CIN : L02710CT1989PLC010052
GST - 22AAACN0407F1ZA

NOVA
IRON & STEEL LTD.
Village & Post-Dagori,
Tahsil-Belha, (Distt) Bilaspur 495 224 (C.G.)
Mob. 9109107310
Email : novaironsteel@gmail.com

THROUGH ONLINE PORTAL

Ref. No.: NISL/SE/2026-27
Dated: 26/06/2026

The Secretary
Bombay Stock Exchange Limited
Phiroz Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai 400001

Dear Sir,

Subject: Regulation 30 read with Schedule III of SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform you that the Company has received a Provisional Attachment Order No. 15/2026 dated June 25, 2026, issued by the Directorate of Enforcement ("ED"), New Delhi.

The Company is currently examining the said Order and, based on legal advice, shall take all appropriate legal steps to protect its interests and contest the matter before the appropriate authorities.

The details as required under Regulation 30 of the Listing Regulations read with SEBI circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 are provided in the **Annexure 1** hereto.

A copy of the aforesaid Provisional Attachment Order is enclosed as **Annexure 2**.

This is for your information and records.

Thanking You
Yours Faithfully
For Nova Iron and Steel Limited

DHEERAJ KUMAR
Digitally signed by DHEERAJ KUMAR
Date: 2026.06.26 16:31:07 +05'30'

(Dheeraj Kumar)
Company Secretary

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Annexure 1

Sr. No.	Particulars	Details
1.	Name of the authority	Directorate of Enforcement ("ED"), New Delhi
2.	Nature and details of the action(s) taken, initiated or order(s) passed	As per the Provisional Attachment Order No. 15/2026 dated June 25, 2026, enclosed as **Annexure 2**.
3.	Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority	25^{th} June, 2026 at 08:09 P.M.
4.	Details of the violation(s)/ contravention(s) committed or alleged to be committed	As set out in the Provisional Attachment Order enclosed as **Annexure 2**.
5.	Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible	The Company is of the view that the said Provisional Attachment Order does not have any material impact on its day-to-day operations. The Company is evaluating the implications of the Order and will take appropriate legal recourse.

Annexure 2

भारत सरकार,
प्रवर्तन निदेशालय
GOVERNMENT OF INDIA
DIRECTORATE OF ENFORCEMENT
Delhi Zonal Office-I,
C-Block, Pravartan Bhawan,
Dr. APJ Abdul Kalam Road, New Delhi-110011
E-mail: dddlozi3-ed@gov.in
Ph: 011-23339331

F. No.: ECIR/DLZO-I/02/2019/ **DATED: 25.06.2026**

PROVISIONAL ATTACHMENT ORDER NO. 15/2026
(IN ECIR/DLZO-I/02/2019)

[UNDER FIRST PROVISO TO SUB-SECTION (1) OF SECTION 5 OF THE PREVENTION OF MONEY LAUNDERING ACT, 2002 (AS AMENDED)]

1. **Authorization**

In exercise of the authorization vide Technical Circular No. 03/2011 dated 27.09.2011 issued by Directorate of Enforcement to act as Statutory Authority under PMLA, issued by the Director of Enforcement, under First proviso to Sub-section (1) of Section 5 of the Prevention of Money Laundering Act, 2002 (15 of 2003), [hereinafter referred to as "PMLA"] read with Notification No. GSR. 441 (E) dated 1st July, 2005, and the addendum dated 12th October, 2011 issued by the Director of Enforcement, I, Mayank Prakash, Deputy Director, Directorate of Enforcement, Delhi Zone-I, New Delhi, make the following order as under:-

2. **Material placed before the Authority: -**

WHEREAS, on perusal of, and after taking into consideration the contents of the records:

(i) FIR. RC No. RCBD1/2019/E/0002 dated 05.04.2019 under sections 120-B r/w 420, 468, 471 & 477A of IPC & Section 13(2) r/w 13(1) (d) of PC Act, 1988

(ii) Chargesheet dated 31.12.2022 filed by CBI before Hon'ble Court;

(iii) Documents received from the Income Tax and other authorities;

Mayank 25/6/26

मयंक प्रकाश भा.रा.से./Mayank Prakash I.R.S.
उप निदेशक/Deputy Director
दिल्ली आंचलिक कार्यालय-I/Delhi Zonal Office-I
प्रवर्तन निदेशालय/Directorate of Enforcement
भारत सरकार, नई दिल्ली/Govt. of India, New Delhi

(iv) ECIR/DLZO-I/02/2019 dated 25.04.2019 recorded by Enforcement Directorate, Delhi Zonal Office-1 (DLZO-1), New Delhi, based on aforesaid FIR registered by the CBI, as the offences under sections 120-B r/w 420, 468, 471 & 477A of IPC & Section 13(2) r/w 13(1) (d) of PC Act, 1988, are the scheduled offences in Part A of the Schedule of the Prevention of Money Laundering Act. 2002;

(v) Addendum dated 17.03.2026 to the ECIR/DLZO-I/02/2019

(vi) Audited Balance Sheets of M/s Nova Iron and Steel Ltd from the period 2011-12 to 2024-25;

(vii) Audited Balance Sheets of M/s BPSL from the period 2011-12 to 2024-25;

(viii) Relevant bank account statements;

(ix) Statement of all the persons called for under summons under section 50 of PMLA, 2002 and submission made by them;

3. <u>Brief facts of the case.</u>

a) <u>As per FIR No RCBD1/2019/E/0002 dated 05.04.2019 by CBI</u>

(i) M/s Bhushan Power & Steel Limited (M/s BPSL), a Public Limited company, incorporated on 22 February 1999, involved in the manufacturing of basic Iron & Steel and having various units located at different places in the country, through its directors Sanjay Singal, Aarti Singal, Dinesh Kumar Yadav, Ravi Prakash Goyal, Ram Naresh Yadav, Hardev Chand Verma and Ravinder Kumar Gupta, and staff availed various credit facilities from 33 different banks/ financial institutions between 2007 to 2014 and the outstanding defaulted amount as on 30.01.2018 was Rs.47,204 Crores. That, M/s BPSL availed various loan facilities from 33 banks/financial institutions between 2007 to 2014 under the leadership of Punjab National Bank, Large Corporate Branch, Chandigarh, for different purposes, namely, working capital, term loan for purchase of plant & machinery, non-fund based term loans etc. That M/S BPSL and its Directors deliberately defaulted in repayment of loan amounts to lender banks/financial institutions as per the time schedule, and their accounts remained continuously irregular. Subsequently, the lead bank, i.e. PNB, declared the account of M/s BPSL as NPA on 31.12.2015, followed by the other banks/financial institutions.

(ii) Income Tax authorities conducted searches on the premises of M/s BPSL in Chandigarh on 21.12.2014 and found illegal diversion of funds from the accounts of M/s BPSL through various modus operandi. It is learnt that M/s BPSL, its Directors and their staff dishonestly and fraudulently diverted Rs. 2348 Crores into the accounts of various companies showing as advances between 1.4.2007 to 31.3.2014 without any obvious purpose and thereby misused funds.

(iii) Out of this fraudulently diverted amount, M/s BPSL and its Directors/staff had paid an amount of Rs. 537.85 Crores without any obvious purpose to 86 shell companies, out of which Rs. 30.90 Crores was dishonestly and fraudulently diverted during the financial year 2013-14 alone without any valid business transactions in violation of the terms of the loan sanction.

(iv) Outstanding amounts in the books of M/s BPSL shown as capital advances given to various companies are different from the balances shown by these companies in their books as on 31.03.2017, which shows falsification of the books of accounts.

(v) The Directors of M/s BPSL also arranged fake /forged Cenvatable invoices/ paper bills and supporting documents like GRs, transport documents, vouchers, etc., through one Ritesh Kapoor, resident of 1st Floor, 16, Road No. 57, West Punjabi Bagh, New Delhi for fraudulent diversion of bank funds in the name of M/s R.K. Industries, M/s Anil Steel Pvt. Ltd., M/s Passive Infra Projects Pvt. Ltd., M/s Srishti Metals Pvt. Ltd., M/s Preet Machine Ltd., (M/s PML) without any corresponding supply of goods, and also dishonestly availed unauthorized cenvat credit to the tune of Rs.41.02 Crores from October, 2011 to April, 2015. The major part of the payments which were made through RTGS/Cheques against these invoices/bills were later on returned to the Directors/Staff of M/s BPSL without supply of goods thereby causing loss to banks /financial institutions and government exchequer.

(vi) Thus, the directors/ staff of M/s BPSL entered into a criminal conspiracy amongst themselves and with unknown public servants of banks and others to cheat Banks/ Financial Institutions/ Govt. exchequer and in furtherance of the said criminal conspiracy, they dishonestly and fraudulently diverted huge amount of bank funds through companies/ shell companies/ entities, etc. and deliberately defaulted in repayment and also claimed inadmissible cenvat credit etc. They did not use the bank funds for the purpose for which the same were sanctioned, committed forgery for the purpose of cheating, used forged documents and falsified the accounts causing wrongful loss to the lending banks/ financial institutions/ government exchequer and corresponding wrongful gain to themselves.

b) Gist of CBI Chargesheet

(i) CBI lodged an FIR on 05.04.2019 on the basis of source information against M/s Bhushan Power & Steel Ltd. (BPSL) and its directors for criminal conspiracy, cheating, and forgery for wilfully defaulting the loan amount of Rs. 47,204 Crores from a consortium of 33 banks, leading the lead bank, Punjab National Bank, to declare the account a Non-Performing Asset (NPA) in late 2015.

(ii) They opted different kind of modus operandi for diversion of funds such as dishonestly diversion of approximately Rs. 2,348 Crores into the accounts of over 200 companies, including 86 shell entities, between 2007 and 2014. These funds were transferred from BPSL's cash credit accounts via RTGS to paper entities controlled by entry operators under the guise of capital advances or payments to suppliers. These funds were then layered and rotated back into four BPSL promoter companies—such as M/s Vision Steel Ltd. and M/s Jasmine Steel Trading Ltd.—as share application money to artificially inflate the company's equity by roughly Rs. 3,284 Crores.

(iii) The CBI investigation unearthed falsification of account books to hide these diversions as the funds showing as capital advances, while on verification with the counter party found to have a discrepancy between the "capital advances" recorded in BPSL's books and the balances shown by the recipient companies. As per the CBI Chargesheet, these entities were found to be paper companies with dummy directors, having no genuine business related to the steel or iron industry, and were used solely for the purpose of diverting bank funds for purposes other than those for which they were sanctioned.

(iv) Furthermore, they opted the modus of getting bogus "Cenvatable" invoices arranged by various middleman such as Mr. Ritesh Kapoor. They, through middlemen likes Mr. Ritesh Kapoor, managed to arrange forged transport documents, including lorry receipts and transport bilties, without any actual supply of goods.

(v) Accordingly a chargesheet was filed by CBI on 31.12.2022 wherein 35 persons/entities including Sanjay Singal were arrayed as accused in the instant case.

c) **<u>Investigation by Income Tax Authorities, Chandigarh: -</u>**

(i) Income Tax, in its findings, revealed that the entities to which advances or RTGS payments had been made were paper entities and not doing any meaningful business. Many accommodation entry operators, who control and manage the affairs of these paper entities to which payments had been made, have admitted on oath before Income Tax that they were using these paper entities to provide various kinds of accommodation entries.

(ii) Analysis of bank account statements of various paper entities to which payments had been made clearly proves that these were paper entities and had been merely used as conduits for siphoning of business funds. The funds given to these entities were immediately transferred to other paper entity or some other beneficiaries for providing accommodation entries. As these entities were not doing any actual business, the balance in the bank accounts of these entities always remained very low.

