Press Release

08.11.2024

Directorate of Enforcement (ED), Bhopal Zonal Office has conducted search operations on 06.11.2024 at 4 locations at Bhopal under the provisions of Prevention of Money Laundering Act (PMLA), 2002 in a bank fraud allegedly committed by M/s Excel Vehicle Pvt. Ltd., its Directors & others by doing diversion of funds availed from Bank of India. The company had diverted the funds to their sister concerns and related entities causing loss to the bank to the tune of Rs. 44 Crore.

ED initiated investigation on the basis of FIR registered by the CBI under various sections of IPC, 1860 and Prevention of Corruption Act, 1988.

ED investigation revealed that the said company had secured a credit facility of Rs. 42 Crore in 2014 from Bank of India. By 2017, the account turned NPA. Further, in 2019, the Kotak Mahindra Bank also informed Bank of India about prior mortgaging of certain properties by a sister concern of M/s Excel Vehicle Pvt. Ltd. viz. M/s My Car (Bhopal) for securing credit facilities from Kotak Mahindra Bank, whereas the said mortgaged properties were also mortgaged with Bank of India by M/s Excel Vehicle Pvt. Ltd. for securing credit facilities. Accordingly, the Bank of India declared the account fraudulent and reported it to RBI.

ED investigation also revealed that funds were diverted by M/s Excel Vehicle Pvt. Ltd. to its sister concerns and utilized for payment towards vendors of its sister concerns and in the repayment of loans of other NBFCs etc.

During the search operation, various incriminating documents, mobile phone, Diamond / Gold jewellery worth Rs. 85 Lakh (approx.), cash to the tune of Rs. 25 Lakh (approx.) have been seized.

Further investigation is under progress.