



## PRESS RELEASE

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Directorate of Enforcement (ED), Ahmedabad Zonal Office has provisionally attached immovable properties on 17/12/2024 valuing to **Rs.19.37 Crore** which consists the commercial lands at Rajula and a residential flat at Ahmedabad under the provisions of Prevention of Money Laundering Act (PMLA), 2002 in the case of **M/s Hellios Tubealloys Pvt Ltd. (HTPL)** and others.

ED initiated investigation on the basis of FIR registered by the CBI, ACB, Gandhinagar (written complaint from DGM, Ahmedabad Region, Bank of Baroda, Ashram Road, Ahmedabad) against M/s Hellios Tubealloys Pvt Ltd (HTPL), Ahmedabad and others. The FIR inter alia alleged that the M/s. HTPL and its Directors namely Shantilal Sanghvi and Mahesh Sanghvi have defrauded/cheated Bank of Baroda to the tune of **Rs 28.54 Crore**. Later, the CBI, ACB Gandhinagar, filed the charge sheet on dated 28.12.2021.

ED investigation revealed that the company was incorporated with stated objective of trading of “stainless steel” such as stainless-steel sheet, coils, plates, fittings and manufacturing of different types of stainless-steel pipes and tubes. The company was given credit facility aggregating to Rs 29.67 Crore (Cash Credit: Rs 17 Crore, Letter of Credit: Rs 4 Crore, Term Loan: Rs 3.67 Crore and BG: Rs 5 Crore) by the Bank of Baroda.

Further, out of the amount of Rs 28.54 Crore, the funds to the tune of Rs 14 Crore (approx.) were fraudulently diverted in favour of sister concern namely M/s SLS Stainless Pvt Ltd having common directors. Further, M/s HTPL has taken Bank Guarantee of Rs 4.50 Crore (approx.) from Bank of Baroda which was devolved due to non-performance. Further, the company mis utilized the remaining loan amount by using it for making various payments such as Term Loan repayment, BG Charges, LC charges/LC discount charges, Income Tax Payments etc. In this manner, it has caused the Bank of Baroda to wrongful loss of Rs 28.54 Crore. However, the bank has recovered amount of Rs. 5.64 Crore by auctioning the sale of mortgaged assets and other measures.

During the investigation, certain immovable properties were identified on the name of a sister concern of M/s HTPL. ED has issued Provisional Attachment Order on 17/12/2024 valuing **Rs.19.37 Crore** attaching the properties which consists the commercial lands at Rajula and a residential flat at Ahmedabad. Hence, out of the remaining loss of Rs.22.90 Crore to the bank, ED has made attachment of Rs. 19.37 Crore.

Further investigation is under progress.