Press Release

19.03.2025

Directorate of Enforcement (ED), Patna Zonal Office has filed a Prosecution Complaint (PC) before the Hon'ble Special Court (PMLA), Patna on 12.03.2025 seeking the conviction of an individual namely Jawahar Lal Shah and two cooperative societies namely Mahuaa Joint Liability Group Development Cooperative Society and Mahuaa Dairy Development & Processing Self-supporting Cooperative Society, who were found to be involved in offense of money laundering. The Hon'ble Court has taken cognizance of the PC on 18.03.2025.

ED initiated investigation on the basis of FIR registered by the Bihar Police under various sections of the IPC, 1860 against M/s Mahua JLG Development Cooperative Society Ltd, Jawahar Lal Shah and others. It was alleged in the FIR that Jawahar Lal Shah along with other accused persons have misappropriated a huge amount of money from unsuspecting public who were lured with high returns on their investments.

ED investigations revealed that the Companies/Co-operative Societies failed to pay the assured return to the investors on maturity and shut down their offices. The investors' funds were found to be layered and laundered and diverted to the accounts of Jawahar Lal Shah and his associated persons/entities and part of same was found to be utilized in acquiring immovable properties.

ED had earlier conducted search operations on 07.01.2025, at 05 locations Bihar, West Bengal, Delhi and Uttar Pradesh linked to the accused persons. As a result, various incriminating documents and digital devices were recovered and seized. Subsequently Jawahar Lal Shah was arrested on 20.01.2025 by ED. From the Proceeds of Crime (POC) Jawahar Lal Shah had also purchased a property in the name of his wife in Siliguri, West Bengal. This property amounting to Rs 1.05 Crore has been attached by ED.

The investigation has revealed that the accused persons have siphoned off Rs 1.41 Crore deposited by general public/members/shareholders of the societies through banking channels.

Further investigation is under progress.