



**THE
ECONOMIST
CIRCLE**

Case Study: Patanjali Land Misappropriation

ABSTRACT

Former PM Madhav Nepal faces charges over illegal land misuse by Patanjali, sparking political turmoil and demands for reform in Nepal.

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Latest Incident:

The allegations were set out in a charge sheet filed by the commission on Thursday, 5th June 2025 at the Special Court in Kathmandu. Madhav Kumar Nepal, Former PM, is currently facing legal action after the Commission for the Investigation of Abuse of Authority (CIAA) filed charges against him in the Special Court. The case is still in progress, and court proceedings are underway. If he's found guilty, he could face up to 17 years in prison and be fined NPR 18,58,50,000. The situation remains serious, and the final outcome will depend on how the trial unfolds and what evidence is brought forward.

Public and Political Reaction:

The Patanjali land case has stirred up a lot of public anger and concern in Nepal. People across the country are upset after learning that land meant for public good may have been misused for private profit. The media has covered the story widely, and many are questioning how a foreign organization like Patanjali was allowed to take advantage of Nepal's resources so easily. There's also growing frustration over the lack of government oversight, with citizens and activists demanding stricter rules around land deals and better checks on non-profit groups to make sure they're actually helping the community, not using public land for business.

Timeline of Key Events

Year / B.S.	Event
Chaitra 2066 B.S. (Mar 2010)	Cabinet under PM Madhav Kumar Nepal approves allocation of ~815 ropani of government land to Patanjali Yogpeeth Nepal for non-profit uses like Ayurvedic research, yoga, herb cultivation, cow farm. (ekantipur.com , ekantipur.com)
Within ~1½ months (May 2010)	Approximately 353 ropani is sold to Kasthamandap Business Homes Pvt. Ltd., Manna Ghimire , and others at market prices—contravening the original purpose of the allocation.
October 2080 B.S. (Oct 2023)	The Department of Land Management forms an inquiry committee, revealing that land was misappropriated at discounted rates, urging investigation and prosecution. The report remains unpublished.

Year / B.S.	Event
Asar 2081 B.S. (Jun 2024)	Media reports (e.g. Kantipur) highlight illegal sale of demarcated land to private developers despite cabinet directives—a major public outcry.
Feb 2024	CIAA files charges against 94 individuals, including former PM Madhav K. Nepal and others for facilitating misuse of public land, unauthorized commercial benefit, and corruption.
June 6, 2025	Reuters reports that CIAA filed a charge sheet at the Special Court, demanding a 185.85 million fine (~\$1.35 million) and up to 17 years imprisonment; hearing expected soon.

Why is this illegal?

The fifth amendment of the Land Act, 2021, which was amended in 2058, set the limits of 11 bighas in the Terai region, 25 ropani in Kathmandu and 75 ropani in the hilly areas. Cabinet under PM Madhav Kumar Nepal approves allocation of ~815 ropani of government land to Patanjali Yogpeeth Nepal.

Results:

Then, Patanjali purchased more than 593 ropani land in Savik's Sanga, Nasikasthan and Mahendra Jyoti gavis (Chalal Ganeshsthan) currently under Banepa municipality of Kavre.

Legal Covenants

- **Legal source:** Section 12 of Land Act, 2021 B.S.
- **Key principle:** Restricted land cannot be sold or swapped unless **equivalent land is acquired first**; otherwise, an investigation must be carried out and those responsible must face justice. The Supreme Court has similar ruling in the case of Giribandhu T-Estate of Jhapa on 24th March, 2080.



Misuse:

- Contravening to Section 12 of Land Act, 2021 BS, Patanjali bought only 88 ropani in Dhulikhel; this transaction was seen as suspicious. The key principle is that restricted land cannot be sold or swapped unless **equivalent land is acquired first**. The Department of Land Management forms an inquiry committee, revealing that Patanjali illegally sold 354 ropani of land to Kastamandap Business Homes Pvt. Ltd in Banepa at market prices—contravening the original purpose of the allocation & bought only 88 ropani in Dhulikhel, this transaction was seen as suspicious.

Revenue Leakage:

In the government records, it has been found that the revenue was paid to the government at the rate of Rs 1 lakh for the sale of the said land. However, the actual transaction seems to be buying and selling at the rate of 10 lakhs. The report said that even if land of Banepa is sold and land of the same value is not bought, investigation should be conducted and those involved in the crime should be brought to justice.

