



## **Press Release**

**27.06.2024**

Directorate of Enforcement (ED), Bhopal has provisionally attached immovable properties worth Rs. 26.53 Crore on 18/06/2024 under the provisions of Prevention of Money Laundering Act (PMLA), 2002 in the case of M/s Narayan Niryat India Pvt Ltd and others.

ED initiated investigation on the basis of chargesheet filed by CBI, AC-IV, Vyapam, Bhopal under various section of the Indian Penal Code, 1860 against M/s Narayan Niryat India Pvt Ltd and others.

ED investigation revealed that M/s Narayan Niryat India Pvt Ltd (NNIPL) through its Director Kailash Chandra Garg and others had availed various credit facilities of Rs. 110.50 Crore from the consortium of banks led by UCO Bank in the form of Letter of Credit (LC) and Export Packing Credit (EPC) for the purpose of purchase of Soya de-oiled cake and its export in international markets. The LCs amounting to Rs. 54.96 Crore were got devolved in the year 2012 and EPCs amounting to Rs. 54.92 Crore were outstanding in the account of M/s Narayan Niryat India Pvt Ltd resulting in loan amount of Rs. 113.51 Crore (including interest) getting NPA.

However, the investigation revealed that the company didn't utilize the fund for the purpose for which it was sanctioned and submitted fraudulent documents for availing the loan from consortium of banks. The company 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 Dhulatawala Exim Pvt Ltd without transacting any goods. Thus, M/s Narayan Niryat India Pvt Ltd cheated the bank to the tune of 113.51 Crore and levied a wrongful loss to the consortium of banks.

Further, ED investigation revealed that the diverted loan amount was used for the purchase of immovable properties in Madhya Pradesh and Maharashtra in the name of the group companies namely, M/s Medaria Medical Tourism Pvt Ltd, M/s Maple Overseas Trade Pvt Ltd and M/s Vardhman Solvent Extraction Industries Ltd. During investigation, total 34 properties in the name of group companies of M/s Narayan Niryat India Pvt Ltd were identified in the district of Indore, Ratlam and Mandsaur in Madhya Pradesh and Akola in Maharashtra. A Provisional Attachment Order was issued u/s 5(1) of PMLA, 2002 on 18.06.2024 attaching these properties amounting to Rs. 26.53 Crore.

Further investigation is under progress.