



Press Release

22.01.2025

Directorate of Enforcement (ED), Patna Zonal Office has arrested Jawahar Lal Shah on 20.01.2025 under the provisions of Prevention of Money Laundering Act (PMLA), 2002 in a **Ponzi scheme case**. Jawahar Lal Shah was produced before the Hon'ble Special Court (PMLA), Patna wherein he was remanded to Judicial Custody.

ED initiated investigation on the basis of FIR registered by Bihar Police under sections of IPC, 1860 against M/s Mahua JLG Development Cooperative Society Ltd, Jawahar Lal Shah and others.

ED investigation revealed that Jawahar Lal Shah in connivance with his associates formed various companies/Co-operative Societies namely Mahua Joint Liability Group Dairy Products & Agro Industries Ltd, Mahua Joint Liability Group Development Cooperative Society Ltd, Mahua Gavy Prasankaran Swavlambi Sahkari Samiti Limited etc. and collected money around 25-100 Crore from public with assurance to pay higher returns. The Companies/Co-operative Societies failed to pay the assured return to the investors on maturity and shut down their offices. The investor's funds were layered and laundered and diverted to the accounts of Jawahar Lal Shah and his associated persons/entities and part of which has been utilized in acquiring immovable properties.

During investigation, searches were conducted u/s 17 of PMLA at the premises linked with Jawahar Lal Shah and other associates at five locations in Bihar, West Bengal, Delhi and Uttar Pradesh on 07.01.2025 which resulted in recovery and seizure of incriminating documents including digital devices.

Further investigation is under progress.