



## **Press Release**

**01.02.2024**

Directorate of Enforcement (ED) has filed Prosecution Complaint (PC) under the provisions of Prevention of Money Laundering Act (PMLA), 2002 against Nirmal Kotecha, Pavan Kuchana and Kishore Tapadia before the Hon'ble Special PMLA Court, Hyderabad on 07.12.2023. The Hon'ble Court has taken cognizance of the PC on 01.02.2024.

ED initiated investigation on the basis of complaint filed by the Securities and Exchange Board of India (SEBI) u/s 12(A) r/w 24 of the SEBI Act, 1992 against M/s Taksheel Solutions Limited, its promoters/directors and others for irregularities with respect to IPO through which M/s Taksheel raised Rs. 80.50 Crore.

ED investigation revealed that Pavan Kuchana, Nirmal Kotecha and Kishore Tapadia formulated a planned strategy to inflate the revenue of M/s Taksheel Solutions Limited for issuing IPO and for subsequently diverting and siphoning off the IPO proceeds. To facilitate the issue of IPO, Nirmal Kotecha arranged Inter-Corporate Deposits (ICDs) to M/s Taksheel Solutions Ltd. The said funds were rotated through US based entities belonging to Pavan Kuchana and circular transactions were done with M/s Taksheel Solutions Ltd. before the IPO which resulted in incremental revenue and corresponding inflation of profitability. Subsequent to the IPO, the ICDs were repaid from the IPO proceeds.

ED investigation further revealed that, an amount of Rs. 34.50 Crore raised from IPO was diverted and siphoned off to USA based entities of Pavan Kuchana on the pretext of payment for supply of services. From these USA based entities, huge amount of money was further transferred to Singapore / Hong Kong based entities under the control of Nirmal Kotecha. Out of the IPO proceeds, another amount of Rs. 23 Crore was transferred to Indian entities in the guise of purchase of software products and was eventually transferred to Nirmal Kotecha's entities based in Hong Kong and Dubai. Proceeds of crime of Rs. 18 Crore were transferred from M/s Taksheel Solutions Ltd. to various individuals / entities on the pretext of IPO related expenses, payments to vendors, STPI development expenses, salaries, etc.

ED had earlier arrested all the three accused namely, Nirmal Kotecha, Pavan Kumar Kuchana & Kishore Tapadia and attached movable & immovable properties to the tune of Rs. 12.11 Crore in the name of the accused persons under the provisions of the PMLA.

Further investigation is under progress.

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