(iii) No actual goods had been delivered by these paper entities to Bhushan Power and Steel Group in lieu of payments made to these paper entities. Thus, the payments made were in the nature of accommodation entries. Various incriminating evidence was seized during the search action by income tax authorities on the Kedia group on 13.06.2014 having the details of date-wise cash flow. The Income Tax department linked many of the entities (recipients of Rs. 2348 Crores diverted from Bank accounts of M/S BPSL) to various entry operators.

d) **<u>Gist of Investigation by DGGI in this matter: -</u>**

(i) During the course of subsequent investigation, it was revealed that the Directorate General of GST Intelligence (DGGI) had booked an offence case against M/S BPSL involving fraudulent and clandestine removal of finished goods by the previous management of M/S BPSL. Incriminating evidence, in the shape of statements recorded by DGGI, was collected and examined.

(ii) From the perusal of these statements, it appeared that from 2014 onwards, M/s BPSL engaged in clandestine clearances of finished goods from its Odisha Plant to its plants at Kolkata and Chandigarh. As per investigations carried out by DGGI, 58 consignments had been cleared clandestinely. The total value of these 58 consignments is Rs. 705.39 Crores (Rs. 40.42 Crores in respect of three consignments after 26.07.2017, date of Initiation of CIRP). However, DGGI had confined its investigation from May 2014 onwards in view of statutory limitations, whereas the said modus may have been employed since 2011 itself. Subsequently, investigations under PMLA were carried out keeping in view the aforesaid issues.

4. <u>Investigation conducted under PMLA: -</u>

4.1 On the basis of the aforesaid facts, investigation under PMLA was initiated vide ECIR no. DLZO-I/02/2019 in Enforcement Directorate, Delhi Zone-I in respect of the scheduled offence vide RCBD1/2019/E/0002 dated 05.04.2019 under sections 120-B r/w 420, 468, 471 & 477A of IPC & Section 13(2) r/w 13(1)(d) of PC Act, 1988.

4.2 As per CBI FIR dated 05.04.2019 the directors/ staff of M/S BPSL entered into a criminal conspiracy and fraudulently diverted huge amount of bank funds through companies/shell companies/ entities, etc., and deliberately defaulted in repayment and also claimed inadmissible cenvat credit etc. From a perusal of loan documents of M/s BPSL, it is seen that entire current assets were mortgaged as primary security for working capital limits to Banks by M/s BPSL. As such, fraudulent removal of the finished goods amounted to siphoning of bank funds as these finished goods were manufactured out of raw materials financed by the banks and the banks held charge upon the same. Had these goods been cleared through normal channels, the sale proceeds would have come to the company's accounts and would have been used for repayment of loans. Thus, the value of such clandestine removal is the Proceeds of Crime in the case.

4.3 From the investigation conducted by the Directorate of Enforcement, it was further found that M/s BPSL, under its erstwhile management, in association with its staff, colluded to create a syndicate to receive the fake/ bogus CENVAT invoices without the strength of corresponding goods and which result into misutilization of bank funds and corresponding personal gain to the management and staff.

4.4 During the investigation one of the modus of selling the material without entry into books of accounts was also uncovered by Directorate of Enforcement. The erstwhile management, in collusion with their staff removed the goods clandestinely from their Odisha plant, dispatched goods via rail and road and provided only Railway Receipts (RRs) or loading slips without original invoices to destination units, i.e. Chandigarh and Kolkata plants.

4.5 The management of erstwhile M/s BPSL was involved in diverting the stock from the Odisha plant and selling the stock in open market in cash. Stock worth Rs. 1024 Crores were sold in open market in cash. Such stock was sent to plant in West Bengal or Chandigarh through Railways, where it was sold in cash. Such sales were not entered into books of accounts of M/s BPSL and dummy entries were made in the SAP system reflecting the utilization of stock in packaging or scrap.

4.6 M/s BPSL had engaged in obtaining bogus invoices and had made payment against the same. The amounts transferred against these invoices have been received back by the promoters of M/s BPS in cash through one Ritesh Kapoor. As per Ritesh Kapoor, since bogus CENVAT of Rs. 41 Crores was claimed and the CENVAT was chargeable @10%, therefore it is concluded that an amount of Rs. 410 Crores was paid by M/s BPSL against bogus invoices.

4.7 Sanjay Singal, being the promoter of M/s BPSL, received the cash generated from cash sales of finished goods and cash received from various suppliers against the payment made by M/s BPSL to them. Therefore, he is in possession of proceeds of crime which he has dissipated by giving cash to the entry operators and introduction of such cash as equity in M/s BPSL by these entry operators.

4.8 During the investigation under PMLA, 2002, assets valued at Rs. 913,56,15,915/- has already been provisionally attached vide PAOs as mentioned below: -

Table- 1

S. N.	Details of Property	Name of the Owner	PAO No and Date	Value of Property (In Rs.)	Status of Confirmation by Ld. Adjudication
1.	1) Plot No. 5, Tolstoy House, Connaught Place, New Delhi; 2) House Property at 53, Jor Bagh, New Delhi belonging 3) Property- A.03.2, One Hyde Park, London 4) FDR nos. 1010857229, 1020008457 and 1010290887	M/s Atma Ram House Investment Private Limited (M/s AHIPL) Avantika Global Private Limited Standard Chartered Bank, New Jersey in the name Avantika Global Private Limited	PAO 01/2020 dated 16.01.2020	204,30,66,758 (Plus interest)	Confirmed by Ld. AA on 12.07.2021.
2.	Plot F, Shiv Sagar Estates, Dr. Annie Besant Road, Worli, Mumbai (Ceejay Annex, Ceejay House Worli	Assurity Real Estate LLP	PAO 09/2021 dated 28.09.21	190,61,78,513	Could not be confirmed in 180 days and Hon'ble High court, Delhi

	opposite Ultra Mall, Poonam Chambers)				has restrained from taking further steps as per Section 8 of PMLA, 2002.
3.	Bank account balances of family members of Mahender Kumar Khandelwal and Rajeev Goel	Family members of M K Khandelwal and Rajeev Goel	PAO 10/2021 dated 05.10. 21	1,73,63,488	Confirmed by Hon'ble Adjudicating Authority on 25.07.2022, however Hon'ble High court, Delhi has restrained from taking further steps as per Section 8 of PMLA, 2002.
4.	Cessna 525 A CJ 2+ aircraft Airframe Serial No. 000410, US Registration No. VT-BPS Left Engine No. LH 216229, Right Engine No. RH 216228.	Bhushan Airways Services P L	PAO 09-2022 dated 08.06.22	30,90,07,156	This Property has been prayed for confiscation before the Hon'ble Spl. Court vide PC dated 05.01.2026.
5.	4, Amrita Shergill Marg, New Delhi	Smt. Aarti Singal	PAO 03-2025 dated 17.01.25	486,00,00,000	Confirmed by Adjudicating Authority on 26.06.2025 and have been prayed for confiscation before the Hon'ble Special Court vide PC dated 30.03.2026.

4.9 In addition to the above, Land, Building and Machinery of plant of M/s Bhushan Power and Steel Limited, located at village – Thelkoli, Sambalpur, Orissa belonging to M/s BPSL amounting to Rs. 4025,23,00,000/- was attached vide PAO no. 11/2019 dated 10.10.2019 which was subsequently restituted to M/s BPSL.

4.10 Further, Sanjay Singal was arrested on 22.11.2019 and subsequently was granted bail. Further, during the investigation, till date, Prosecution Complaint dated 17.01.2020 and two supplementary prosecution complaints dated 05.01.2026 and 30.03.2026 have been filed against 63 accused persons/ entities including Sanjay Singal before the Hon'ble Special Court for the purpose of Prosecution.

4.11 M/s BPSL had availed credit facilities from a consortium of 33 banks/financial institutions led by Punjab National Bank, Large Corporate Branch, Chandigarh between 2007 to 2014 (i.e. the alleged period) and subsequently defaulted on dues amounting to Rs. 47,204 Crores as on 30.01.2018.

4.12 Investigation revealed that during the period from F.Y. 2011-12 to F.Y. 2017-18, Sanjay Singal (erstwhile CMD-Promoter of BPSL) in connivance with the other persons siphoned off the finished goods valued at Rs. 1023.65 Crores from the Odisha plant of M/s BPSL without raising sale bills/ invoices which constitutes Proceeds of Crime.

4.13 Further, an amount to the tune of Rs. 411 Crores was transferred to the different companies/ firms in lieu of fake invoices generated by these firms/ companies. The same amount was returned by these companies/ firms back to M/s BPSL in Cash. Hence generating cash without any actual receipt of goods constitutes Proceeds of Crime to the tune of Rs. 411 Crores.

4.14 As per the investigation conducted and discussed above, it has been found that the loan funds of M/s BPSL amounting to Rs. 1434 Crores have been diverted by its Promoters i.e. Sanjay Singal through cash sales of finished goods (Rs. 1024 Crores) as well as making payments to the suppliers against bogus invoices (Rs. 410 Crores), which constitutes the Proceeds of crime as per Section 2(1)(u) of PMLA, 2002, against which, so far, properties worth Rs. 913 Crores have been attached.

5. **<u>Findings related to transactions of M/s BPSL with M/s Nova Iron and Steel Ltd. which are relevant for this order:</u>** -

5.1 During further investigation by the Directorate of Enforcement, it was found that M/s BPSL, under its old management, had also utilized the loan funds received from the banks for the purpose other than the intended purpose for which the loans were sanctioned by the banks and siphoned off the loan funds in the guise of an unsecured loan given to its subsidiaries/ associated entities and later wrote off that loan fund by showing it as a bad loan. During the investigation one such entity namely M/s Nova Iron and Steel Ltd (hereinafter referred to as M/s NISL or company for the sake of brevity) was found.

5.2 To find out the purpose and source of funds and its utilization and recovery of the said unsecured loan by M/s BPSL, a detailed investigations were conducted by this directorate.

5.3 Summons were issued to various persons under Section 50 of PMLA, 2002 and the voluntary statement of these persons were recorded. The gist of the statements recorded and further investigation conducted is as under: -

(i) **<u>Statements dated 01.06.2026, 18.06.2026 & 22.06.2026 of Sh. Hardev Chand Verma under Section 50 of PMLA, 2002.</u>**

(a) **In this statement dated 01.06.2026 Sh. H. C. Verma**, the director of M/s NISL, voluntarily stated that he is the whole-time director of M/s Nova Iron and Steel Limited, and joined M/s NISL in 2015 as an employee and director, and due to health reasons resigned from employment in 2022 and remains as a director. He further stated M/S NISL was incorporated in the year 1993 and in the year 2011, M/S BPSL and M/s Ambey Steel and Power Pvt. Ltd. (hereinafter referred to as M/s ASPPL for the sake of brevity) invested in the company and took over the management of M/s NISL in 2011. Further, in respect of source of funding to acquire the shares of M/s NISL, he did not provide any document or explanation.

➢ He also stated that M/s NISL received total funds to the tune of Rs. 118,35,50,000/- from M/s BPSL, and M/s NISL paid back Rs. 91.72 Crores to M/s BPSL for the period from 2012 to 2017 but he neither provided any other details of loan taken, by M/s NISL, from M/s BPSL nor any supporting bank statement showing those transactions.

(b) **Further, in his statement dated 18.06.2026, Sh. H. C. Verma** stated that Mr. Sanjay Singal, through his other group of companies, took over the M/s Nova Iron and Steel Ltd. from June-July 2011, and even now, they manage the company M/s Nova Iron and Steel Ltd. He also stated that M/s NISL has not taken any loan from M/s BPSL and other subsidiary companies of M/s BPSL. However, M/s NISL has received money in form of investment from M/s BPSL. But he did not submit any document in support of this claim. However, on being confronted the same with the books of account of M/s NISL as on 31.03.2018, in which the amount of 151.58 Crores is shown as loan taken from M/s BPSL, he did not provide any satisfactory answer .

➢ Regarding immovable/ movable properties in the name of M/s NISL, he submitted details of some of the immovable properties held in the name of the company M/s NISL at present. Documents of these properties, like sale deed were also submitted by him.

