



Press Release

01.04.2022

Directorate of Enforcement (ED) has conducted search operations on 30.03.2022 in Punjab and Himachal Pradesh for investigating the matter of, prima-facie, violation of the provisions of section 4 of the Foreign Exchange Management Act (FEMA), 1999 by persons resident in India for acquiring, holding, owning, possessing and transferring foreign exchange, foreign security or any immovable properties situated outside India. In total, 7 premises were searched. As the result of search, many incriminating documents in the form of loose papers and property documents revealing financial transactions between the persons resident in India/the business entities owned/controlled by them and the various business entities in India/ Switzerland were recovered and seized.

Investigation was initiated based on a reference stating that LoCs had been issued against Dinesh Soin, Abhishek Soin and others of M/s Saber Papers Ltd., Ludhiana ("SPL"). Enquiries were caused by ED, which revealed that Dinesh Soin, Abhishek Soin and other members of the Soin family were the shareholders/ Directors of SPL and M/s Saber Paper Boards Pvt. Ltd., Ludhiana ("SPBPL"). Further enquiry caused confirmed that certain Wholly Owned Subsidiary and Joint Venture entities were incorporated in Cyprus and Switzerland respectively by the said persons and mandatory reporting required to be filed as per the FEMA provisions, had not been made for considerable number of years.

Further, enquiries conducted revealed that SPL and SPBPL, said Dinesh Soin and Abhishek Soin had invested Rs. 9.7 Crore in various entities in foreign jurisdiction and later, had apportioned the assets and liabilities among those entities which revealed that more than Rs. 120 Crore worth of assets had accreted in the name of those companies in Switzerland. The Soins had remitted through banking channels only an amount of Rs. 9.7 Crore, reinforcing the suspicions that funds transferred from India through other than banking channels, had been infused in those entities.

Intelligence was also gathered that bank loans more than Rs. 400 Crore had been availed by the SPL and SPBPL for which insolvency proceedings were initiated by the lending banks before the NCLT.

Further investigation in the case is under progress.