

ANNUAL REPORT

**DIRECTORATE OF
ENFORCEMENT**



FY 2024-25

DISCLAIMER

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With immense pleasure and a deep sense of honour, I present the Annual Report of the Directorate of Enforcement (ED) for the Financial Year 2024-25.

ED was established on 1st May 1956, primarily to enforce the Foreign Exchange Regulation Act (FERA), which was designed to prevent the misuse and illegal activities related to foreign exchange. As a flagship economic liberalization policy, FERA was replaced in 2000 by the Foreign Exchange Management Act (FEMA), which focuses more on the management of foreign exchange rather than its regulation and control, with most of the violations treated as civil offences, not criminal ones. In addition to FEMA, ED has been entrusted with the enforcement of the Prevention of Money Laundering Act (PMLA) and the Fugitive Economic Offenders Act (FEOA), further expanding its role in tackling financial crimes.

ED employs a scientific risk-based methodology for case selection, aligned with the National Risk Assessment framework. This strategic approach ensures that enforcement efforts are focused on areas of highest concern and impact. It is encouraging to note that, owing to sustained efforts by the Government in recent years, complemented by the enforcement actions of ED, the incidence of bank and real estate frauds has shown a declining trend. At the same time, a notable surge in cyber and crypto-related frauds has been marked, reflecting the evolving nature of financial crime. The pattern of cases investigated by ED mirrors this shift, with an increasing focus on digital and technologically-enabled frauds. Several key case studies highlighting such trends, have been presented in this Annual Report.

Crime should not pay, and criminals must not enjoy the proceeds of crime. Guided by this motto, the Directorate of Enforcement remains steadfast in its mission to prevent the proceeds of crime from entering legitimate financial channels and to

ensure that illicit funds are not used to fuel further criminal activities. To this end, ED enforces the provisions of PMLA and FEOA through rigorous investigation and prosecution of money laundering offences, and through attachment and confiscation of the proceeds of crime. I note with deep satisfaction that during F.Y. 2024-25, assets worth approximately ₹30,036 crore have been provisionally attached by ED – a remarkable 141% increase over the previous year. As of 31st March 2025, the total value of assets under provisional attachment stood at ₹1,54,594 crore.

Although these assets earned through criminal activities have been secured, a substantial portion remains unproductive until their final confiscation by courts. To unlock the economic potential of these assets and to compensate victims and legitimate owners, concerted efforts have been undertaken by ED for restitution under Non-Conviction Based Confiscation (NCBC) provisions of PMLA and FEOA. These efforts have been realized in collaboration with key stakeholders such as banks, financial institutions, state governments, resolution professionals, successful resolution applicants, and law officers. I am pleased to report that with the approval of the courts, restitution of ₹15,261 crore was done in 30 cases during F.Y. 2024-25. Encouragingly, this process is likely to accelerate next year.

In the early years of administering PMLA, most cases pertained to drug-related offences. Till March 2014, only 1,883 Enforcement Case Information Reports (ECIRs) had been registered – averaging fewer than 200 annually – and just 84 Prosecution Complaints (PCs) were filed, with assets under attachment only ₹5171.32 crore. Between April 2014 and March 2024, there has been a significant scale-up in enforcement activity, with 5,113 PMLA investigations initiated – averaging 511 ECIRs annually – and 1,332 PCs filed. I am pleased to report that building on this momentum, in F.Y. 2024-25, 775 new PMLA investigations were launched, 333 PCs were filed, and notably, 34 individuals were convicted. These outcomes reflect the Directorate's enhanced capacity, commitment, and impact in the fight against money laundering.

Till date, ED has filed PCs in 1,739 cases, which are presently at various stages of trial. Delays in the adjudication of these cases can be attributed to the general delay in judicial system and are also as a result of the inherent complexity of money laundering investigations as well as the procedural linkages with the trial of the predicate offence. Nonetheless, it is a matter of great satisfaction that in cases where courts have reached a verdict, the outcomes have overwhelmingly affirmed the strength of enforcement actions. Of the 47 cases decided till date,

only 3 have resulted in acquittals on merit, yielding a commendable conviction rate of 93.6%.

The enactment of FEOA in 2018 marked a significant step in India's efforts to combat economic offences, particularly those committed by individuals who believe that fleeing the country will shield them from justice. To date, applications have been filed against 24 individuals under the Act. Of these, 14 have been declared fugitive economic offenders. As a result of these proceedings, assets worth over ₹900 crore have been confiscated.

Effective anti-money laundering enforcement requires the ability to identify, trace, evaluate, investigate, freeze, seize and confiscate criminal property or its equivalent value. International cooperation is crucial to this effort. ED has undertaken several proactive initiatives to enhance international cooperation, both through formal and informal channels. These efforts have gained further momentum after the successful conclusion of the G20 Summit hosted by India. India is now recognized not only as a participant but as a global leader in the fight against economic crime. This is reflected in ED's membership in the Steering Group of GlobE Network and Asset Recovery Interagency Network – Asia Pacific (ARIN-AP), with India set to host the ARIN-AP Summit in 2026. Further cementing this progress, ED signed its first Memorandum of Understanding (MoU) for agency-to-agency cooperation with Mauritius on 12th March 2025, with several other MoUs currently in the pipeline.

Finally, it is with deep satisfaction that I report the recognition accorded to India by the Financial Action Task Force (FATF) in its Mutual Evaluation Report published in September 2024. India has been placed in the highest-rated category of “regular follow-up” by the joint FATF-APG-EAG Assessment, which is a reflection not only of technical compliance, but also of the credibility and robustness of Indian institutions. Significantly, the report reaffirms the competence and integrity of agencies such as the Directorate of Enforcement, acknowledging their role in upholding the highest international standards through a transparent and effective enforcement framework.

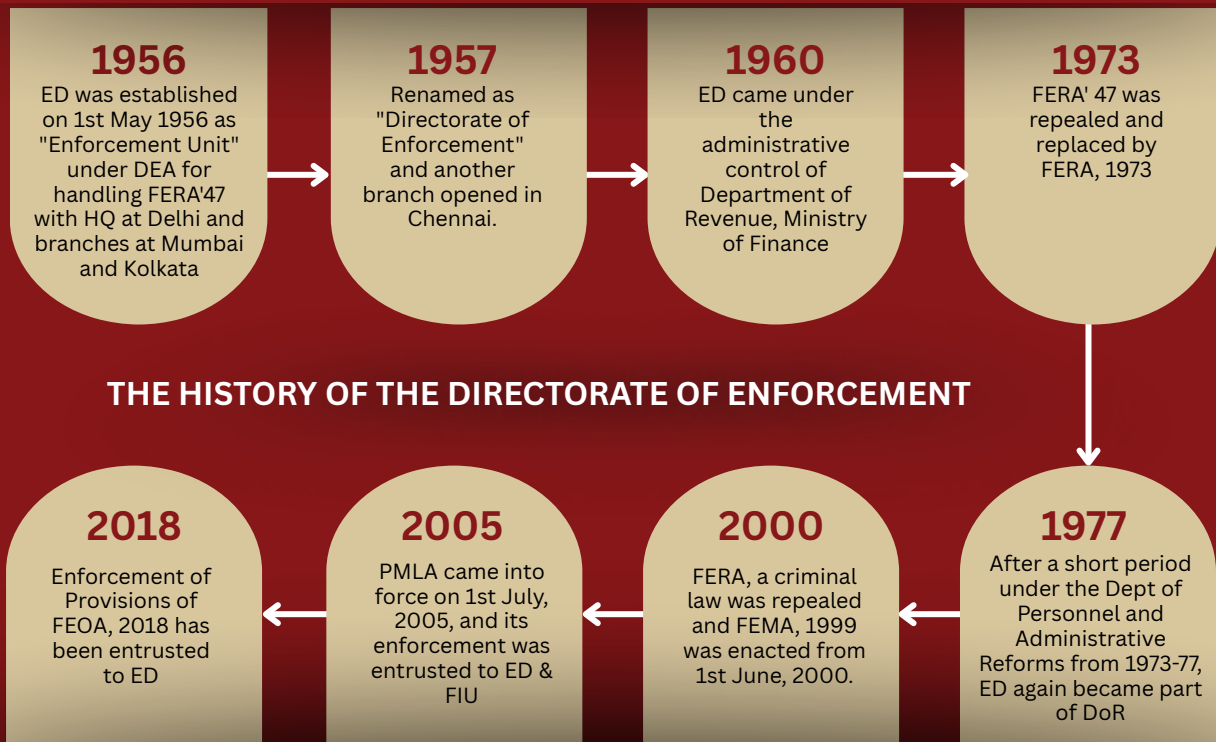
We at ED remain steadfast in our commitment to excellence. With dedication, integrity, and tireless effort, we shall continue to serve the nation and strive to surpass our own benchmarks in the years ahead.

Jai Hind

Rahul Navin
Rahul Navin
Director, ED

Who We Are, What We do, and the Growth of ED

Directorate of Enforcement (ED): A Legacy of Economic Law Enforcement



Evolution of the Directorate

The Directorate of Enforcement (ED) is India's premier agency for investigating money laundering offences well as enforcing foreign exchange laws. It was established on May 1, 1956 as an 'Enforcement Unit' under the Department of Economic Affairs to handle violations under the Foreign Exchange Regulation Act, 1947 (FERA). Headquartered in Delhi, the unit began with just a few officers, including a Legal Service Officer as Director and officers from the Reserve Bank of India and the Special Police Establishment. Initially, it had two branches at Bombay and Calcutta.

In 1957, the unit was renamed the Directorate of Enforcement, and a third branch was opened in Madras (now Chennai). By 1960, the Directorate came under the Department of Revenue, where it continues to operate today except a brief period from 1973-77 when it was under the Department of Personnel and Training.

"From tracing forex violations to tackling global financial crime, the Directorate of Enforcement stands as India's frontline agency in protecting economic integrity and securing national interest."



Expansion of Mandate and Legal Framework

Over the decades, the ED's role has expanded significantly in line with changes in global trading environment and India's evolving economic and legal landscape:

- FERA, 1947 was replaced by FERA, 1973, and later by the Foreign Exchange Management Act (FEMA), 1999, which came into force on June 1, 2000. FEMA shifted focus from regulation and control to facilitation of foreign exchange transactions.
- The ED was designated as nodal agency for investigating the cases under the Prevention of Money Laundering Act (PMLA), 2002, from July 1, 2005, marking a major step in India's fight against money laundering and financial crime.
- With the enactment of the Fugitive Economic Offenders Act (FEOA), 2018, ED was further empowered to act against high-value economic offenders who flee the country to evade prosecution.

FOR IMPORTANT AND LONG DURATION FILES ONLY

MINISTRY OF Home Affairs

Branch A.V.D. File No. 14/38/55.A.V.

NOTES & Correspondence S. No 1-13 1955.

Subject Proposal for setting up of an enforcement machinery to deal with cases involving breaches of Foreign Exchange Regular Act.

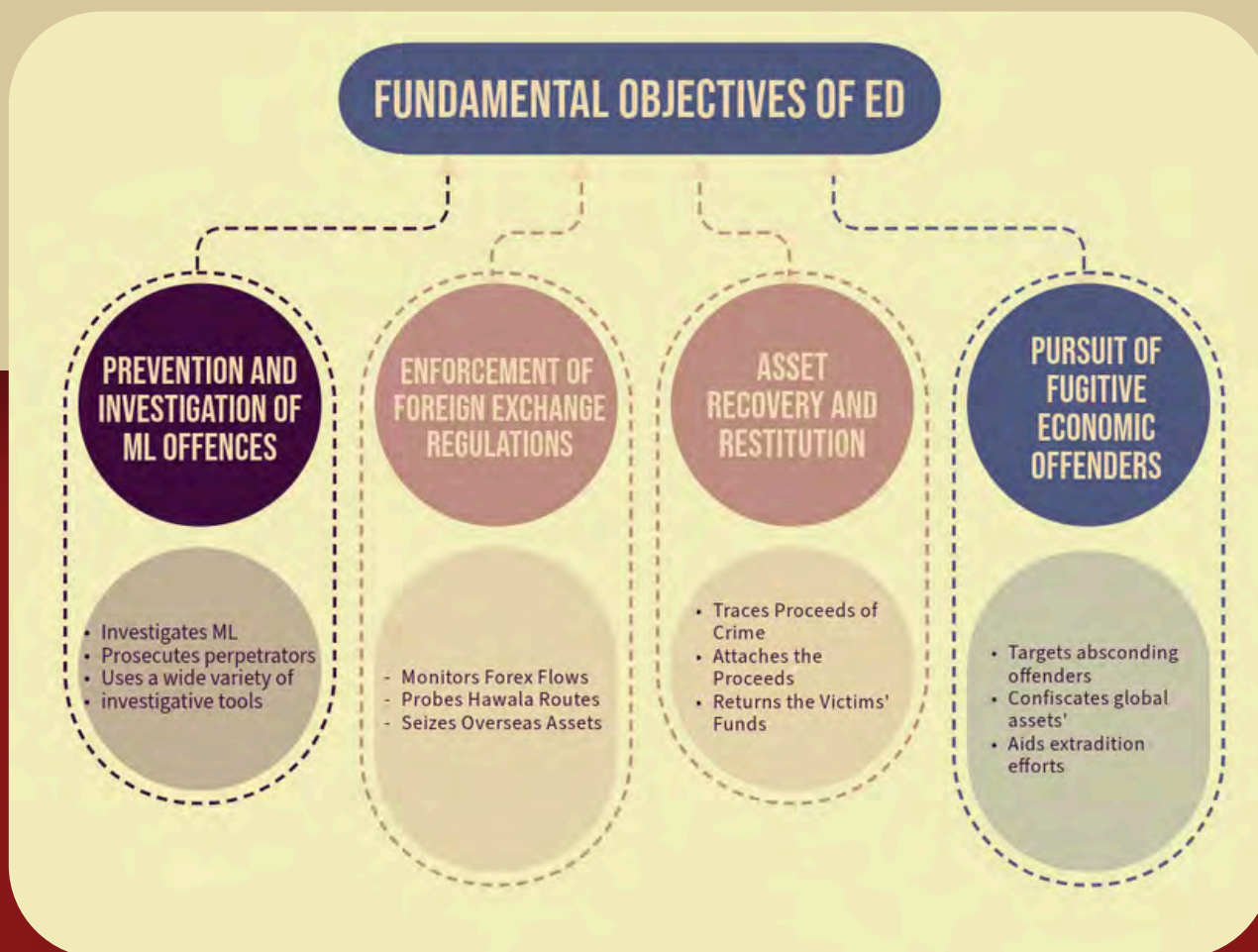
To whom sent	Date	To whom sent	Date	To whom sent	Date

"File initiation for setting up of Directorate of Enforcement"

Today, the Directorate plays a critical role in safeguarding the nation's financial system by investigating serious economic offences and supporting and supplementing global efforts in combating financial crime.

Over the decades, the Directorate of Enforcement has evolved into a key institution in India's "financial regulatory framework", playing a pivotal role in safeguarding the nation's economy. With an expanding mandate covering foreign exchange violations, money laundering, and economic fugitives, ED continues to adapt to emerging financial threats, ensuring the integrity and stability of India's financial system on both domestic and international fronts.

Fundamental Objectives of the Directorate of Enforcement



Prevention and Investigation of Money Laundering

A cornerstone of the ED's mission is to prevent and combat money laundering under the Prevention of Money Laundering Act, 2002 (PMLA). The agency investigates cases where proceeds of crime—derived from predicate offenses such as corruption, fraud, Organized Crime, drug trafficking, environmental crime and terrorism—are layered, integrated, or concealed within the legitimate financial system. The ED employs a risk-based approach, prioritizing high-impact cases that threaten economic stability or national security. This involves tracing illicit funds, identifying shell companies, and dismantling complex laundering networks. In 2024-25 alone, ED initiated investigations into 775 cases, attaching assets worth over ₹30,000 crore, reflecting its proactive approach in curbing financial crime effectively.

The investigation process leverages advanced tools, including financial & cyber forensics, data analytics, and collaboration with other law enforcement agencies (LEAs) and international cooperation. By aligning its efforts with India's commitments to the Financial Action Task Force (FATF), ED ensures compliance with global anti-money laundering (AML) standards, enhancing the country's reputation as a responsible financial jurisdiction.



Enforcement of Foreign Exchange Regulations

Under the Foreign Exchange Management Act, 1999 (FEMA), ED regulates cross-border financial transactions to maintain the stability of India's foreign exchange reserves. This function involves investigating violations such as unauthorized remittances, hawala transactions, and misuse of foreign exchange for illicit purposes. The ED works closely with the Reserve Bank of India (RBI) to monitor compliance by individuals, businesses, and financial institutions. As part of its functions ED, after carrying out its investigation and adjudication, imposes penalties in the case of defaults on export-import manipulations, violations of norms related to FDI & external commercial borrowings, restriction, on land ownership by non-residents, and transfer of money abroad through unauthorized channels. A notable aspect of this role is the enforcement of Section 37A of FEMA, which empowers ED to seize assets equivalent to the value of foreign exchange, foreign security, or any immovable property situated outside India.

In recent years, ED has intensified its focus on FEMA violations linked to money laundering, uncovering intricate schemes that exploit digital currencies and offshore entities. This dual enforcement of PMLA and FEMA underscores the agency's increasing role in protecting India's economic sovereignty.

Pursuit of Fugitive Economic Offenders

The Fugitive Economic Offenders Act, 2018 (FEOA) equips the ED to target individuals who flee the country to evade prosecution for specified economic offenses exceeding ₹100 crore. This function addresses the growing challenge of offenders like Nirav Modi and Vijay Mallya, who abscond after perpetrating large-scale financial frauds. The ED's role includes identifying and confiscating their assets, both domestic and international, to prevent the dissipation of proceeds of crime. Since the FEOA's enactment, the agency has successfully declared several individuals as fugitive economic offenders, confiscating their properties worth millions and facilitating extradition efforts through international cooperation.

This function extends beyond asset recovery to deterrence, sending a strong message that economic offenders cannot escape justice by crossing borders. ED's collaboration with agencies like INTERPOL enhances its ability to track fugitives and recover assets globally.



Asset Recovery and Restitution



A critical extension of its investigative mandate, ED identifies, attaches, and confiscates proceeds of crime to deprive and disrupt the financial incentives of criminal activity. This has been a focus area for ED in this financial year. Under PMLA, attached assets are managed to prevent depreciation or encroachment, with a renewed emphasis on restitution since June 2024. The agency strives to return recovered funds to victims—such as defrauded investors or banks with non-performing assets (NPAs)—thereby restoring public trust in the financial system. Landmark cases, such as the confiscation of properties linked to Nirav Modi and Vijay Mallya, highlight ED's success in restituting over ₹30,000 crore to banks and affected parties.

Impact and Significance

The ED's core functions collectively contribute to a robust economic security framework. By tackling money laundering, the agency curbs the financing of terrorism and organized crime. Its enforcement of FEMA ensures the integrity of India's foreign exchange market, while the pursuit of fugitive offenders reinforces accountability. Asset recovery efforts not only penalize offenders but also mitigate the economic damage inflicted on citizens and institutions. In an era of evolving financial crimes ED continues to adapt its strategies to safeguard India's economic interests.

CORE VALUES

Integrity



We uphold the highest standards of honesty, character, and trustworthiness in all our actions and in handling information.

Accountability



We take ownership of our actions, set clear expectations for all officers and are answerable for results.

Commitment



We demonstrate dedication, perseverance, and a results-driven approach in fulfilling responsibilities and achieving goals.

Excellence



We strive for continuous improvement, sharper our skills, eliminated inefficiencies, and foster teamwork and discipline.

Impartiality



We act fairly and objectively, guided by truth and free from fear, favour, bias or misuse of authority.