- Regarding other assets of M/s NISL, he stated that in compliance to the order dated 08.11.2024 of Hon'ble Distt. Judge, Commercial Court, Raipur, the other assets apart from that submitted during the statement, were transferred to the company, M/s Shree Balaji Steel and Metal Private Limited. Copy of the order dated 08.11.2024 was submitted by him.

(ii) <u>Statement dated 02.06.2026, 09.06.2026 and 10.06.2026 of Sh. Vijay Kumar, General Manager, Legal and authorized representative of M/s BPSL: -</u>

During the investigation under PMLA, voluntary statement of Sh. Vijay Kumar, General Manager, Legal and authorized representative of M/s BPSL, were recorded under section 50 of PMLA on 02.06.2026, 09.06.2026 and 10.06.2026 to know the purpose of disbursement and recovery of the loan funds disbursed, by M/s BPSL, as unsecured loan to M/s NISL, wherein he inter alia stated that: -

- M/s BPSL and M/s NISL entered into an unsecured loan agreement on 20.07.2011 made at New Delhi. In terms of loan of the unsecured loan agreement, it was agreed that that M/S BPSL would grant M/s NISL an advance of amount up to Rs. 150,00,00,000/- as unsecured loan. Pursuant to this agreement, a total of Rs. 153,57,19,529/- was disbursed as unsecured loan in favour of M/s NISL from FY-2011-12 to 2015-16. He further stated that as of today, the final principal amount pending against M/s NISL is Rs. 125,83,88,946.
- Further, advance of Rs. 68,22,00,521/- shown in the balance sheet of M/s NISL for the financial year 2018-19 is only related with the sale and purchase by and with M/s BPSL, which are still pending to be received from M/s NISL.
- Regarding the acquisition of shares of M/s NISL by M/s BPSL, he stated that on 08.06.2011 and 13.06.2011 M/s BPSL acquired 3,46,86,200 shares of M/s NISL. For the acquisition of the same, payments were made from the loan account 0131008700000327 of M/s BPSL maintained with PNB bank. M/s. BPSL made a cash offer for the acquisition of 3,01,16,240 shares of M/s. NISL at Rs. 14 per share. However, eventually on 15 June 2011, M/s. BPSL purchased only 77,09,577 shares of M/s NISL through the aforesaid cash

offer through public announcement. It is further stated by him that M/s BPSL entered into a Share Purchase Agreement (SPA) dated 10 June 2011 with Mr. Rajendar Kumar Gambhir and Mr. Gulshan Kumar Gambhir to acquire 1,70,59,000 shares of M/s. NISL at a price of Rs. 13 per share. These shares were purchased on 30 April 2012 and 03 May 2012. Therefore, M/s BPSL acquired a total share 5,94,54,777 of M/s NISL representing 39.48% of its total shareholding. In addition to that, M/s Ambey Steel and Power Pvt. Ltd. (M/s ASPPL) also had acquired 27.57% shares in M/s NISL and at same time M/s BPSL held 100% shareholding in M/s ASPPL and therefore 67.05% was directly or indirectly held by M/s BPSL in M/s NISL. Further the major payments for acquisition of shares by M/s BPSL were made from the loan account of M/s BPSL maintained with PNB having account no. 0131008700000327.

6. Analysis of documents collected during the investigation under PMLA:

During the course of the investigation, various documents were collected from the banks, revenue authorities, and summoned persons. The analysis of these documents is as follows:-

6.1. Analysis of Unsecured Loan Agreement between M/s NISL and M/s BPSL: -

(i) An unsecured loan agreement between M/s BPSL, through its Director Ms. Aarti Singal and M/s NISL, through its director Mr. R. P. Goyal was signed on 20.07.2011, for obtaining unsecured loan or inter corporate deposit for the purpose of installation of 12 MW Waste Heat Recovery Based (WHRB) Power Plant and induction furnace and other facilities to increase the production at the plant of M/s NISL situated at Bilaspur, Chhattisgarh.

(ii) The agreement was signed for an advance amount not exceeding Rs. 150,00,00,000/- (150 Crores) as unsecured loan at interest rate 13% per annum and not less than bank rate, with the condition that loan shall be utilized only for the purpose of installation of 12 MW Waste Heat Recovery Based (WHRB) Power Plant and induction furnace and other facilities to increase the production, and shall not be used for any unlawful activity. The interest were to be paid only after deducting the tax applicable under the provision of the Indian Income Tax Act, 1961.

(iii) As per unsecured loan agreement, M/s BPSL had option to convert the loan into securities with the prior notice of two months and the amount of loan can be increased or decreased as mutually agreed in writing between the parties. Further, in the event of default on repayment of loan or interest on demand, the penal interest of 1% shall be levied from the date of default till the actual payment.

6.2. Analysis of Audited Balance Sheets of M/s NISL: -

(i) Further during the course of investigation, analysis of the Annual Report, i.e., Audited Balance Sheet of the company, M/s NISL for the period of 2018-19, was done.

(ii) As per the Balance Sheet of the company for the financial year 2018-19, the company had assets of Rs. 61,06,75,482/- after claiming the applicable depreciation of Rs. 215,75,49,406/- during the same financial year, 2018-19, the relevant portion of the same is as under:

NOTE NO. 3 - PROPERTY, PLANT & EQUIPMENTS

(Amount in Rs.)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Railway Siding	Office Equipments	Furniture & Fixtures	Vehicles	Total
Cost as at 1st April, 2018	46 38 29 408	4 17 75 783	42 22 28 851	176 70 16 552	2 14 77 461	1 64 60 032	2 48 55 084	1 00 06 228	276 76 49 399
Additions	-	-	-	-	-	5 75 469	-	-	5 75 469
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Cost as at 31st March, 2019	46 38 29 408	4 17 75 783	42 22 28 851	176 70 16 552	2 14 77 461	1 70 35 501	2 48 55 084	1 00 06 228	276 82 24 868
Accumulated depreciation as at 1st April, 2018	-	23 09 191	34 25 23 083	173 59 93 756	1 89 46 352	1 54 73 167	2 40 41 286	91 82 256	214 84 69 091
Charge for the year	-	5 12 667	46 66 901	27 39 571	6 28 568	2 68 917	95 418	1 68 273	90 80 315
Disposals	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31st March, 2019	-	28 21 858	34 71 89 984	173 87 33 327	1 95 74 920	1 57 42 084	2 41 36 704	93 50 529	215 75 49 406
Net carrying amount as at 31st March, 2019	46 38 29 408	3 89 53 925	7 50 38 867	2 82 83 225	19 02 541	12 93 417	7 18 380	6 55 699	61 06 75 462
Net carrying amount as at 31st March, 2018	46 38 29 408	3 94 66 592	7 97 05 768	3 10 22 796	25 31 109	9 86 865	8 13 798	8 23 972	61 91 80 308

Capital Work In Progress :	
Opening Balance as on 1st April 2018	262 09 95 410
Add : Additions	53 31 52 911
Less : Capitalised during the year	-
Closing Balance as on 31st March 2019	315 41 48 321

*Freehold Land includes land measuring 72.95 acre amounting to Rs 194.34 Lakhs bought by the company in the name of third parties. Transfer of the same in the company's name is yet to be initiated.

*Assets has been used for both Captive and Renal Purpose therefore It is not appropriate to classify Poperty as Investment Property.

(iii) Further, during the period 2024-25, M/s BPSL held 25.65% of the shareholding of M/s NISL against the 28.15 % when they took over the company in 2011, and the same subsequently reached up to 39.48% in the period of 2012- 2013 by way of purchasing 11.33% shareholding from Mr. R. K. Gambhir and Mr. G. K. Gambhir.

Further, from the period of 2012- 2013 to 2016-2017, it remained the same 39.48 %, and in the period of 2017- 2018, M/s BPSL, diluted its shareholding by 13.83%, by way of transfer the same to various entities/person, during the period 2017-18, screenshot of relevant portion of Balance sheet of 2017-18 is as below:-

(ii) Shareholding of Promoters

No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Equity share holding during the year
		No. of Equity Shares	%of total Equity Shares of the company	%of Equity Shares Pledged/ encumbered to total Equity shares	No. of Equity Shares	%of total Equity Shares of the company	%of Equity Shares Pledged/ encumbered to total Equity shares	
1	Bhushan Power & Steel Ltd.	14269146	39.48	-	9269146	25.65	-	-13.83
2	Ambey Steel and Power Pvt. Ltd.	10959675	30.33	-	10959675	30.33	-	0
3	Aniket Singal	0	0	-	4340000	12.01	-	12.01
4	Shivalikview Steel Trading Private Limited	0	0	-	94000	0.26		0.26
5	Vintage Steel Private Limited	0	0	-	94000	0.26	-	0.26
6	Olympian Steel Industries Limited	0	0	-	94000	0.26	-	0.26
7	Titanic Steel Industries Limited	0	0	-	94000	0.26	-	0.26
8	Aromatic Steel Private Limited	0	0	-	94000	0.26	-	0.26
9	Aarti Iron & Power Limited	0	0	-	94000	0.26	-	0.26
10	Rockland Steel Trading Private Limited	0	0	-	94000	0.26	-	0.26
11	RGF Holiday Resorts Private Limited	0	0	-	1000	0.002	-	0.002
12	RGF Real Estate Private Limited	0	0	-	1000	0.002	-	0.002
	Total	25228821	69.81		25228821	69.81	-	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. no.	Name of the Promoters	At the Beginning of The year		Date wise increase / decrease in shareholding specifying reasons for increase /decrease (e.g. allotment /transfer/bonus/sweat equity etc)			Cumulative Shareholding during the year		At the end of the year (or on the date of separation, if separated during the year)	
		No of Equity Shares	%age to total Eq. Shares	As on Benpos Date	No of Equity Shares	Reasons	No of Equity Shares	%age to total Eq. Shares	No of Equity Shares	%age to total Eq. Shares
1	Bhushan Power & Steel Ltd	14269146	39.48	21/07/2017	5000000	Transfer	9269146	25.65	9269146	25.65
2	Ambey Steel and Power Pvt. Ltd.	10959675	30.33	-	-	-	-	-	10959675	30.33
3	Aniket Singal	0	0	30/12/2017	4340000	Transfer	4340000	12.01	4340000	12.01
4	Shivalikview Steel Trading Private Limited	0	0	30/12/2017	94000	Transfer	94000	0.26	94000	0.26

5	Vintage Steel Private Limited	0	0	30/12/2017	94000	Transfer	94000	0.26	94000	0.26
6	Olympian Steel Industries Limited	0	0	30/12/2017	94000	Transfer	94000	0.26	94000	0.26
7	Titanic Steel Industries Limited	0	0	30/12/2017	94000	Transfer	94000	0.26	94000	0.26
8	Aromatic Steel Private Limited	0	0	30/12/2017	94000	Transfer	94000	0.26	94000	0.26
9	Aarti Iron & Power Limited	0	0	30/12/2017	94000	Transfer	94000	0.26	94000	0.26
10	Rockland Steel Trading Private Limited	0	0	30/12/2017	70500	Transfer	70500	0.20		
				19/01/2018	23500	Transfer	94000	0.26	94000	0.26
11	RGF Holiday Resorts Private Limited	0	0	30/12/2017	1000	Transfer	1000	0.002	1000	0.002
12	RGF Real Esta te Private Limited	0	0	12/01/2018	1000	Transfer	1000	0.002	1000	0.002

(iv) During the period from 2011 up to 02.11.2018, Mr. Sanjay Singal was the director of M/s NISL. Further, as per the audited Balance Sheet of the company for the Financial Year 2018-2019, the closing balance of the loan account against M/s BPSL was Rs. 151,58,79,348/-, and the closing balance of advance from M/s BPSL was shown as Rs. 68,22,00,521/-. On verification of the Balance Sheet from the Financial Year 2019-2020, it revealed that, the company had shown the amount of Rs. 68,22,00,521 under the head "advance from the customers", but later changed the head to "trade payable" in the Financial Year 2020-21. Thereafter, the company subsequently written off the liability in respect of trade payable in the Financial Year 2023-24. With respect to the unsecured loan, M/s NISL has written off the liability in the Financial Year 2024-25.

