PressRelease

02.02.2024

Directorate of Enforcement (ED) has conducted searches on 31.01.2024 under the provisions of Prevention of Money Laundering Act (PMLA), 2002 at 11 premises situated in Indore, Jaura, and Mandsaur of Madhya Pradesh and in Akola of Maharastra in the matter of **M/s Narayan Niryat India Pvt. Ltd. & others**. The search covered the business premises of the group companies of M/s Narayan Niryat India Pvt. Ltd and residences of directors of the companies. During search various incriminating documents, books of accounts of the group companies and details of immovable/ movable properties were found and seized.

ED initiated investigation on the basis of FIR registered/Charge-sheet filed by CBI, AC-IV, Vyapam, Bhopal under various sections of IPC against M/s Narayan Niryat India Pvt Ltd and its directors.

ED investigation revealed that during the period of 2011 to 2013 M/s Narayan Niryat (India) private Limited, MP, and its directors availed Credit facility totaling to approx. Rs. 110.50 Crores in form of Letter of Credit (LC) and Export Packing Credit (EPC) from consortium of banks namely UCO bank (lead bank), Corporation Bank (merged with Union bank of India) and Punjab National Bank.

The company failed to repay the loan amount to the tune of Rs. 109.87 Crores. The company didn't utilize the fund for the purpose for which it was sanctioned and submitted fraudulent books of account for availing the bank loan. They defrauded the said banks and diverted the amounts availed through LCs/ EPCs to various associates/sister concern companies namely, Padmawati Trading Company, Mandsaur Sales Corporation, Ramakrishna Solvex Pvt Ltd and Dhaulatwala Exim Pvt Ltd without transacting any goods. Further it was found that part of the property mortgaged with the banks was sold to third parties without any intimation to the banks. Thus, M/s Narayan Niryat India Pvt. Ltd was found to be have knowingly indulged in the processes and activities connected to proceeds of crime.

Further investigation is under progress.

****