Press Release
22/07/2026

Directorate of Enforcement (ED), Jalandhar Zonal Office has filed a Prosecution Complaint (PC) on 20.07.2026 under the provisions of the Prevention of Money Laundering Act (PMLA), 2002, before the Hon'ble Special Court (PMLA), Mohali, against Ajay Sehgal for his involvement in laundering Proceeds of Crime generated by obtaining Change of Land Use (CLU) on the basis of fake consent letters.

ED initiated investigation on the basis of FIR registered by Punjab Police against Ajay Sehgal & other accused persons.

Investigation conducted under PMLA revealed that Ajay Sehgal, Secretary of Indian Co-operative House Building Society Limited submitted fake consent letters to Department of Town and Country Planning for obtaining Change of Land Use of 108.58 acres of Agricultural land to Residential and commercial plots in a Real Estate Project 'SUNTEC CITY'. Based on the CLU obtained from submitting forged consent letters, License was issued by GMADA for development of 'SUNTEC CITY'. He also, obtained RERA registration for the project on the basis of fake consent letters. Further, it was also revealed that he failed to transfer the land reserved for Economical Weaker Section (EWS) to Estate Officer, GMADA as per the license conditions. Moreover, he started selling units in the project even before obtaining RERA registration and he was giving possession to land owners without obtaining completion certificate (either partial or full) from GMADA. It was also revealed during investigation that the building plan & CLU was illegally approved without Solid Waste Management Area, which is required as per Building Plan Rule 3.12.2 (Internal Development Works).

Investigation under PMLA, also revealed that a JDA was executed between M/s Indian Co-operative House Building Society Limited and VRS Township Pvt Ltd (now ABS Townships Pvt. Ltd.) that all the development rights and Sale rights of the project were handed over to ABS Township Pvt Ltd whose directors were brothers of Ajay Sehgal i.e., Sanjay Sehgal and Anil Sehgal. Thereafter, ABS Township Private Limited registered La Canela Phase 1 and District 7 with RERA and generated Proceeds of Crime by selling the units in the said projects. It was also revealed that ABS Township Private Limited has also sold residential units in La Canela Phase 2 without taking any RERA approval.

Investigation revealed that GMADA started receiving complaints regarding use of forged consent letters from the year 2020. However, no action was taken against the accused persons allowing them to generate Proceeds of Crime by selling residential and commercial units in a project whose approval was obtained illegally. Instead ABS Township Private Limited was again granted CLU of 14.59 acres altering layout of the original approved project without following the due procedure as per section 14 of RERA Act. Even subsequently only partial CLU was revoked under section 85 of Punjab Regional and Town Planning and. Development Act, allowing the accused person to further generate Proceeds of Crime, which is under investigation.

Earlier, ED conducted searches in May and June 2026, under Section 17 of the PMLA at multiple premises and lockers connected with the accused persons. The searches resulted in seizure of incriminating documents, digital devices and unaccounted cash to the tune of 30.98 Lakh. During the course of investigation, it was revealed that Ajay Sehgal was the mastermind behind generation and concealment of the proceeds of Crime and has committed offence of money laundering. Consequently, Ajay Sehgal was arrested on 22.05.2026 under the provisions of Section 19 of the PMLA, 2002.

ED investigation quantified the Proceeds of Crime at approximately Rs. 348 Crore which comprises of sales of Rs. 212.58 Crore and unsold inventory of Rs. 135.41 Crore. The investigation has established that the accused person knowingly generated, acquired, possessed, concealed and utilized Proceeds of Crime arising out of schedule offense of obtaining Change of Land Use based on fake consent letters, illegal approval and fraudulent registration under RERA Act.

Further investigation is under progress.