



Press Release

28.09.2021

Enforcement Directorate has provisionally attached assets worth Rs. 578 Crore (GBP 57 million) of M/s Wadhawan Global Capital (UK) Ltd (WGC-UK), a company owned by Kapil Wadhawan and Dheeraj Wadhawan under the provisions of the Prevention of Money Laundering Act, 2002 (PMLA) in DHFL-UPPCL Fraud case. The attached assets are in the form of investment made by Wadhawans through WGC-UK in UK based companies.

ED initiated money laundering investigation on the basis of an FIR registered by Lucknow police against some officials of Uttar Pradesh Power Corporation Ltd. (UPPCL) under the sections of the Indian Penal Code, 1860 for illegal investment of GPF and CPF funds of the employees of the UPPCL into a Private company namely DHFL in sheer violation of the Govt.'s Notification & directives.

During the investigation by ED, it is revealed that DHFL in connivance with UPPCL officials had illegally received Rs 4122.70 Crore of GPF and CPF funds of UPPCL's employees in fixed deposit in DHFL. Out of this total investment of Rs 4122.70 Crore by UPPCL in DHFL, Rs 2267.90 Crore of principal amounts of provident fund (GPF+CPF) of UPPCL is still outstanding to be paid by DHFL. These illegal investments had been received by the DHFL during the period, where DHFL was engaged into disbursement of high value loans to its promoter related companies. All such unsecured loans had been sanctioned as per the directions of the Chairman of DHFL, Kapil Wadhawan and many of such loans have turned into NPA. Investigation has also revealed that many of these loans have been siphoned off without utilizing of the same for the purposes, it was sanctioned. Further part of the proceeds of crime, amounting to more than Rs. 1000 Crore, generated in this case has been siphoned off to UK by the Wadhawans by way of 7 levels of layering and laundering through more than 30 beneficially owned /controlled Indian companies of Wadhawans.

Earlier, ED has already attached properties worth Rs. 1412 Crore of Wadhawans in Yes bank DHFL fraud case and has arrested Kapil Wadhawan and Dheeraj Wadhawan, who are still in judicial custody. Further ED has also seized 5 High End Vehicles of Wadhawans having approximate value of Rs. 12.59 Crores in this case.

Further investigation is under progress.
