Africa. The feedback has been very positive and the company hopes to secure similar contracts in the short to medium term."

The Hawks are investigating Mediosa's contract with

Mediosa was allegedly a Gupta front company to be used to land healthcare tenders in all nine provinces to fund a private **hospital in Dubai**

the North West health department.

The senior staff member worked closely with Mediosa directors Inish Merchant and Sundeeep Kalsi. He said they, like the Guptas, were quick to leave the country when investigators began closing in on the family.

"The Mediosa directors are out of country fearing the Hawks inquiry. Inish Merchant left hurriedly on February 14, the day the Hawks raided the Guptas' Saxonwold home and Sundeeep Kalsi never returned after he left in January.

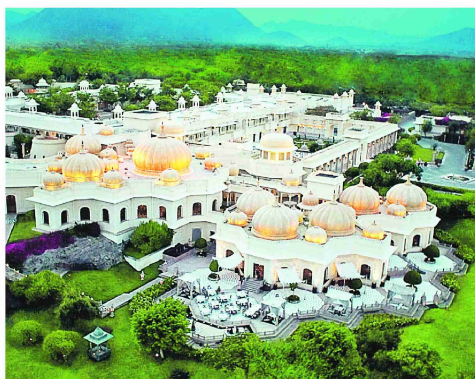
"I am one of the people who ran errands for the Gupta family and helped set up Mediosa's operations and administration. I am also leaving for home. I can't be here when it is clear that things are not working out and everyone is on the run."

Government departments were, however, not Mediosa's only target.

In April 2017 Mediosa wrote to Eskom stating: "We would like to combine our services with yours through Eskom's entrepreneurship development programme so that we could reach out to the masses to create a deeper impact". At the time, the power utility was already in a controversial coal supply contract with Gupta-owned mining firm Tegeta.

#### HEALTH HOD'S VERSION CONTRADICTED

Lekalaka took his wife, a "family friend" and his wife on a Mediosa-sponsored trip to India in March last year. The intention was for Lekalaka to find out about Mediosa's mobile clinics. However, in the previous week, he had already awarded the company a



R180 million tender.

In a letter to Mahumapelo, dated February 22, health MEC Magome Masike states that the provincial legislature's portfolio committee on health heard that "the trip included (Lekalaka's) friend and family" and that "the friend has received projects from the department to the tune of R3 million".

However, Lekalaka told the committee that his "friend" had never done business with the department.

Meanwhile, an email City Press obtained shows that Mediosa's sister company, Medanta, booked Lekalaka and friends into the five-star Oberoi Rajvillas hotel in Jaipur, India.

The #GuptaLeaks

show that the Guptas booked their favourite politicians and civil servants into the Oberoi hotel in Dubai.

Medanta paid just over R5 000 per night per "premium room" for the couples, and offered them airport transfers in one of their fleet of Audi Q5 or Q7 cars.

The email thread suggests that Lekalaka lied to the provincial health portfolio committee last month when he insisted that Mediosa only picked up the tab for him and the department's deputy director-general, Kgosi Motlhabane.

Lekalaka told the committee that he paid for his wife, and the other couple paid for themselves.

But a March 16 2017 email to the hotel from the office of Medanta and Mediosa co-founder Sunil Sachdeva contradicts this.

The names of all four guests are mentioned in the email booking for "double occupancy" for two couples

and a request to organise a "city tour (places of interest)" for them.

"Entire bill will be paid by Mr Sunil Sachdeva," the email states.

"Above-mentioned are guests of Mr Sachdeva and, as requested, send their entire bill for payment to us."

Lekalaka was asked to take leave while the Hawks investigate. Mahumapelo, who authorised Lekalaka's India trip, announced a government probe into the matter, which he said would be concluded by the end of next week.

Lekalaka declined to comment: "I'm not answering any of your questions until the investigation by the premier's office is finalised and communicated."

#### HOW MEDIOSA'S MILLIONS WERE TO LEAVE SA

Copies of contracts City Press obtained show how two Dubai-based companies - HSP Plus, represented by Gupta lieutenant Gurdeep Singh and Metric Plus - would receive R650 from the R954 the company would charge the state per patient.

Mediosa has reportedly already seen more than 20 000 patients in North West alone.

The company doesn't treat any of the patients, but merely screens them and then refers them to the department's clinics for treatment.

"I know some money has already left the country to Dubai through this arrangement," said the former employee.

Mediosa's contract is under threat after City Press exposed how the North West health department handed it the tender, allegedly without competitive bidding, and paid it R30 million before any patients were seen.

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