



PRESS RELEASE

18.12.2024

Directorate of Enforcement (ED), Lucknow has filed a Prosecution Complaint (PC) against **M/s Cooperative Company Ltd. and others** under the provisions of the Prevention of Money Laundering Act (PMLA), 2002 before the Hon'ble Special Court (PMLA), Lucknow on 29.10.2024. The Hon'ble Court has taken cognizance of the PC on 16.12.2024.

ED initiated investigation on the basis of FIR registered by Police Station Kotwali Dehat, Saharanpur, U.P. under various sections of IPC, 1860 against Ashwini Upadhyay & other Directors/employees of M/s Cooperative Company Limited, Saharanpur Tapri along with CL-2 warehouse owners. It was alleged that CCL was supplying country liquor with brand name "Shabnam Angoori" using fraudulent gate passes and evading excise duty, resulting in loss of approximately Rs 35 Crore to state govt. exchequer and corresponding gain to themselves. The case was later transferred to SIT, Lucknow, who after investigation filed 10 chargesheets. The chargesheets filed by SIT, Lucknow revealed that employees of CCL were involved in issuing duplicate barcodes and QR codes for carrying liquor trip twice on the same gate pass issued by the excise department. Further, CCL was also engaged in the production of unaccounted liquor, by manipulating the amount of Extra Neutral Alcohol received, which was not recorded in company's books of account.

ED investigation further revealed that the Proceeds of Crime to the tune of Rs 34.73 Crore generated by the accused persons through illegal sale of country liquor and evasion of excise duty, had been exhausted by the company in the regular business activities. That, earlier on 29.07.2021, ED had conducted searches u/s 17 of PMLA at 06 locations related to CCL as well as CL-2 warehouses. As a result, various incriminating documents along with cash of Rs 11.26 Lakh were recovered and seized from the said premises.

Subsequently, immovable/movable assets amounting to Rs 34.73 Crore of the company and others including the aforesaid Rs 11.26 Lakh seized were attached provisionally vide three provisional attachment orders viz. PAO dated 24.05.2023, 03.05.2024 and 27.09.2024.

Further investigation is under progress.