(v) From the analysis of the Audited Balance Sheet of M/s NISL, it has been found that M/s NISL has availed the unsecured loan facility from M/s BPSL and received an amount of Rs. 69,85,00,000/- during the F.Y. 2011-12, Rs. 80,64,95,029/- during the F.Y 2014-15, and Rs. 10,34,09,598/- during the F. Y. 2015-16, i.e. total of Rs 160,84,04,627/-. However, on verification of BSPL records and the corresponding bank statement, it has been found that the amount of Rs. 10,34,09,598/- was reversed by the NISL during the same FY. Accordingly, the total loan pending towards M/s NISL was Rs. 150,49,95,029/-, out of which M/s NISL has repaid the loan amount of Rs. 21,80,00,000/- in the F.Y. 2015-16 and Rs. 6,05,15,681/- for the F.Y. 2016-17, i.e., a total of Rs. 27,85,15,681/-. Apart from that, M/s NISL has paid a total interest amounting to Rs. 92,33,35,238/-. Accordingly, a loan amount totaling Rs. 122,64,79,348/- is still pending towards M/s NISL, however the closing balance in the books of M/s NISL is shown as Rs. 151,58,79,348/-. The detailed year-wise chart is as follows:

Table- 2

Details of Unsecured Loan Account as per the audited Balance Sheets of M/s Nova Iron and Steel Ltd					
Financial year	**Loan Received.**	**Loan Repaid**	**Interest Paid**	**Closing Balance of Loan Account**	**Remarks**
2011-12	698500000	0	32014918	727313426	
2012-13	0	0	83820000	773938000	
2013-14	0	0	90805000	780224500	
2014-15	806495029	0	200789839	1716430384	
2015-16	0	218000000	199249479	1709664513	
2016-17	0	60515681	165649328	1407473341	
2017-18	0	0	151006674	1515879348	
2018-19	0	0	0	1515879348	
2019-20	0	0	0	1515879348	
2020-21	0	0	0	1515879348	
2021-22	0	0	0	1515879348	
2022-23	0	0	0	1515879348	
2024-25	0	0	0	1515879348	
Total	1504995029	278515681	923335238	1515879348	Written off the liabilities

6.3. Analysis of audited Balance Sheet of M/s BPSL: -

(i) It is revealed that M/s BPSL held 4,23,95,777 shares of M/s Nova Iron and Steel Ltd (NISL when they took over the company in 2011, and the same subsequently reached up to 5,94,54,777 shares in the period of 2012- 2013 by way of purchasing 1,70,59,000 shares from Mr. R. K. Gambhir and Mr. G. K. Gambhir, which constituted 39. 48% of shareholdings.

(ii) Similarly, in FY 2011-12 M/s BPSL acquired 28,14,215 shares of Ambey Steel & Power Private Ltd (M/s ASPPL), constituting 46.92%, and this continues to reflect in the balance sheets thereafter. It is also revealed that M/s ASPPL was holding 30.33 % share in M/s NISL.

(iii) In the FY-2017- 2018 (i.e. few months before the company went into CIRP), M/s BPSL diluted its shareholding by selling 50,00,000 shares to its related parties of the erstwhile promoters, resulting in a balance share of 92,69,146 shares of NISL being held by M/s BPSL.

(iv) M/s BPSL was admitted into insolvency on 26.07.2017, and the M/s JSW Steel Ltd. management took over the control of M/s BPSL on 26.03.2021 after approval of its Resolution Plan by Hon'ble NCLT.

(v) M/s BPSL has also provided unsecured loans/ advances to M/s NISL as appearing in the audited balance sheets from the financial year 2011-12 to 2017-18 which are shown as under: -

Table- 3

Details of Unsecured Loan given to M/s NISL as per the audited Balance Sheet of M/s BPSL					
Particulars	**Principal Loan**	**Gross Interest**	**TDS**	**Interest (Net of TDS)**	**Total (in Rs.)**
Amount of Loan Paid during 2011-12 (from 30.07.2011)	69 85 00 000				**69 85 00 000**
Add: Interest for 2011-12		3 20 14 918	- 32 01 492	2 88 13 426	**2 88 13 426**
Less:Interest Received During 2012-13				-2 88 13 426	**-2 88 13 426**
Add: Interest for 2012-13		8 38 20 000	- 83 82 000	7 54 38 000	**7 54 38 000**
Less: Interest Received During 2013-14				-7 54 38 000	**-7 54 38 000**
Add: Interest for 2013-14		9 08 05 000	- 90 80 500	8 17 24 500	**8 17 24 500**
Less: Interest Received During 2014-15				-8 17 24 500	**-8 17 24 500**
Add: Loan Paid During 2014-15	83 72 19 529				**83 72 19 529**
Add: Interest for 2014-15		20 07 89 839	-2 00 78 984	18 07 10 855	**18 07 10 855**
Less: Received During 2015-16	- 53 79 547			-18 07 10 855	**-18 60 90 402**
Add: Interest for 2015-16		19 92 49 479	-1 99 24 948	17 93 24 531	**17 93 24 531**
Less: Received During 2016-17	-27 19 51 036			-17 93 24 531	**-45 12 75 567**
Add: Interest for 2016-17		16 56 49 328	-1 65 64 933	14 90 84 395	**14 90 84 395**
Less:Interest Received During 2017-18				-2 75 00 000	**-2 75 00 000**
Add: Interest for 2017-18		15 10 06 674	-1 51 00 667	13 59 06 007	**13 59 06 007**
Closing as on 31.03.2018 as recorded in Books	**125 83 88 946**	**15 10 06 674**	**-1 51 00 667**	**25 74 90 402**	**151 58 79 348**

(vi) Also, in the BPSL audited balance sheets for the FY 2017-18 as per Related Party Note 53-Disclosure in accordance with IND AS -Related Party transactions- the above balance of Rs 151.58 cr. appears as Loan and Interest recoverable from M/s NISL. In addition, the same note also discloses trade and other receivables of Rs. 68.22 Crores from M/s NISL.

6.4. Analysis of Ledger Account and Bank Account of M/s BPSL: -

(i) The ledger account of M/s BPSL for the relevant period i.e. from the FY- 2011-12 to 2023-24 were submitted by authorized representative of M/s BPSL during the statements recorded on 02.06.2026, 09.06.2026 & 10.06.2026 and the same were examined in detail. The provisional scrutiny of the said ledger revealed various credit and debit entries reflecting financial transactions undertaken by the company during the period from 2011 to 2018 with the company M/s Nova Iron and Steel Limited. The transaction details obtained from the ledger of the company M/s BPSL with the company M/s Nova Iron and Steel Limited for the period from 2011 to 2018 are tabulated below: -

Ledger from 2011 to 2012

Table- 4

VOUCHER	DATE	PARTICULAR	DEBIT	CREDIT	BALANCE	BANK A/C NO
		Opening Balance	-	-	-	
1533	31-Aug-11	TO RTGS DATED 29/08/2011	1,00,00,000	-	5,70,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
438	30-Sep-11	TO RTGS DATED 22/09/2011	25,00,000	-	10,09,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
912	30-Sep-11	TO RTGS DATED 05/09/2011	75,00,000	-	10,84,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
913	30-Sep-11	TO RTGS DATED 22/09/2011	50,00,000	-	11,34,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
914	30-Sep-11	TO RTGS DATED 22/09/2011	25,00,000	-	11,59,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
1309	31-Oct-11	TO RTGS DATED 03/10/2011	2,50,00,000	-	28,40,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
18	26-Nov-11	TO RTGS DATED 14/11/2011	2,00,00,000	-	30,40,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
19	26-Nov-11	TO RTGS DATED 08/11/2011	2,00,00,000	-	32,40,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
20	26-Nov-11	TO RTGS DATED 05/11/2011	4,00,00,000	-	36,40,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
21	26-Nov-11	TO RTGS DATED 01/11/2011	2,00,00,000	-	38,40,00,000	PNB 0327

		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
121	28-Dec-11	TO RTGS DATED 24/12/2011	1,00,00,000	-	43,00,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
122	28-Dec-11	TO RTGS DATED 20/12/2011	1,00,00,000	-	44,00,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
638	31-Dec-11	TO RTGS DATED 27/12/2011	1,00,00,000	-	45,00,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
2601	31-Dec-11	A/O TRF FROM SBI CC TO BHUSHAN POWER & STEEL LTD., CHD AGST.TRF NO.085973 DT.09/Dec/2011	50,00,000	-	45,50,00,000	SBI 12548
			-	-	-	
			-	-	-	
2731	31-Dec-11	AMT.TRF FROM IDBI BANK C/A KOLKATA	2,50,00,000	-	48,00,00,000	IDBI 5668
		ON DT.22.12.11	-	-	-	
2852	31-Dec-11	A/O TRF.TH.EFT	20,00,000	-	48,20,00,000	SBI 347
		AGST.EFT NO.195853	-	-	-	
		DT.15/Dec/2011	-	-	-	
3149	31-Dec-11	AMT.TRF FROM SBI CC JEEVANDEEP	50,00,000	-	48,70,00,000	SBI 12548
		ON DT.16.12.11	-	-	-	
3201	31-Dec-11	AMT.TRF FROM IDBI BANK C/A 15668 ON DT.	4,20,00,000	-	52,90,00,000	IDBI 5668
		16.12.11	-	-	-	
3202	31-Dec-11	AMT.TRF FROM SBI CC JEEVANDEEP	1,00,00,000	-	53,90,00,000	SBI 12548
		A/C ONDT.17.12.11	-	-	-	
3203	31-Dec-11	AMT.TRF FROM SBI CC JEEVANDEEP	50,00,000	-	54,40,00,000	SBI 12548
		AGST.EFT NO.274168	-	-	-	
		DT.20/Dec/2011	-	-	-	
3208	31-Dec-11	AMT.TRF FROM SBI CC JEEVANDEEP	50,00,000	-	54,90,00,000	SBI 12548
		AGST.EFT NO.2944779	-	-	-	
		DT.21/Dec/2011	-	-	-	
99	11-Jan-12	TO RTGS DATED 07/01/2012	1,00,00,000	-	55,90,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
		BILASPUR (CG)	-	-	-	
101	11-Jan-12	TO RTGS DATED 10/01/2012	1,60,00,000	-	57,50,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
		BILASPUR (CG)	-	-	-	
92	16-Jan-12	TO RTGS DATED 16/01/2012	1,30,00,000	-	58,80,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
199	31-Jan-12	TO ET NO.917689 DT.21/01/12 PAID TO	25,00,000	-	59,05,00,000	SBI 2548
		SBI A/C 3204299468 (NOVA)	-	-	-	

