

Taxman's Lens on Enso Stake in IL&FS Rail

THE CHARGES

Enso and one of its directors Ashish Begwani buy IL&FS Rail stake through a web of shell companies and with unaccounted money

SHAREHOLDING PATTERN IN ENSO INFRA

2009-10 99% Enso Private Limited

2012-13 49.9% Ashish Begwani
49.9% Campbell Advertising

WHAT THE PROBE REVEALED

Enso Infra raised funds through bogus unsecured loans, share capital and share premium through entities controlled by Ashish Begwani

Our Bureau

Mumbai: The Income Tax department has issued a show-cause notice to IL&FS Rail seeking details on incriminating documents found on the premises and details about Enso Infrastructure Private Limited, which holds a 15% stake in the IL&FS unit. The department has charged Enso and one of its directors Ashish Begwani of buying the IL&FS Rail stake through a web of shell companies and with unaccounted money.

The notice said that in 2009-10, Enso Pvt Ltd held 99% stake in Enso Infra while in 2012-13 Begwani owned 49.9% while Campbell Advertising owned an-

other 49.9%. In the post search investigation, the tax authority found that Enso Infra has raised funds through bogus unsecured loans, share capital and share premium through entities controlled by Begwani.

The notice states that during the course of the IT investigation, it was found that Ashish Begwani is a well-known facilitator of accommodation entries as well as hawala services. Upon investigation, the income-tax authorities found that Campbell Advertising, Kaane Visionary projects and Pioneer Dealtrade were shell companies controlled by Begwani which were not in any active business.

Also, the source of funds for loans by these entities were not

explained, despite several opportunities. Funds by Enso Private Limited was raised through borrowings in the form of unsecured loans, share capital and share premium from various entities. Another shell company Kuber Group had taken accommodation entries through unexplained share application money, share premium and unsecured loans from others, the investigation showed.

Rajiv Banga, CEO of IL&FS Rail, was asked to submit the source of funds of Enso Infra, which he failed to explain. According to Banga's statement, IL&FS Transportation Network owned 83% stake in IL&FS Rail and Enso 15% while employee trust was 2%.