



Press Release
16/10/2023

Directorate of Enforcement (ED) has conducted search and survey operations on 13.10.2023 at 30 locations in Delhi NCR, Haryana, Kolkata, Mumbai and Bhubaneswar, as part of investigation under PMLA, 2002 against the Promoters of M/s Bhushan Steel Limited (BSL) in connection with a Bank fraud of Rs 56,000 Crore.

ED initiated investigation on the basis of Prosecution Complaint filed by Serious Fraud Investigation Office [SFIO]. The said complaint had invoked scheduled offences under the PMLA Act.

ED investigation revealed that erstwhile M/s Bhushan Steel Limited and its Managing Director Neeraj Singal and his associates formed several shell companies. They rotated funds from one company to another through a chain of multiple entities. The funds were circulated to infuse capital, buy property and for other personal purposes not intended by the Banks. Investigations further revealed that promoters/directors and the officials of M/s BSL prepared forged documents and made fraudulent representations before the banks to discount LCs (Letters of Credit) and diverted the funds back into their own web of companies with malafide intentions causing wrongful loss to the State Bank of India and Punjab National Bank.

Earlier, ED had provisionally attached the Land situated at Village Karede Budruk, District Raigad, Maharashtra, Plot located at Faridabad, Haryana and Plot located at District Kamrup, Assam valuing Rs 61.38 Crore. The provisional attachment order was subsequently confirmed by Ld. Adjudicating Authority. ED has also arrested Neeraj Singal, the then Managing Director of erstwhile M/s Bhushan Steel Limited on 09-06-2023 who is presently in Judicial Custody.

During the search operations, various incriminating documents/digital records were recovered and seized. The digital evidences were found hidden with key employees/ confidants of Neeraj Singal and the same were recovered during the search. Cash of Rs. 72 Lakh, Foreign currency/ Travellers Cheques worth Rs. 52 lakh [approx.], and three luxury Cars (Mercedes Benz) having acquisition value of Rs. 4 Crore [approx.] have been seized.

Further investigations is under progress.