		KOLKATA	-	-	-	
		ON YOUR BEHALF	-	-	-	
1628	31-Jan-12	TO RTGS DATED 24/01/2012	1,00,00,000	-	60,05,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
2461	31-Jan-12	TO RTGS NO.994608 DT.19/01/12 PAID TO SBI A/C 3204299468 (NOVA) KOLKATA ON YOUR BEHALF	5,50,00,000	-	65,55,00,000	PNB 9922
			-	-	-	
			-	-	-	
			-	-	-	
375	29-Feb-12	TO RTGS DATED 15/02/2012 PAID TO NOVA IRON & STEEL LIMITED BILASPUR (CG)	1,50,00,000	-	67,05,00,000	PNB 0327
			-	-	-	
			-	-	-	
376	29-Feb-12	TO RTGS DATED 13/02/2012	50,00,000	-	67,55,00,000	PNB 0327
		PAID TO NOVA IRON & STEEL LIMITED	-	-	-	
388	29-Feb-12	TO RTGS.NO. 1402 Dt. 14/02/2012	50,00,000	-	68,05,00,000	PNB 0327
3586	29-Feb-12	TO ET NO.350717 DT.10/02/12 PAID TO SBI A/C 32042994608 (NOVA) KOLKATA ON YOUR BEHALF	1,80,00,000	-	69,85,00,000	SBI 2548
			-	-	-	
			-	-	-	
			-	-	-	
822	30-Jul-11	TO CH. NO. 259470 DT. 12/07/2011	50,00,000	-	50,00,000	PNB 0327
		PAID TO AMBEY STEEL AND POWER PRIVATE	-	-	-	
822	30-Jul-11	TO CH. NO. 259471 DT. 12/07/2011	50,00,000	-	1,00,00,000	PNB 0327
		PAID TO AMBEY STEEL AND POWER PRIVATE	-	-	-	
815	30-Jul-11	TO RTGS NO.608783 DT.18/08/11 PAID TO JINDAL STEEL & POWER LTD., RAIGARH ON YOUR BEHALF	3,70,00,000	-	4,70,00,000	PNB 9922
			-	-	-	
			-	-	-	
			-	-	-	
1932	31-Aug-11	TO RTGS NO.608783 DT.23/08/11 PAID TO	24,00,000	-	5,94,00,000	PNB 9922
		JINDAL STEEL & POWER LTD.,	-	-	-	
		RAIGARH	-	-	-	
		ON YOUR BEHALF	-	-	-	
1933	31-Aug-11	TO RTGS NO.608783 DT.25/08/11 PAID TO	3,90,00,000	-	9,84,00,000	PNB 9922
		JINDAL STEEL & POWER LTD.,	-	-	-	
		RAIGARH	-	-	-	
		ON YOUR BEHALF	-	-	-	
2590	30-Sep-11	TO RTGS NO.608783 DT.26/09/11 PAID TO	3,90,00,000	-	15,49,00,000	PNB 9922
		JINDAL STEEL & POWER LTD.,	-	-	-	
		RAIGARH	-	-	-	

		ON YOUR BEHALF	-	-	-	
394	31-Oct-11	TO RTGS NO.608783 DT.20/10/11 PAID TO	7,50,00,000	-	22,99,00,000	PNB 9922
		JINDAL STEEL & POWER LTD.,	-	-	-	
		RAIGARH	-	-	-	
		ON YOUR BEHALF	-	-	-	
404	31-Oct-11	TO ET NO.102933 DT.17/10/11 PAID TO	26,00,000	-	23,25,00,000	SBI 12548
		NMDC LTD.	-	-	-	
		HYDERABAD	-	-	-	
		ON YOUR BEHALF	-	-	-	
405	31-Oct-11	TO ET NO.052196 DT.13/10/11 PAID TO	2,65,00,000	-	25,90,00,000	SBI 12548
		NMDC LTD.	-	-	-	
		HYDERABAD	-	-	-	
		ON YOUR BEHALF	-	-	-	
1801	30-Nov-11	TO RTGS NO.001382 DT.25/11/11 PAID TO	3,60,00,000	-	42,00,00,000	IDBI 5668
		JINDAL STEEL & POWER LTD.,	-	-	-	
		RAIGARH	-	-	-	
		ON YOUR BEHALF	-	-	-	
5818	31-Mar-12	A/O INTEREST	3,20,14,918	-	73,05,14,918	
5818	31-Mar-12	A/O T.D.S @ 10% ON 32014918/-	-	32,01,492	**72,73,13,426**	

(ii) Similarly, ledgers from the financial years 2012-13 to 2017-18 of the company M/s BPSL, having transactions with M/s NISL, were submitted by the authorized representative of M/s BPSL during the statements recorded on 02.06.2026, 09.06.2026 & 10.06.2026. The details of the debit and credit transactions from/to the account of M/s BPSL to/from M/s NISL (on annual basis) are shown as below:-

Table- 5

Details of the Unsecured Loan given to M/s NISL as per the ledger of M/s BPSL					
Particulars	**Principal Loan**	**Gross Interest**	**TDS**	**Interest (Net of TDS)**	**Total**
Amount of Loan Paid during 2011-12 (from 30.07.2011)	69 85 00 000				**69 85 00 000**
Add: Interest for 2011-12		3 20 14 918	- 32 01 492	2 88 13 426	**2 88 13 426**
Less:Interest Received During 2012-13				-2 88 13 426	**-2 88 13 426**
Add: Interest for 2012-13		8 38 20 000	- 83 82 000	7 54 38 000	**7 54 38 000**

Less: Interest Received During 2013-14				-7 54 38 000	**-7 54 38 000**
Add: Interest for 2013-14		9 08 05 000	- 90 80 500	8 17 24 500	**8 17 24 500**
Less: Interest Received During 2014-15				-8 17 24 500	**-8 17 24 500**
Add: Loan Paid During 2014-15	83 72 19 529				**83 72 19 529**
Add: Interest for 2014-15		20 07 89 839	-2 00 78 984	18 07 10 855	**18 07 10 855**
Less: Received During 2015-16	- 53 79 547			-18 07 10 855	**-18 60 90 402**
Add: Interest for 2015-16		19 92 49 479	-1 99 24 948	17 93 24 531	**17 93 24 531**
Less: Received During 2016-17	-27 19 51 036			-17 93 24 531	**-45 12 75 567**
Add: Interest for 2016-17		16 56 49 328	-1 65 64 933	14 90 84 395	**14 90 84 395**
Less:Interest Received During 2017-18				-2 75 00 000	**-2 75 00 000**
Add: Interest for 2017-18		15 10 06 674	-1 51 00 667	13 59 06 007	**13 59 06 007**
Closing as on 31.03.2018 as recorded in Books	**125 83 88 946**	**15 10 06 674**	**-1 51 00 667**	**25 74 90 402**	**151 58 79 348**

(iii) Further from the debit- credit analysis of the transactions recorded in the ledger of the company M/s BPSL with the company M/s NISL, it has also been revealed that M/s BPSL had transferred most of the funds to the tune of Rs. 151.58 Crores directly to the company M/s NISL, however some of the entries were also made to some other third entity on behalf of M/s NISL, which are also recorded in the ledger of M/s NISL as a loan given to M/s NISL.

(iv) Further, some debit-credit transactions were verified from the bank account of M/s BPSL on sample basis which is reproduced hereunder: -

Example – 1: -

Ledger Entry: -

31-Aug-11	TO RTGS DATED 29/08/2011 PAID TO NOVA IRON & STEEL LIMITED	1,00,00,000	-	5,70,00,000	PNB 0327

Bank Account: -

A/c No.	Date	Particulars	Debit	Credit	Balance
0131008700000327	29-08-2011	RTGS:SD125424376:NOVA IRON N STEEL LTD	10000000		103290652.3

Example – 2: -

Ledger Entry: -

31-Oct-11	TO RTGS DATED 03/10/2011 PAID TO NOVA IRON & STEEL LIMITED	2,50,00,000	-	28,40,00,000	PNB 0327

Bank Account: -

A/c No.	Date	Particulars	Debit	Credit	Balance
0131008700000327	03-10-2011	RTGS:SD127045819:NOVA IRON N STEEL LTD	25000000		173174600.6

6.5. Analysis of M/s BPSL's loan account 0131008700000327 with PNB: -

(i) Analysis of the bank account 0131008700000327, of M/s BPSL maintained with PNB bank, revealed financial transactions with the company M/s NISL. Examination of the bank account statement of the aforesaid account for the period from 2011 to 2017 showed multiple credits and debits, including transfers from and to M/s NISL. During the said period M/s BPSL directly transferred loan funds to the tune of Rs. 148.14 Crores to M/s NISL and received Rs. 20.50 Crores from M/s NISL, which clearly shows that the loan amount was transferred to M/s NISL on the pretext of unsecured loan or otherwise which is payable by M/s NISL to M/s BPSL, which is nothing else but the POC in the possession of M/s NISL.

6.6. Conclusion: -

(i) The analysis of the books of accounts and ledger entries of M/s BPSL, conjointly and cross-examined with audited balance sheets of M/s NISL revealed that the debit and credit transactions recorded in its ledger account pertaining to M/s NISL are found to be in conformity with the corresponding transactions reflected in the bank account statements of the company. A transaction-wise reconciliation established that the dates, amounts, and nature of entries recorded in the ledger are exactly matched with the credits and debits appearing in the bank statements, thereby corroborating the actual flow of transactions between the entities. The matching of ledger records with bank account statements of the company demonstrates that the transactions were duly accounted in the financial records of the company.

(ii) Accordingly, it is established that funds to the tune of Rs. 151.58 Crores along with trade receivables amounting to Rs. 68.22 Crores (i.e. total Rs. 219.80 Crores) has been transferred by M/s BPSL to M/s NISL. Further, it is concluded that the amount of Rs. 201,20,89,467/- is still pending to be paid by M/s NISL to M/s BPSL, accordingly funds to the tune of Rs. 201.20 Crores of M/s BPSL is still lying with M/s NISL. Since the same has been dissipated by M/s NISL through known and unknown means, assets of M/s NISL to the extent of Rs. 201 crores are liable to be attached in terms of section 5 of PMLA, 2002 read with Section 2(1)(u) of the PMLA, 2002.

7. **Shareholding analysis of the company M/s NISL: -**

7.1. The shares of M/s NISL was acquired by M/s BPSL in June-July 2011 by initially acquiring 23.04% of the promoter shares. Thereafter, M/s BPSL has increased its shareholding on a year-by-year basis, and till 2016-2017, they increased it to 39.48%. During the period from June to July 2011 to F. Y. 2017, 2018, Mr. Sanjay Singal was the chairman of M/s NISL.

7.2. Regarding the acquisition of shares of M/s NISL by M/s BPSL, it was revealed that on 08.06.2011 and 13.06.2011, M/s BPSL acquired 3,46,86,200 shares of M/s NISL from the promoters through broker. For the acquisition of the same, payments were made from the loan account 0131008700000327 of M/s BPSL maintained with PNB bank.

7.3. Further M/s BPSL made a cash offer for the acquisition of 3,01,16,240 shares of M/s. NISL at Rs. 14 per share. However, eventually on 15 June 2011, M/s. BPSL purchased only 77,09,577 shares of M/s NISL through the aforesaid cash offer through public announcement.

7.4. Further M/s BPSL entered into a Share Purchase Agreement (SPA) dated 10 June 2011 with Mr. Rajendar Kumar Gambhir and Mr. Gulshan Kumar Gambhir to acquire 1,70,59,000 shares of M/s. NISL at a price of Rs. 13 per share. These shares were purchased on 30 April 2012 and 03 May 2012.

7.5. Therefore, M/s BPSL acquired a total share 5,94,54,777 of M/s NISL representing 39.48% of its total shareholding and the major payments for acquisition of shares by M/s BPSL were made from the loan account of M/s BPSL maintained with PNB having account no. 0131008700000327.

7.6. In addition to that, M/s Ambey Steel and Power Pvt. Ltd. (M/s ASPPL) also had acquired 27.57% shares in M/s NISL and at same time M/s BPSL held 100% shareholding in M/s ASPPL and therefore 67.05% was directly or indirectly held by M/s BPSL in M/s NISL. However, the shares held by the M/s BPSL were transferred to various entities, four of which namely, 1. Titanic Steel Industries Limited, 2. Vintage Steel Private Limited, 3. Olympian Steel Industries Limited, 4. Aromatic Steel Private Limited have been found to have been beneficially owned by Sanjay Singal, who is still in the possession of POC, which he has dissipated.

