



PRESS RELEASE

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Directorate of Enforcement (ED), Headquarters Office has provisionally attached assets worth Rs 25.29 Crore on 4/12/2024 in the **Birfa IT Case** which were beneficially owned by Manideep Mago and his family. The attached assets include 4 immovable properties, 5 luxury cars and balances in the bank accounts. The case relates to illegal sending of Foreign Remittances worth Rs. 4817 Crore against bogus and forged invoices for making compensatory payments which were under invoiced imports made from China and Hong Kong.

ED initiated investigation in to the financial affairs of Birfa IT based on the information that this entity had sold huge amount of crypto assets and encashed Rs. 1858 Crore from an Indian Crypto-exchange. Enquiries revealed that it had not bought any crypto assets in India. Such a situation indicated a dangerous scenario of International Hawala using crypto transactions. Therefore, search under FEMA conducted in this case, revealed evidences that Manideep Mago has been making illegal foreign remittances using fake and forged documents. On the basis of findings unearthed during the search, a complaint was made by ED to Crime Branch, Delhi and an FIR under various section of IPC,1860 was registered. Since the FIR contained Scheduled offences, the case was taken up for detailed investigation under PMLA by ED.

ED investigation revealed that an International Hawala syndicate was collecting cash from importers; and remitting the same to foreign countries against bogus and forged invoices. As part of this large operation, foreign outward remittances worth Rs. 4817 Crore have been made to Canada and Hong Kong against bogus invoices raised for lease of GPU servers for crypto mining, educational softwares, lease of Bare Metal servers etc. However investigation have revealed that no such services were actually provided and the remittances were made to foreign companies controlled by Manideep Mago and his accomplices, who in turn made the payment to Chinese Companies engaged in export of various products to India.

On the basis of evidences gathered, 9 Delhi Based importers have earlier been searched by the ED. Investigation has revealed one Delhi based Dang family as major beneficiary of these illegal remittances, which imported grossly undervalued goods from China for these importers and sent the compensatory payments through mechanism devised by Manideep Mago and Sanjay Sethi.

Till date, 4 arrests has been made in the case and all accused are in judicial custody. One Prosecution Complaint has been filed in the case and the Hon'ble Court has also taken cognizance of the same, proceedings of which are ongoing in the matter.

Further investigation is under progress.