



Press Release

11.02.2022

Enforcement Directorate has provisionally attached assets valued at Rs. 57.23Crore (approx) in case of loan fraud by Kalpesh M Patel, Managing Director of Kemrock Industries and Exports Ltd & others under the provisions of Prevention of Money Laundering Act, 2002.

Investigation under PMLA was initiated by the ED on the basis of FIR registered by Economic Offence Wing (EOW)CID Crime, Gandhinagar Zone for commission of offence under various sections of IPC and section 46 of Banking Regulation Act against Kalpesh M Patel & others for committing loan fraud of Rs. 140 Crore (approx).

The investigation revealed that Shri Kalpesh M Patel & others, had done routing of the funds received out of credit limit sanctioned by the consortium banks to inflate the financials of the company to extend/increase the credit facilities from the consortium of banks and obtain loans in the name of the company. Kalpesh M Patel and his wife Binita K Patel also diverted/ mis-utilized the funds received from the consortium other than the purposes for which the credit facilities were sanctioned and have also transferred funds to their personal accounts from which it can be inferred that the NPA amount of Rs140.60 crores (approx.) is nothing but proceeds of crime as defined under section 2(1)(u) of PMLA, 2002.

Therefore, proceeds of crime to the tune of Rs. 57.23 Crore (approx.), in the form of both movable as well as immovable assets of M/s Kemrock Industries and Exports Pvt Ltd., Kalpesh Patel and Binita Kalpesh Patel, M/s Kemrock Agritech Pvt Ltd. have been provisionally attached by the ED.

Further investigation is under progress.