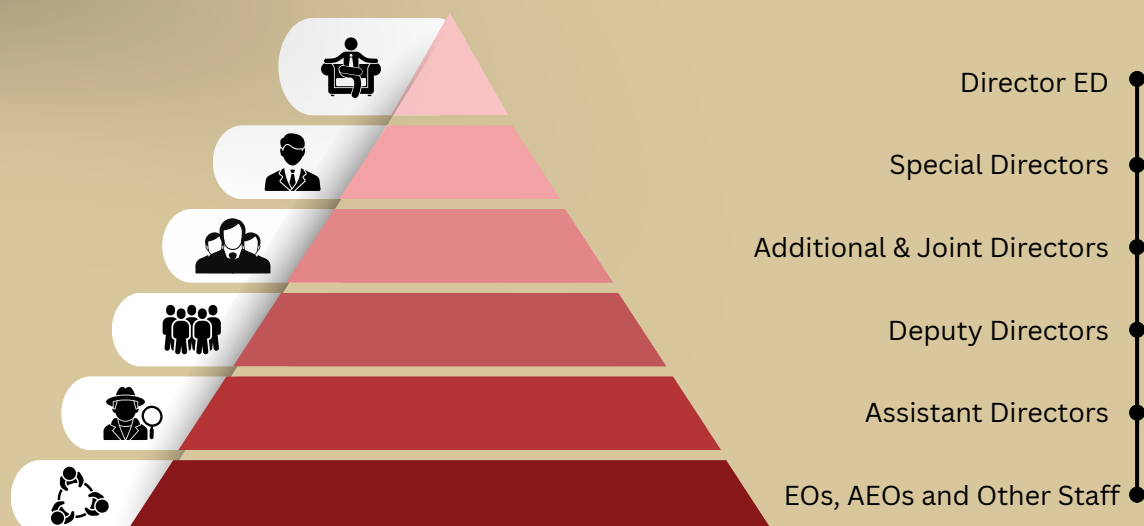
Organizational Structure and Pan-India Presence

The Directorate of Enforcement is headed by the Director, who is not below the rank of Additional Secretary to the Government of India. The Headquarters (HQ) of ED is situated in New Delhi. The functional establishment of ED is divided into 05 Regions located at Chandigarh (Northern Region), Chennai (Southern Region), Delhi (Central Region), Kolkata (Eastern Region) and Mumbai (Western Region). Each region is headed by a Special Director. Apart from the above Regions, special units named as Headquarters Investigation Units (HIUs) and Special Task Force (STF) headed by a Special Director are also functioning at the Headquarters. Regions are constituted by Zone(s) headed by Additional Directors/Joint Directors and Sub-Zone(s) headed by Deputy Directors. Sub-Zones are controlled by the corresponding Zones.

The offices of the Directorate of Enforcement located all over India ensures that the money-laundering offences are investigated in an effective manner and it also acts as deterrence for the potential offenders. Considering the strategic importance of North-East Region, Directorate of Enforcement has strengthened its presence and intensified actions against money laundering activities including cross border financial crimes, international hawala, terror financing and drugs trafficking. The Directorate has set up offices in all the seven states of the North-East.

ED was reorganized in 2006 after the advent of PMLA and later cadre restructuring was carried out in 2011 when the sanctioned strength increased from 745 to 2063. Since 2011, there has been however, a reduction of 33 posts overall. Presently ED is organized into 5 Regions, 27 Zones and 18 Sub-Zones.

Organizational Setup of ED

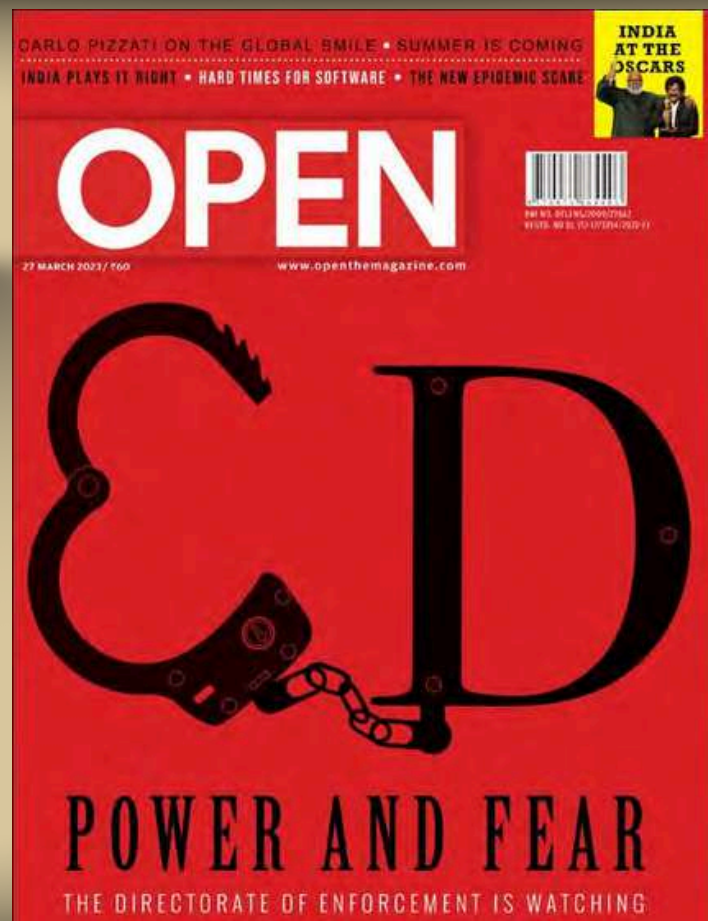


Increasing Role of ED in Tackling Financial Crimes in India



In recent years, ED has emerged as a pivotal establishment in India's fight against financial crimes. Traditionally tasked with enforcing exchange laws and fighting money laundering, the ED's mandate has grown substantially both in scope and impact. This evolution reflects not only the dynamic nature of financial crime in the digital age but also the institution's enhanced capabilities and the mounting public trust in its operations.

ED's operations have expanded significantly in both quality and quantity. In response to increasingly sophisticated financial crimes such as cyber fraud, bank fraud, and terror financing, the agency has bolstered its investigative techniques and broadened its jurisdiction to address cases with international dimensions. High-profile cases have underscored the ED's capacity to collaborate with foreign agencies, allowing for the cross-border tracking and confiscation of illicit proceeds. Its proactive approach in leveraging modern forensic technology and data analytics has enhanced the precision and speed of its diverse range of investigations.



ED's recognized successes have contributed to an enhanced public perception, bolstering trust among citizens of the country. Transparent operations and consistent results in attachment and confiscation of proceeds of crime have helped restore confidence in the financial system and in the government's commitment to upholding the rule of law.

The ED's increasing prominence is further reinforced by its strategic collaborations with other law enforcement agencies through nodal officers and regular interactions. These collaborations have not only facilitated the sharing of critical intelligence but have also set a precedent for integrated approaches to combating financial crime. Looking ahead, the ED is poised to continue expanding its investigative reach by adopting latest technologies and maintaining strong international and domestic ties, ensuring that India remains resilient against the evolving landscape of financial crimes.

Key Performance Indicators Under PMLA in 2024-25



Total no. of Attachments

461

↑ 44%



Value of Assets Attached

30,036.41 Cr

↑ 141%

No. of Arrests

214

↓ 21.32%

No. of convictions

34

↑ 113%

Amount of Confiscation

18.37 Cr



No. Of ECIRs

775

↑ 11%



No. of Prosecution Complaints

333

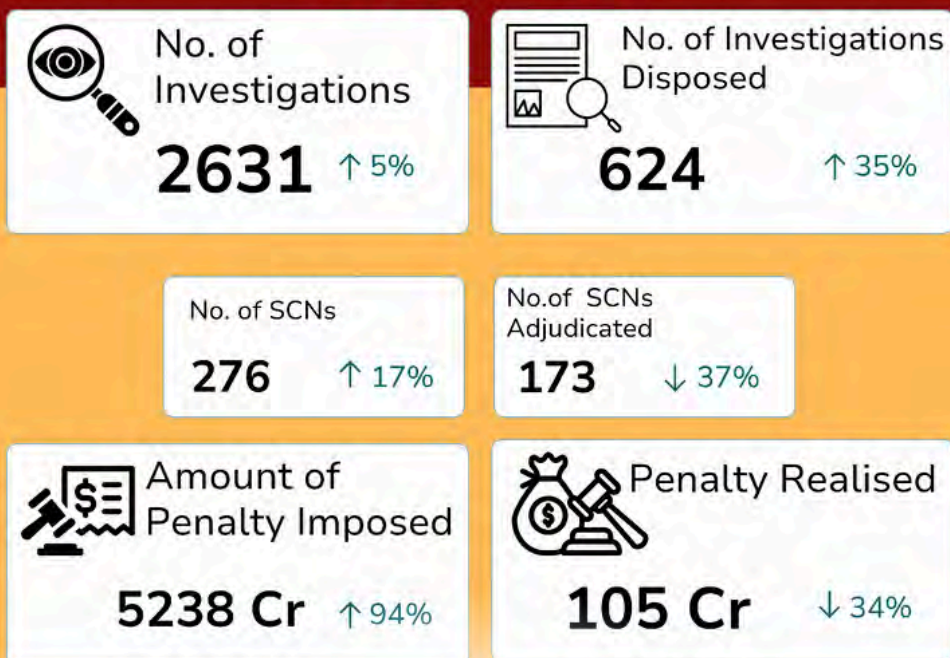
↑ 19%



Value of Restitutions Made

15,261.15 Cr

Key Performance Indicators under FEMA in 2024-25



Financial Action Task Force (FATF) and India



Financial Action Task Force (FATF) is an inter-governmental policy-making body set up in 1989 that sets international standards with an aim to prevent illegal activities {money laundering (ML), terrorist financing (TF) and proliferation of weapons of mass destruction (WMD)} and the harm they cause to society.

The objectives of the FATF are to set standards and promote effective implementation of legal, regulatory, and operational measures for combating ML, TF, and other related threats to the integrity of the international financial system. The FATF reviews ML and TF techniques of member countries and continuously strengthens its standards to address new risks, such as the regulation of virtual assets, etc.

It was following the FATF recommendations that India enacted the Prevention of Money Laundering Act, 2002 (PMLA) which came into effect from 01.07.2005 and ED was entrusted with the responsibility of executing its provisions. India became a FATF member country in 2010. In addition, India is also a member of two FATF Styled Regional Bodies (FSRBs) – Asia Pacific Group on Money Laundering (APG) and Eurasian Group (EAG). At present more than 200 countries and jurisdictions are committed to implement recommendations or standards set by FATF.

The FATF conducts mutual evaluations of its member countries by evaluating levels of implementation of the FATF Recommendations.

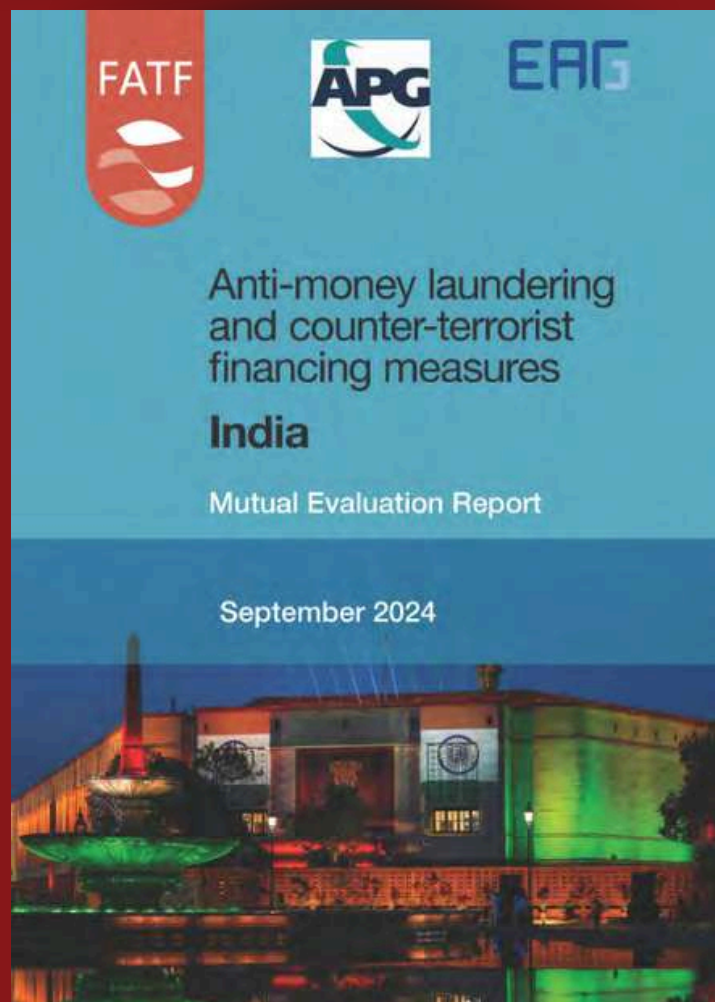


The Mutual Evaluation Report (MER), published by the Financial Action Task Force (FATF) in 2024, is a key testament to India's commitment to combatting financial crimes. This comprehensive evaluation, based on an on-site assessment as well, marks the culmination of years of work to align India's financial systems with global standards. The report reinforces the effectiveness of India's AML and CFT frameworks. ED has been a critical player in this endeavour, as acknowledged in the report, adopting stringent actions against financial crime to ensure the security and integrity of India's economy.

India's mutual evaluation was conducted by a team of twelve international experts, resulting in a detailed assessment based on the FATF's 40 Recommendations and 11 Immediate Outcomes.

The evaluation included interviews with the Directorate of Enforcement (ED), other law enforcement agencies, regulators, and the private sector to assess India's effectiveness in mitigating both domestic and cross-border ML/TF risks. FATF found India's legal and risk-based framework to be sophisticated, with the ED demonstrating a strong grasp of emerging threats such as cyber-enabled fraud, ransomware, and misuse of crypto-assets.

India was rated 'Substantially Effective' under Immediate Outcome 1, reflecting ED's proactive response to evolving risks and its tangible impact in sectors like real estate and banking. The evaluation also identified India's primary ML threats as stemming from fraud, corruption, and drug trafficking, noting robust enforcement against fraud-related laundering while highlighting the need for greater focus on areas like human and drug trafficking.



A key strength of ED is its proactive use of financial intelligence from diverse sources, enabling timely action against money laundering. Its close coordination with FIU-IND and international partners through the Egmont Group ensures access to both domestic and cross-border intelligence. Collaborations with financial institutions, Virtual Asset Service Providers (VASPs), and foreign jurisdictions further enhance its capabilities.

The Mutual Evaluation Report highlighted the ED's intelligence-led approach, with case studies demonstrating how financial intelligence from FIU-IND triggered investigations that dismantled major laundering networks. As a result, India was rated 'Substantially Effective' under Immediate Outcome 6 on the use of financial intelligence.



The assessors have also commended the ED's professional and methodological approach to identifying and investigating cases of money laundering. The ED has a multi-pronged approach to the identification of cases that may trigger ML investigations, including open sources, direct referral by LEAs, FIU-India, and International Cooperation. One of the key systems the ED employs is the Risk Assessment Monitoring Committee (RAMC), which assesses thousands of potential cases for their relevance to ML investigations. The work of the RAMC has been extremely crucial in that it does an effective job of screening a myriad of cases and identifying the appropriate cases for investigation, ensuring optimum utilization of resources in a vast country like India.



However, the FATF also pointed out certain technical challenges faced by the ED during the evaluation period. Due to multiple constitutional challenges to the Prevention of Money Laundering Act (PMLA) that were pending before the Apex Court, several trials were delayed, resulting in a 'Moderate Effectiveness' rating for Immediate Outcome 7, which pertains to money laundering prosecutions and convictions. Although alternative measures were used, the backlog of cases pending before the PMLA courts that arose out of the technical barrier remains an area that requires improvement. FATF has recommended expediting these court proceedings and ensuring that sanctions imposed are proportionate and dissuasive.

One of ED's primary responsibilities is the identification and confiscation of the proceeds of crime. This task is multi-faceted, aiming not only to recover assets derived from criminal activities but also to make financial crime an unprofitable venture for offenders. This action has multiple objectives: make it unprofitable for criminals to engage in financial crimes; recover dirty money and use them for the country's and community's welfare; and restore the stolen money to victims. India's longstanding national policy priority on confiscation was further bolstered during its G20 presidency, when it promoted asset recovery as an international priority which was positively observed by FATF. FATF, recognizing the ED's efficiency in confiscation and asset management, rated India 'Substantially Effective' in Immediate Outcome 8, which pertains to confiscation of proceeds of crime.



The international cooperation mechanisms of ED, facilitated by the Overseas Investigation Unit (OIU), are crucial in tracking illicit financial flows across borders. The ED has effectively leveraged Mutual Legal Assistance (MLA) Treaties and International Conventions as well as Principles of reciprocity to gather evidence and information on international money laundering cases. Further, the ED has been proactive in using multiple informal networks as well as direct agency to agency partnerships for gathering intelligence and information for furthering its investigations as well as in buttressing the asset recovery efforts. As a result, FATF rated India as 'Substantially Effective' in Immediate Outcome 2, related to international cooperation.



Broadly, the evaluation also identified key areas requiring improvement, including the nascent implementation of AML/CFT controls by smaller financial institutions, DNFBPs, and VASPs. Gaps were also noted in enforcing enhanced due diligence for domestic Politically Exposed Persons and in monitoring cash transactions by dealers in precious metals and stones. These vulnerable sectors are now under focus for stricter compliance and supervision.



The Mutual Evaluation Report of India serves as both an affirmation of the country's significant achievements and a blueprint for future improvements. Following the evaluation, India has been placed under regular follow-up category. It may be noted that only 4 of the G20 nations were placed on the regular follow-up category and this stands as a testament to India's commitment to meet international standards for AML/CFT.



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Effectiveness

India Mutual Evaluation 2024

IO1	IO2	IO3	IO4	IO5	IO6	IO7	IO8	IO9	IO10	IO11
SE	SE	ME	ME	SE	SE	ME	SE	ME	ME	SE

Ratings that reflect the extent to which a country's measures are effective. The assessment is conducted on the basis of 11 immediate outcomes, which represent key goals that an effective AML/CFT system should achieve.

HE = high level of effectiveness | SE = substantial level of effectiveness | ME = moderate level of effectiveness
| LE = low level of effectiveness


R.1 - assessing risk & applying risk-based approach	R.2 - national co-operation and co-ordination	R.3 - money laundering offence	R.4 - confiscation & provisional measures	R.5 - terrorist financing offence	R.6 - targeted financial sanctions – terrorism & terrorist financing
LC	C	LC	LC	LC	LC
R.7 - targeted financial sanctions - proliferation	R.8 - non-profit organisations	R.9 – financial institution secrecy laws	R.10 – Customer due diligence	R.11 – Record keeping	R.12 – Politically exposed persons
LC	PC	C	LC	C	PC
R.13 – Correspondent banking	R.14 – Money or value transfer services	R.15 -New technologies	R.16 –Wire transfers	R.17 – Reliance on third parties	R.18 – Internal controls and foreign branches and subsidiaries
C	LC	LC	C	LC	LC
R.19 – Higher-risk countries	R.20 – Reporting of suspicious transactions	R.21 – Tipping-off and confidentiality	R.22 – DNFBPs: Customer due diligence	R.23 – DNFBPs: Other measures	R.24 – Transparency & BO of legal persons
LC	LC	C	LC	LC	LC
R.25 - Transparency & BO of legal arrangements	R.26 – Regulation and supervision of financial institutions	R.27 – Powers of supervision	R.28 – Regulation and supervision of DNFBPs	R.29 – Financial intelligence units	R.30 – Responsibilities of law enforcement and investigative authorities
LC	LC	C	PC	C	LC
R.31 – Powers of law enforcement and investigative authorities	R.32 – Cash couriers	R.33 – Statistics	R.34 – Guidance and feedback	R.35 – Sanctions	R.36 – International instruments
LC	LC	C	LC	LC	C
R.37 – Mutual legal assistance	R.38 – Mutual legal assistance: freezing and confiscation	R.39 – Extradition	R.40 – Other forms of international co-operation		
LC	LC	C	LC		

Note: Technical compliance ratings can be either a C – compliant, LC – largely compliant, PC – partially compliant or NC – non compliant.





