PRESS RELEASE

07/11/2024

Directorate of Enforcement (ED), Mumbai Zonal Office has provisionally attached immovable and movable assets valued at **Rs. 333.82 Crore (approx.)** on 05.11.2024 in the case of M/s. Dnyanradha Multistate Co-operative Credit Society Ltd (DMCSL), Suresh Kute & others under the provisions of Prevention of Money Laundering Act (PMLA), 2002. The assets provisionally attached includes land, buildings, plant & machinery of M/s Kute Sons Dairys Ltd and M/s Kute Sons Fresh Dairy Pvt Ltd situated in Satara and Ahmednagar districts of Maharashtra.

ED initiated investigation based on various FIRs registered during the months of May to July 2024 by various police stations of Maharashtra under various sections of IPC, 1860 and MPID Act, 1999 in respect of fraud committed with the investors by Suresh Kute and others through M/s. Dnyanradha Multistate Co-operative Credit Society Ltd (DMCSL).

DMCSL was managed and controlled by Suresh Dnyanobarao Kute, Yashvant V Kulkarni and others. It floated various deposit schemes and claimed to provide interest which varies from 12% to 14%. During the investigation it was found that Suresh Kute & others lured more than 4 lakh gullible investors to deposit money with DMCSL by promising higher returns. However, no payment or only partial payments were made to the investors when the deposits were matured, resulting in them being cheated.

ED investigation revealed that the funds of DMCSL were embezzled by management of the society, wherein Suresh Kute and others hatched a criminal conspiracy to illegally and fraudulently divert funds amounting to Rs. 2467.89 Crore (Proceeds of Crime) in guise of loans to various companies of The Kute Group (Group of companies beneficially owned by Suresh Kute and his wife Mrs. Archana Kute). Upon the disbursement of these fraudulent loan amounts, the funds were siphoned off by them through several accounts of the entities of Kute Group or directly in the form of cash. The funds received from society were further utilized for their own personal benefits like investment in new businesses, purchasing property and personal expenses.

Earlier, ED has conducted search operations in this case on 09.08.2024, 20.09.2024, and 14.10.2024. During these search operations, movable assets to the tune of Rs. 10.99 Crore (approx.) were frozen/seized. ED also issued Provisional Attachment Orders for assets worth Rs. 85.88 Crore on 24.09.2024 and Rs. 1002.79 Crore on 09.10.2024. Total seizure/freezing and attachments in this case till date stands at **Rs. 1433.48 Crore (approx.).**

Further investigation is under progress.