7.7. Accordingly, the current shareholding of these four entities were called from BSE. Following is the shareholdings of the company M/s NISL found in the name of the four entities as on 31.03.2026 as shared by BSE: -

Table- 6

Sr. No.	Name of the Company	ShareHolder Name	PAN	No. of Shares	Percentage	Category	Quarter End Date
1	Nova Iron & Steel Ltd	Olympian Steel Industries Limited (Olympian Finvest Private Limited)	AAACO7318L	94000	0.26	Promoter Group	3/31/2026
2	Nova Iron & Steel Ltd	Vintage Steel Private Limited	AACCV0279M	94000	0.26	Promoter Group	3/31/2026
3	Nova Iron & Steel Ltd	Titanic Steel Industries Private Limited	AACCT2034J	1165400	3.22	Promoter Group	3/31/2026
4	Nova Iron & Steel Ltd	Aromatic Steel Private Limited	AAFCA1577N	3418000	9.46	Promoter Group	3/31/2026
			Total	**4771400**	**13.2**		

7.8. Further, as per the current shareholding of M/s NISL, it was found that 4 accused companies, 1. Titanic Steel Industries Limited, 2. Vintage Steel Private Limited, 3. Olympian Steel Industries Limited, 4. Aromatic Steel Private Limited have total of 13.2% shareholding in M/s NISL as on 31.03.2026, details of which are produced above.

7.9. Further, Mr. R K. Gupta (the then CFO of BPSL) and Amarjeet Sharma (the then Executive Director of BPSL) vide their statement dated 25.11.2019 and 26.11.2019, respectively, divulged the fact that these companies are group companies of M/s BPSL. Further, Mr. Sanjay Singal, arrayed as accused no.2, in the prosecution complaint, has inter alia accepted in his statement dated 17-11-

2025 that all the above-mentioned companies were beneficially controlled by him. The relevant excerpt of his statement is reproduced hereunder: -

"On being asked with regards to the below mentioned company, I state that all these companies are controlled and managed by me.

i) M/s Bhushan Airways Services Private Limited
ii) Aromatic Steel Limited, Vintage Steel Private Limited
iii) Olympian Finvest Pvt Ltd
iv) Titanic Steel Industries Pvt Ltd
v) Evergrowing Iron and Finvest Private Limited
vi) Flawless Holdings and Industries Pvt Ltd
vii) Marsh Steel Trading Limited
viii) Vision Steel Limited
ix) Diyajyoti Steel Limited
x) Gaindamal Chiranjilal Private Limited
xi) Kishorilal Construction Private Limited"

7.10. Further, to corroborate the statement of Mr. R K. Gupta (the then CFO of BPSL) and Amarjeet Sharma (the then Executive Director of BPSL), Mr. Sanjay Singal, an analysis of the financial profile and records has been conducted from their MCA data and Bank Data. The overall analysis of the data are as under:

Table- 7

Sr. No.	Name of Entity	Registered address	Email id	Phone No.
1	Vintage Steel Pvt. Ltd.	No.78, Industrial Area Phase 1, Chandigarh, India - 160002	offlinefiling21@gmail.com	0172-3911702
2	Titanic Steel Industries Pvt Ltd	No.78, Industrial Area Phase 1, Chandigarh, India - 160002	offlinefiling21@gmail.com	0172-3911702
3	Aromatic Steel Pvt. Ltd.	No.78, Industrial Area Phase 1, Chandigarh, India - 160002	offlinefiling21@gmail.com	0172-3911702
4	Olympian Finvest Pvt. Ltd. (Old - Olympian Steel Industries Limited)	Plot No.78, Industrial Area, Phase 1, Chandigarh, India - 160002	offlinefiling21@gmail.com	0172-3911702

7.11. From the above table, it is clear that all these companies are interlinked and managed by the same person or a group of persons, as all of them have the same address, email address, and phone no.

7.12. Further, information related to the authorized signatory in the banks of the bank accounts of these companies and other details was sought from the banks, and from the details received, it was found that Mr. Sanjay Singal is either an authorized signatory or beneficial owner of the bank account, details of which are as produced below: -

Table- 8

S. No.	Company Name	PAN No.	Bank Name	Account No.	Name of Authorised Signatory (Mr./ Ms.)	Status as per bank records
1	Aromatic Steel Private Limited	AAFCA1577N	Punjab National Bank	574002100050655	Aarti Singal and Sanjay Singal	Beneficial Owner
			Idbi Bank Ltd	12102000015978	Sanjay Singal	
2	Titanic Steel Industries Private Limited	AACCT2034J	Punjab National Bank	574002100050619	Aarti Singal and Sanjay Singal	Beneficial Owner
				574002100054484	Aarti Singal and Sanjay Singal	Beneficial Owner
				'4207002100000899	Aarti Singal and Sanjay Singal	Beneficial Owner
			Industrial Development Bank Of India	12102000015941	Sanjay Singal	Authorised Signatory
			State Bank Of India	30943532940		
3	Vintage Steel Private Limited	AACCV0279M	Punjab National Bank	'2218002100017749	Aarti Singal and Sanjay Singal	Beneficial Owner

				4207002100000880	Aarti Singal and Sanjay Singal	Beneficial Owner
				574002100050646	Aarti Singal and Sanjay Singal	Beneficial Owner
				2218002100017740	Aarti Singal and Sanjay Singal	Beneficial Owner
				574005500002970	Aarti Singal and Sanjay Singal	Beneficial Owner
			State Bank Of India	343709992318		
				343709925318		
			Industrial Development Bank Of India	12102000015969	Sanjay Singal	Authorised Signatory
4	Olympian Finvest Private Limited	AAACO7318L	Punjab National Bank	574002100050628	Aarti Singal and Sanjay Singal	Beneficial Owner
				574002100054493	Aarti Singal and Sanjay Singal	Beneficial Owner
			Industrial Development Bank Of India	12102000015950	Sanjay Singal	Authorised Signatory

7.13. From the above, it is evident that these companies are beneficially owned by Mr. Sanjay Singal, and their shareholding in M/s NISL is ultimately owned by Mr. Sanjay Singal through his group companies.

7.14. Mr. Sanjay Singal, while being the promoter of M/s BPSL under its old management, siphoned off the loan funds from M/s BPSL to various dummy companies and also through his group companies and dissipated the same for various known and unknown purposes.

7.15. Since, the aforesaid movable properties in the form of shares of M/s NISL are beneficially owned and possessed by Sanjay Singal and the same may be transferred, alienated, or dealt in such a way, that may frustrate the proceeding under PMLA, 2002. Therefore, in order to safeguard these properties which are value equivalent to the Proceeds of Crime, and to prevent the dissipation of assets, these properties are required to be provisionally attached under Section 5(1) of the PMLA, 2002 read with section 2(1)(u) of PMLA, 2002.

8. Analysis of the immovable/ movable properties to be attached in the name of M/s NISL: -

8.1 During the course of investigation under the provisions of the Prevention of Money Laundering Act, 2002 (PMLA), various movable and immovable properties have been identified and examined in the name of the company M/s NISL. The list of properties submitted by H. C. Verma and as obtained from Sub- Registrar office of Bilaspur and Shakti district of Chhattisgarh, following properties identified in the name of the company M/s NISL are mentioned below: -

Table- 9

S. No.	Description of Properties	Area in Acres	Owner
1	Khasra No. 938/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	1.37	Nova Iron and Steel Limited
2	Khasra No. 938/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.5	Nova Iron and Steel Limited
3	Khasra No. 938/3, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.5	Nova Iron and Steel Limited
4	Khasra No. 939/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.07	Nova Iron and Steel Limited
5	Khasra No. 939/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.07	Nova Iron and Steel Limited
6	Khasra No. 940, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.15	Nova Iron and Steel Limited
7	Khasra No. 941, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.15	Nova Iron and Steel Limited
8	Khasra No. 942/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.07	Nova Iron and Steel Limited
9	Khasra No. 942/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.07	Nova Iron and Steel Limited
10	Khasra No. 943/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.65	Nova Iron and Steel Limited
11	Khasra No. 943/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.21	Nova Iron and Steel Limited
12	Khasra No. 944/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.32	Nova Iron and Steel Limited

13	Khasra No. 944/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.16	Nova Iron and Steel Limited
14	Khasra No. 944/3, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.16	Nova Iron and Steel Limited
15	Khasra No. 949/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.36	Nova Iron and Steel Limited
16	Khasra No. 949/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.35	Nova Iron and Steel Limited
17	Khasra No. 950/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.26	Nova Iron and Steel Limited
18	Khasra No. 951, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.35	Nova Iron and Steel Limited
19	Khasra No. 952/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.41	Nova Iron and Steel Limited
20	Khasra No. 952/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.42	Nova Iron and Steel Limited
21	Khasra No., 19, 20/3, and 17 at Villages Saktighat, Tehsil Belha, Distt. Bilaspur, Chhattisgarh	0.82	Nova Iron and Steel Limited
22	Khasra No.334/2 at Village Udantal, Tehsil Belha, Distt. Bilaspur, Chhattisgarh	1	Nova Iron and Steel Limited
23	Khasra No. 15, at Village Saktighat, Tehsil Belha, Distt. Bilaspur, Chhattisgarh	0.84	
	Total	**9.26**	

8.2 Statement of Hardev Chand Verma regarding Properties of M/s NISL: -

Hardev Chand Verma, director of M/s NISL during his statement dated 18.06.2026 and 23.06.2026 stated that the aforesaid properties were purchased by M/s NISL during the financial year from 2012-2014 in the name of company. The payment for purchasing for these properties were made from the bank account of M/s NISL.

8.3 Further, the details were called from the office of Sub registrar of Distt. Bilaspur and Shakti, which were duly analyzed and the above mentioned properties were found in the name of M/s NISL.

Since, the aforesaid properties are in the possession of M/s NISL and the same may be transferred, alienated, or dealt in such a way, that may frustrate the proceeding under PMLA, 2002. Therefore, in order to safeguard these properties which are value equivalent to the Proceeds of Crime, and to prevent the dissipation of assets, these properties are required to be provisionally attached under Section 5(1) of the PMLA, 2002 read with section 2(1)(u) of PMLA, 2002.

9. **<u>Relevant Provisions of the Prevention of Money Laundering Act, 2002</u>**

The following provisions of the Prevention of Money Laundering Act are applicable:

(a) **<u>Section 2 (1) (u) of the PMLA provides as under:-</u>**

Section 2(1)(u):- "Proceeds of crime" *means any property derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to schedule offence or the value of any such property [or where such property is taken or held outside the country, then the property equivalent in value held within the country and abroad];*

(b) **<u>Section 2(1) (v) of the PMLA provides as under:-</u>**

Section 2(1)(v):-"property" *means any property or assets of every description whether corporeal or incorporeal, movable or immovable, tangible or intangible and includes deeds and instruments evidencing title to, or interest in, such property or assets, wherever located;*

Explanation:- *For the removal of doubts, it is hereby clarified that the term "property" includes property of any kind used in the commission of* an offence under this Act or any of the scheduled offences;

(c) **<u>Section 2(1)(y) of PMLA provides as under:-</u>**

Section 2(1)(y):-"Schedule offence" means – *(i) the offences specified under Part A of the Schedule or (ii) the offences specified under Part B of the Schedule if the total value involved in such offences is 1 Crore rupees or more ; or (iii) the offences specified under Part C of the Schedule.*

(d) **<u>Section 2(1)(zb) of PMLA provides as under:-</u>**

Section 2(1)(zb):- *"value" means the fair market value of any property on the date of its acquisition by any person, or if such date cannot be determined, the date on which such property is possessed by such person.*

(e) **Section 3 of the PMLA provides as under:-**

***Section 3:-"Offence of money-laundering**: Whosoever directly or indirectly attempts to indulge or knowingly assists or knowingly is a party or is actually involved in any process or activity connected with the proceeds of crime including its concealment, possession, acquisition or use and projecting or claiming it as untainted property shall be guilty of offence of money-laundering."*

[Explanation : – For the removal of doubts, it is hereby clarified that,—

(i) a person shall be guilty of offence of money-laundering if such person is found to have directly or indirectly attempted to indulge or knowingly assisted or knowingly is a party or is actually involved in one or more of the following processes or activities connected with proceeds of crime, namely:—

(a) concealment; or

(b) possession; or

(c) acquisition; or

(d) use; or

(e) projecting as untainted property; or

(f) claiming as untainted property,

In any manner whatsoever;

(ii) the process or activity connected with proceeds of crime is a continuing activity and continues till such time a person is directly or indirectly enjoying the proceeds of crime by its concealment or possession or acquisition or use or projecting it as untainted property or claiming it as untainted property in any manner whatsoever.".