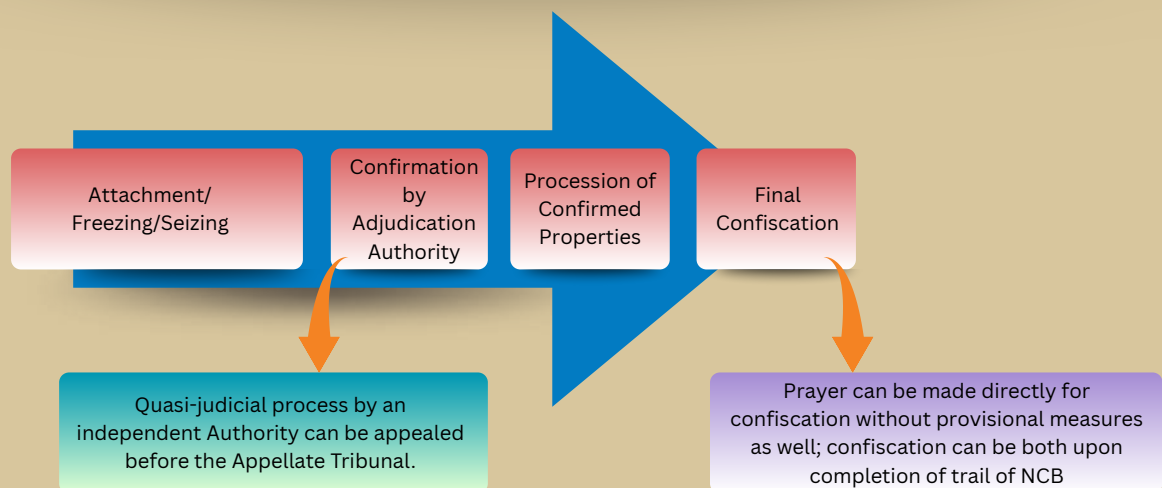
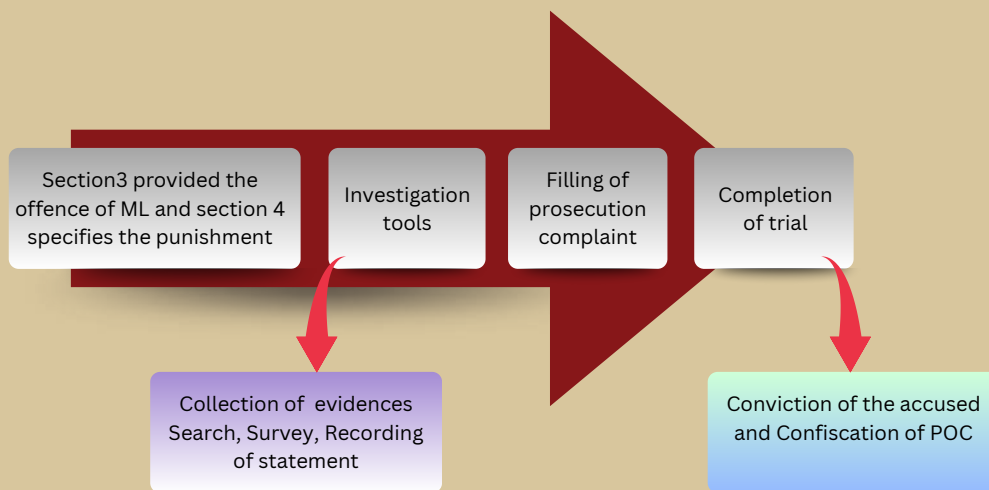
Identification of Risks and Emerging Threats.



Investigation of Money Laundering: A Risk Based Approach

India's anti-money laundering law i.e. the Prevention of Money-Laundering Act, 2002 (PMLA) was enacted and implemented in compliance to the anti-money laundering and counter-terrorist financing (AML/CFT) framework of the Financial Action Task Force (FATF), the global money laundering and terrorist financing watchdog. PMLA is a criminal law enacted to prevent money laundering and to provide for confiscation of property derived from, or involved in, money-laundering and for matters connected therewith or incidental thereto. ED has been given the responsibility to enforce the provisions of the PMLA by conducting investigation to trace the assets derived from proceeds of crime, to provisionally attach or restrain the property and to ensure prosecution of the offenders and confiscation of the property by the Special Court.

PMLA is a complete code in itself. It provides definition of the offence, procedure for investigation, attachment, arrest, bail, prosecution and punishment of the offence in addition to providing the mechanism for international cooperation.



Risk Analysis and Case Selection in Money Laundering Investigations: Strengthening India's Anti-Money Laundering Framework

Money laundering poses a significant threat to India's financial integrity and national security. Generally it involves the transfer and concealment of proceeds of crime through complex financial transactions. The ED, as India's premier agency tasked with enforcing the PMLA, plays a pivotal role in combating this menace by investigating offences, tracing of proceeds of crime, prosecuting the offenders and confiscating illicit assets. Predicate offenses—underlying crimes such as corruption, drug trafficking, fraud and terror financing—generate these proceeds, forming the basis for money laundering investigations under the anti-money laundering law.

ED recognizes the critical role of proper risk analysis in prioritizing investigations, case selection, and making operational enhancements. These are addressed through ever evolving and dynamic internal guidelines as well, which underscore ED's commitment to safeguarding India's economic stability amidst the rapid digital transformation and economic growth.

The Importance of Risk Analysis in Money Laundering Investigations



Risk analysis is the cornerstone of ED's anti-money laundering strategy, enabling the agency to allocate resources efficiently and target high-impact cases. By assessing the likelihood and severity of money laundering activities, ED prioritizes investigations that pose the greatest threat to financial systems and national security. This approach aligns with India's National Risk Assessment (NRA) and the Financial Action Task Force (FATF) recommendations, which emphasize on tailored, risk-based measures.

Why Risk Analysis Matters

The Key Aspects of Risk Analysis as highlighted here makes it clear as to why it is important for efficient and purposeful investigations.

RESOURCE OPTIMIZATION

- **Finite Resources Need to allocate limited investigative resources efficiently**
- **Focus an High Impact Cases Cases with significant potential to disrupt money laundering networks**

KEY ASPECTS OF RISK ANALYSIS

TARGETING HIGH RISK AREAS

- **Sector Vulnerabilities Identify sectors prone to exploitation, such as real estate or cyber.**
- **Proactive Interventions Addressing risks before they escalate**

- **Shift to digital Reflects the growing use of online systems in money laundering**
- **Leveraging data analytics Role of advanced analytics in detecting and responding to new threats.**

- **Strong Evidence Focus: Ensures investigations produce robust evidence of legal proceeding High Prosecution Potential Targets Case likely to result in successful convictions.**

ADAPTING TO EVOLVING THREATS

ENHANCING EFFECTIVENESS

In 2024, the ED's risk-based approach was validated by India's rating as "Substantial Effectiveness" (SE) for risk understanding and overall placement in the "regular follow-up" category in the FATF Mutual Evaluation. However, challenges such as delays in trials underscore the need for continuous refinement, making risk analysis an indispensable tool for the operational success of the organisation.



Common Money Laundering Typologies in India

The ED targets prevalent money laundering methods, informed by risk analysis and financial intelligence. Key typologies include:

- **Trade-Based Money Laundering:** Mis-invoicing or false documentation in international trade to disguise flow of illicit funds.

- **Shell Companies:** Fictitious entities used to layer proceeds, obscuring ownership.
- **Real Estate Investments:** Illicit funds integrated into the legitimate economy through property purchases.
- **Cash-Intensive Businesses:** Retail or construction sectors exploited to mix illegal cash with legitimate earnings.

These crime typologies are addressed through close collaboration with FIU-IND and other law enforcement agencies like the Central Bureau of Investigation (CBI) and the use of advanced data analytics, enhancing the ED's detection capabilities.

Updated Guidelines for Case Selection

In 2024, ED has continued to refine its strategies to address evolving money laundering challenges, guided by a regularly evolving risk-based approach. ED issued a New Internal Technical Circular superseding the earlier ones in this regard. This updated guideline streamlines the process for initiating inquiries and investigations, introducing a structured framework for handling information, opening preliminary files and recording Enforcement Case Information Reports (ECIRs).

Legal and Jurisdictional Context

Nationwide jurisdiction to investigate money laundering cases has been upheld by the Delhi High Court in *Abhishek Banerjee vs. ED* (2022). It also aligns with the Supreme Court's ruling in *Vijay Madanlal Choudhary vs. Union of India* (2022), clarifying that the ECIR is an internal document, not statutorily mandated, and its non-supply to accused persons does not violate constitutional rights.



Regional Risk Analysis

Each Regional Office is tasked with analyzing region-specific risks, considering:

- **Prevalent crime types (e.g., drug trafficking, financial fraud).**
- **Social impact (e.g., community harm).**
- **Socio-economic factors (e.g., poverty, unemployment).**

Regional Special Directors are tasked with documenting these risk profiles, ensuring investigations are tailored to local vulnerabilities, which is a critical enhancement to the ED's risk-based approach.

Information Collection and Analysis

The Zones and Sub-zonal offices are responsible for collecting intelligence from diverse sources, including:

- **ML-I/ML-II Reports from Law Enforcement Agencies (LEAs).**
- **Crime and Criminal Tracking Network & Systems (CCTNS).**
- **Suspicious Transaction Reports (STRs) from FIU-India.**
- **Open-source data and public complaints.**



Weekly monitoring of platforms like CCTNS and CBI portals ensures timely detection of predicate offenses. The officers analyze this information to determine the presence of money laundering, categorizing cases into various types.

Discreet Enquiries and File Handling

Discreet inquiries focus on gathering specific evidence without broad investigations. Such files may then be:

- **Merged with existing cases.**
- **Transferred to other zones, HIUs, or STFs based on operational needs.**
- **Closed if no money laundering is evident, and**
- **Escalated to ECIR if criteria are met.**



Criteria for Recording ECIRs

The circular delineates mandatory and non-mandatory criteria for ECIR recording:



- **Mandatory Criteria:**

- Directives from constitutional bodies (e.g., Supreme Court, CVC).
- Terrorism financing or Naxal activities.
- Organized crime under specific laws (e.g., Immoral Traffic Act).
- NDPS Act cases with drug seizures exceeding five times commercial quantities or syndicate involvement.
- Financial thresholds above a specified value for disproportionate assets cases, quid pro quo corruption cases, bank frauds cases, Ponzi schemes, or location-specific thresholds like in the case of metro cities.

Non-Mandatory Criteria: Cases not meeting mandatory thresholds are evaluated by the Risk Assessment Monitoring Committee (RAMC).

RAMC's Role



The RAMC, chaired by the Special Director (HQ), assesses non-mandatory cases quarterly, using a risk-based approach to approve or reject ECIR recording. It also reviews mandatory cases where RSDEs approve non-recording, ensuring consistency and oversight. Decisions are revisable with new evidence, enhancing adaptability.

The guidelines in the internal Technical Circular last revised in 2024 enhance ED's ability to prioritize high-risk cases, aligning with the NRA and FATF standards. By formalizing risk analysis at regional levels and refining case selection, ED optimizes its investigative capacity, targeting various typologies with precision.

It may also be noted that while the circular helps ED evolve a risk based approach, considering fast proliferation of new risks, the Director ED may always direct taking up investigations or through referral of new cases to a Special RAMC.

Risk analysis remains pivotal to the ED's mission, enabling a strategic focus on high-impact cases. The updated 2024 guidelines reinforce this approach, ensuring the ED adapts to emerging threats while safeguarding India's financial system for a secure economic future.



Year-wise trend analysis

The type of cases investigated by ED varies year to year depending on the risk analysis as well as emerging threats of that period. An year-wise analysis of the major categories of cases being investigated by ED gives a clearer understanding of the evolving risks as well as the investigation strategies on that basis.

Sr. No.	Category Name *	Year-wise data																			Total cases
		2006 -07	2007 -08	2008 -09	2009 -10	2010 -11	2011 -12	2012 -13	2013 -14	2014 -15	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24	2024 -25	
1	Fraud	4	1	3	371	129	89	131	119	127	64	128	113	108	356	669	789	685	504	433	4823
2	Participation in an organised criminal group and racketeering	4	0	4	247	95	81	120	91	106	67	116	108	94	293	546	577	569	386	326	3830
3	Forgery	8	10	9	293	103	63	87	80	67	32	67	67	65	194	382	379	322	229	206	2663
4	Corruption and bribery	0	1	2	102	84	69	100	68	72	55	83	83	60	245	409	364	414	254	183	2648
5	Illicit trafficking in narcotic drugs and psychotropic substances	10	1	4	347	28	17	25	8	6	2	2	2	1	49	75	84	19	28	29	737
6	Terrorism, including terrorist financing	7	1	1	50	14	14	3	5	1	4	3	11	6	21	36	33	10	6	2	228
7	Illicit arms trafficking	5	0	0	20	12	11	3	11	5	4	6	10	6	20	29	40	22	6	6	216
8	Extortion	1	0	0	0	2	4	2	7	4	4	5	7	9	14	21	26	30	23	13	172
9	Counterfeiting currency	3	1	2	59	56	24	8	1	0	1	2	1	0	2	6	1	2	0	1	170
10	Murder, grievous bodily injury	3	1	2	9	5	2	2	10	6	3	4	9	4	13	22	18	17	8	6	144
11	Environmental crime	0	1	1	4	0	0	4	6	1	2	2	0	1	8	15	28	8	4	8	139
12	Illicit trafficking in stolen and other goods	0	0	0	1	1	0	5	4	4	1	5	2	5	6	6	30	16	12	5	103
13	Trafficking in Human Beings & Migrant Smuggling	0	0	1	8	0	0	1	6	6	1	0	1	0	4	24	5	10	7	13	87
14	Counterfeiting and piracy of products	0	0	0	1	1	2	1	2	3	1	0	4	2	2	10	16	14	12	12	83
15	Smuggling	0	0	0	2	0	3	1	4	5	0	1	1	2	5	10	19	8	6	5	72
16	Robbery or theft	0	0	0	3	1	3	1	2	2	2	2	1	0	6	7	3	5	2	1	41
17	Insider Trading	0	0	0	1	2	0	0	2	1	1	2	0	2	1	13	0	3	6	1	35
18	Tax Crime	0	0	0	0	0	0	0	0	0	0	1	1	2	3	0	1	10	3	0	21
19	Sexual exploitation, including sexual exploitation of children	0	0	0	1	0	0	1	2	1	1	0	1	0	1	6	4	0	2	0	20
20	Kidnapping, illegal restraint and hostage-taking	0	0	0	0	1	0	0	1	0	0	0	1	0	0	1	3	0	2	1	10

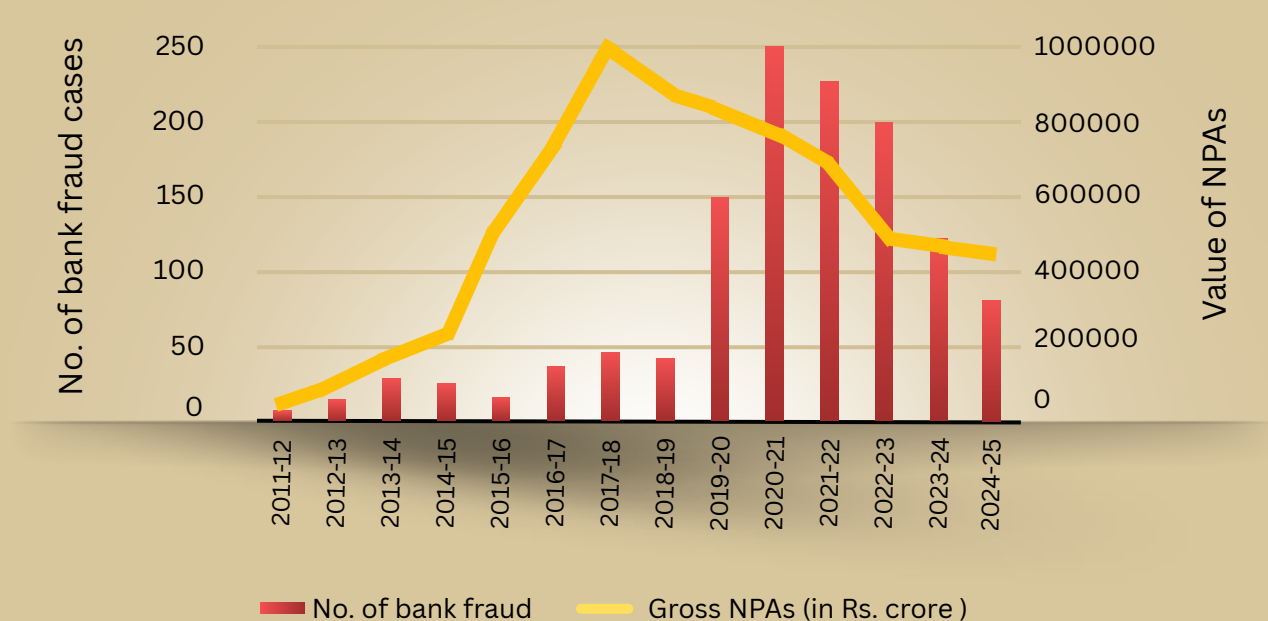
* These Categories are as per FATF's designated categories.

As evident from the table in the previous page, fraud has consistently been one of the most common predicate offences for money laundering. This steady growth stems from the increasing sophistication of fraudulent schemes as well as greater reporting due to improved detection methods. While fraud remains a perennial typology of offence for money laundering investigations, the nature of fraud being investigated by ED has evolved over the years. The year-wise trends of different categories of fraud cases investigated by ED under PMLA are as under:

Sr. No.	Category Name	Year-wise data																		Total cases	
		2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
1	Bank Fraud Cases	0	1	1	25	12	5	11	21	19	8	33	43	36	149	249	232	202	115	66	1228
2	Real Estate Frauds	0	0	0	2	0	0	1	0	1	1	1	1	5	15	23	39	24	25	24	162
3	Cyber Crypto Frauds	0	0	0	0	0	0	0	0	0	0	0	1	4	3	12	20	23	28	31	122
4	Other types of fraud	4	0	2	344	117	84	119	98	107	55	94	68	63	189	385	498	436	336	312	3311
Total fraud cases		4	1	3	371	129	89	131	119	127	64	128	113	108	356	669	789	685	504	433	4823

Bank frauds in India have played a significant role in the rise of Non-Performing Assets (NPAs), driven by fraudulent activities such as wilful defaults, misrepresentation of financials, and diversion of funds. High-profile cases have exposed lapses in due diligence, inadequate monitoring, and occasional collusion

between bank officials and borrowers. Most of these bank fraud cases were beginning to get exposed post 2014 and there was a sharp rise in gross NPAs reported by the RBI from FY 2014-15, coinciding with a robust increase in ED investigations in the subsequent years. Since the ED investigation follows predicate agency investigation, there would be a time gap of few years between the identification of fraud and commencement of investigation. ED has responded decisively by rigorously investigating major bank fraud cases with the objective of promptly restituting assets to defrauded banks or rightful claimants. As of March 2025, ED had probed over 1,228 money-laundering cases related to bank frauds, attached assets worth over ₹80,000 crore, and facilitated the return of more than ₹23,258 crore to banks. Thus, the role played by the focussed and proactive approach by ED in contributing to the declining NPA ratio in Indian banks cannot be understated.



This also underscores a broader strategy of coordinated enforcement between the ED, the Reserve Bank of India (RBI), and other agencies. Moreover, ED's strict enforcement of the PMLA—with stringent bail conditions and a strong deterrent effect against asset misappropriation—further curbs potential frauds, ensuring that new loans are less likely to turn into NPAs.

Thus, strong actions by ED including attachment and restitution in many cases related to bank frauds have made such endeavours a zero-sum game for perpetrators and as can be seen from the trends represented above, incidences of such cases have drastically come down. Fraud still accounts for a substantial portion of money laundering cases, mainly due to rise of other types of frauds such as cyber frauds and investment scams.

