



Press Release
14/08/2024

Directorate of Enforcement (ED), Nagpur Sub-Zonal Office has carried out search operations under the provisions of Prevention of Money Laundering Act (PMLA), 2002 from 12.08.2024 to 14.08.2024 at 14 official and residential premises in Nagpur, Kolkata and Vishakhapatnam in money laundering investigation into the bank loan fraud committed by M/s Corporate Power Limited and their Promoters/ Directors Manoj Jayaswal, Abhijeet Jayaswal, Abhishek Jayaswal and others. During the course of the search operation, ED has seized large amount of incriminating documents and also frozen Proceeds of Crime consisting of Rs 209.08 Crore worth of listed shares and securities, Mutual Funds, Fixed Deposits and bank balances. ED has also seized cash amounting to Rs 55.85 Lakh during the search proceedings.

ED initiated investigations on the basis of FIR registered by CBI against M/s Corporate Power Limited and its Promoters/ Directors Manoj Jayaswal, Abhijeet Jayaswal, Abhishek Jayaswal and others for offences of Criminal Conspiracy, Cheating and Forgery. As per the Complainant, Union Bank of India, the accused persons had submitted manipulated project cost statements to avail loans and also diverted the bank funds, causing wrongful loss to the tune of Rs 4,037 Crore (Rs 11,379 Crore including interest).

ED investigation has revealed that the Promoters of the accused Company, had colluded together and engaged in fictitious transactions, and fabrication of the Books of Accounts of the Company and its related entities. Following discrepancies have been observed :-

- Apart from M/s Corporate Power Limited, other Abhijeet Group entities had similarly committed bank loan fraud such as M/s Corporate Ispat Alloys Limited amounting to Rs 136.09 Crore, M/s Abhijeet Integrated Steel Ltd amounting to Rs 180 Crore etc.
- Search proceedings revealed that Abhijeet Group had created an intricate web of more than 250 shell entities which were being used by the accused promoters for the purpose of layering, integration and utilization of the Proceeds of Crime (POC). These same entities were also used for introducing bogus share premium into the books of accounts and to inflate books of Abhijeet Group entities enabling them to avail fresh loans from banks through manipulating and doctoring financials.
- A network of 20 charitable institutions were also identified during the search proceedings used for the purpose of laundering the POC.
- Dummy Directors were employed by Abhijeet Group, usually the employees of the group and Dormant companies were found to be used for holding Companies.
- Assets were accumulated from POC in the form of movable assets like listed and unlisted shares, loans and advances, mutual funds, FDs and immovable properties.



- Details of several properties belonging to Abhijeet Group have been gathered during the search proceedings valued at more than Rs 50 Crore so far which have been derived from the POC.
- Apart from the accused persons mentioned in the FIR, several key persons who acted in connivance with them and assisted in the process of money laundering have been identified and their statements were recorded u/s 17 of PMLA.

Further investigation is under progress.