



PRESS RELEASE

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Directorate of Enforcement (ED), Gurugram has conducted search operations on 20.06.2024 at approx 40 locations in Delhi NCR, Gurugram, Mumbai and Nagpur under the provisions of Prevention of Money Laundering Act (PMLA), 2002 in the case of M/s ACIL Limited, M/s Amtek Auto Limited, Arvind Dham, Anubhav Dham, Gautam Malhotra and others, in connection with a Bank fraud case of more than Rs. 25,000 Crore involving more than 15 public/private sector financial institutions.

ED initiated investigation on the basis of FIRs registered by CBI arising from the complaints by IDBI Bank and Bank of Maharashtra, on allegations of diverting bank loans through cheating, fraud and criminal breach of trust and causing wrongful loss to the banks under various section of of IPC, 1860 & Prevention of Corruption Act, 1988 to the tune of Rs. 673.35 Crore. Further, Hon'ble Supreme Court on 27.02.2024 while deciding a Public Interest Petition against M/s Amtek Auto group of companies, directed ED, being armed with extensive mechanism, to investigate the case which may lead to unearthing money laundering offences punishable under PMLA, 2002.

ED investigation revealed that Amtek group had defaulted on the loans exceeding Rs. 25,000 Crore of more than 15 Banks. The group companies namely M/s ARG Limited, M/s ACIL limited, M/s Amtek Auto Limited, M/s Metallic Forging Limited and M/s Castex Technologies Limited along with other Group concerns were taken to insolvency, whose resolution has led to huge haircut of more than 80% for the banks causing substantial loss to the financial system.

Further investigations revealed a complex web of more than 500 shell companies deployed by the group to hold and invest in high value real estate and luxury properties. None of the companies were declared as related parties failing many regulatory mechanisms. Investigations have also revealed that Amtek Auto group not only fraudulently diverted the loans, but also window dressed the financial statements filed with stock markets, created bogus assets in their books of accounts with the collusion of auditors, and finance professionals. At the time of resolution, it has been revealed that the overall bogus plant and machinery of group companies was exceeding Rs.10,000 Crore in their respective Balance Sheets.

Search operation resulted in identification of several Benami companies with high value real estate assets of more than Rs. 1000 Crore. Investigation into the trail of Proceeds of Crime revealed that the Group has made peon, driver, housekeeping staff, security guards as Directors in hundreds of companies holding assets, whose beneficial ownership has been revealed to be the promoters of M/s Amtek Auto group. Further, properties were sold at nominal values to their own sister concerns to conceal the proceeds of crime and project the same as untainted and several assets in foreign holding companies were written off causing wrongful losses to consortium of banks. The searches also resulted in seizure/recovery of hundreds of property documents, cash worth Rs. 2.53 Crore held in hidden private lockers, jewellery of more than Rs. 1.1 Crore and incriminating documents related to siphoning of loan funds.

Further Investigation is under process.