



Press Release
08.10.2021

Enforcement Directorate has provisionally attached bank balances to the tune of Rs. 1.74 Crore under Prevention of Money Laundering Act, 2002 (PMLA) in its ongoing investigations regarding siphoning of funds from Bhushan Power & Steel Limited and others in a case involving Bank fraud.

ED initiated money laundering investigation on the basis of FIR dated 05.04.2019 filed by CBI under sections 120-B r/w 420, 468, 471 & 477A of Indian Penal Code & Section 13(2) r/w 13(1)(d) of Prevention of Corruption Act, 1988 against BPSL and others for a criminal conspiracy amongst themselves and with unknown public servants of banks and others to cheat Banks/ Financial Institutions/ Govt. exchequer.

Investigation by ED revealed that Mahender Kumar Khandelwal (erstwhile Resolution Professional of M/s. Bhushan Power & Steel Ltd.) in association & connivance with others by way of criminal activity related to schedule offences had acquired proceeds of crime amounting to Rs. 1,73,63,488/- by way of commission from a coal supplier of BPSL. The said modus operandi resulted in illegal siphoning of funds out of loans advanced to BPSL by various banks by routing the same through different bank accounts belonging to their family members/close relatives. The said proceeds of crime were projected as trading commission in the hands of family members/close relatives, who have denied having provided any goods or services to the said coal supplier.

Earlier, a prosecution complaint had also been filed by the ED in the impugned case against 25 accused and assets totaling to Rs. 4420.16 Crore have already been attached, thus bringing the total attached proceeds of crime to Rs. 4421.90 crores.

Further investigation is in progress.
