



Press Release

29-10-2024

Directorate of Enforcement (ED), Lucknow Zonal Office has provisionally attached properties worth Rs.74.16 Crore under the provisions of Prevention of Money Laundering Act (PMLA), 2002 in the case of Shine City group. The properties attached include 24 Agricultural land parcels worth Rs. 47.80 Crore held in the name of Bhagwati Prasad situated at Mohanlalganj Lucknow; 6 Residential land parcels worth Rs.16.5 Crore held in the name of M/s Shine City Colonizers Pvt. Ltd situated at Barabanki Uttar Pradesh; 1 Commercial plot and 4 Commercial spaces worth Rs. 9.27 Crore in "Springdale" project in Rewari, Haryana developed by M/s Vardhaman Buildtech Pvt Ltd (Promoter Vivek Gupta) and 03 Agricultural land parcels worth Rs 0.57 Crore held in the name of Durga Prasad at Barabanki, Uttar Pradesh. These properties were purchased/developed using the money collected from investors and layered & diverted by the Shine City promoters.

ED initiated investigation on the basis of approx. 554 FIRs registered by Uttar Pradesh Police against Rasheed Naseem and Shine City Group of Companies.

ED investigation revealed that the accused persons, associates & promoters incorporated several companies and collected funds from the public in Ponzi-pyramid scheme under the guise of investment in real estate sector and other attractive schemes. ED investigation identified the fund trail and found that money collected from the customers was layered, transferred and diverted to close associates of the group. Bhagwati Prasad, Vivek Gupta and Durga Prasad are such close associates. The funds so diverted were utilized by them for buying land, commercial spaces and developed commercial real estate projects. Consequently, the poor investors never got the return on their investment or promised lands/plots.

Previously, ED had conducted search operations at 18 locations in Lucknow, Varanasi, Allahabad, Mumbai, and Delhi and recovered/seized several digital devices, incriminating documents related to offence of money laundering and details of Properties which were Proceeds of Crime.

ED had arrested and conducted custodial interrogation of 8 accused people, namely Mrs. Shashi Bala, Abhishek Singh, Durga Prasad, Udhaw Singh, Ashif Naseem, Amitabh Srivastava, Mrs. Meera Srivastava and Himanshu Kumar. Till now, 05 PCs have been filed and a total of 8 individuals, 13 companies and 9 partnership firms were made accused. The Hon'ble Special Court has taken cognizance of all PCs filed so far and the trail has commenced. The quantum of total attachment made so far in this case stands at Rs.263.55 Crore (approx.).

Further investigation is under progress.