



Press Release
26-03-2025

Directorate of Enforcement (ED), Lucknow Zonal Office has provisionally attached an immovable property worth Rs. 27.91 Lakh on 26/03/2025 under the provisions of the Prevention of Money Laundering Act (PMLA), 2002 in the case of Krishna Containers Bank Fraud Case. The attached asset is a land parcel admeasuring 227 sq. yards, situated at Singhpur Kachhar, Kanpur, Uttar Pradesh, held in the name of Dinesh Arora, Managing Partner of M/s Krishna Containers.

ED initiated investigation on the basis of FIR registered by CBI, ACB, Lucknow against M/s Krishna Containers, its partners Dinesh Arora, Smt. Krishna Arora, and others, under various sections of IPC, 1860 and Prevention of Corruption Act, 1988. The FIR alleged that the accused persons cheated Bank of Baroda by availing and misusing Letters of Credit (LCs) to siphon off funds in connivance with related entities, thereby causing a wrongful loss of Rs. 32.35 Crore to the bank.

ED investigation revealed that the accused opened 26 Letters of Credit (LCs) in favor of related/dummy entities such as G.P. Overseas, M.R. Traders, Dinesh Soaps & Detergents, based on forged documents and fictitious transactions. The proceeds from these LCs were layered through various group accounts, and large amounts were ultimately withdrawn in cash, indicating deliberate concealment and laundering of bank funds. In one instance, proceeds from a devolved LC (Rs. 1.03 Crore) were routed from M.R. Traders to Dinesh Soaps & Detergents, and the entire amount was withdrawn in cash the same day.

Investigation established that these firms were fronts operated by the accused to layer and launder the funds. Since the Proceeds of Crime were withdrawn in cash and were dissipated, ED has now provisionally attached a land/asset as equivalent value, held in the name of the accused under the PMLA, 2002.

Further investigation is under progress.