



PRESS RELEASE
09/10/2025

Directorate of Enforcement (ED), Kochi Zonal Office, has conducted search operations under the Foreign Exchange Management Act (FEMA), 1999 on 08.10.2025 at 17 premises across Kerala and Tamil Nadu in connection with a case involving the illegal import of high-end foreign-origin vehicles and related unauthorised foreign-exchange dealings.

Preliminary inputs identified a Coimbatore-based network led by Sathik Basha and Imran Khan, partners of M/s Shine Motors. The duo allegedly procured used vehicles from Bhutan using forged No-Objection Certificates and routed payments through unauthorised channels.

Searches were carried out simultaneously at 17 locations — residences, workshops and business establishments in Ernakulam, Thrissur, Kozhikode, Malappuram, Kottayam and Coimbatore, and one address in Chennai. During search action, incriminating documents, electronic devices, vehicle papers and payment records have been seized.

During the search, Sathik Basha and Imran Khan gave statements under Section 37 of FEMA, admitting that between 2023–24 they procured around 16 vehicles from Bhutan through a Bhutanese intermediary, Shri Sha Kinley, an ex-Army personnel. Vehicles were driven to the Indo-Bhutan border at Jaigaon, loaded on car-carriers and transported via Kolkata, Bhubaneswar and Chennai to Coimbatore without customs clearance. No import duty was paid. The vehicles were dismantled and sold as spare parts in Kerala, Tamil Nadu, Maharashtra and other States, often through OLX and similar platforms, with payments in cash or to personal accounts. Neither of their firms possessed an Import-Export Code or maintained statutory invoices

Searches at garages and workshops across Kerala confirmed the presence of dismantled vehicle parts and digital evidence of communication with Bhutan-based suppliers. The seized material includes forged NOCs, WhatsApp chats, bank details and buyer lists.

The investigation has revealed prima facie violations of Sections 3, 4 and 8 of FEMA, 1999, relating to unauthorised foreign-exchange transactions and acquisition of foreign assets. The seized records are being forensically analysed to trace the money trail and confirm the involvement of foreign accounts. ED is coordinating with Customs, State RTOs and other agencies for verification and further legal action.

The operation has unearthed a network that exploited porous borders and digital platforms to evade customs duties and move foreign exchange through informal channels. Admissions obtained during the searches have provided vital leads for tracing the funds and identifying other members of the syndicate. ED reiterates its commitment to act firmly against hawala transactions, foreign-exchange violations and cross-border smuggling networks undermining India's financial system.

Further investigation in the matter is under progress.