



Press Release

30.11.2022

Directorate of Enforcement has provisionally attached properties worth Rs. 22.10 Crore held in the names of firms connected to M/s Diwakar Road Lines and M/s. Jatadhara Industries Pvt Ltd, (controlled by J.C. Prabhakar Reddy, former MLA), M/s. C. Gopal Reddy and Co (belonging to his close associate Gopal Reddy, a Civil contractor of Tadipatri, Ananthapur District A.P) and family members of J C Prabhakar Reddy and Gopal Reddy in an ongoing investigation being conducted under PMLA, 2002 in the case relating to the BS-IV vehicles scam.

Honourable Supreme Court of India vide its order dated 29.03.2017, had ordered that vehicles that were not compliant to BS IV emission norms should not be sold in India by any manufacturer or dealer from 1st April 2017 and that the registering authorities were also prohibited from registering such vehicles from 1st April 2017 onwards. However, M/s. Jatadhara Industries Pvt Ltd (JIPL) and M/s. C. Gopal Reddy and Co in contravention to the aforesaid Order purchased BS-III vehicles from Ashok Leyland Ltd at discount and fraudulently registered the same as BS-IV vehicles by fabricating the invoice copies. Investigation revealed that some of the registrations were done in Nagaland, Karnataka and Andhra Pradesh.

ED has gathered evidences in the form of fabricated invoices from RTO Authorities in Nagaland and original invoices issued by Ashok Leyland as Scrap for the some vehicles and established the crime. The crime proceeds generated by owning/plying and/or selling these vehicles have been quantified as Rs 38.36 Crore.

As a result of the investigation and searches, movable properties to the extent of Rs. 6.31 crore consisting of bank balances, cash, jewellery and receivables as well as 68 number of immovable properties to the extent of Rs. 15.79 crore belonging to Shri. J.C Prabhakar Reddy and his family member and Shri. C. Gopal Reddy and his family members have been attached.

Further investigation is in progress including the role of M/s. Ashok Leyland in the entire scam.