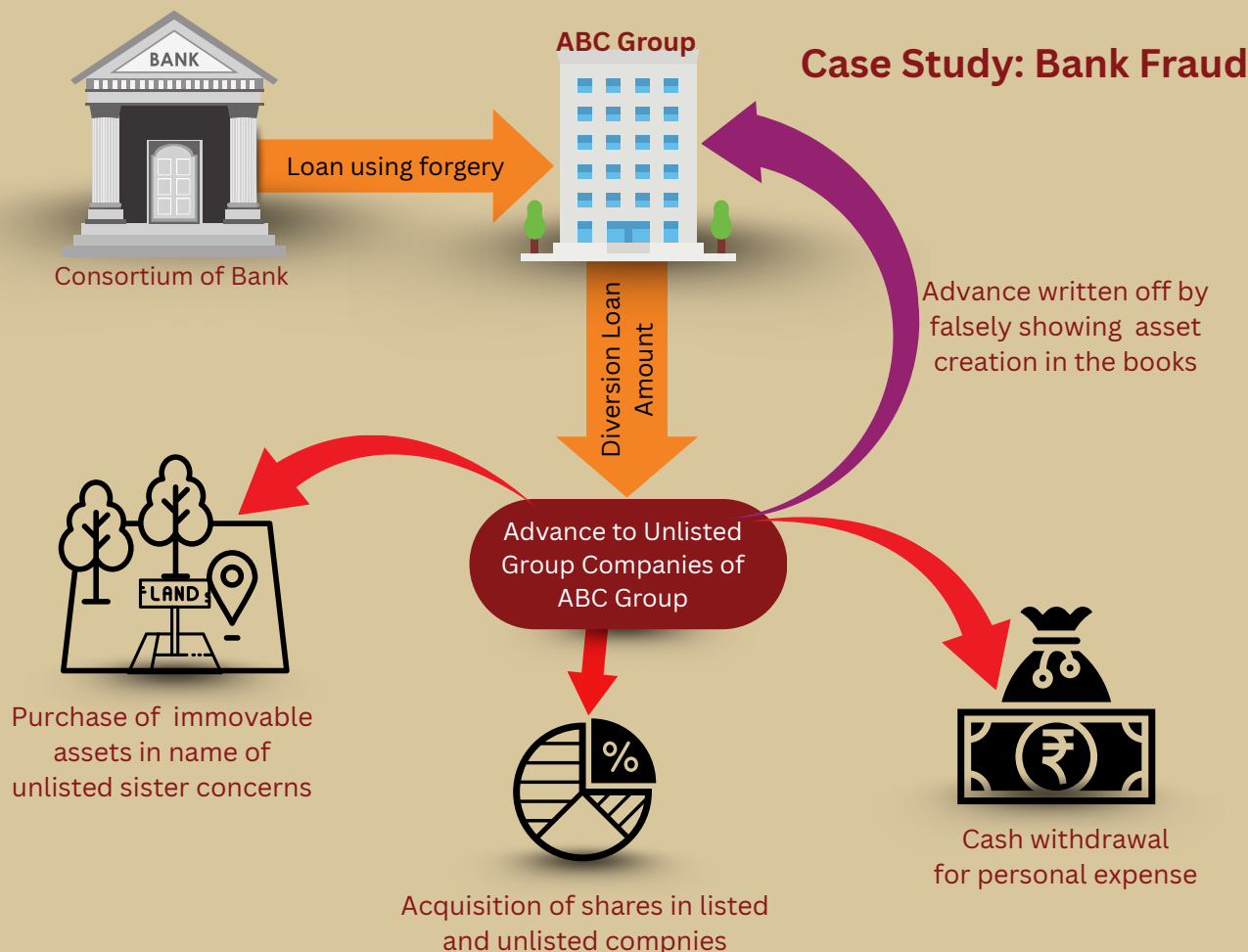
Real estate fraud cases have also been a major risk area fuelled by a booming property market, where rising prices and demand create opportunities for scams like fake titles or investment frauds wherein the home buyers are cheated. The sector's attractiveness for money laundering also plays a key role. As real estate activity grows, so does its vulnerability, indicating a need for stricter regulations to curb any fraud.

While the risk of bank and real estate fraud maybe coming down, the risk for cyber and crypto related fraud has been drastically rising in recent years. This sharp increase aligns with the rapid growth of digital currencies and online transactions, which have opened new avenues for crimes like hacking, ransomware, and cryptocurrency scams. The steep rise highlights how quickly these threats are evolving, driven by technological advancements and the anonymity of digital platforms, posing a significant challenge for ED to keep pace.

The data for corruption cases makes it evident that corruption remains a complex issue, and ED is committed to keep the focus on rooting it out.

These trends reveal a dynamic landscape for ED investigations. Declines in bank fraud and real estate frauds suggest enforcement successes, while sharp rises in crypto/cyber fraud and real estate fraud point to emerging challenges driven by technology and economic growth. ED always endeavours to evolve and improve its strategies to address these shifting patterns effectively.





In a major bank fraud case investigated by ED under PMLA, certain entities, through their directors defrauded a consortium of Public Sector banks by availing credit facilities with the help of forged document and manipulating books of account. The accused company had availed thousands of crores as loan using this method in the name of capital expansion and for purchase of fixed assets. Later, the accused company defaulted in repayment of the loan to the consortium of banks.

Investigation revealed that the loan amount taken from consortium of banks were routed to sister concerns and the advances outstanding shown in the Balance Sheet were written off and capitalized and added to the fixed assets. The funds were subsequently used to acquire multiple real estate properties valued at over thousands of crores. In this case, searches were conducted at more than 40 locations belonging to the accused company, its directors, and associates. The search led to identification of several benami companies with high value real estate assets along with seizure of ₹2.53 Crore held in hidden private lockers, jewellery of more than ₹ 1.1 Crore and incriminating documents related to siphoning of loan funds.

During the investigation assets worth ₹ 5115.31 crore were attached on 05.09.2024 and assets worth ₹ 557.49 crore were attached on 26.03.2025. One of the promoters of the accused company was arrested on 09.07.2024 and a prosecution complaint was filed on 06.09.2024.

A CLOSER LOOK AT THE RISING RISK AREAS

Cybercrime in the modern digital era has increased significantly. As per NCRB data, cybercrimes have risen over 30% between 2020 and 2022. Further, as per the I4C, Indians lost ₹1750 crores in just the first four months of 2024 – with 85% of all cyber-complaints registered arising from online financial fraud. The increasing threat from cybercrime arises due to large scale digital adoption through mobile phones decoupled from the concomitant digital and financial literacy of the populace. Cyber criminals exploit this vulnerability through multiple ways and the modus operandi of the criminals are detailed below.

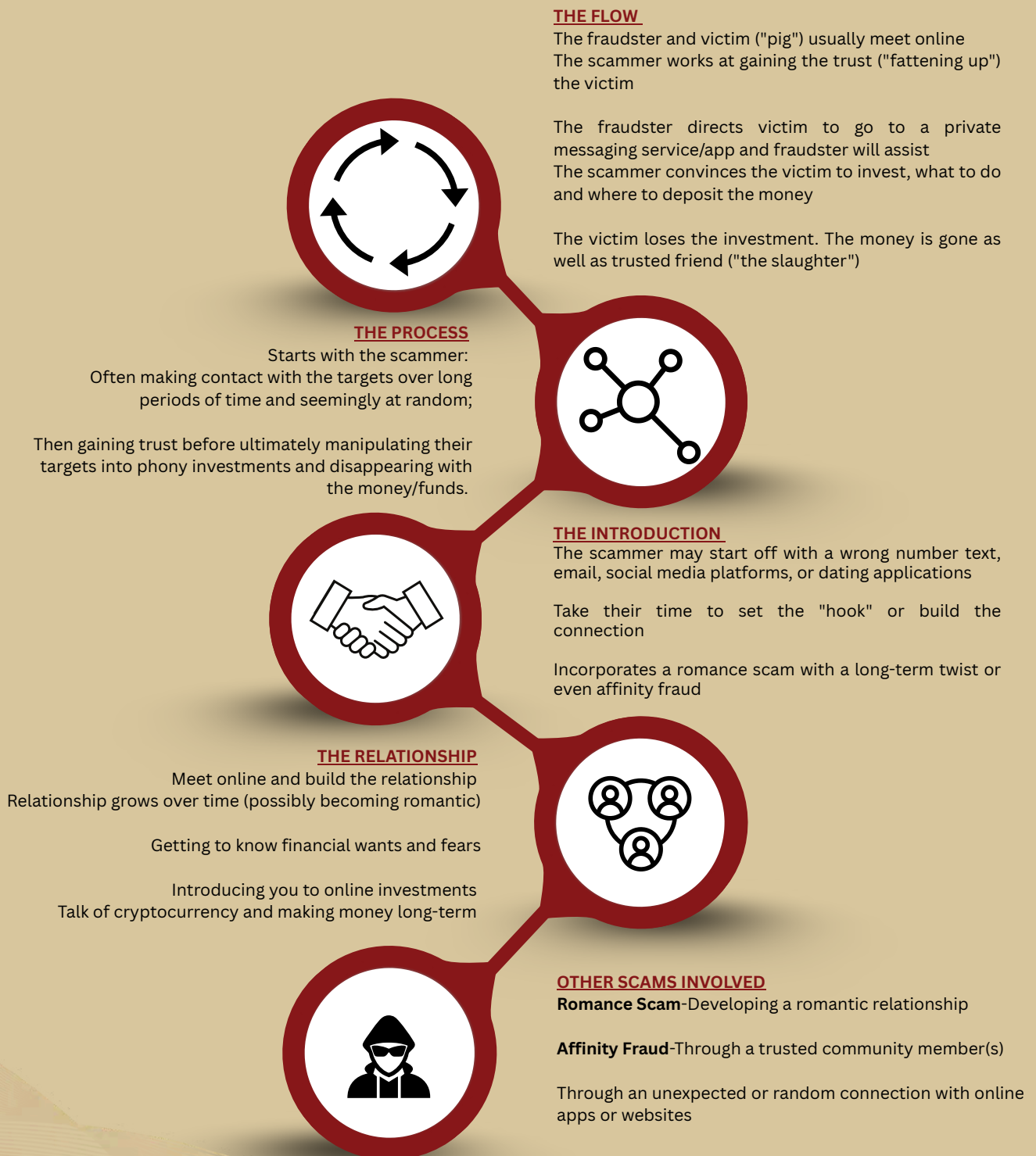
There are 122 cybercrime cases being investigated by ED currently involving Proceeds of Crime (PoC) to the tune of ₹20462 crores in which properties worth ₹5964 crores have been attached. During investigation in these cases, a total of 96 individuals were arrested and 58 Prosecution Complaints (including Supplementary PC) have been filed before jurisdictional Special Courts. 6 persons were also convicted in 2 cases.

Data submitted by the Finance Ministry to Parliament in March 2025 showed that people lost a combined 1.77 billion rupees (\$20.3 million) to fraud in the fiscal year ended March 2024, more than double the amount of fiscal 2023.

Various Types of Cyber Crimes

“Pig Butchering”: A Long-Term Deception

Pig butchering, is a sophisticated scam that blends romance scams with investment fraud, particularly targeting cryptocurrency investments. The scam's name reflects the process of "fattening" the victim with trust before "slaughtering" them financially.



The staggering financial impact across the world is underscoring their global reach and the involvement of organized crime, often linked to fraud factories in Southeast Asia.

Phantom Hacking: Targeting the Vulnerable

Phantom hacking, also referred to as the "Phantom Hacker" scam, is an evolution of tech support scams, particularly targeting vulnerable or senior citizens. This is identified as a growing threat, with significant financial implications for victims.

The detailed steps include:

- **Initial Contact:** Scammers pretend to be tech support representatives, contacting victims via phone or email, often unsolicited. This initial contact leverages the victim's potential lack of technical knowledge.
- **Financial Account Access:** Scammers request access to the victim's financial accounts, claiming to check for unauthorized charges, further eroding trust in legitimate systems.
- **Software Download:** Victims are instructed to download software, which grants scammers remote access to their computers. This step is critical, allowing scammers to manipulate the victim's system.
- **Pose as Financial Institution:** They then pose as representatives from the victim's bank, instructing them to move money to a third-party account, which is controlled by the scammers.
- **Fake Hacking Proof:** Using remote access, scammers "prove" the computer is at risk, showing fabricated alerts or logs to create urgency. This tactic preys on vulnerability and fear.
- **Pose as Government Agency:** In some cases, scammers may impersonate government agency employees to add legitimacy, enhancing the scam's credibility.

A sub category of these type of scams wherein they pose as Government Agents or Police Officers which is widely prevalent in India currently:

“Digital Arrest” Scams

Con artists impersonate law enforcement or regulatory officials to extort money from innocent people. The fraudsters contact victims (usually by phone or through messaging apps) and pretend to be from the police, CBI, Customs, or another LEA. They accuse the victim of some made-up crime – for example, say that a package in the victim's name was found with illegal items, or their bank account was linked to a crime – and then threaten immediate arrest. The victim, thrown into a panic, is then instructed to pay a large sum (a “penalty” or “bail” amount) to resolve the issue quietly. The typical modus operandi in such cases is as follows:

- **Impersonating Authorities:** The scammers usually initiate contact by calling the victim, sometimes using spoofed phone numbers that appear as official helplines or police stations.
- **Fabricated Evidence & Websites:** To further convince victims, these scammers use fake documents and websites. They may email the victim an official-looking notice or arrest warrant with government logos. In some cases, they direct the person to a fraudulent website that mimics a government portal.
- **Threats and Urgency:** The defining feature is the use of fear. The scammer will typically say something like, “You will be arrested within hours if you don’t act”. This creates a sense of urgency and panic.
- **Payment under Duress:** Finally, the impostor “officer” demands money as the way out. This is usually framed as a fine, fee, or security deposit to cancel the arrest warrant or charges.
- **Layering through Mule Accounts, Conversion to Crypto, & Integration:** In the CEZO case, it was found that criminal proceeds from victims were funneled through layers of mule accounts, and later partly withdrawn in cash, and partly converted to crypto and siphoned abroad.



Illegal Online Gaming, Betting, & Gambling

These cases involve unauthorized online betting platforms that lure users to gamble on sports or casino-style games. For instance, Fairplay app live-streamed IPL cricket matches without permission to facilitate betting, causing huge losses to the official broadcaster (Star India). Another syndicate led by promoted .apk files of online games which lured users into registering and crediting funds in their online wallet to play such games with the promise of large returns, generating over ₹400 crores in criminal proceeds. The typical modus operandi in these cases is as follows:



- **Unregulated Apps & Websites:** Fraudsters create betting apps and websites and promote them via social media and messaging platforms (Telegram, WhatsApp) as “online gaming” to attract users. These apps are not registered or licensed, and are often hosted overseas.
- **Rigged Games & Scams:** The platforms often have rigged algorithms ensuring the house wins in the long run. Victims may win small amounts initially to build trust, then steadily lose larger sums.
- **Use of Mule Accounts:** Players are instructed to deposit money via instant payment methods (UPI/IMPS) into bank accounts that are not under the company’s name. These are mule accounts held by individuals or shell entities used to collect aggregate funds from users.
- **Reliance on Payment Aggregators:** Mule accounts are listed as merchants before various payment aggregators like RazorPay or PayU, allowing for collection of PoC in pool accounts, obfuscating the link to the organizers and makes it hard for authorities to trace the flow directly to the accused.

- **Domestic Layering:** Once funds are collected from victims, the money is rapidly moved through numerous bank accounts. In the Fairplay case, hundreds of mule accounts were involved, with funds being transferred in circuitous patterns. Eventually, large sums accumulate in a few shell companies (some even masquerading as legitimate businesses, such as a shell pharmaceutical company in Mumbai).
- **Siphoning Abroad:** From the shell companies, money is siphoned abroad. This is done either by buying cryptocurrency and transferring it overseas, or through bogus import/ export transactions.
- **Integration as Legitimate Funds:** Laundered funds are often brought back into India as seemingly clean money. In many instances, the criminals reinvest their illicit earnings into real estate, luxury assets, or even channel it back as bogus Foreign Direct Investment (FDI) in businesses they control (as in the OctaFX case). By doing so, the money re-enters the economy as though it were legitimate investment capital or business profit. For example, launderers have used overseas shell companies to send money back to India in the form of share capital or investment in startups, thereby “regularizing” the tainted money as if it were an outside investment.

Instant Loan Apps – Targeting the Vulnerable and Poor



This typology involves mobile apps that offer “instant loans” targeting people in urgent need of money. The scheme typically involves a consortium of Chinese seed capital, NBFCs, Fintech Companies, and Payment Aggregators. Shinebay Technologies, for example, operated a suite of loan apps (LoanPro, FastCredit, SmartRupee, etc.) that lent money at exorbitant interest rates for terms of 7-to-15 days. Borrowers across India, often desperate or financially unsophisticated, fell into a debt trap, and many people faced harassment when they could not repay on time. The typical modus operandi in these cases is as follows:

- **Unregistered Fintech Apps:** The loan apps are not registered as banks or proper lenders. Instead, the operators set up shell fintech companies in India – often incorporating many companies at once using hired locals as fronts. These companies release mobile apps on Android (often outside official app stores to avoid scrutiny) and aggressively advertise on Facebook, Instagram, Telegram etc., to attract borrowers. The apps promise quick, hassle-free loans with “low” documentation. However, in reality, they charge extremely high interest and fees (effective interest rates can exceed 300% annualized). Shinebay’s apps, for instance, had interest around 22% for just 7-15 days loan plus heavy processing fees.
- **Data Theft & Extortion:** As a condition of use, these apps ask for extensive permissions on the user’s phone. Once installed, they harvest the borrower’s contacts, photos, messages, and other personal data. If the user defaults, recovery agents weaponize this personal information for harassment and abuse against the borrower.
- **Partnership with NBFCs:** Because these fintech apps themselves cannot get a lending license; they partner with registered Non-Banking Financial Companies (NBFCs) to piggyback on their licenses. They sign MOUs where the fintech company claims to just be a “tech service provider” for the NBFC, but in practice the entire lending operation is run by the fintech firm. The fintech company funds the loans (often channeling the FDI funds received by it into NBFCs as loans) and merely routes the money through the NBFC. The NBFC earns a commission for allowing its license to be used, while not actually risking its own capital. This arrangement helps the illegal loan business appear somewhat legit on paper (loans show up on NBFC books), all while evading RBI oversight.
- **Layering and Integration:** Follows a similar modus operandi as discussed above in other case-types, often channeled into cryptocurrencies funneled back to the source country which was often found to be China.

Spoofing: A Versatile Technique in Cyber Attacks



Spoofing is not a standalone cyber-crime but a technique used across various attacks, involving disguising communication from an unknown source as trustworthy. It encompasses several types, each with distinct applications in cyber-crime:

- **Email Spoofing:** Attackers forge the sender's address to appear as a legitimate entity, commonly used in phishing attacks. For example, a fake email from a bank might prompt users to enter login credentials on a malicious site.
- **DNS Spoofing:** Corrupting DNS data to redirect traffic from legitimate websites to fake ones, potentially stealing login credentials or installing malware, a tactic noted in cybersecurity reports for its impact on online trust.
- **IP Spoofing:** Faking IP addresses to impersonate another device, often used in Distributed Denial of Service (DDoS) attacks to hide the attack's source or bypass access controls, as seen in network security breaches.
- **Caller ID Spoofing:** Faking caller IDs to conduct voice phishing (vishing), where scammers pose as trusted entities like banks to extract sensitive information.

While specific statistics on spoofing are broad, its prevalence is evident in the rise of phishing and DDoS attacks, with general cybersecurity awareness emphasizing its role in modern threats.

Human Cost of Cyber Crimes

VIDEO: Agra Teacher Dies Due To Heart Attack Following 'Digital Arrest' Scam; Gets Fake Call Claiming Daughter Caught In Sex Racket

The woman could not bear the news and suffered heart attack and died. The incident was caught inside in her house and the video of the incident is going viral on social media.

Threatened by sextortionists, teen kills self

TNN / Updated: Jan 22, 2024, 11:43 IST



AHMEDABAD: A 15-year-old boy from Savaspur took his life after being blackmailed repeatedly by cybercriminals who threatened to expose an obscene video of him. The Class 10 student had already paid around Rs 30,000 to the sextortionists, said police. When they continued to demand more money, the teenager ended his life.

Student dies by suicide after falling victim to cyberfraud

TNN / Jun 19, 2024, 04:22 IST



Bengaluru: A 20-year-old college student allegedly died by suicide in her hostel room Sunday night.

Expected to have taken the step after few thousand rupees to a cyberfraud.

Based, Pavana from KGF in Kolar district, 1st-year BSc student at Maharani Cluster. Citing preliminary investigation, police hostel staff found Pavana hanging in her midnight.

Scientist Duped Of ₹ 71 Lakh After "Digital Arrest" By Fraudsters In Madhya Pradesh: Cops

Digital arrests are a new method of cyber fraud in which fraudsters make audio or video calls, pose as law enforcement officers and confine victims to their homes to scam them.

