



Press Release
26/09/2024

Directorate of Enforcement (ED), Mumbai Zonal Office has provisionally attached immovable and movable properties worth Rs. 170 Crore belonging to Purushottam Chhaganlal Mandhana, ex Chairman and Managing Director of M/s Mandhana Industries Limited (MIL) and others under the provisions of Prevention of Money Laundering Act (PMLA), 2002. The attached properties include Residential flats and commercial offices situated in Mumbai, Thane, Raigad and Bangalore and movable properties include bank balances of Rs. 55 Lakh, Gold and Diamond Jewellery valuing Rs. 41 Lakh, shares/securities/Sovereign Gold Bond/Corporate bond worth Rs. 13 Crore, three high end cars valuing Rs. 84.5 Lakh and multiple expensive watches valuing Rs. 70 Lakh.

ED initiated investigation on the basis of FIR registered by CBI, BS&FB, Mumbai against Mandhana Industries Ltd (now GB Global Ltd), Purushottam Mandhana, Manish Mandhana, Biharilal Mandhana and others based on complaint filed by Bank of Baroda for defrauding consortium of banks to the tune of Rs 975.08 Crore. Mandhana Industries Ltd. (MIL) and its Directors hatched criminal conspiracy to cause loss to banks and corresponding wrongful gain to themselves by diverting loan funds through fraudulent transactions and circular trading. CBI is yet to file the Charge sheet in the case.

ED investigation revealed that Purushottam Mandhana and others have hatched a criminal conspiracy, thereby causing wrongful loss to the banks. He, with an ulterior motive incorporated numerous fictitious entities in the name of his employees and used such entities for layering of funds of MIL including the loan funds. In pursuit of ill motive to dupe the banks, he made bogus sales and purchases with different entities.

ED investigation revealed that the Proceeds of Crime so generated was concealed through layering and moved multiple times via bank accounts of different bogus sister concerns of MIL and personal bank accounts of members of Mandhana Family. Large amount of POC was utilized by Mandhana Family in paying off their personal debts, investment in share market, purchasing immovable properties and jewellery. Further, ED investigation revealed the shares of M/s Mandhana Industries limited was brought and sold in trading and Demat accounts of different bogus companies so as to rig the Share prices and fool the banks and shareholders at large.

Further investigation is under progress.