



Press Release

19.09.2023

Directorate of Enforcement (ED), has provisionally attached immovable properties worth Rs. 71.48 Crore including non-agricultural Lands and Residential properties, situated in Mysore, Bengaluru South (Karnataka) and Ananthpura (Andhra Pradesh), of M/s Hindustan Infracon (India) Private Ltd in a fraud case under the provisions of Prevention of Money Laundering Act, 2002 (PMLA).

ED initiated investigation on the basis of FIRs registered by Karnataka State Police in various districts of Karnataka against M/s Hindustan Infracon India Private Ltd. and its directors under various sections of IPC.

ED investigation revealed that the accused persons, with a fraudulent intent of cheating the common public, illegally collected funds/deposits of Rs. 389 Crore from 7,18,817 investors, with a promise of exorbitant rate of returns on the investments. However, the accused persons failed to return the amount of Rs. 199 Crore to the investors and thus cheated the common public.

ED investigation further revealed that M/s. Hindustan Infracon India Ltd. diverted the funds received from the investors and made payments to M/s. Bharath Builders, M/s Hindustan Mega Shoppe India Ltd. (sister concern), Mrs. K. Lalitha and M/s Vajra Properties. These funds were utilised for purchase of immovable properties, withdrawal in cash and thereby utilised for personal gains.

Further investigation is under progress.