



Press Release
14.07.2022

Directorate of Enforcement (ED) on 12.07.2022 has arrested 4 persons in connection with the Bank Fraud Cases involving more than Rs 3986 Crore by Chennai based Surana Group of Companies. The said four persons are Dinesh Chand Surana, Managing Director cum Promoter of M/s Surana Industries Limited, M/s Surana Power Ltd & Promoter of Surana Corporation Ltd.; Vijay Raj Surana, Managing Director cum Promoter of M/s Surana Corporation Limited as well as promoter of M/s Surana Industries Limited & M/s Surana Power Limited, and also P Anand and I Prabhakaran, the dummy directors of shell companies.

ED initiated money laundering investigation on the basis of three FIRs registered by Central Bureau of Investigation, BF&SB, Bengaluru, with allegations that these three companies, along with their Promoters, Managing Director/Directors and unknown individuals indulged in the misappropriation and criminal breach of trust, manipulation of books of accounts through fictitious entities and have routed funds through the shell companies and siphoned off the funds from the company's accounts for their personal gains causing loss to the tune of Rs. 3986 Crore to the Public Sector Banks.

Investigation by ED revealed that a web of shell companies was created by these persons, wherein the dummy directors of these shell companies were either the relatives/persons from ancestral village of Surana family or the employees of Surana group companies. The transactions of the three main group companies were routed through those dummy /shell companies and thereafter the monies were siphoned off to other purposes including purchasing properties through layering and also obtained benami properties in the name of those shell companies. Investigation also revealed that Surana Group of Companies/Promoters have incorporated several companies in Cayman Island as well as BVI (British Virgin Islands) in the name of dummy directors and siphoned off money to park in those companies through four dummy companies established in Singapore. Money was generated by these Singapore based companies through the sale of goods exported by Indian entities. However, these Indian entities have subsequently written off the receivables in the books of accounts in India.

Investigation further revealed that crores of rupees have been transferred from these three main group companies to the shell companies and from the said shell companies to the personal accounts of the promoters and their wives. Dinesh Chand Surana is the main perpetrator of this money-laundering scheme and all the shell companies were under his active control. Vijay Raj Surana aided in the transactions with the shell companies which were nothing but manipulation of accounts and also allowed the transactions to continue including layering etc. P Anand and I Prabhakaran are the directors of these shell companies who actively connived with the Surana Management in siphoning off funds and thus aided and abetted them in their activities of siphoning and laundering of public funds.



All the 4 persons arrested were produced before the Principal Session Judge Court, Chennai, and the Hon'ble Court granted remand for them for 14 days. i.e., upto 27th July, 2022.

Further investigation is in progress.