(f) **Section 4 of the PMLA provides as under:-**

***Section 4:-"Punishment for money-laundering** – Whoever commits the offence of money-laundering shall be punishable with rigorous imprisonment for a term which shall not be less than three years but which may extend to seven years and shall also be liable to fine."*

Provided that where the proceeds of crime involved in money-laundering relates to any offence specified under paragraph 2 of Part A of the Schedule, the provisions of this section shall have effect as if for the words "which may extend to seven years", the words "which may extend to ten years" had been substituted.

(g) **Section 5 of PMLA provides as under:-**

Section 5:- "Attachment of property involved in money-laundering – *(1) Where the Director, or any other officer not below the rank of Deputy Director authorized by the Director for the purposes of this section, has reason to believe (the reason for such belief to be recorded in writing), on the basis of material in his possession, that:-*

(a) *Any person is in possession of any proceeds of crime; and*

(b) *Such proceeds of crime are likely to be concealed, transferred or dealt with in any manner which may result in frustrating any proceedings relating to confiscation of such proceeds of crime under this Chapter,*

he may, by order in writing, provisionally attach such property for a period not exceeding one hundred and eighty days from the date of the order, in such manner as may be prescribed;

PROVIDED *that no such order of attachment shall be made unless, in relation to the scheduled offence, a report has been forwarded to a Magistrate under Section 173 of the Code of Criminal Procedure, 1973 or a complaint has been filed by a person, authorized to investigate the offence mentioned in that Schedule, before a Magistrate or Court for taking cognizance of the Scheduled offence, as the case may be, or a similar report or complaint has been made or filed under the corresponding law of any other country;*

PROVIDED FURTHER *that, notwithstanding anything contained in clause (b), any property of any person may be attached under this Section if the Director or any other officer not below the rank of Deputy Director, authorized by him for the purposes of this section has reason to believe (the reasons for such believe to be recorded in writing), on the basis of material in his possession, that if such* *property involved in money-laundering is not attached immediately under this Chapter, the non-attachment of the property is likely to frustrate any proceeding under this Act;*

(2) The Director, or any other officer not below the rank of Deputy Director, shall, immediately after attachment under Sub Section (1), forward a copy of the order, along with the material in his possession, referred to in that sub-section, to the Adjudicating Authority, in a sealed envelope, the manner as may be prescribed and such Adjudicating Authority shall keep such order and material for such period as may be prescribed;

(3) Every order of attachment made under Sub Section (1) shall cease to have effect after the expiry of the period specified in that Sub Section or on the date of an order made under Sub Section (2) of Section 8, whichever is earlier;

(4) Nothing in this section shall prevent the person interested in the enjoyment of the immovable property attached under Sub Section (1) from such enjoyment.

Explanation *– For the purposes of this sub-section, "person interested" in relation to any immovable property, includes all persons claiming or entitled to claim any interest in the property;*

(5) The Director or any other officer who provisionally attaches any property under Sub Section (1), shall, within a period of thirty days from such attachment, file a complaint stating the facts of such attachment before Adjudicating Authority."

(h) **Section 24 of PMLA, 2002 provides as under: -**

Section 24: - "Burden of proof *– In any proceeding relating to proceeds of crime under this Act:*

(a) In the case of a person charged with the offence of money-laundering under Section 3, the Authority or Court shall, unless the contrary is proved, presume that such proceeds of crime are involved in money laundering; and

(b) *In the case of any other person the Authority or Court, may presume that such proceeds of crime are involved in money-laundering;"*

(i) **<u>Section 65 of PMLA, 2002 provides as under: -</u>**

Section 65: *"Code of Criminal Procedure, 1973 to apply –The provisions of the Code of Criminal Procedure, 1973 (2 of 1974) shall apply, insofar as they are not inconsistent with the provisions of this Act, to arrest, search and seizure, attachment, confiscation, investigation, prosecution and all other proceedings under this Act."*

(j) ***Section 71 of PMLA, 2002 provides as under: -***

Section 71: "Act to have overriding effect - *The provisions of this Act shall have effect not withstanding anything inconsistent therewith contained in any other law for the time being in force.*

10. **<u>Valuation of properties and assets: -</u>**

The properties as mentioned in table – 9 above, of M/s NISL were forwarded for valuation by the govt. Approved valuer. From the valuation report of the government-approved valuer, M/s Saffron Multicon Pvt. Ltd., it comes forth that M/s NISL has, immovable properties, having fair market value as on 05.04.2019, i.e. date of FIR of **Rs. 1,11,12,000/-** as per the following table:-

<u>Table – 10</u>

Sr. No.	Villages	Tehsil	Distt.	Khasra No.	Owner	Extent In Acre	FMV 2019 - 2020 (as on 05.04.2019) in Rs.
1.	Khamariya	Bhothiya	Shakti	938/1	NOVA Iron and steel limited	1.37	1644000
2.	Khamariya	Bhothiya	Shakti	938/2	NOVA Iron and steel limited	0.5	600000
3.	Khamariya	Bhothiya	Shakti	938/3	NOVA Iron and steel limited	0.5	600000
4.	Khamariya	Bhothiya	Shakti	939/1	NOVA Iron and steel limited	0.07	84000
5.	Khamariya	Bhothiya	Shakti	939/2	NOVA Iron and steel limited	0.07	84000
6.	Khamariya	Bhothiya	Shakti	940	NOVA Iron and steel limited	0.15	180000

7.	Khamariya	Bhothiya	Shakti	941	NOVA Iron and steel limited	0.15	180000
8.	Khamariya	Bhothiya	Shakti	942/1	NOVA Iron and steel limited	0.07	84000
9.	Khamariya	Bhothiya	Shakti	942/2	NOVA Iron and steel limited	0.07	84000
10.	Khamariya	Bhothiya	Shakti	943/1	NOVA Iron and steel limited	0.65	780000
11.	Khamariya	Bhothiya	Shakti	943/2	NOVA Iron and steel limited	0.21	252000
12.	Khamariya	Bhothiya	Shakti	944/1	NOVA Iron and steel limited	0.32	384000
13.	Khamariya	Bhothiya	Shakti	944/2	NOVA Iron and steel limited	0.16	192000
14.	Khamariya	Bhothiya	Shakti	944/3	NOVA Iron and steel limited	0.16	192000
15.	Khamariya	Bhothiya	Shakti	949/1	NOVA Iron and steel limited	0.36	432000
16.	Khamariya	Bhothiya	Shakti	949/2	NOVA Iron and steel limited	0.35	420000
17.	Khamariya	Bhothiya	Shakti	950/2	NOVA Iron and steel limited	0.26	312000
18.	Khamariya	Bhothiya	Shakti	951	NOVA Iron and steel limited	0.35	420000
19.	Khamariya	Bhothiya	Shakti	952/1	NOVA Iron and steel limited	0.41	492000
20.	Khamariya	Bhothiya	Shakti	952/2	NOVA Iron and steel limited	0.42	504000
21.	Sakti ghat	Bilha	Bilaspur	19,20/3,17	NOVA Iron and steel limited	0.82	984000
22.	Udantal	Bilha	Bilaspur	334/2	NOVA Iron and steel limited	1	1200000
23.	Sakti ghat	Bilha	Bilaspur	15	NOVA Iron and steel limited	0.84	1008000
	Total					**9.26**	**1,11,12,000**

11. Reasons to believe:

On the basis of factual position as explained above and relevant legal provisions, I have reasons to believe that: -

(i) M/s BPSL had taken loans from 33 banks/financial institutions during the period 2007 to 2014 and a total credit exposure of ₹47,264 Crores was outstanding. These loans were sanctioned for different purposes namely, working capital, term loan for purchase of plant & machinery, non-fund based term loans etc. However, M/s BPSL and its then directors/promoters deliberately defaulted in repayment of loan amounts to lender banks/financial institutions as per the schedule and their accounts remained continuously irregular. Subsequently, the lead bank i.e. Punjab National Bank declared the account of BPSL as Non-Performing Asset (NPA) on 31.12.2015, followed by the other banks/financial institutions.

(ii) M/s BPSL fraudulently diverted amount of ₹537.85 Crores by making payments to 86 shell companies without any obvious purpose, out of which ₹30.90 Crores were diverted during the financial year 2013-14 alone without any valid business transactions in violation of terms of loan sanction. The balances shown by BPSL as capital advances given to various companies are different from the balances shown by these companies in their books as on 31.03.2017 which establishes falsification of books of accounts.

(iii) Directors of M/s BPSL also arranged fake /forged Cenvatable invoices/ paper bills and supporting documents like GRs, transport documents, vouchers, etc., through one Ritesh Kapoor, resident of 1st Floor, 16, Road No. 57, West Punjabi Bagh, New Delhi for fraudulent diversion of bank funds in the name of M/s R.K. Industries, M/s Anil Steel Pvt. Ltd., M/s Passive Infra Projects Pvt. Ltd., M/s Srishti Metals Pvt. Ltd., M/s Preet Machine Ltd., (M/s PML) without any corresponding supply of goods, and also dishonestly availed unauthorized cenvat credit to the tune of Rs.41.02 Crores from October, 2011 to April, 2015. The major part of the payments which were made through RTGS/Cheques against these invoices/bills were later on returned to the Directors/Staff of M/s BPSL without supply of goods thereby causing loss to banks /financial institutions and government exchequer.

(iv) Thus, the directors/ staff of M/s BPSL entered into a criminal conspiracy amongst themselves and with unknown public servants of banks and others to cheat Banks/ Financial Institutions/ Govt. exchequer and in furtherance of the said criminal conspiracy, they dishonestly and fraudulently diverted huge amount of bank funds through companies/ shell companies/ entities, etc. and deliberately defaulted in repayment and also claimed inadmissible cenvat credit etc. They did not use the bank funds for the purpose for which the same were sanctioned, committed forgery for the purpose of cheating, used forged documents and falsified the accounts causing wrongful loss to the lending banks/ financial institutions/ government exchequer and corresponding wrongful gain to themselves.

(v) Investigation revealed that during the period from F.Y. 2011-12 to F.Y. 2017-18, Sanjay Singal (erstwhile CMD-Promoter of BPSL) in connivance of the other persons siphoned off the finished goods valued at Rs. 1023.65 Crores from the

Odisha plant of M/s BPSL without raising sale bills/ invoices which constitutes Proceeds of Crime.

(vi) Further, an amount to the tune of Rs. 411 Crores was transferred to the different companies/ firms in lieu of fake invoices generated by these firms/ companies. The same amount was returned by these companies/ firms back to M/s BPSL in Cash. Hence generating cash without any actual receipt of goods constitutes Proceeds of Crime to the tune of Rs. 411 Crores.

(vii) It is established that funds to the tune of Rs. 151.58 Crores along with trade receivables amounting to Rs. 68.22 Crores (i.e. total Rs. 219.80 Crores) has been transferred by M/s BPSL to M/s NISL. Further, it is concluded that the amount of Rs. 201.20 Crores (after deducting the amount repaid) is still pending to be paid by M/s NISL to M/s BPSL, accordingly funds to the tune of Rs. 201.20 Crores of M/s BPSL is still lying with M/s NISL. Since the same has been dissipated by M/s NISL through known and unknown means, assets to the extent of Rs. 201 crores of M/s NISL are liable to be attached in terms of section 5 of PMLA, 2002 read with Section 2(1)(u) of the PMLA, 2002.

(viii) Therefore, the amount transferred from M/s BPSL to the company M/s NISL to the tune of 201,20,89,467/- are proceeds of crime in term of section 2 (1)(u) read with 2 (1) (v) of PMLA, 2002.