News News / Pawan Tiwari / Updated: October 05 2023 12:15 pm IST

News / Chas / Pune / After sextortion calls demanding Rs 51 lakh, man commits suicide; probe on

After 'sextortion' calls demanding Rs 51 lakh, man commits suicide; probe on

Case Study 1



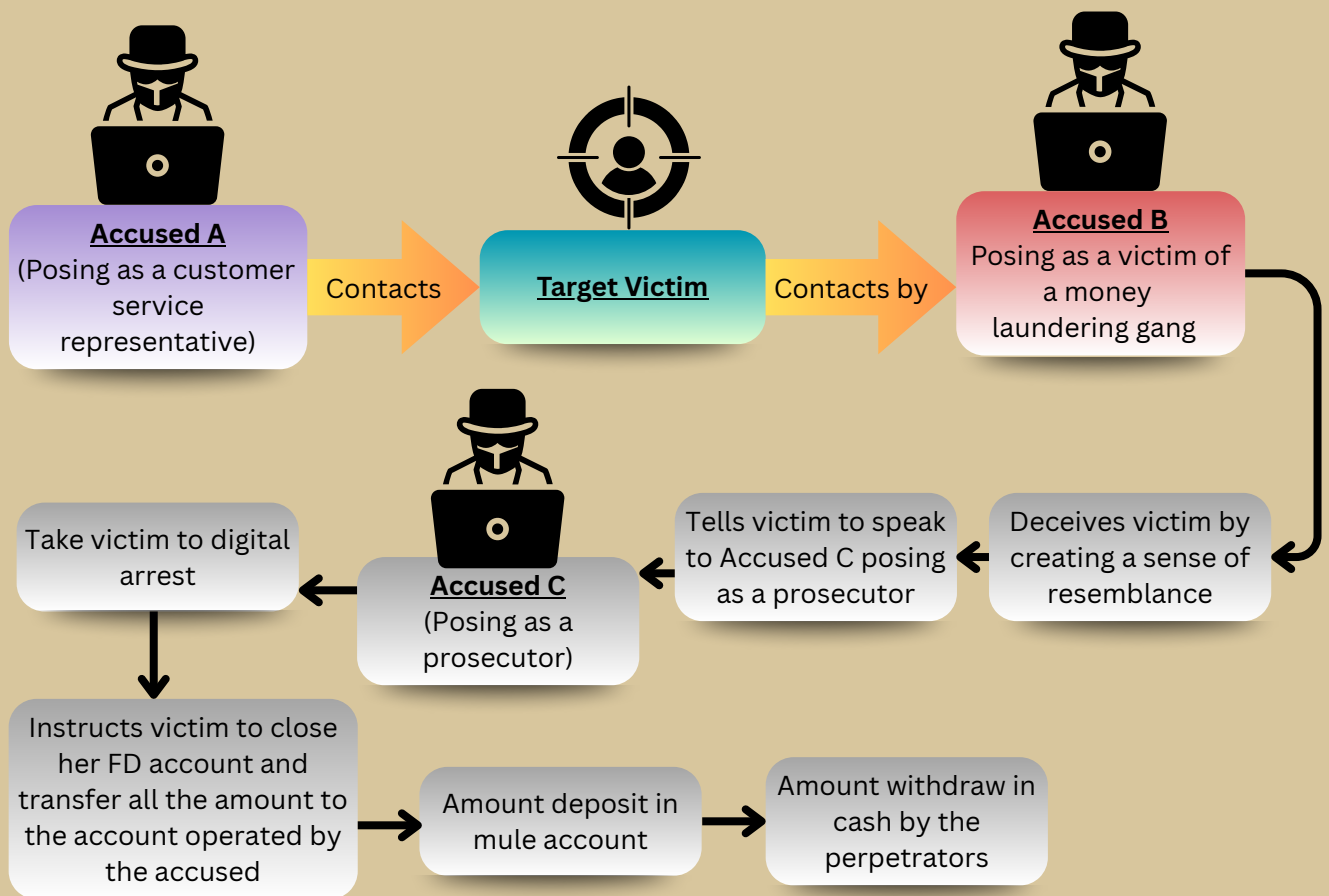
In a sophisticated cyber scam investigated by ED under the Prevention of Money Laundering Act (PMLA), fraudsters lured victims with fraudulent initial public offering (IPO) allotments and stock market investment schemes through deceptive apps, promising substantial returns. They also coerced victims using a "digital arrest" tactic, impersonating law enforcement officials to intimidate them into transferring large sums under the pretense of a fake "fund regularization process."

The scammers leveraged social media platforms, particularly WhatsApp, creating fake websites and misleading groups that mimicked legitimate financial firms. They built trust through fabricated success stories and advertisements, convincing victims to invest heavily.

Proceeds from the scam were laundered through 24 shell companies in Tamil Nadu and Karnataka, established with fake documents and registered at co-working spaces with no genuine operations. Mule accounts were utilized to obscure the trail of illicit funds, which were ultimately converted into cryptocurrency and transferred overseas. The operation was masterminded by individuals in Laos, Hong Kong, and Thailand, who collaborated with Indian associates to set up these shell entities using counterfeit documents shared via WhatsApp.

The ED's investigation triggered searches at 19 locations, resulting in the seizure of incriminating documents and electronic devices, the freezing of Rs. 2.81 crore in a bank account, the arrest of 08 individuals, and the filing of prosecution complaints on October 10, 2024. This case, built on multiple FIRs from LEAs across India, exposed a widespread network targeting numerous victims nationwide.

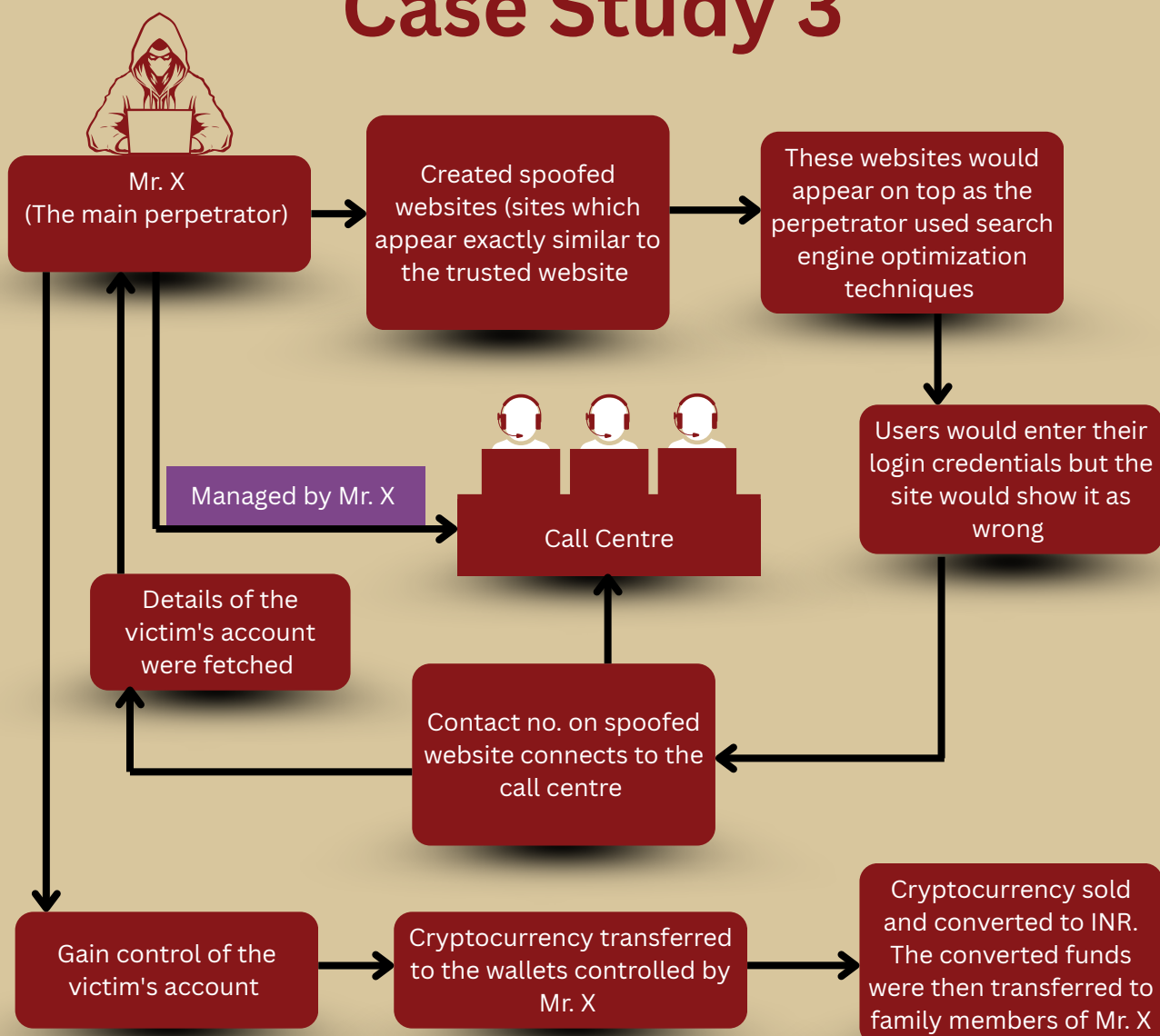
Case Study 2



In a case initiated by an FIR registered with State Police, a senior citizen from Chennai was defrauded of Rs. 33 Lakh by scammers employing fake allegations and the threat of a "digital arrest." The scam began with a call from a woman claiming to be from Mumbai, alleging that the victim's bank account with SBI was being misused for money laundering. Subsequently, the victim received a WhatsApp call from a person posing as another victim of the same money laundering gang, who urged her to speak with a supposed prosecutor named Ganapathy Iyer. The "prosecutor" then contacted her, instructing her to close all her fixed deposits (FDs) with Central Bank of India and transfer the funds to a specified account.

Following these instructions, the senior citizen closed her FDs and transferred Rs. 33 Lakh to an account in Bank of Maharashtra. The money was deposited into mule accounts, which were later used by the perpetrators to withdraw the funds in cash. ED took up the investigation based on the FIR, conducting extensive searches on two accused individuals. These searches led to the recovery of several incriminating documents, and the two accused were subsequently arrested by the ED.

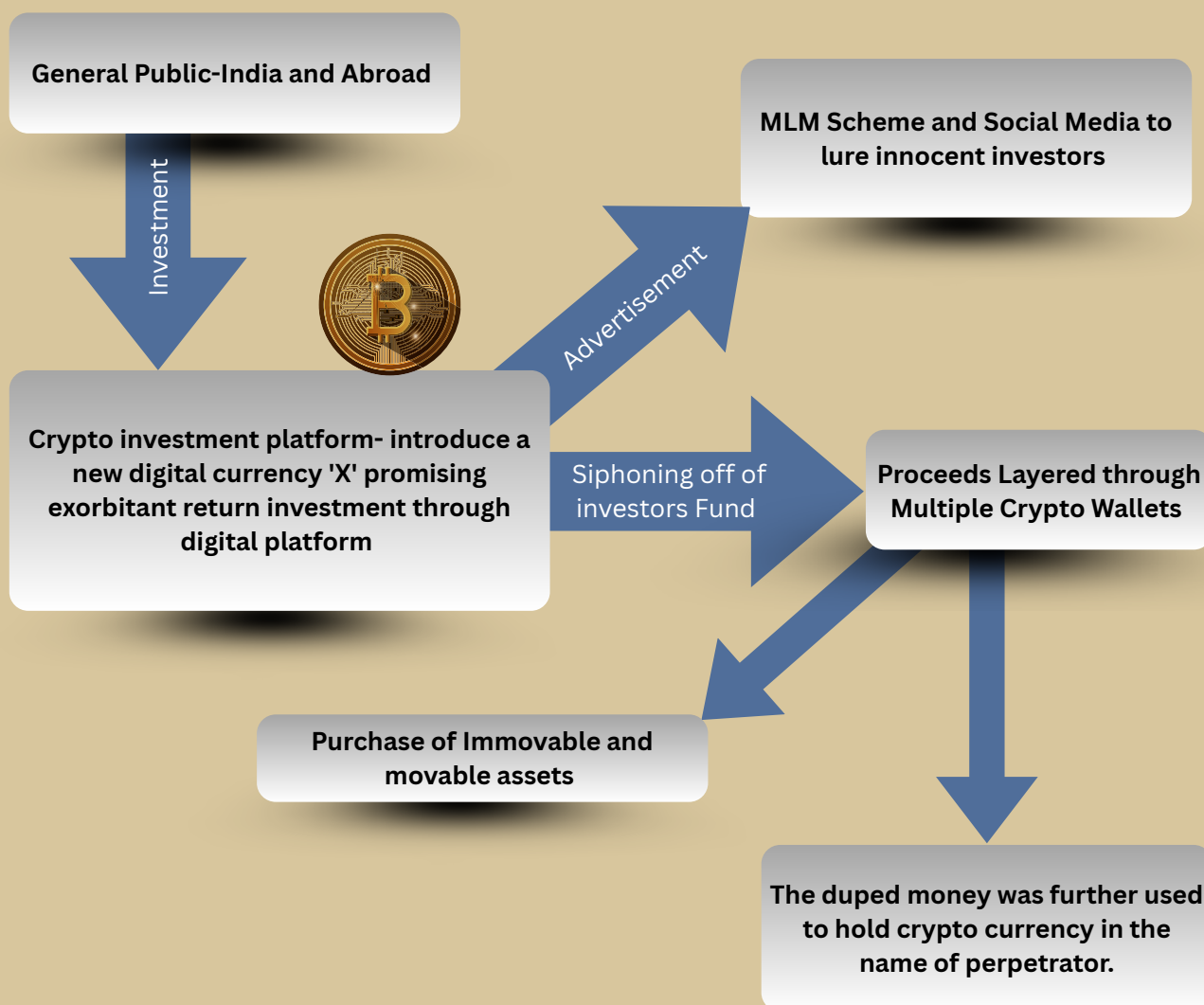
Case Study 3



In a sophisticated cryptocurrency fraud case, ED launched an investigation following a newspaper report detailing Mr. X's imprisonment in the USA for defrauding victims of over \$20 million. The scam, which targeted hundreds of individuals, involved the use of spoofed websites mimicking legitimate cryptocurrency exchanges, leading to significant financial losses.

The modus operandi centered on manipulating search engine optimization to ensure spoofed websites appeared atop search results, closely resembling trusted platforms except for altered contact details. Victims entering login credentials on these fake sites encountered errors, prompting them to call a listed number that connected them to a call center operated by Mr. X. This enabled him to hijack their accounts, transfer their cryptocurrency to wallets he controlled, and sell the assets on localbitcoins.com. The proceeds were converted to INR via Indian crypto exchanges and funneled to his family members. The ED's response included searches that led to the freezing of Rs. 2.18 Crore in bank balances linked to Mr. X's family, underscoring the cross-border reach of this illicit operation.

Case Study 4



In a crypto currency fraud case, an entity had cheated large public in India and abroad in the name of crypto currency investment. In the fraud, investors were misled into investing through a digital currency platform promoted through a lending program. The platform claimed to use a proprietary trading bot and volatility software to generate high and guaranteed returns on the investment. These claims were promoted through social media and multi-level marketing strategies.

Investigations by ED revealed that no such trading system or bot existed and that investor funds were misappropriated through a network of cryptocurrency wallets. Subsequently after gathering data/intelligence regarding the perpetrators of the scam, assets worth ₹ 489 crore were attached in April 2024. Further, searches were also conducted against the perpetrators of the fraud resulting in seizure of bitcoins valued at ₹ 1646 crore, along with cash, a luxury vehicle, and several digital devices.

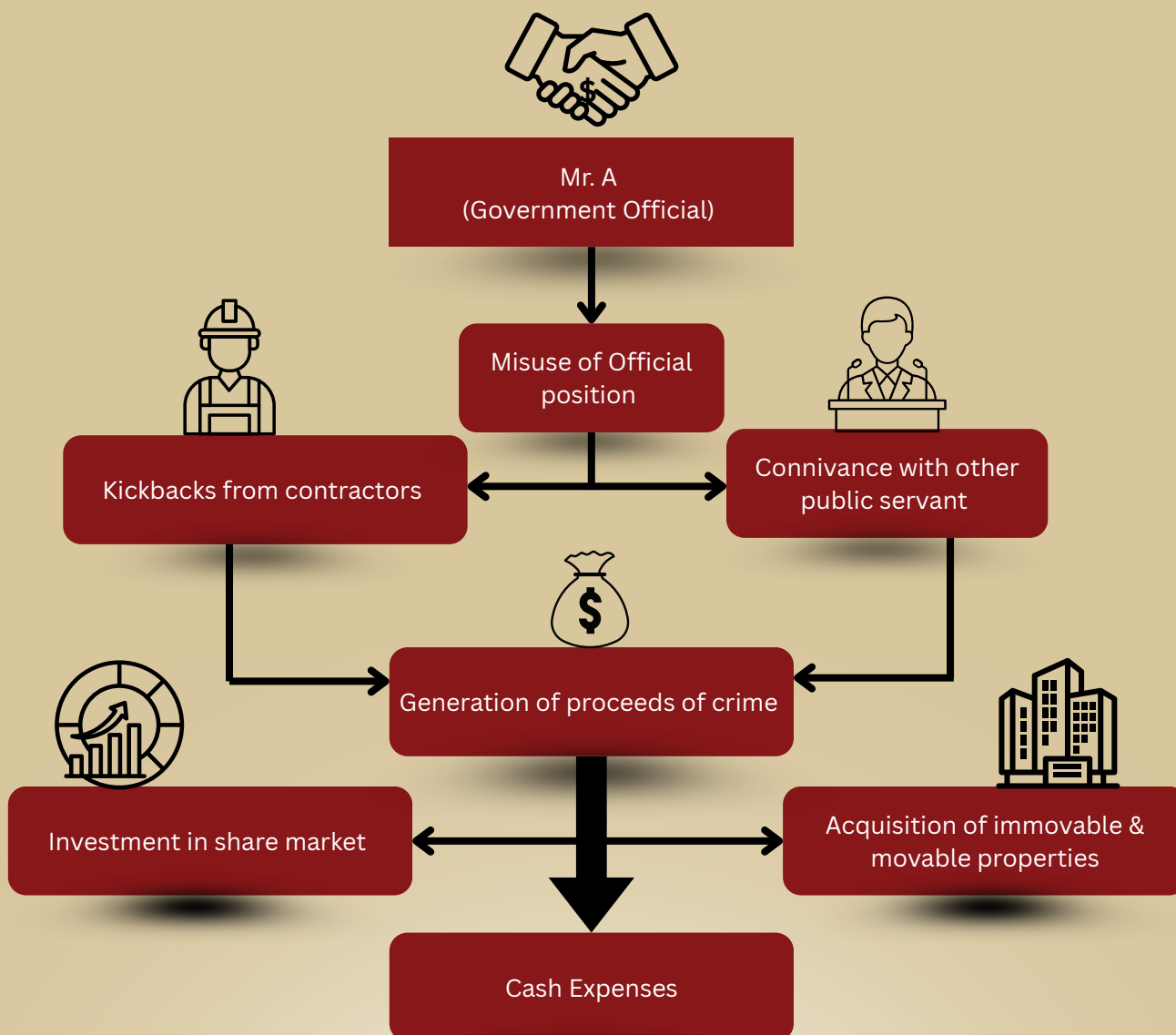


Corruption

Corruption is a deep-rooted menace that undermines governance, distorts public policy, and erodes trust in institutions. It hampers economic growth, disproportionately affects the poor, and diverts critical resources meant for public welfare. In India, the impact of corruption is far-reaching—spanning sectors such as infrastructure, natural resources, and public procurement—creating systemic inefficiencies and facilitating the growth of illicit economies. The financial gains from corrupt practices are often laundered through complex networks, making enforcement a challenging but crucial task.

The Enforcement Directorate (ED) plays a central role in combating corruption by targeting its financial backbone. As the agency responsible for investigating offences under the Prevention of Money Laundering Act (PMLA), the ED focuses on tracing, freezing, and confiscating proceeds of crime. By depriving corrupt actors of their illicit wealth, the ED ensures that financial crime does not pay. With a proactive approach across high-impact cases and increased international cooperation, the Directorate remains committed to dismantling corruption networks and upholding the integrity of the financial system. Tackling corruption continues to be one of its top priorities in safeguarding the nation's economic and institutional stability.