Allegations:

2. Misuse of Public Land

- Over **500 ropani** of land—originally allocated for non-profit purposes at discounted rates—was sold to **Kasthamandap Business Homes Pvt. Ltd., Manna Ghimire**, and **seven others** at **market rates** & it bought only 88 ropani in Dhulikhel, this transaction was seen as suspicious.
- This violated the terms of allocation agreed with the Government of Nepal.

3. Unauthorized Commercial Transactions

- The land meant for yoga, Ayurvedic research, and education was instead used for private profit, contradicting its intended purpose.
- This led to significant losses to the state, both financially and in public trust.

4. Corruption and Abuse of Authority

- Madhav Kumar Nepal and 93 other officials, including former ministers and bureaucrats, were charged for facilitating or approving these illegal transfers.
- The CIAA claims these decisions were made through abuse of political and administrative authority.

Key Individuals Involved:

At the center is Madhav Kumar Nepal, a former Prime Minister, who is accused of using his position to help approve and push through the questionable land deal in favor of Patanjali. **Shaligram Singh**, who heads Patanjali Yogpeeth Nepal, is believed to have personally benefited from the land by engaging in profit-making deals, including selling land and handling suspicious loan arrangements.

Who is Shaligram Singh?

Shaligram Singh's profile reveals a tapestry of roles—**engineer, political figure, educator, real-estate baron, money-lender**—making him a pivotal and controversial operator in Patanjali Nepal's affairs and beyond. Patanjali Yogpeeth Nepal appointed as a **trustee and signatory**, representing the trust in Nepal alongside Acharya Balkrishna and Umesh Sarraf. Mr. Singh served as **Chairperson of Janakpur Development Council**, where he was later accused of **financial misconduct and mismanagement**. He had several Real Estate Dealings, involved in large-scale land plotting and sales, including: Kavre (Kasthamandap Housing) & Parsa, Rautahat, and other districts. Also involved in Private Financial Dealings- in 2022, Singh

reportedly provided a **Rs5 crore loan** to a businessman at **12% compound interest**, using **diamond jewelry as collateral**—raising questions about legality and source of funds.



Source: <https://english.pardafas.com/> 12th May 2023

Investigating Agency:

The Commission for the Investigation of Abuse of Authority (CIAA) in Nepal began looking into a case involving 815 ropani of land in Kavrepalanchok, which the government had given to Patanjali Yogpeeth Nepal.

Evidence Presented:

- Government documents approving subsidized land allocation
- Land transaction records indicating sale to private entities
- Testimonies from local officials and witnesses
- Financial records showing profit from loans and investments

Defense (Patanjali Yogpeeth Nepal):

- Claims that all land acquisitions and uses were legal and transparent.
- Denial of any land resale in contradiction to the original purpose.
- Assertion that accusations are politically motivated.

Conclusion

The Patanjali land misappropriation case has become a landmark example of how misuse of authority, opaque land transactions, and the blurring of lines between public interest and private gain can shake public trust in governance. With over 500 ropani of government land allegedly diverted from its intended nonprofit use and sold for commercial profit, the scandal underscores deep-rooted issues in Nepal's land administration and political oversight. The involvement of high-profile individuals—including a former Prime Minister and senior officials—has amplified the national significance of the case. As the court proceedings unfold, the outcome will serve as a critical test for Nepal's legal and anti-corruption institutions. Beyond legal accountability, this case calls for structural reforms in land policy, tighter regulation of foreign trusts, and greater transparency in state decisions that affect public resources. The verdict, when delivered, will not only shape future land governance but also signal how seriously Nepal takes the protection of public assets and the rule of law.

Implications:

Area	Political Implications
Domestic Politics	Erodes public trust in political leaders, especially former PM Madhav Kumar Nepal. - Weakens CPN (Unified Socialist) and may affect alliances. - Fuels public demand for transparency, land governance reform, and anti-corruption laws.
Judiciary & Institutions	Tests the credibility of CIAA and Special Court. - Sets precedent for holding high-profile politicians accountable. - May be perceived as selective or politically motivated justice.
Nepal–India Relations	Risk of diplomatic tension due to Patanjali's Indian affiliation. - Media or political backlash from India if case escalates.
NGO & Trust Regulations	Greater scrutiny and regulation of foreign NGOs/trusts. - Slower approval or operations for legitimate development projects.
Long-Term Effects	Rise in populist or anti-foreign sentiment. - Momentum for legislative reform in land allocation and foreign involvement.

Thank You!