



PRESS RELEASE
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Directorate of Enforcement (ED), Gurugram Zonal Office has filed a Supplementary Prosecution Complaint on 01.08.2025 before the Special PMLA Court, at Rouse Avenue, New Delhi in connection with the Bank Fraud case involving M/s Amtek Auto Limited, M/s ARGL Limited, M/s ACIL Limited, M/s Metalyst Forging Limited, and M/s Castex Technologies Limited, and other group companies along with the main promoter Arvind Dham and others. The Hon'ble Court was pleased to issue notice to all 56 accused including promoters and family members of Amtek group, Chartered Accountants, Bankers, Resolution Professionals, Stock market operators, and others on 07.08.2025 u/s 223 of BNSS.

ED initiated investigation based on directions of the Hon'ble Supreme Court on 27.02.2024 while hearing the PIL against M/s Amtek Auto group of companies on the allegations of large-scale money laundering involving loans obtained mostly from the public sector banks. Further, FIRs have been registered by CBI arising from the complaints by IDBI Bank and Bank of Maharashtra under various sections of IPC, 1860 and Prevention of Corruption Act, 1988, on allegations of illegally diverting bank loans, thus, by causing wrongful loss to the banks. ED investigation has revealed the involvement of Chartered Accountants who filed fraudulent audit reports and covered up the fictitious inflation of fixed assets in the books while not flagging the fraudulent diversions and criminal misappropriation done by the group. The complaint is also filed against bankers who sanctioned loans against undue benefits and evergreened loans without following RBI guidelines. Such evergreening of loans without conducting proper due diligence and subsequent default of such restructured loan repayment resulted in a grim situation of having to report substantially higher NPAs by these banks.

Earlier ED had also made significant enquiries with respect to the suspicious Mumbai based stock market operators who helped Amtek group in defrauding **Foreign Portfolio Investors to the tune of close to Rs. 1000 Crore** of their investment in Castex Technologies Limited. The stock operators were hired by the Amtek group for manipulation of company's shares through artificial price rigging. From the money trail it was found that the Amtek group had itself provided its funds (which was siphoned off through bank loans) to these Mumbai based stock operators for the artificial share price rigging of its own group company.

Once loan repayment has been defaulted, the group companies were taken to the NCLT by the financial creditors and operational creditors. A total of 15 number of group companies has been taken to NCLT and ultimately the cases were resolved with a deep haircut of average of 81% in these companies i.e these creditors on an average only realized 19% of their total claims. ED had continued the investigations in respect of these NCLT proceedings also where the IBC provisions were misused for the benefit of promoters. It was revealed that even before the NCLT proceedings, the promoter group had alienated their assets by undervalued transfers using their front entities/ benami persons. The said supplementary Prosecution Compliant also covered the role played by Resolution Professionals who have violated provisions of IBC.

After the Resolution of the group companies, personal insolvency proceedings of Arvind Dham was initiated by a committee of 23 creditors with claims over Rs. 38,000 Crore. Against the claim, a resolution of Rs. 35 Crore was proposed by the accused. At the same time, the ED had detected a maze of around 500 shell companies created by this group to purchase and hold movable and immovable properties worth more than Rs 6000 Crore from the siphoned off funds. Such shell companies through multiple layering had purchased the said immovable properties and the promoters were made ultimate beneficiaries of such shell companies. The assets were purchased with a complicated layering process effectively to conceal it from the NCLT proceedings and the Resolution professionals could not do the due diligence role assigned to them. It was found that a total of 15 companies of Amtek group have undergone insolvency proceedings, and the lenders have suffered haircut of more than 80% of the total loans of more Rs 34,000 Crore. It is pertinent to point out that the recovery to lenders through IBC has been at Rs. 6,300 Crore which is still ongoing subject to conditions to be fulfilled by the SRAs.

ED had previously conducted searches at over 40 locations, leading to the arrest of Arvind Dham and filed a Prosecution Complaint on September 6, 2024. ED had provisionally attached the properties, both movable and immovable, of **Rs. 5115.31 Crore** on 05.09.2024 which were subsequently confirmed by the Adjudicating Authority. Further investigation led to issuance of two provisional attachment orders of **Rs. 557.49 Crore** and **588.57 Crore**. The total value of the assets under attachment in the case now stands at **Rs. 6261.37 Crore** most of which have been considered at book value/circle rate. However, the market value would be substantially higher, and majority of the assets attached did not have charge of any lenders aggrieved in the fraud.

In view of the above comprehensive findings, the said Supplementary Prosecution Complaint has been filed covering the roles of Promoters, key Managerial persons, Auditors, Bankers, Resolution professionals and Mumbai based stock operators.