PRESS RELEASE

06.08.2026

Directorate of Enforcement (ED), Bengaluru Zonal Office has provisionally attached immovable properties having a total value of approximately Rs. 51.28 Crore (having market value approx. Rs. 150 Crore and more), under the provisions of the Prevention of Money Laundering Act (PMLA), 2002, in a case related to bank fraud, diversion and siphoning of loan funds by M/s Deepak Cable (India) Ltd. (DCIL), its Managing Director K. Venkateshwara Rao, Director, Smt. Satyavathy Ball, and their associated entities.

ED initiated money laundering investigation on the basis of FIR registered by CBI, BS&FB, Bengaluru. The scheduled offences relate to criminal conspiracy, cheating, forgery, use of forged documents and criminal misconduct resulting in wrongful loss to consortium banks.

Investigation under PMLA revealed that M/s DCIL and its promoters fraudulently obtained and enjoyed various credit facilities from consortium banks by submitting manipulated financial statements, inflated stock statements and false debtor statements. The investigation further established that the accused persons diverted and siphoned off bank loan funds through a network of related companies including M/s Surya Transmission Ltd., M/s Adhunik Power Transmission Ltd., M/s Danddeli Ferro Pvt. Ltd., M/s Sharavathy Conductors Pvt. Ltd., M/s Venkatesh Industries, M/s Maruthi Engineering Works, M/s Universal Transmission Line Products, M/s KGN Electricals and other connected entities by creating fictitious sale and purchase transactions without actual movement of goods.

Loan proceeds were further diverted for purposes unrelated to the sanctioned objects of the loans, including buy-back of equity shares from private equity investors through related entities and acquisition of assets.

Earlier, ED conducted searches under Section 17 of the PMLA, 2002 at multiple premises connected with the accused persons and their associates, during which several incriminating documents, digital devices and records were seized. Subsequently, K. Venkateshwara Rao was arrested under Section 19 of the PMLA, 2002 on 02.06.2026 and was remanded to ED custody. Statements of several accused persons, bank officials and other witnesses were recorded under Section 50 of the PMLA, 2002 during the course of investigation.

Investigation under PMLA further revealed that properties directly acquired from the Proceeds of Crime as well as equivalent value properties held in the names of the accused persons, their family members and connected entities were identified. Since a substantial portion of the Proceeds of Crime had been layered, diverted or could not be directly traced, equivalent value properties have also been provisionally attached under the provisions of the PMLA to safeguard the Proceeds of Crime and prevent frustration of confiscation proceedings.

Further investigation is under progress.