



## **Press Release**

**04.09.2023**

Directorate of Enforcement (ED) has provisionally attached immovable and movable properties worth Rs 105.5 Crore including residential sites, commercial properties and Farm House located in Bengaluru worth Rs. 104.90 Crore and Cash seizure of Rs. 14.5 Lakh of M/s Bharath Infra Exports and Imports Ltd and others in a bank fraud case.

ED initiated investigation on the basis of FIR registered by CBI, Bank Securities Fraud branch, Bangalore against M/s Bharath Infra Exports-Import Pvt Ltd and its promoters/directors under various sections of IPC, 1860 and Prevention of Corruption Act, 1988 alleging that the company was engaged in the trade of construction materials and availed cash credit limits from the State Bank of India. Later, the cash credit account of the said entity was classified as a Non-Performing Asset (NPA) on 17.01.2017 due to non-repayments of the bank's dues/outstanding of Rs 113.37 Crore.

ED investigation revealed that M/s Bharath Infra Exports and Imports Ltd opened 10 LCs in FY 2016-17 and thereafter, transactions were made fraudulently to convert the Non-Fund Based LC to increase Fund-based Cash Credit availability in the bank accounts of other companies and indulged in circular trading and falsely showed the increased turnover in these companies M/s Bharath Infra Exports and Imports Ltd hatched a conspiracy with M/s Aradhya Wire Ropes Pvt Ltd, M/s Aradhya Steel Pvt Ltd, M/s Vedik Ispat Pvt Ltd, M/s Bhavani Steel Corporation and M/s Speigel Enterprises Pvt. Ltd and the funds were initially credited to the bank account of M/s Aradhya Wire Ropes Pvt. Ltd and then routed through other companies bank accounts and finally returned back to M/s Bharath Infra Exports and Imports Ltd.

Further investigation is under progress.

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