



Press Release
06.03.2023

Directorate of Enforcement (ED) has conducted search and survey operation on 03.03.2023 at 15 places in Nagpur and Mumbai in an ongoing investigation under PMLA 2002 relating to the investment fraud of Pankaj Mehadia and others. Searches were done at the residences and offices of Pankaj Mehadia, Lokesh Jain, Karthik Jain, who are the main accused of this scam and also on the office and residential premises of the main beneficiaries.

ED initiated PMLA investigation based on the predicate FIR registered at Sitabuldi Police Station, Nagpur, against Pankaj Nandlal Mehadiya, Lokesh Santosh Jain, Kartik Santosh Jain, Balmukund Lalchand Keyal, Premlata Nandlal Mehadiya in a fraud causing loss to investors in crores of rupees. PMLA investigation revealed that Pankaj Nandlal Mehadia along with other accomplices were running a Ponzi scheme and lured various investors by promising to give 12% assured profit after deducting TDS on the investments made from the year 2004 to 2017. Throughout the period of 2005 to 2016, with the malafide intentions of cheating and siphoning off the investors' money, the accused persons ran the Ponzi scheme giving assured returns to win over the investors and thus luring the investors to invest in larger amounts in the associated firms/companies and ultimately did not return the money. In order to divert the money and to give the transactions a tinge of legitimacy, transactions worth more than Rs 150 Crore have been affected in the Bank accounts and it is suspected that most of these transactions are not backed by genuine business deals and are in the nature of accommodation entries.

ED conducted searches and surveys at 15 locations from 03.03.2023 at Nagpur and Mumbai and has recovered and seized gold & diamond jewellery worth Rs 5.51 Crore, cash of approx Rs 1.21 Crore, digital devices and various incriminating documents etc. during the searches.

Further investigation in the case is under progress.

