



Press Release
09.09.2022

Directorate of Enforcement (ED) has carried out search operations on 08.09.2022 in a Bank loan fraud case at the business and residential premises of the accused persons and their associates including M/s Tara Corporation Limited (renamed as Malaudh Agro Limited w.e.f 24.09.2018), its Directors Jaswant Singh, Balwant Singh, Kulwant Singh, Tejinder Singh, their associates and other sister concerns at Ludhiana, Malerkotla, Khanna, Payal and Dhuri. During the course of search, various incriminating evidences were recovered and seized related to Bogus firms through which turnover of M/s Tara Corporation Limited was inflated and loan funds were diverted/siphoned off by the accused. Further, mobile phones, hard drives and Indian currency worth Rs. 32 Lakh were also seized from the search premises.

ED initiated money laundering investigation on the basis of FIR dated 28.03.2022 registered by Central Bureau of Investigation, ACB, Chandigarh under various sections of IPC Act, 1860 and 13(2) and 13(1)(d) of PC Act, 1988.

Bank of India, Model Town Branch, Ludhiana had sanctioned loan on cash credit limits aggregating Rs. 35.00 Crore as against hypothecation of stocks and book-debts on 23.09.2011 under sole banking arrangement. The account was also sanctioned an adhoc limit of Rs. 6.00 Crore in Feb 2014, which is yet to be repaid by the Company. Account of M/s TCL was declared as NPA on 31.03.2014. The aggregate loan outstanding is Rs. 76 Crore.

Jaswant Singh, Balwant Singh, Kulwant Singh and Tejinder Singh were directors and guarantors in the loan account of M/s Tara Corporation Limited. When a fresh ROC search was initiated by the bank in May 2016, it was observed that there was a drastic change in the directors of the company (without intimation to/prior permission of Bank) and Kirpal Singh Tiwana, Harish Kumar & Lakhbir Singh had been appointed as directors of M/s TCL and Principal person Balwant Singh had resigned from the directorship. Later on, Balwant Singh had also been re-appointed as director of the company w.e.f 25.05.2016.

On the basis of information available, investigation was initiated against the above said persons and their associates in order to ascertain the money laundering activities undertaken by them for laundering their proceeds of crime.

Further Investigation in this case is in progress.
