



Press Release

29/10/2024

Directorate of Enforcement (ED), Ahmedabad Zonal Office has conducted search operations on 27.10.2024 at 07 premises located at Ahmedabad, Surat and Bhavnagar, in the state of Gujarat in a Money Laundering Case registered against M/s Dhruvi Enterprises & others. During the search operations, incriminating documents were recovered and seized.

The instant case has been registered by Ahmedabad Crime Branch of Gujarat Police on receipt of a complaint from Directorate General of GST Intelligence (DGGI) against creation of more than 200 shell entities by a group of organized criminals in order to fraudulently receive and pass-on the Input Tax Credit (ITC) at the strength of bogus invoices, without supply of any goods or services.

ED initiated investigation on the basis of FIR registered by Crime Branch Police. In the instant FIR, the complaint sent by DGGI to Gujarat Police reveals that one entity by name name M/s Dhruvi Enterprises was created by certain individuals based on fake documents and obtained GST registration. Later this entity has raised invoices in the name of 12 different entities including M/s DA Enterprises, who availed fraudulent Input Tax Credit (ITC) from GST Department.

During investigation, it has come to notice that one, Mahesh Langa was controlling the firm M/s DA Enterprises, from whose premises large quantum of unaccounted cash was seized by the Police authorities, and it is further gathered that various other benami transactions are suspected to have happened with shell companies. In consequence of the same, during investigation, enquiries were made from statutory authorities and various statements were recorded under PMLA, 2002, which could not establish the genuinely of these transactions. Accordingly, searches were conducted at the locations of such persons/entities, to unearth larger conspiracy involved in the same.

In this case, ED Ahmedabad had previously conducted searches at 23 locations at Ahmedabad, Bhavnagar, Junagadh, Veraval, Rajkot, Surat and Kodinar, all in the state of Gujarat under PMLA, 2002, including the registered addresses of the entities availing ITC.

Further investigation is under progress.