Press Release

02/11/2026

Enforcement Directorate (ED), Bangalore has conducted search and seizure operations under Section 17 of the Prevention of Money Laundering Act (PMLA), 2002 at 5 premises of the persons and entities connected with an alleged counterfeit medicines racket. The searches were conducted in connection with an ongoing money-laundering investigation arising from FIR No. 0266/2026 dated 18.08.2026, registered at Tavarekere Police Station, Bengaluru South, Karnataka.

The FIR relates to a joint search and raid conducted by the Drug Controlling Authority and police personnel on 18.08.2026 at a residential property in CK Tandya village, where the accused were found storing medicines and pharmaceutical drugs without a valid licence, permit or authorisation and replacing the labels on the stored medicines. The offences registered under Section 318(4) of the Bharatiya Nyaya Sanhita, 2023 and Section 63 of the Copyright Act, 1957, are scheduled offences under the PMLA. Accordingly, the ED recorded ECIR No. ECIR/BGZO/45/2026 and initiated investigation under the PMLA, 2002.

Investigation has revealed that R. Prashanth allegedly arranged a farmhouse near Bidadi for the manufacture, repackaging and relabelling of medicines without a drug licence or permit. Cheap bulk formulations sourced from manufacturing centres in various States were allegedly repackaged into new vials and fraudulently relabelled as expensive Pfizer antibiotics, namely Zavicefta, Emblaveo etc. The vials allegedly contained generic medicines but carried Pfizer-branded labels. These medicines were allegedly distributed through M/s. DM Pharmaceuticals and supplied to M/s. Krupa Healthcare. Subsequently M/s. Krupa Healthcare supplied to other pharmaceutical entities and hospitals along with genuine medicines apparently to avoid detection.

During the search action, bank accounts of Veeresh Kumar, containing Rs. 9,00,000/-(approx.) were frozen. Further, digital devices, records and incriminating documents belonging to various persons were seized during the course of the search action.

Further investigation is under progress.

DIRECTORATE OF ENFORCEMENT