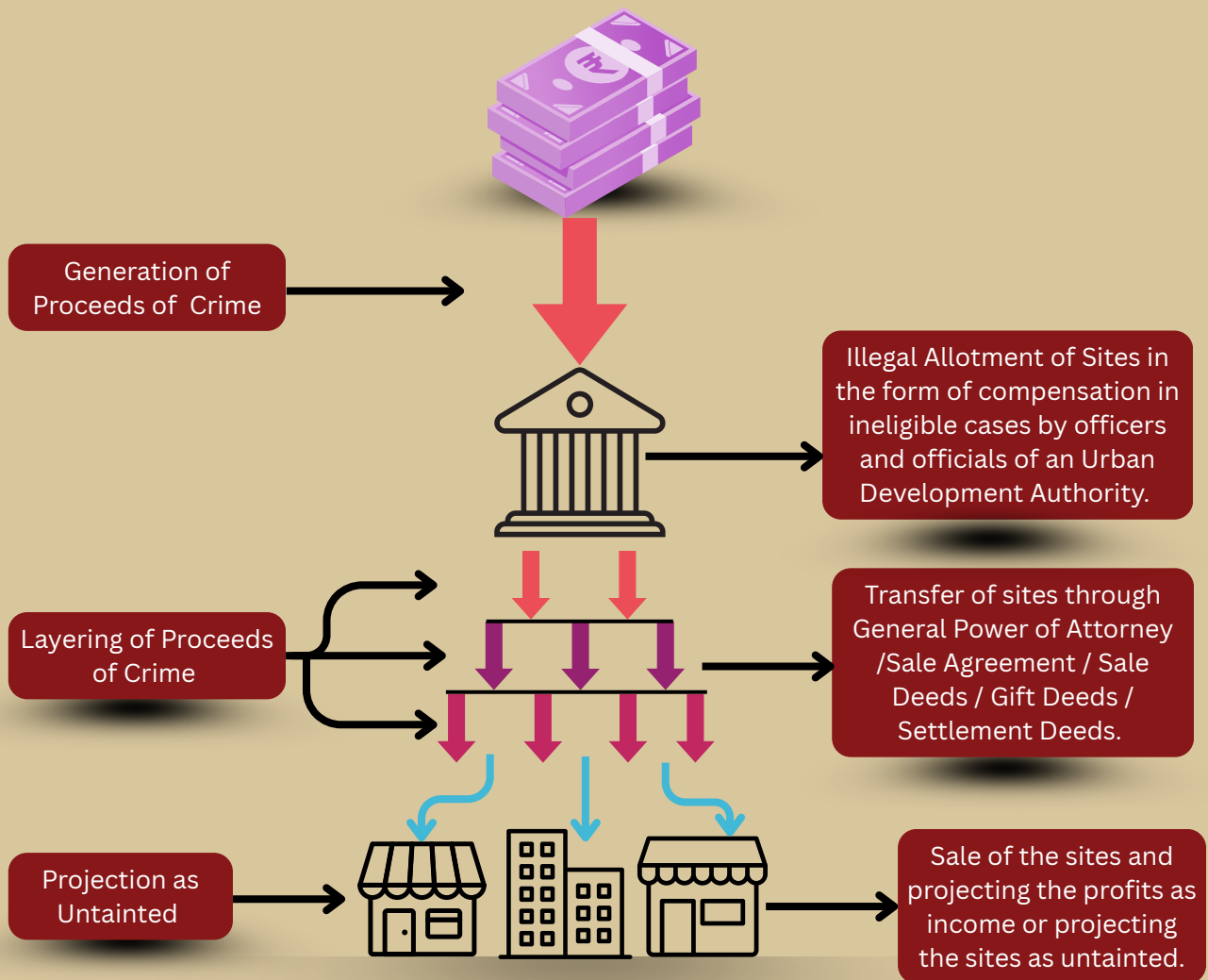
Case Study 1



In a high-profile corruption and money laundering case, the Enforcement Directorate (ED) targeted Mr. A, a senior official who held key positions in the Bihar Government and on Central Government deputation. During his tenure, he amassed approximately Rs. 90 Crore in proceeds of crime (PoC) through corrupt practices, primarily by extracting kickbacks from contractors. The ED's investigation exposed a sprawling network of illicit financial dealings stemming from these activities.

The modus operandi involved laundering the PoC through diverse channels: investments in the share market, acquisition of movable and immovable properties, and cash-based expenditures. The ED responded decisively, conducting searches at 70 premises across cities like Delhi, Punjab, West Bengal, Maharashtra, Rajasthan, and Bihar, arresting 11 individuals, and seizing assets including Rs. 66 Crore in shares and bank balances, Rs. 1.3 Crore in cash, luxury watches worth Rs. 65 Lakh, and jewellery valued at Rs. 2 Crore. Additionally, seven properties worth Rs. 24 Crore in Nagpur, Delhi, and Jaipur were attached, with a Prosecution Complaint filed on December 16, 2024, before the Special PMLA Court in Patna.

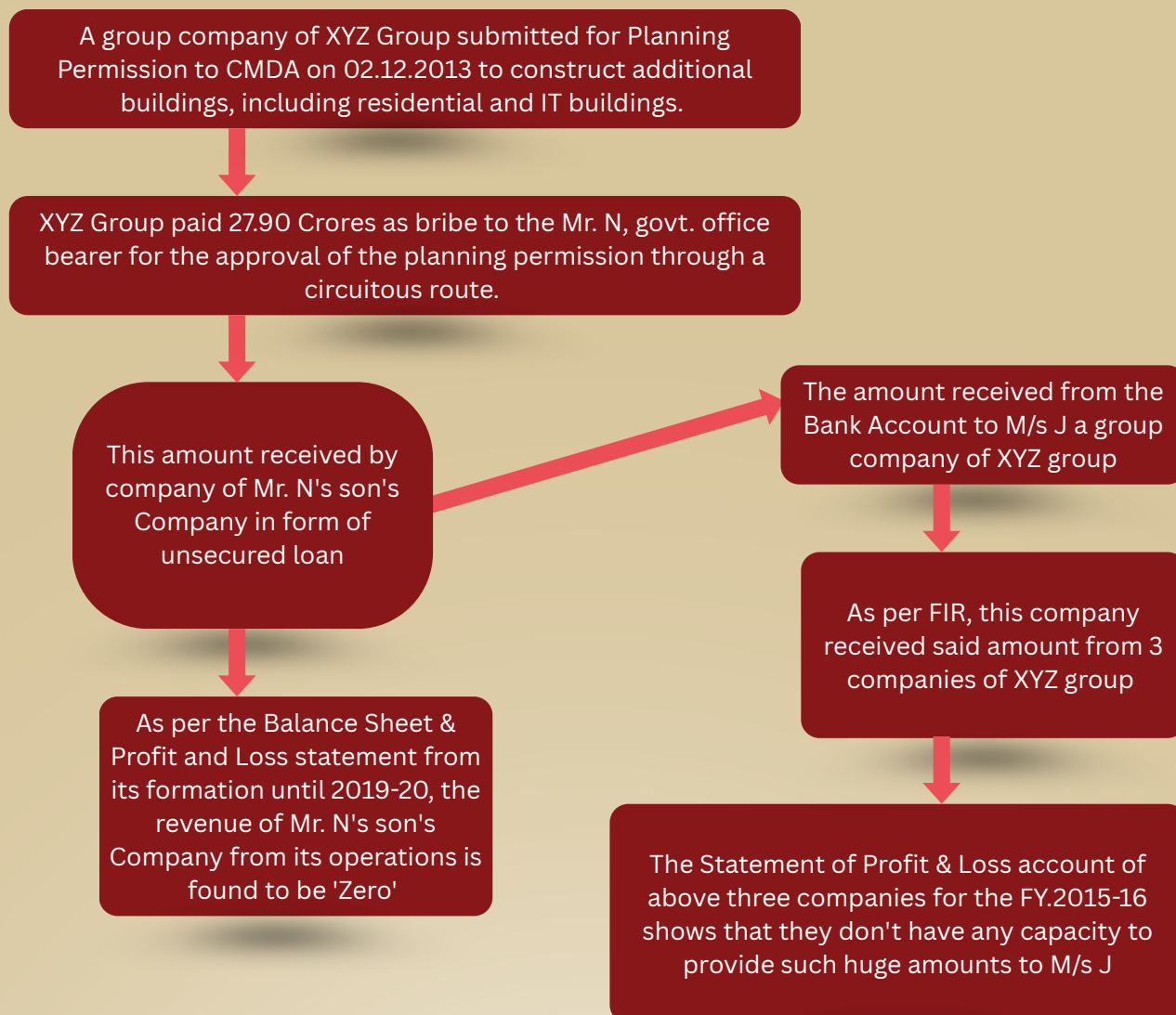
Case Study 2



Investigation by the ED was initiated under PMLA for illegal allotment of sites by the Officers and officials of Mysore Urban Development Authority (MUDA) in collusion with Real Estate Businessmen/other politically Influential persons for their benefit and its subsequent projection as untainted.

Investigation revealed that a total of 1045 sites having market value of ₹ 700 Crores was illegally allotted by MUDA in contravention of statutory guidelines and orders of State Government. Deep rooted nexus emerged between MUDA Officers/Officials with real estate businessmen/brokers/influential persons in making the illegal allotment of sites. Evidences were unearthed on systematic illegal allotment of sites by MUDA officers/officials and gratification received in in cash. Such proceeds of crime were routed/layered through Sham General Power of Attorney /Settlement Deeds/Gift Deeds/Sale Deeds and unaccounted cash from the sale of illegally allotted sites was generated. As part of investigation, a Provisional Attachment Order was issued attaching 160 sites having registered value of ₹ 82 crores and market value of ₹300 crores (Appx.). Information gathered during the investigation for the offence of money laundering was also shared with Lokayukta Police for taking necessary action. The Lokayukta police accepted the findings of PMLA investigation and submitted a report to special court that additional report will be submitted under Section 173 (8) of Cr PC on the same.

Case Study 3

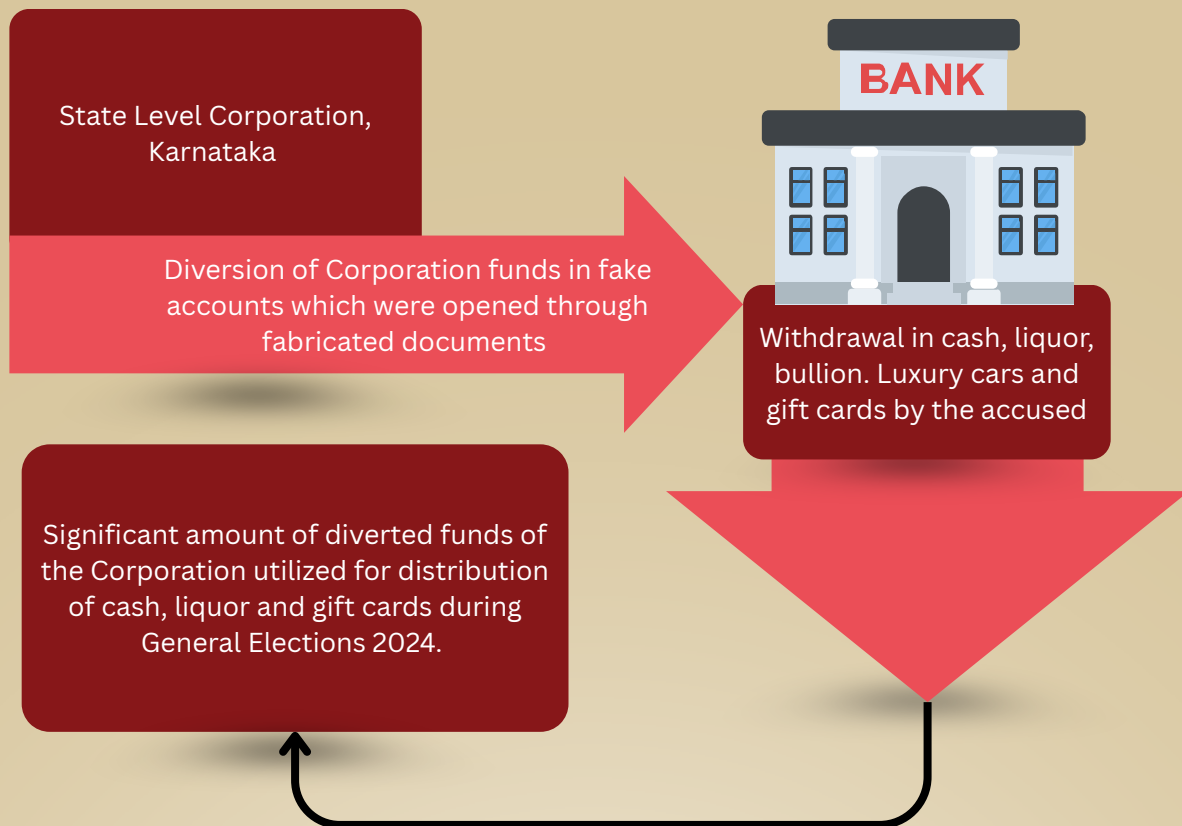


In a corruption case, elected representative- Mr. N while holding a prominent position in Ministry of Housing and Urban Development, Government of India had misused his position to illegally grant planning permission to XYZ Group and received a huge amount of kickback for facilitating the planning permission to XYZ Group.

In the case, investigation was initiated by ED under PMLA, 2002 wherein it was revealed that Mr. N during the tenure when he was holding the post in Minister of Housing and Urban Development, had illegally granted permission for construction of additional buildings to XYZ Group. For granting this permission, amount of ₹ 27.90 crore was received as kickback. The said amount of bribe was received by Mr. N in the bank account of his son's company. XYZ Group layered the bribe amount through multiple shell companies into one of the shell company M/s J. M/s J further transferred the amount of bribe to the account of Mr. N's Son's company as unsecured loan. Further, this amount was utilised to purchase various immovable property in the name of company.

During the course of investigation, searches were conducted at 17 premises belonging to Mr. N and XYZ Group which led to seizure of several incriminating data/ document. Subsequently various immovable property worth ₹ 24.18 crore purchased from the received kickback was attached by ED on 09.01.2025.

Case Study 4



In a case of misappropriation of funds of a State Level Corporation of Karnataka, ED took up investigation on the basis of F.I.R.s registered by Bengaluru Police regarding illegal diversion of funds by the officers of a corporation in connivance with bank officials. The said facts came to the fore from the suicide note of an accountant of the Corporation.

The misappropriation of funds of the Corporation was carried out on the instructions given by Mr. A, the then minister in Karnataka Govt. to MD of the Corporation. It was also found during ED investigation that a sum of ₹ 89.63 Crore was diverted from the saving bank account and overdraft account of the Corporation to 18 fake bank accounts, opened by the accused using fabricated documents, in a Co-operative Bank in Hyderabad in connivance with the Chairman of the bank. These funds were later withdrawn in the form of cash, liquor, bullion, luxury cars and gift cards. The significant portion of diverted funds to the tune of ₹ 20.19 Crore of the Corporation was found to be distributed in cash to voters during General Elections 2024. Siphoned funds of the Corporation were also transferred to some liquor traders in Hyderabad for bulk supply of liquor during March, 2024 clearly establishing the link of supply of liquor with General Election 2024. Gift cards of value ₹ 1.40 Crore were purchased and distributed to public and these gift cards were found to have been redeemed in Hyderabad.

During ED investigation, searches were conducted in different states leading to seizure of ₹ 72 Lakh. 6 individuals who were found to have played a pivotal role in this conspiracy were arrested under the PMLA provisions. ED filed its prosecution complaint in the matter on 09.09.2024 against 25 accused persons .

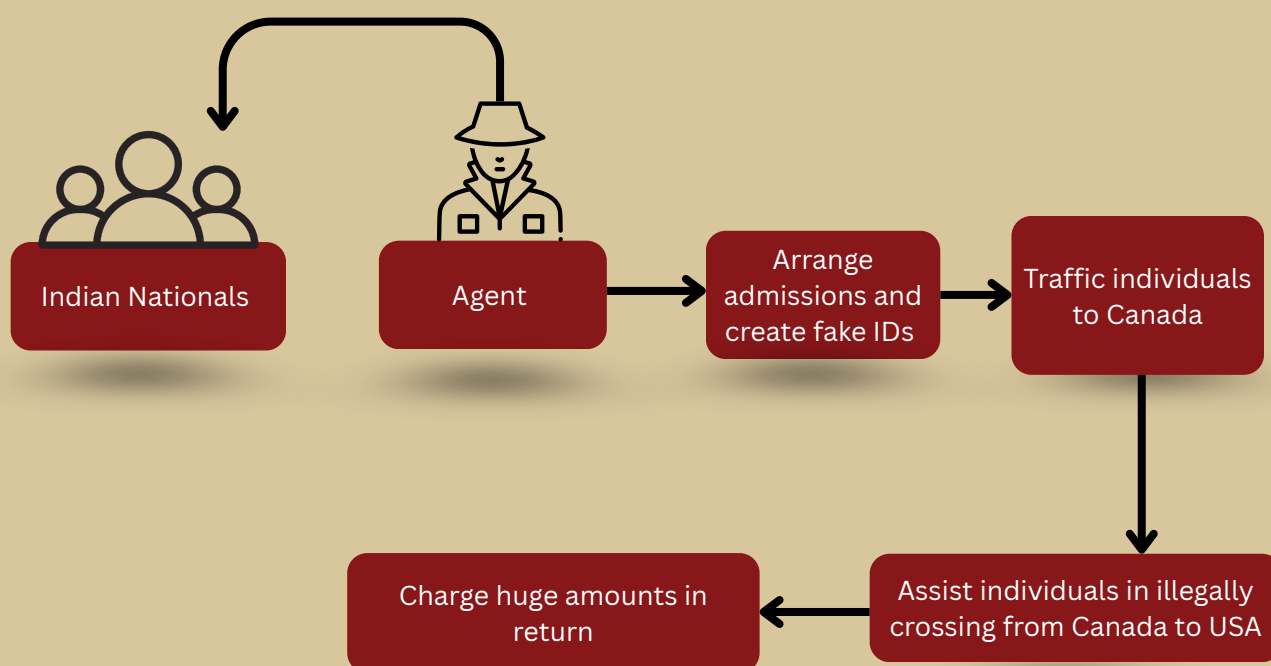
Illicit Human Trafficking



Illicit human trafficking under the guise of overseas employment or migration has emerged as a serious challenge, particularly with individuals being duped by unscrupulous agents and traffickers. Victims are often lured with false promises of jobs, education, or better living conditions abroad, only to find themselves in precarious or illegal situations. This form of trafficking exploits the aspirations of vulnerable populations and undermines legitimate migration processes. It also fuels a parallel economy driven by forged documents, hawala networks, and illegal border crossings, posing a direct threat to national security and international relations.

ED plays a critical role in curbing this form of trafficking by targeting the financial networks that sustain it. Acting under the provisions of the Prevention of Money Laundering Act (PMLA), the ED investigates cases where proceeds of crime are generated through illegal immigration rackets, fake job consultancies, and travel agencies involved in trafficking under false pretences. By tracing and attaching illicit assets and dismantling financial channels, the ED ensures that such criminal operations are held to account. Tackling human trafficking linked to illegal immigration remains a high priority for the Directorate, especially in the context of safeguarding India's citizens and its reputation globally.

