



Press Release

22.11.2023

Directorate of Enforcement (ED) conducted searches under the provisions of the Foreign Exchange Management Act (FEMA), 1999 at four locations in Telangana on 21.11.2023. The searches were conducted at the residences of Dr. Gaddam Vivekanand at Hyderabad as well as the office premises of Visaka Industries Ltd. in Hyderabad and Vigilance Security Services Pvt. Ltd. at Ramagundam. Searches were also conducted at his temporary place of residence at Hitech City, Mancherial where he was found.

ED initiated investigation on the basis of a reference from Telangana Police to investigate a transaction of Rs. 8 Crore from the bank account of Dr. G. Vivek to M/s Vigilance Security.

ED investigation revealed that the bank account of M/s Vigilance Security was being used to circuitously transfer money with no real business rationale and that Dr. G. Vivek, his wife and their company Visaka Industries had transactions of more than Rs. 100 Crore with M/s Vigilance Security. The entity declared mere Rs. 20 lakhs as 'revenue from operations' in its latest balance sheet whereas it reported assets worth Rs. 64 crore mainly in the nature of long term loans/advances. Since inception, credit and debit transactions in the company's impugned bank account was found to be more than Rs. 200 Crore. Investigation also revealed indirect control of Dr. G. Vivek over M/s Vigilance Security.

ED investigation further revealed, *prima facie*, FEMA contraventions by M/s Vigilance Security Services Pvt. Ltd. and its parent company Yeshwant Realtors whose majority shares are held by a foreign national. *Prima facie*, FEMA violations were also noticed in the incorporation of an entity by Dr. G. Vivek in a foreign tax-haven country.

Search operations resulted in the recovery & seizure of digital devices & incriminating documents indicating suspicious / unaccounted transactions worth several crores as well as use of unaccounted cash in property deals. Seized documents also revealed large scale Inter-Corporate Deposits within group companies having no legitimate business but holding huge land assets. Searches also confirmed the bogus nature of M/s Vigilance Security Services Pvt. Ltd. which was found non-existent at its declared addresses.

Further investigation is under progress.