Press Release
02.11.2026

ED attaches properties worth ₹40.40 crores in DHFL Bank Fraud Case

Directorate of Enforcement (ED), Headquarters Investigation Unit, has provisionally attached immovable properties to the extent of ₹40.40 crores under the provisions of the Prevention of Money Laundering Act (PMLA), 2002, in connection with the ongoing money-laundering investigation arising out of the bank loan fraud committed by M/s Dewan Housing Finance Corporation Ltd (DHFL) and its promoters, Kapil Wadhawan and Dheeraj Wadhawan. The attached properties comprise land parcels at Karjat, District Raigad, Maharashtra, and a residential plot at Shanti Niketan, New Delhi.

ED investigation was initiated on the basis of an FIR registered by the CBI, AC-VI, New Delhi, under various sections of the Indian Penal Code, 1860 and the Prevention of Corruption Act, 1988, pursuant to a complaint filed by Union Bank of India on behalf of a consortium of 17 banks. As per the FIR, Kapil Wadhawan, Dheeraj Wadhawan and others, entered into a criminal conspiracy to cheat the consortium banks, which had sanctioned credit facilities aggregating to ₹42,871 crores to DHFL. The loan funds were siphoned off and misappropriated through falsification of the books of accounts of DHFL, resulting in a wrongful loss of approximately ₹34,615 Crore to the consortium lenders.

ED investigation has revealed that the Wadhawans controlled around 225 companies, directly or through family members, associates and employees. Forensic audits of DHFL identified 66 entities connected to the promoters to which loans and advances of over ₹29,100 crores were disbursed. Investigation has further revealed that approximately ₹11,549 crores were diverted from DHFL to 87 promoter-controlled entities through a fictitious “Bandra Branch.” Through this branch, large disbursals to Wadhawan Group entities were split and disguised as home loans in the names of about 2.60 lakh fictitious retail borrowers. The inflated retail loan book enabled DHFL to raise further borrowings from banks, evade regulatory scrutiny and conceal related-party transactions.

It may be recalled that ED has already filed a Prosecution Complaint before the Special Court (PMLA), Mumbai, against 17 accused including Kapil Wadhawan and Dheeraj Wadhawan, followed by a Supplementary Prosecution Complaint against 5 more accused. Earlier, during search operations conducted on 19.08.2026, ED had frozen approximately US$ 5.41 million (approx. ₹51.75 crores) linked to the disposal of a foreign asset of the Wadhawan family.

Investigation has further revealed that in F.Y. 2018-19, DHFL diverted proceeds of crime of ₹40.40 Crore to two Mumbai-based proprietorship concerns, namely M/s Reliable Services and M/s Millennium Services, belonging to Harish Dedhiya and his wife Dhara Dedhiya. These payments were made against fictitious services which were never rendered.

ED is actively pursuing the perpetrators of financial crime and is committed to restituting Proceeds of Crime to the consortium banks.

Further investigation is under progress.