



PRESS RELEASE
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Directorate of Enforcement (ED), Kolkata Zonal Office has arrested the promoters of M/s Prayag Group of Companies, Basudeb Bagchi and Avik Bagchi, in connection with a money laundering case related to a **chit fund scam**. The father-son duo is accused of defrauding the public by collecting deposits worth Rs. 2,800 Crore under false high-return schemes, such as Monthly Income Schemes (MIS), Redeemable Preference Shares, and Club Membership Certificates. As of now, Rs. 1,900 Crore remain unpaid to investors.

The Prayag Group of Companies operated illegally without necessary authorizations from regulatory bodies like the Reserve Bank of India (RBI) and the Securities and Exchange Board of India (SEBI), affecting lakhs of investors across multiple states. Earlier searches were conducted on 26.11.2024 at multiple locations in Kolkata and Mumbai, resulting in the seizure of incriminating records and evidence. The funds collected from the investors were layered by the promoters by incorporating multiple entities and which were subsequently used for buying various properties.

The Hon'ble Special CBI Court, Kolkata has granted 10 days custody of both the accused to ED. The ED will further interrogate the accused to uncover the properties acquired using the defrauded funds. This action is part of the ED's efforts to trace and recover assets linked to the scam, aiming for restitution of the money to rightful investors and victims.