



Press Release

14/5/2024

Directorate of Enforcement (ED), Hyderabad has filed Prosecution Complaint (PC) against 17 accused persons / entities in the **BS-IV vehicle scam** before the Hon'ble Special (PMLA) Court, Vishakhapatnam under the provisions of the Prevention of Money Laundering Act (PMLA), 2002. The Hon'ble Court has taken cognizance of the PC.

The Hon'ble Supreme Court of India vide its order dated 29.03.2017 in WP (Civil) No.13029/1985 ordered that vehicles that are not compliant with BS IV emission norms shall not be sold or registered in India from 1st April 2017 onwards. However, J C Prabhakar Reddy, C. Gopal Reddy & others purchased BS-III vehicles from Ashok Leyland Ltd. as scrap at huge discount in the name of their entities viz. M/s. Jatadhara Industries Pvt Ltd and M/s C. Gopal Reddy and Co. and fraudulently registered the same as BS-IV vehicles on the basis of forged and fabricated documents. Majority of the fraudulent registrations were done in Nagaland while some were also done in Karnataka and Andhra Pradesh.

ED investigation revealed that 50 such vehicles were registered in name of M/s Jatadhara Industries Pvt Ltd and 104 vehicles were registered in name of M/s C. Gopal Reddy. Most of these vehicles were further utilised by them in their transport business by plying them as BS IV vehicles. Some such vehicles were also sold off by projecting them as BS IV vehicles. The proceeds of crime generated by owning, plying and selling these vehicles have been quantified as Rs. 38.36 Crore.

Earlier, ED had attached movable properties (bank balances, cash, jewellery & receivables) and 68 immovable properties worth Rs. 28.62 Crore belonging to J.C Prabhakar Reddy, C. Gopal Reddy and their family members.

Further investigation is under progress.