(ix) Such proceeds of crime/property in terms of Section 2 (1)(u) read with section 2(1)(v) of PMLA, 2002, i.e., the immovable properties cumulatively valued at Rs. **1,11,12,000/-** as detailed in table -10 at Para 10 above are in the possession of M/s NISL and hence the assets of M/s NISL become liable for provisional attachment as proceeds of crime under Section 5 (1) read with section 2(1)(u) of the PMLA, 2002 as "value of such property" as the proceeds of crime which travelled from M/s BPSL to M/s NISL has been dissipated by the company through its beneficial owners.

(x) Further, M/s BPSL also acquired the shares of M/s NISL and subsequently diluted some of its shareholding in M/s NISL to other 04 group companies i.e. Titanic Steel Industries Limited, Vintage Steel Private Limited, Olympian Steel Industries Limited, Aromatic Steel Private Limited, which are also beneficially owned or managed by Mr. Sanjay Singal.

(xi) Further, from observing the previous pattern of transfers of shareholding, is likely to be alienated or transferred in such a way that may frustrate the proceedings under PMLA, 2002, therefore, the shares in the name of 04 group companies amounting to **Rs. 6,42,70,758/-**beneficially owned by Sanjay Singal, as mentioned in foregoing paras, are liable to be attached provisionally under Section 5 (1) read with section 2(1)(u) of the PMLA, 2002 as "value of such property" to safe guard the dissipation of the POC.

(xii) It is possible that investigation and trial of offences both under the PMLA as also of scheduled offences, may take considerable time and if, power of provisional attachment is not exercised here, when there are demands of circumstances and existence of material facts, it could result in defeating the very purpose for which PMLA has been enacted.

(xiii) Therefore, the said immovable/movable properties being the value of proceeds of crime described as above, are not attached provisionally under section 5(1) of Prevention of Money Laundering Act, 2002, the said properties may be alienated, transferred or created encumbrance and thereby likely to frustrate the proceeding relating to confiscation of the property involved in money laundering under PMLA, 2002.

12. Schedule of properties intended to be attached: -

12.1. Immovable Properties which are being attached: -

Table - 11

S. No.	Description of Properties	Area In Acres	FMV 2019 - 2020(as on 05.04.2019) in Rs.	Nature of proceeds of crime	Owner
1	Khasra No. 938/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	1.37	1644000	Value thereof	Nova Iron and Steel Limited
2	Khasra No. 938/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.5	600000	Value thereof	Nova Iron and Steel Limited
3	Khasra No. 938/3, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.5	600000	Value thereof	Nova Iron and Steel Limited
4	Khasra No. 939/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.07	84000	Value thereof	Nova Iron and Steel Limited
5	Khasra No. 939/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.07	84000	Value thereof	Nova Iron and Steel Limited
6	Khasra No. 940, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.15	180000	Value thereof	Nova Iron and Steel Limited

7	Khasra No. 941, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.15	180000	Value thereof	Nova Iron and Steel Limited
8	Khasra No. 942/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.07	84000	Value thereof	Nova Iron and Steel Limited
9	Khasra No. 942/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.07	84000	Value thereof	Nova Iron and Steel Limited
10	Khasra No. 943/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.65	780000	Value thereof	Nova Iron and Steel Limited
11	Khasra No. 943/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.21	252000	Value thereof	Nova Iron and Steel Limited
12	Khasra No. 944/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.32	384000	Value thereof	Nova Iron and Steel Limited
13	Khasra No. 944/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.16	192000	Value thereof	Nova Iron and Steel Limited
14	Khasra No. 944/3, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.16	192000	Value thereof	Nova Iron and Steel Limited
15	Khasra No. 949/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.36	432000	Value thereof	Nova Iron and Steel Limited
16	Khasra No. 949/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.35	420000	Value thereof	Nova Iron and Steel Limited
17	Khasra No. 950/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.26	312000	Value thereof	Nova Iron and Steel Limited
18	Khasra No. 951, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.35	420000	Value thereof	Nova Iron and Steel Limited
19	Khasra No. 952/1, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.41	492000	Value thereof	Nova Iron and Steel Limited
20	Khasra No. 952/2, Villages Khamariya, Tehsil Bhothiya, Distt. Shakti, Chhattisgarh	0.42	504000	Value thereof	Nova Iron and Steel Limited
21	Khasra No., 19, 20/3, and 17 at Villages Saktighat, Tehsil Belha, Distt. Bilaspur, Chhattisgarh	0.82	984000	Value thereof	Nova Iron and Steel Limited
22	Khasra No.334/2 at Village Udantal, Tehsil Belha, Distt. Bilaspur, Chhattisgarh	1	1200000	Value thereof	Nova Iron and Steel Limited
23	Khasra No. 15, at Village Saktighat, Tehsil Belha, Distt. Bilaspur, Chhattisgarh	0.84	1008000	Value thereof	Nova Iron and Steel Limited

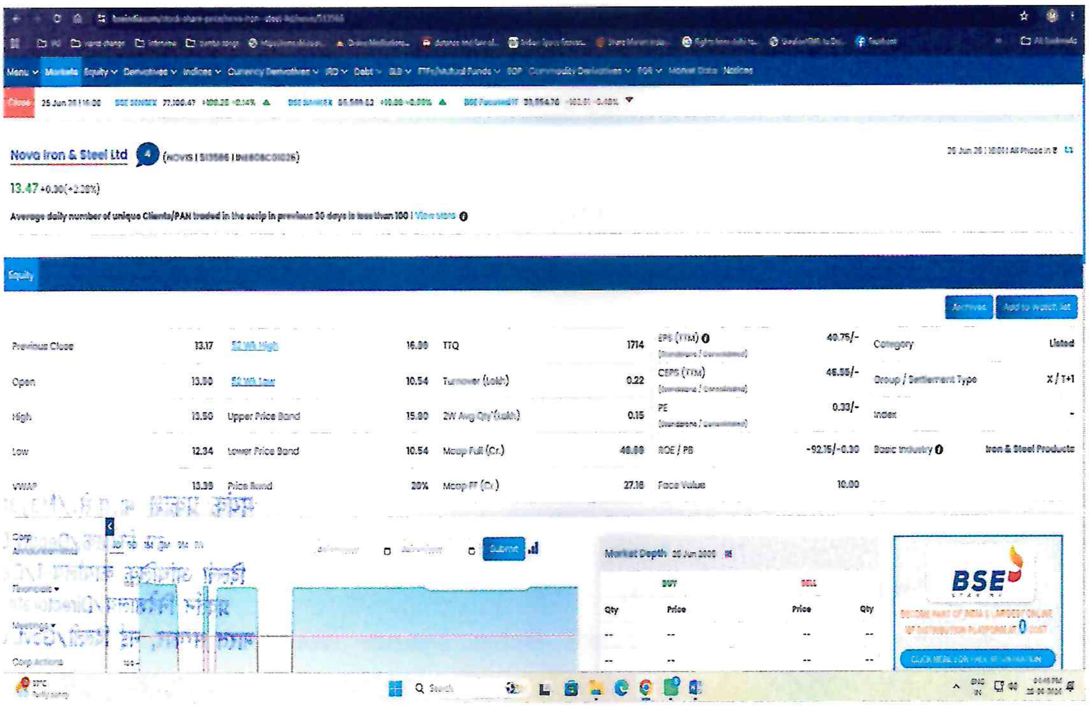
	Total	**9.26**	**1,11,12,000**		

12.2. Shares of the company M/s NISL: -

Table - 12

Sr. No.	Name of the Company	Share Holder Name	PAN	No. of Shares	Value as on 25.06.2026	Nature of POC
1	Nova Iron & Steel Ltd	Olympian Steel Industries Limited (Olympian Finvest Private Limited)	AAACO7318L	94000	1266180	Value thereof
2	Nova Iron & Steel Ltd	Vintage Steel Private Limited	AACCV0279M	94000	1266180	Value thereof
3	Nova Iron & Steel Ltd	Titanic Steel Industries Private Limited	AACCT2034J	1165400	15697938	Value thereof
4	Nova Iron & Steel Ltd	Aromatic Steel Private Limited	AAFCA1577N	3418000	46040460	Value thereof
			Total	4771400	**64270758**	

Further, value of each share of M/s NISL as on 25.06.2026 is Rs. 13.47 per share as per BSE website having url https://www.bseindia.com/stock-share-price/nova-iron--steel-ltd/novis/513566. The Screenshot for the price of share of M/s NISL on 25.06.2026 is reproduced hereunder for reference: -



13. **Order for provisional attachment of the properties**

Now, therefore, on the basis of material and evidences placed before me, in the ongoing investigation, and having reasons to believe as detailed in Para 11 above, in exercise of the powers conferred upon me under First Proviso of subsection (1) of Section 5 of the Prevention of Money Laundering Act, 2002 (15 of 2003) and the authority vested in me, to act as Statutory Authority under PMLA, by the Director of Enforcement, Vide Circular Order (Tech) No. 03/2011 dated 27.09.2011, as amended by Technical Circular No. 08/2015 dated 26.08.2015, I, hereby, order provisional attachment under First Proviso of Section 5(1) of the PMLA, 2002 of the movable/immovable properties valued **at Rs. 7,53,82,758/- (Rs. Seven Crores fifty three lakhs eighty two thousand seven hundred fifty eight only)** as detailed as mentioned in table 11 and table 12 above (Immovable Properties – Rs. 1,11,12,000 + Shares – Rs. 64270758), as defined under Section 2 (1)(u) of PMLA, 2002 for a period of 180 days and further order that the same shall not be transferred, disposed, parted with or otherwise dealt with in any manner, whatsoever, until or unless specifically permitted to do so by the undersigned.

This order of attachment made under First Proviso of Section 5(1) of the PMLA shall cease to have effect after the expiry of 180 days or on the date of an order of the Hon'ble Adjudicating Authority made under Section 8(3) of the PMLA, whichever is earlier.

SEALED AND SIGNED ON THIS 25TH DAY OF JUNE, TWO THOUSAND TWENTY SIX.

Mayank 25/06/26

(Mayank Prakash)
DEPUTY DIRECTOR

मयंक प्रकाश भा.रा.से./Mayank Prakash I.R.S.
उप निदेशक/Deputy Director
दिल्ली आंचलिक कार्यालय-I/Delhi Zonal Office-I
प्रवर्तन निदेशालय/Directorate of Enforcement
भारत सरकार, नई दिल्ली/Govt. of India New Delhi

To: -

1. **M/s Nova Iron and Steel Ltd,**
   Address – Village- Dagori, Tehsil -Belha, District- Bilaspur, Chhattisgarh, India – 495224.

2. **M/s Vintage Steel Pvt. Ltd.,**
   Address- No.78, Industrial Area Phase 1, Chandigarh, India – 160002

3. **M/s Titanic Steel Industries Pvt Ltd**

   Address- No.78, Industrial Area Phase 1, Chandigarh, India – 160002

4. **M/s Aromatic Steel Pvt. Ltd.**

   Address- No.78, Industrial Area Phase 1, Chandigarh, India – 160002

5. **M/s Olympian Finvest Pvt. Ltd. (Old - Olympian Steel Industries Limited)**

   Address- No.78, Industrial Area Phase 1, Chandigarh, India – 160002

6. **Sanjay Singal,**

   Address- 53, Jor Bagh, New Delhi.

Copy to: -

1. **The Chairperson, Adjudicating Authority under PMLA,**

   Address- Room No. 25, 4th Floor, Jeevan Deep Building, Parliament Street, New Delhi – 110001;

2. **The Registrar/ Sub- Registrar, Dist. Bilaspur, Chhattisgarh**
3. **The Registrar/ Sub- Registrar, Dist. Shakti, Chhattisgarh**
4. **Bombay Stock Exchange,**

   Address- Floor 25, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001

25/06/26

मयंक प्रकाश भा.रा.से./Mayank Prakash I.R.S.
उप निदेशक/Deputy Director
दिल्ली आंचलिक कार्यालय-I/Delhi Zonal Office-I
प्रवर्तन निदेशालय/Directorate of Enforcement
भारत सरकार, नई दिल्ली/Govt. of India, New Delhi