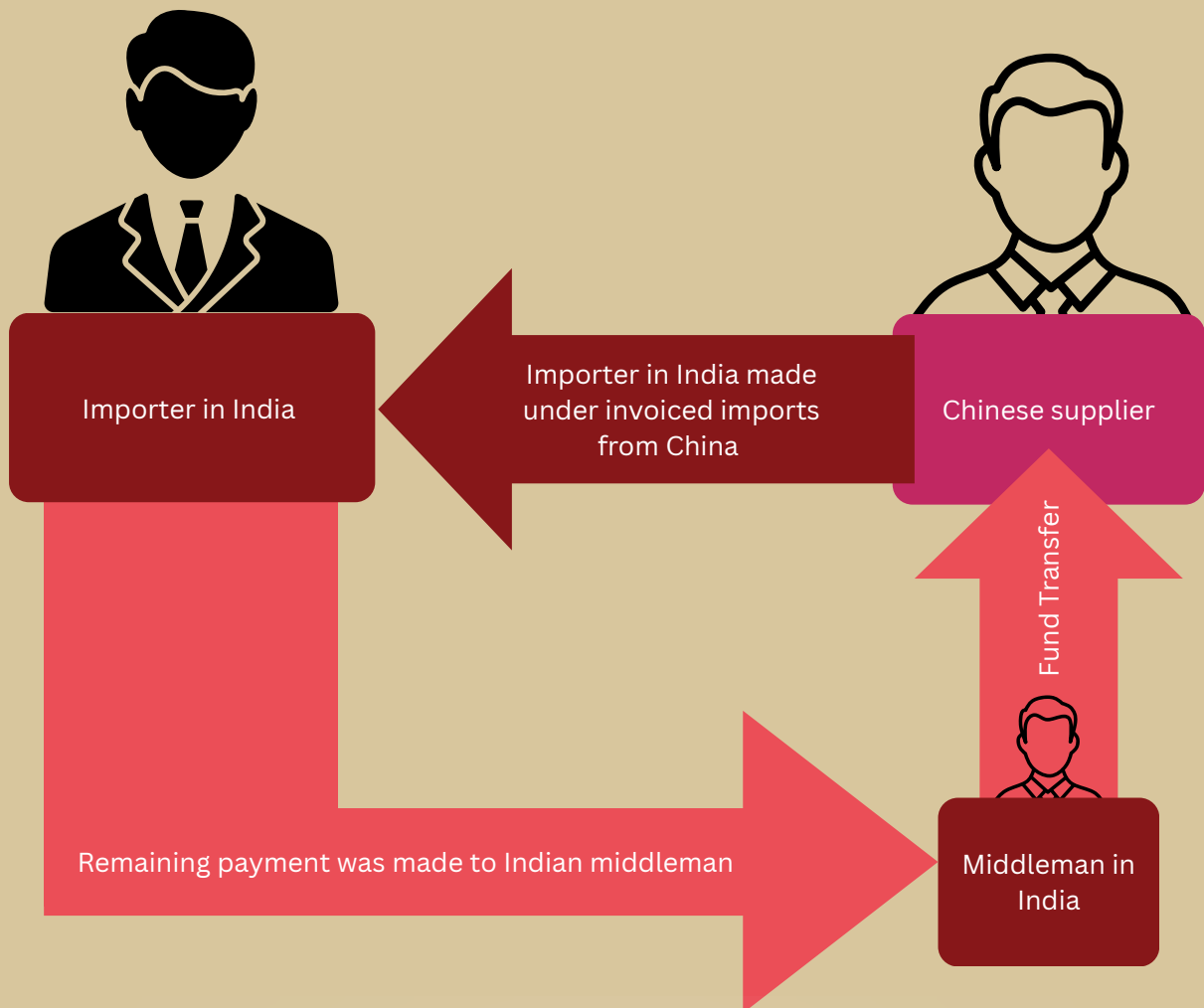
Case Study



In a notable case of human trafficking and money laundering, the Enforcement Directorate (ED) launched an investigation under the Prevention of Money Laundering Act (PMLA) following a FIR filed by Ahmedabad Police. The investigation was sparked by a tragic incident when a family of four was found dead on the Canada-US border, exposing the perilous nature of illegal immigration rackets. This event served as the catalyst for uncovering a sophisticated scheme orchestrated by unscrupulous agents.

The core of the scam revolved around a well-organized modus operandi. Agents targeted individuals desperate to immigrate to the USA, offering them a deceptive pathway through Canada. They secured fake admissions in Canadian colleges to obtain student visas for their clients. Once in Canada, these individuals were guided to illegally cross into the USA rather than attend college, with the agents pocketing a hefty Rs. 55-60 lakh per person for their services. The ED's response has been decisive, involving searches at 35 premises, the seizure of Rs. 92 lakh in cash, four luxury vehicles, and incriminating documents. The investigation continues to unravel the full extent of this illicit network.

Others - Case Study on TBML



This is a case initiated on the basis of FIR registered by Delhi Police involving the matter of under invoicing imports from China. Importer in India imported under invoiced goods from China to evade Customs Duty. Documents found during the search revealed that a network of cash-handlers were employed in Delhi-NCR to collect cash from manufacturer-importers in the region. This cash was deposited in the entities controlled by one middleman and the transaction was projected as collections from 60,000 – 70,000 non-existent individuals against the issue of bogus invoices for sale of fictitious software, sale of worthless e-books, etc. From 2017 to 2023, a sum total of ₹2886 Crore was deposited in the bank accounts of various entities controlled by the accused.

Enforcement Directorate, during the investigation in the matter, conducted searches, seized cash amounting to ₹ 1.43 Crore and arrested accused persons. Prosecution complaint dated 13.08.2024 and SPC dated 23.01.2025 were filed before Hon'ble Court. Properties to the tune of ₹ 43 Crore have been provisionally attached.

These are only a very small portion of the cases being investigated by the Directorate and as mentioned, ED always employs a proactive approach when it comes to identifying risks for investigation of money laundering offences with the aim of safeguarding India's growing economy and protecting the citizens from financial frauds.

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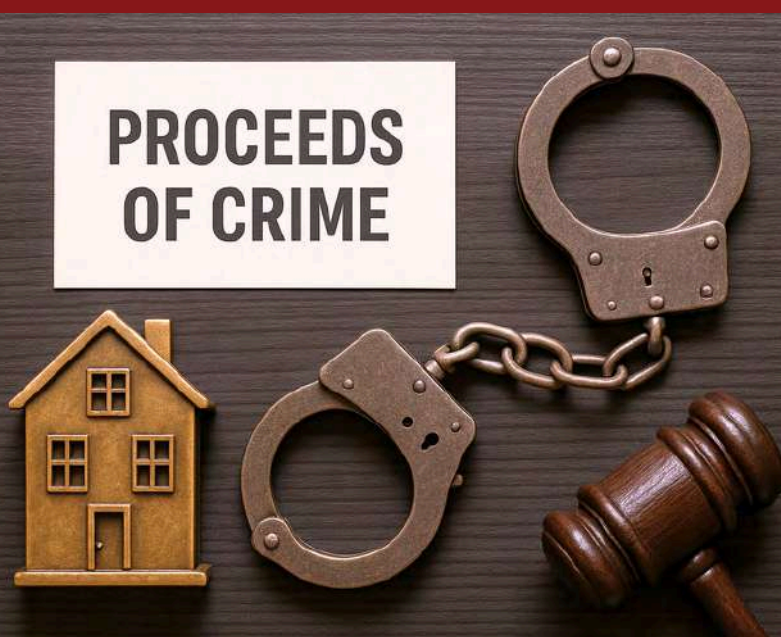
Identification, Attachment, Confiscation and
Return of Proceeds of Crime

Proceeds of Crime: Attachment/ Seizure/ Freezing, Confiscation and Restitution

“One of ED’s primary responsibilities is the identification and confiscation of the proceeds of crime. This task is multi-faceted, aiming not only to recover assets derived from criminal activities but also to make financial crime an unprofitable venture for offenders. This action has multiple objectives: make it unprofitable for criminals to engage in financial crimes; recover proceeds of crime and use them for the country’s and community’s welfare; and restore the stolen money to victims. India’s longstanding national policy priority on confiscation was further bolstered during its G20 presidency, when it promoted asset recovery as an international priority which was positively observed by FATF.”

A snippet from a news article written by Shri Rahul Navin, Director, Directorate of Enforcement published in the Hindustan Times on 20-09-2024.

Proceeds of Crime (PoC)



One of the primary objectives of the Prevention of Money-laundering Act is the identification, attachment, seizure, and freezing of proceeds of crime, ensuring their availability for confiscation under the Act. To achieve this objective, the Directorate of Enforcement exercises its powers to provisionally attach, or seize or freeze properties suspected to be Proceeds of Crime. These measures are taken to prevent the dissipation or transfer of such assets, thereby ensuring the availability of such assets for subsequent legal proceedings.

Following the issuance of attachment, seizure, or freezing orders, the original complaint or application is filed before the Adjudicating Authority who adjudicates on the matter independently. Subsequently, in case of confirmation of the orders, in appropriate cases, ED takes possession of the concerned properties, thereby facilitating the effective enforcement of the PMLA and prevent enjoyment of such properties by the accused person(s).

Proceeds of crime has been defined in PMLA as any property derived or obtained, directly or indirectly, by any person as a result of scheduled offence or criminal activity relating to scheduled offence, or the value of any such property; or where such property is taken or held outside the country, then property equivalent in value held within country or abroad.

As can be seen, the PMLA provides a very comprehensive definition of PoC. To clarify this definition, the three limbs of POC can be understood as follows:

a) Property Derived or Obtained from a Scheduled Offence:

Any property directly or indirectly derived or obtained by any person as a result of a scheduled offence or criminal activity related to such an offence. During the course of committing the offence of money laundering, it is often observed that the process or activity involving the proceeds of crime generated from a scheduled offence leads to further generation of additional property. Accordingly, any such property generated as a result of the process or activity used in the commission of the offence of money laundering is also POC. For instance, rent generated out of property derived from the proceeds of crime generated from scheduled Office is also considered as proceeds of crime and liable to attachment and confiscation under PMLA.



b) Equivalent Value:

If the original property derived from POC is dissipated (i.e., transferred, spent, or otherwise rendered unavailable), the value equivalent of the property may also be attached or seized or restrained under the PMLA.

c) Value Equivalent to Proceeds of Crime Held Abroad:

Property taken or held outside the country, or any property of equivalent value held within the country or abroad.

In addition to the above, the PMLA also provides for the attachment, seizure, freezing, and confiscation of properties that are used in the commission of the offence of money laundering. (instrumentalities).

Attachment of Proceeds of Crime and its Necessity



Proceeds of Crime are attached or restrained under PMLA to ensure its availability for legal proceedings under the Act. PMLA empowers ED authorities not below the rank of Deputy Director to provisionally attach proceeds of crime subject to compliance of Section 5 of PMLA. The key objectives underlying the attachment of proceeds of crime are outlined as follows:

- **Secure Assets for Legal Action:** Attachment ensures that properties linked to crimes remain available for confiscation, preventing criminals from selling or hiding them before justice is served.

- **Prevent enjoyment of Ill-Gotten Gains to the accused person(s):** It stops accused person(s) from benefiting financially from crimes like corruption, fraud, or drug trafficking.
- **Deter Future Crimes:** Knowing that their illegal assets can be attached or seized or restrained acts as a strong deterrent, discouraging others from engaging in criminal activities.
- **Disrupt Criminal Networks:** Freezing or seizing assets cuts off the financial lifeline of criminal organizations and terrorist groups, making it harder for them to continue their operations.
- **Restore Assets to Victims or the Government:** Whenever possible, the seized properties or funds are returned to victims or used for public welfare. For instance, the ED recently returned ₹3,339 crore to victims of the Agri Gold Ponzi scheme.
- **Prevent Money Laundering:** By freezing assets early, authorities stop criminals from “cleaning” their illegal money and integrating it into the legitimate financial system.
- **Strengthen Investigations:** Seized assets help trace the money trail, providing crucial evidence to build stronger cases. For instance, in the Vijay Mallya case, ED uncovered ₹1,000 crore linked to his personal assets through money laundering.



The Gurgaon Zonal Office was for a while functioning from a property that has been attached and taken possession by ED



Attachment of POC during Financial year 2024-25:

The Directorate of Enforcement has attached proceeds of crime amounting to ₹1.55 lakh crore to date. Out of this, assets valued at ₹1.07 lakh crore have been confirmed by an Adjudicating Authority. These attached assets include both movable and immovable properties. For the financial year 2024-25, the total value of proceeds of crime attached by the Directorate amounts to ₹30,036.4 crore.

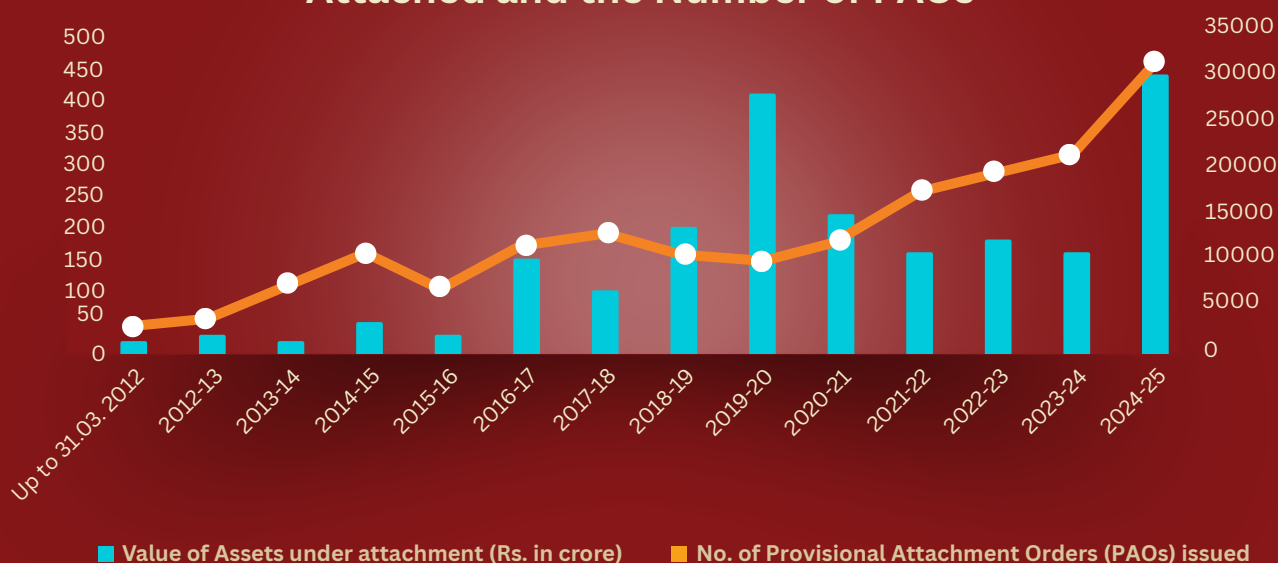
The following table presents the provisional attachment orders (PAOs) issued, along with the corresponding values, and the PAOs confirmed by the Adjudicating Authority over the years:

Item	No. of Provisional Attachment Orders (PAOs) issued	Value of Assets under attachment (Rs. in crore)	No. of PAOs confirmed	Value of assets under PAO confirmed by Adjudicating Authority (Rs.in crore)
Up to 31.03. 2012	Avg. 21 p.a.	Avg. 200.13 p.a.	Avg. 18 p.a.	Avg. 160.12 p.a.
2012-13	62	2347.59	48	325.18
2013-14	118	1622.91	57	1387.02
2014-15	169	3612.65	142	2142.34
2015-16	103	2020.87	118	2948.83
2016-17	168	10995.7	121	8990.49
2017-18	203	6933.65	186	5185.39
2018-19	166	13630.1	187	13106.8
2019-20	158	28827.3	145	8360.56
2020-21	185	14710.8	66	5511.57
2021-22	262	12746.3	189	13036.1
2022-23	283	13431.7	273	14600.9
2023-24	321	12477.3	251	9984.59
2024-25	461	30036.4	329	20189.1
Total	2789	154594	2220	106730

The apparent gap between the total value of proceeds of crime (PoC) attached by the Directorate of Enforcement (₹1,54,594 crore) and the value confirmed by the Adjudicating Authority (₹1,06,730 crore) is primarily attributable to legal impediments currently under judicial consideration. Two significant legal issues have led to widespread litigation and consequent stays on proceedings before the Adjudicating Authority. The first concerns the question of **coram non judice**, i.e., whether confirmation orders can be validly passed by a Single Member in the absence of a full quorum of the Adjudicating Authority, particularly in cases where no judicial member is present. This issue has led to stays in over 100 matters across High Courts and the Supreme Court, thereby freezing PoC worth ₹3,803.91 crore.

The second legal hurdle relates to the interpretation of the 180-day time limit for confirmation of provisional attachment orders during extraordinary situations like the COVID-19 lockdowns. A batch of 119 petitions before the Delhi High Court and similar matters pending before the Supreme Court involve PoC worth ₹49,620 crore. It may be noted that these figures would not match since some orders are stayed after the confirmation by the Adjudicating Authority.

Year-wise comparison of Value of Assets Attached and the Number of PAOs



As is evident from the graphical representation and the table above, in 2024-25, ED significantly stepped up its asset recovery initiatives, reflecting its intensified focus on combating money laundering. During this period, ED issued 461 Provisional Attachment orders valued at ₹30,036.41 crore—a 44% increase in the number of attachments and a striking 141% rise in their total value compared to the previous year. This escalation not only underscores ED's commitment to recovering proceeds of crime but also highlights asset recovery as a crucial component in ED's broader strategy against financial crimes. By aggressively targeting and reclaiming the crime proceeds, ED sends a powerful message to offenders: every rupee obtained through criminal activities will be pursued and reclaimed.

"In the relentless pursuit of justice, every rupee gained through crime is a rupee destined to be recovered—proving that crime simply doesn't pay."



The Hyderabad Zonal Office of ED very recently attached a Jet Aircraft as Proceeds of Crime

In October 2023, FATF updated Recommendations 4 and 38 that deal with asset recovery and related international cooperation to tackle advanced financial crimes, emphasizing on new provisions:

- **Enhanced Asset Recovery:** Nations must embed asset recovery in crime prevention strategies with robust legal tools. India's Prevention of Money Laundering Act, 2002 (PMLA) supports this via property confiscation.
- **Non-Conviction Based Confiscation (NCBC):** Recommendation 4 mandates NCBC, enabling asset seizure without conviction. India's PMLA 8(7) Section and Fugitive Economic Offenders Act, 2018, facilitate this, as seen in cases like Surya Pharmaceuticals and Mehul Choksi.
- **Expeditious Freezing and Seizing:** Stronger mechanisms for rapid, ex parte asset freezing/seizing prevent dissipation. India's PMLA empowers the Enforcement Directorate (ED) to act swiftly without notice.
- **Extended Confiscation:** Recommendation 4 allows confiscation of assets beyond direct crime proceeds, targeting broader illicit gains.
- **Asset Management:** Countries must manage seized assets effectively, prioritizing victim compensation.
- **Asset Recovery Fund:** Recommendation 4 encourages funds for confiscated assets to serve public goals, as in the USA, UK, and Ireland. India lacks such a fund.
- **International Cooperation (Recommendation 38):** Updated Recommendation 38 requires swift, including informal, information-sharing and action on foreign NCBC requests. India's ED leverages informal cooperation, e.g., via an MoU with Mauritius' Financial Crimes Commission.

India's Alignment

India's framework, bolstered by a robust PMLA, aligns with FATF's revised standards through NCBC, equivalent value confiscation, ex-parte restraint, etc. ED strives to stay ahead of the game and strives to make the law completely align with the revised standards. This compliance boosts India's global financial credibility. Proactive measures and international engagement position India as a leader in the fight against money laundering and terror financing. The 5th round of FATF evaluations will test adherence to these standards, highlighting the need for ongoing diligence.

Challenges Faced by ED During and After Attachment of Proceeds of Crime:

Identification and tracing of POC: The proceeds of crime in the cases of offence of money laundering are integrated in the financial system using complex web of transactions, which makes it very difficult to identify and treat such proceeds of crime.

Properties in the name of Benamidars: In money laundering cases, accused individuals often purchase or transfer properties in the name of benamidars—persons who hold assets on behalf of the actual beneficiaries. Identifying and attaching such properties requires intricate investigations to establish the true beneficial ownership, compounded by legal challenges as accused parties frequently create fraudulent third-party claims to obscure asset ownership.

POC transferred to foreign jurisdiction: In money laundering cases, accused individuals often transfer proceeds of crime to foreign jurisdictions using both banking and non-banking channels, with cryptocurrencies increasingly serving as a preferred medium. Tracing such foreign-based proceeds of crime requires international cooperation and poses significant legal challenges, as the process involves complex cross-border procedures and lengthy legal battles to secure attachment of the assets.

Legal Challenges faced by the Directorate: Immediately after the attachment of properties, accused individuals often initiate a complex web of litigations, which the Directorate is required to defend. This not only strains the Directorate's resources but also delay the resolution or conclusion of cases.

