



Press Release
02.10.2026

Directorate of Enforcement (ED), Ranchi Zonal Office has arrested Gyaan Chand Jaiswal@Babloo Jaiswal and Raaj Jaiswal on 30.09.2026 under Section 19 of the Prevention of Money Laundering Act (PMLA), 2002, in connection with an investigation into GST Input Tax Credit (ITC) fraud case. They were produced before the Hon'ble Special PMLA Court, Ranchi on 01.10.2026 which remanded them into Judicial Custody. The said arrests were made following search and seizure action conducted u/s 17 of PMLA,2002 on 30.09.2026 at four premises related to residential and office premises of Gyaan Chand Jaiswal @ Babloo Jaiswal, Sanjay Parekh(CA) & others in Jamshedpur, Jharkhand & Kolkata, West Bengal. During the search proceedings, various incriminating documents, digital devices, were found and seized under appropriate provisions of PMLA.

ED investigation was initiated on the basis of multiple complaints filed by the Directorate General of GST Intelligence (DGGI), Jamshedpur, which had unearthed a sophisticated fraud involving the generation and passing on of fake ITC. The investigation revealed that the syndicate had created a web of 135 shell companies which existed only on paper and were used to issue bogus invoices worth over ₹5000 Crore without any actual supply of goods or services. Through this modus operandi, the syndicate fraudulently generated and passed on fake ITC to the tune of over ₹734 Crores. This illicitly generated credit was then sold at a commission to various beneficiary firms, which used it to evade their own GST liabilities.

Investigation has revealed that group led by Gyaan Chand Jaiswal @ Babloo Jaiswal and Raaj Jaiswal were one of the main beneficiaries of the said fake ITC fraud, through their entities. They not only incorporated entities in their/family members name i.e. M/s Maa Sharda Endeavours Pvt. Ltd, M/s Makers Casting Pvt. Ltd. and M/s Kedarnath Trexim Pvt. Ltd but also in the name of their employees such as M/s Jai Bhole Enterprises. The investigation found that fake ITC to the tune of Rs. 54.33 Crores were routed through the said entities and were layered ultimately into their personal bank accounts as well in the bank accounts of their relatives/entities which is PoC attributed to them and the said PoC was suspected to have been utilized towards their business activities and in acquisition of various movable & immovable properties.

Earlier in this case, search & seizure actions were done in May, 2025 & Aug, 2025 at various premises related to the accused persons in Kolkata, Jamshedpur, Ranchi & other places and resulted into seizure of various incriminating documents/details, digital devices, seizure of cash/freezing of bank balances to the tune of nearly 70 lakhs.

Further, ED has issued two PAOs consisting properties of more than 20 Crore. Furthermore, four accused persons have also been arrested under the PMLA on 08.05.2025 and of the same three are presently under judicial custody. A Prosecution Complaint is also filed before the Hon'ble Special PMLA Court, Ranchi which is under trial stage.

Further investigation is under progress.
