



Press Release

08.07.2024

Directorate of Enforcement (ED), Surat has conducted search operations under the provisions of Foreign Exchange Management Act (FEMA), 1999 at the premises of M/s Paplaj Foreign Trade LLP, its partners Somabhai Sunderbhai Meena & Ojaskumar Mohanlal Naik and its associates at various locations in Surat, Vadodara, Mumbai and Pune. During the search operations, various incriminating documents and electronic devices were recovered and seized.

ED initiated investigations on the basis of information that M/s Paplaj Foreign Trade LLP has made large scale suspicious outward remittances on account of overvaluation of import and export of diamonds.

ED investigation revealed that M/s Paplaj Foreign Trade LLP, had done overvaluation of import of diamonds and has remitted an amount of Rs. 2800 Crore (approx.) between July, 2023 and March, 2024.

ED investigation further revealed that M/s Paplaj Foreign Trade LLP had received amounts of Rs. 2800 Crore (approx.) from various non – existent entities based in Surat, Delhi, Mumbai, Pune etc. and remitted the same to eight entities based in Hong Kong. During the search, it was been revealed that the entities which transferred amounts of Rs. 2800 Crore approximately to M/s Paplaj Foreign Trade LLP were shell entities and had provided accommodation entries through web of complex transactions in the garb of sale – purchase of diamonds.

Further investigation is under progress.