



**Press Release**  
**03.03.2022**

Enforcement Directorate (ED) has seized assets worth Rs. 4.79 Crore including cash amount of Rs 2.04 Crore and immovable properties worth Rs. 2.75 Crore belonging to Sumit Agarwal and Sachin Agarwal under the Foreign Exchange Management Act (FEMA), 1999.

In the investigation being conducted by this Directorate into remitting the foreign exchange to the Hong Kong based companies in the guise of Import Advance remittances by the dummy entities located in India, searches were conducted at the premises of beneficial owners of Hong Kong based entities in the month of November 2021. During searches, cash amount of Rs 2 Crore was seized from the premises of Sumit Agarwal at Delhi. Other incriminating documents were seized from other premises located at Mumbai, Delhi, Kerala, Rajasthan and Chennai.

The investigation revealed that out of Rs 20 Crore remitted by one such entity under investigation, Rs. 2.85 Crore were received by the Hong Kong based entities wherein the promoters, shareholders and Directors were Sachin Agarwal of Mumbai and Sumit Agarwal of Delhi. It is also revealed that the brother duo have acquired the assets in the form of foreign exchange and foreign security in Hong Kong in contravention of provisions of Section 4 of FEMA, 1999. Out of Rs.4.79 Crore seized under FEMA, 1999, Rs 2.85 Crore is foreign exchange received from Indian Proprietorship firm M/s Spring Infotech and Rs 1.94 Crore is the foreign security held by the brothers in the form of foreign securities in Hong Kong.

Accordingly, this Directorate seized the properties worth Rs.4.79 Crore located in India equivalent to the assets held in Hong Kong by the brother duo in exercise of powers conferred under FEMA, 1999.

Further investigation is in progress.

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