**Press Release**

**16-01-2025**

Directorate of Enforcement (ED), Delhi Zonal Office has provisionally attached several immovable properties worth Rs. 442.85 Crore (approx.) in the bank fraud case of erstwhile **M/s Kwality Limited** under the Prevention of Money Laundering Act (PMLA), 2002. The provisionally attached properties comprises of a farmhouse at DLF Chhatarpur [12,000 sq yards] , residential properties at Vasant Vihar and Punjabi Bagh and several residential plots at Karnal and Mohali. The said properties were owned by the then erstwhile promoters Siddhant Gupta and Sanjay Dhingra of Kwality Limited through dummy companies. The driver and security guard of the said Promoters were the Directors in such companies.

ED initiated investigations on the basis of FIR registered by CBI, New Delhi against Siddhant Gupta and Sanjay Dhingra of M/s. Kwality Limited for cheating Banks. M/s Kwality Limited, was engaged in processing, and trading of milk, ice creams and various dairy products. The FIR alleged that Kwality Limited through the erstwhile Directors indulged in falsification and fabrication of books of accounts by misrepresentation of sales, purchases, debtors and creditors and thereby cheated the Consortium of Banks. As per FIR, bank fraud is to the tune of Rs. 1400.62 Crore.

ED investigation revealed that the then Promoters/ Directors fudged the books of accounts to show higher sales and debtors. Huge amounts of trading [sales/ purchase] were made without actual physical deliveries or receipt of the goods at factory premises. It was also noticed that sham companies/firms operated through implanted/dummy owners were used to divert the bank funds. The funds diverted through the stated modus was circulated, layered so as to conceal its origin and routed to different accounts as per the instructions of the promoters for purposes not intended by the banks.

ED had earlier conducted search operations in 15 locations connected with the erstwhile promoters of Kwality Ltd. on 27-11-2024. During the search operations, cash amounting to Rs. 1.3 Crore and various evidence related to assets/ bank accounts held through several shell companies by the promoters were recovered and seized. High end luxury cars like Porsche, Mercedes, BMW, etc having purchase value of about Rs. 4 Crore purchased in the name of the benami and dummy companies were also found during the search and were seized. Further Demat accounts having investment value of about Rs. 2.5 Crore were also frozen.

Further investigations are in progress.