Encroachment of attached property in Bhola Drug Case

As part of the attachment ordered in the Bhola Drug Case, an immovable property located at Rupnagar, Punjab, found to be 'Proceed of Crime' was attached by the Directorate and the same was confirmed by the Hon'ble Adjudicating Authority (PMLA). Accordingly, possession of the property was taken by the department under extant provisions of PMLA.

However, it was found that despite the property being in possession of the Enforcement Directorate, illegal mining was being carried out at the property. A field visit was made and enquiries were conducted in the matter. An intimation letter was also sent to the SSP, Rupnagar, intimating about the status of the attached property. Subsequently, a fresh ECIR was recorded in the matter and search was conducted.

Challenges in taking possession of confirmed attached properties: Taking possession of confirmed attached properties presents significant challenges, as the objective of the PMLA is to prevent the accused from enjoying proceeds of crime. The Enforcement Directorate (ED) often faces legal hurdles due to numerous appeals or petitions filed by accused individuals, frequent encroachments on the attached lands, and the creation of fraudulent third-party claims through fake lease deeds and other mechanisms.

Management of Attached Properties in Possession of the ED

The management of assets that are attached, seized, or frozen during proceedings under the Prevention of Money Laundering Act (PMLA) holds utmost significance. In exceptional cases, the Directorate of Enforcement assumes possession of such assets once the attachment order is duly confirmed by the Adjudicating Authority. Upon taking possession of both movable and immovable properties under PMLA, it becomes the responsibility of the Directorate of Enforcement to oversee and manage these assets with the highest degree of diligence and efficiency, ensuring that no depreciation or deterioration occurs in their value.

Process of Taking Possession of Attached or Frozen Properties

The procedure for taking possession of the confirmed attached or frozen properties is prescribed under the **Prevention of Money-Laundering (Taking Possession of Attached or Frozen Properties Confirmed by the Adjudicating Authority) Rules, 2013**, which were notified on 19th August 2013.



- **Board Placement:** Upon confirmation of the attachment order, the Investigating Officer (IO) places the ED board outside the premises of the attached property.
- **Eviction Notice:** The IO serves an eviction notice to all concerned parties for the taking of possession, and a public notice is published in local newspapers.
- **Physical Possession:** Once physical possession is taken, the management of the property becomes the responsibility of the concerned functional unit. In cases where the property is located outside the jurisdiction of the concerned zone, the Investigating Officer hands over possession of the property to the respective zonal office where the property is situated. The Property Management Cell (PMC) of the respective zone or sub-zone then assumes responsibility for the management and upkeep of the property.

Each zone and sub-zone has a Property Management Cell (PMC), headed by the Deputy Director. In the zones, the Deputy Director of Functional Unit-I manages the PMC, while in sub-zones, the Deputy Director in charge of the sub-zone supervises the PMC. The PMC is responsible for the management and maintenance of all properties others lying in their restriction.



Steps taken for effective management of properties in possession of the Directorate

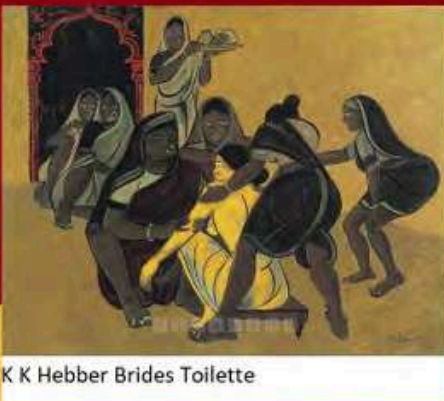
The Deputy Director of the concerned Functional Unit or the Property Management Cell deposes an officer/official every three months to inspect immovable properties, ensuring their safety and preventing any trespass or encroachment. The officer/official deputed for the inspection submits a detailed report, including photographs of the property, its physical location (longitude/latitude), and important landmarks.

The DD of the concerned Functional Unit or PMC, with the assistance of local police, ensures the security of the property by assigning appropriate security personnel. In cases where encroachment, trespass, illegal occupation, use, or alteration is detected during the inspection, corrective measures are swiftly initiated by the Deputy Director heading the Functional Unit or PMC, with support from the local police.



Challenges in management and maintenance of attached assets in possession of the Department

The department faces significant challenges in managing and maintaining attached assets, particularly those that are prone to depreciation. In such cases, the department strategically opts to substitute these assets with fixed deposit receipts provided by the concerned parties, thereby preventing value loss and preserving the assets for eventual confiscation under the PMLA.



Some of the moveable properties attached by ED highlighting the challenge of Asset Management



Confiscation under the Prevention of Money Laundering Act

As already highlighted, the primary objective of the Prevention of Money Laundering Act, 2002 is to effectively combat the pervasive threat of money laundering and to ensure that the proceeds of crime are swiftly identified, attached, and ultimately confiscated. This legal framework seeks to deprive offenders of any benefit arising from their criminal conduct, thereby striking at the very heart of financial crime.

Confiscation, refers to the permanent forfeiture of property—both movable and immovable—that is either involved in money laundering or represents the value of such criminal proceeds. Once confiscated, ownership of the said property is irrevocably vested with the Central Government, rendering it beyond the reach of the accused or their associates. This legal mechanism serves a dual purpose: it deprives the offender of unjust enrichment and acts as a powerful deterrent to others who might be inclined toward similar economic offences.



Under Section 8(5) of the PMLA, the Special Court is empowered to pass orders for the confiscation of properties that are conclusively proven to be involved in money laundering or are used in commissioning the offence of money laundering, upon the conviction of the accused. This form of confiscation is conviction-based and follows a rigorous judicial determination that the property in question was indeed tainted by criminal activity.

As of 31.03.2025, the Enforcement Directorate has successfully secured confiscation orders under Section 8(5) amounting to Rs. 62.41 crores.

Non-Conviction Based Confiscations under Section 8(7) of the PMLA

Recognizing that justice must not be thwarted by procedural impediments, Section 8(7) of the PMLA introduces the concept of non-conviction-based confiscation. This provision empowers the Special Court to direct the confiscation of properties even in the absence of a conviction, provided that the trial cannot be conducted or concluded due to specific circumstances—such as the death of the accused, the accused being declared a proclaimed offender, or other legal limitations.

As of 31.03.2025, the Hon'ble Courts have ordered non-conviction-based confiscations under Section 8(7) amounting to ₹15,667.7 crore.

Item	Amount of confiscation 8(5)	Amount of confiscation 8(7)	Total confiscation (Rs. in crore)
Up to 31.03. 2012	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	0	0	0
2015-16	0	0.55	0.55
2016-17	3.76	0	3.76
2017-18	0.01	2.59	2.6
2018-19	4.12	106.31	110.43
2019-20	23.12	0.06	23.18
2020-21	0	0	0
2021-22	2.38	15429.09	15431.47
2022-23	3.26	55.5	58.76
2023-24	7.39	73.49	80.88
2024-25	18.37	0.12	18.49
Total	62.41	15667.71	15730.12



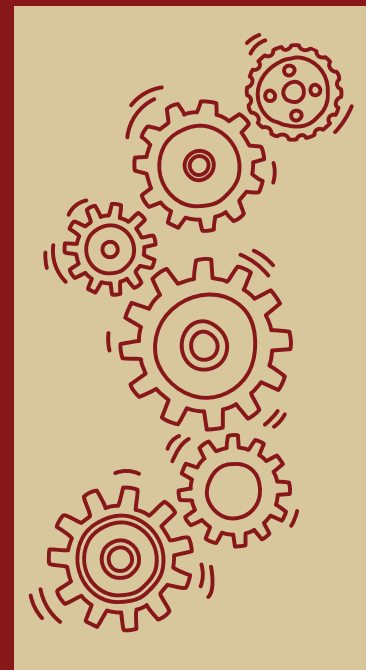
Restitution under the Prevention of Money laundering Act

Shri Narendra Modi, the Hon'ble Prime Minister of India has emphasized on several occasions and at different forums that the assets / properties seized by central law enforcement agencies shall be restored to the actual victims to deliver timely justice. Measures have been taken in the form of necessary amendments in legal framework to smoothen restitution to the victims of the criminal offences. While prosecution of offenders is the primary objective of investigating agencies, the restitution process becomes equally important to complete the cycle of justice.

Restitution refers to the act of restoring property to its victims of money laundering or legitimate claimants who have suffered losses due to offence of money laundering.

Legal Framework under PMLA for Restitution

The PMLA aims to prevent money laundering and provides mechanisms for the confiscation and restoration of properties involved in such offenses. Initially, the Act lacked explicit provisions for restitution. However, in 2015, Section 8(8) was introduced, empowering Special Courts to direct the Central Government to return confiscated properties to legitimate claimants who have suffered quantifiable losses due to money laundering activities. The Second Proviso to Section 8(8) of PMLA provides for restoration of property to legitimate claimants subject to fulfillment of certain conditions even during trial.



Key Provisions:



Section 8(5): Where on conclusion of a trial of an offence under PMLA, the Special Court finds that the offence of money laundering has been committed, such property involved in the money laundering or which has been used for the commission of the offence of money laundering are confiscated to the Central Government.

Section 8(7): In situations where the trial cannot proceed (e.g., due to the accused's death or accused remains absconded), the Special Court can decide on the confiscation or release of the property based on available evidence.

Section 8(8): This section allows the Special Court to restore confiscated property to claimants with legitimate interests who have incurred quantifiable losses from money laundering offenses. The claimant must demonstrate good faith, a lack of involvement in the offense, and that the loss occurred despite taking reasonable precautions. The Second Proviso to Section 8(8) of PMLA provides for restoration of property to legitimate claimants subject to fulfillment of certain conditions even during trial.

Restoration Rules and Procedures

To operationalize Section 8(8), the Central Government introduced the Prevention of Money-Laundering (Restoration of Property) Rules in 2016. These rules outline the procedures for property restoration:

- **Post-Trial Restoration:** Following a confiscation order, the Special Court publishes a notice inviting claims from individuals with legitimate interests in the property. If multiple claimants exist and the property is insufficient to cover all losses, restoration may occur on a pro-rata basis.
- **Restoration During Trial:** An amendment in 2019 permits the Special Court to consider property restoration even before the trial concludes, provided certain conditions are met.

Successful restitution cases by ED



In pursuit of its paramount objective—the thorough investigation and resolution of money-laundering offences—the Enforcement Directorate has earnestly undertaken multifaceted initiatives to enlighten and empower the victims of such crimes. With a deep sense of responsibility, the Directorate has disseminated crucial awareness pertaining to Sections 8(7) and 8(8) of PMLA, through consultative engagements with officials of defrauded financial institutions and representatives of grievance redressal forums constituted for the protection of duped investors.

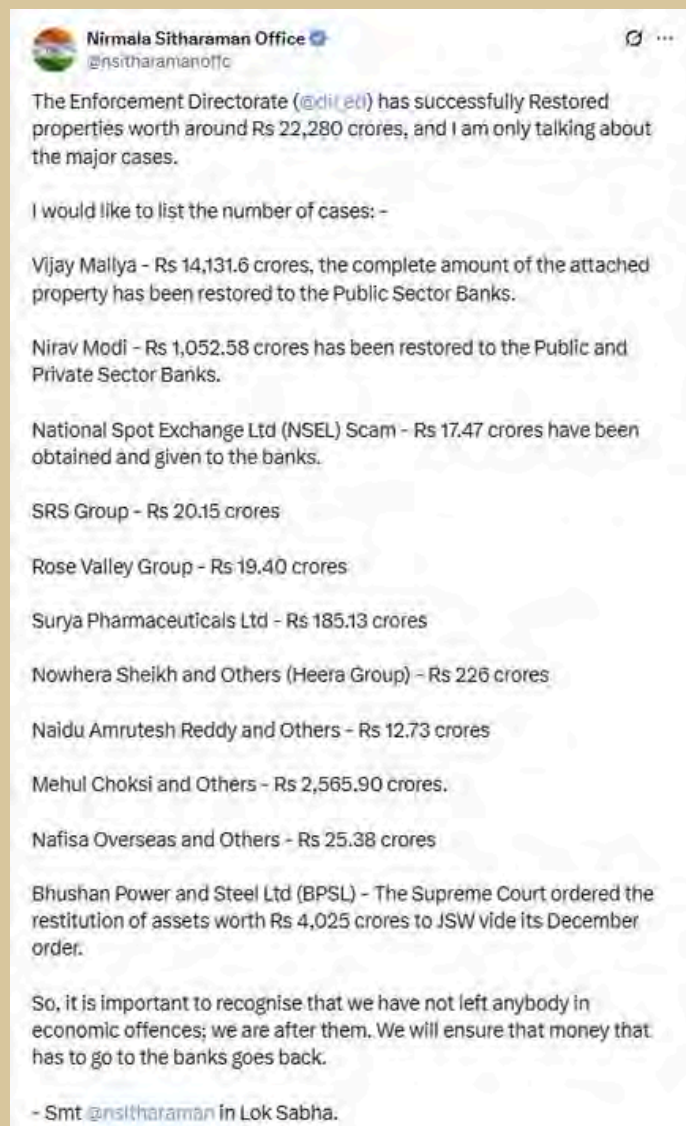
Beyond these interactions, the ED has also employed formal channels of correspondence and rendered necessary assistance to ensure that the statutory provisions for restitution are well understood and effectively utilized. In its unwavering commitment to justice, the Directorate has harmoniously coordinated with other law enforcement agencies and extended its full support to court-appointed committees entrusted with the noble task of restoring assets to the aggrieved.

Hon'ble Union Finance Minister, while addressing the Lok Sabha Session of the Parliament on 17.12.2024, lauded the efforts made by ED in restoring properties to the victims of the money laundering offence. She highlighted the significant efforts made by the ED in recent years to recover the ill-gotten wealth and return it to the public sector banks and defrauded investors.

The amendment to PMLA which inserted a proviso to Section 8(8) in 2019 empowered the PMLA Special Court to reconstitute properties to the rightful claimants during the pendency of trial itself. Considering the long time it takes for the completion of trials, this has come as a major boost in achieving the ends of justice.

Since, then owing to the tireless and meticulously orchestrated endeavours of ED, the Directorate has successfully restored assets amounting to ₹30,462.8 crore to the victims of money-laundering offences as on 31.03.2025.

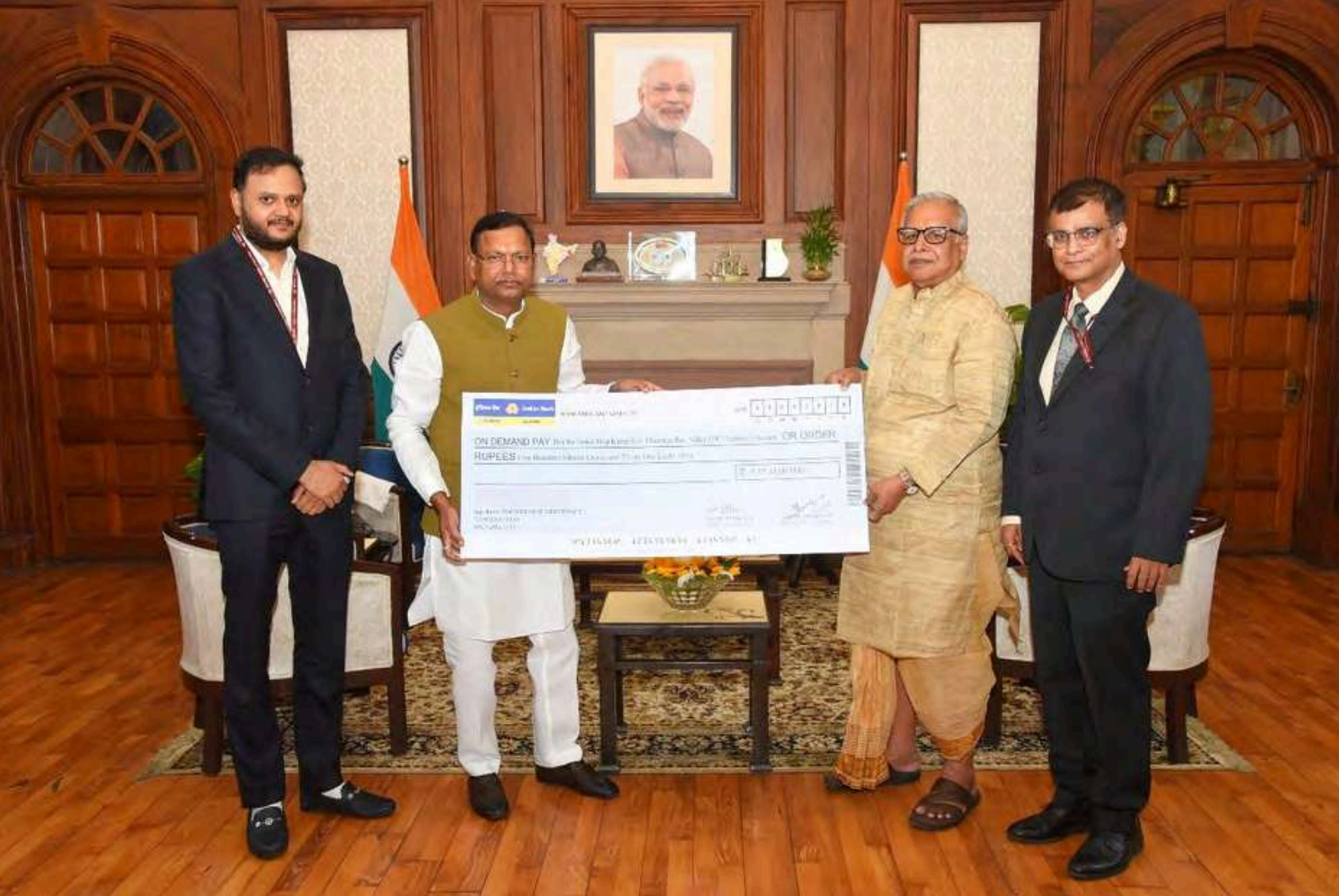
Out of these, three cases – NSEL Scam, Nirav Modi case and Vijay Mallya case - were taken up for restitution in 2019 and a total amount of Rs. 15,201.65 crore. A renewed focus was made this year and the remaining 30 cases to the tune of Rs. **Rs. 15,261.15 crore were made in the FY 2024-25.**



Post dated 17.12.2024 on X by the Office of Union Minister for Finance and Corporate Affairs, Smt. Nirmala Sitharaman



These cases stand as compelling testaments to the Enforcement Directorate's unwavering commitment to the noble cause of restituting defrauded funds to the victims of money-laundering offences:



Hon'ble Minister of State, Finance handing over a cheque to the Chairman of ADC for the amount restituted by ED in Rose Valley case, in the presence of Director ED and RSDE, Eastern Region.

Sl. No.	Case Details	Restitution Value (Rs.)	Date of Order
1.	SRS Group	20.15 Cr	14.08.2024
2.	Rose Valley Group- West Bengal & Odisha	538 Cr	17.08.2024, 24.07.2024, 28.02.2025. 07.03.2025
3.	Mehul Choksi and Others	2,565.90 Cr	10.09.2024
4.	Naidu Amrutesh Reddy and Others	12.73 Cr	20.09.2024
5.	M/s. Surya Pharmaceutical Ltd.	185.13 Cr	25.10.2024

6.	Mrs. Nowhera Shaik and Others (M/s. Heera Group)	201 Cr	11.11.2024
7.	M/s. Nafisa overseas and Others	25.38 Cr	26.11.2024
8.	Debabrata Halder & Ors.	7 Cr	04.12.2024
9.	Shine City Group	0.12 Cr	11.12.2024
10.	Bhushan Power and Steel Ltd. (BPSL)	4025 Cr	11.12.2024
11.	M/s. Priyanka Overseas Ltd. and Others	10 Cr	18.12.2024
12.	M/s. Musaddilal Jewellers Private Limited And Others	160 Cr	06.01.2025 and 03.02.2025
13.	M/s. Palpap Ichinichi Software International Ltd. and Others	1.41 Cr	06.01.2025
14.	Pen Cooperative Urban Bank	289.54 Cr	14.01.2025
15.	M/s. Pixion Media Pvt. Ltd.	100 Cr	29.01.2025
16.	M/s. Sheetal Refineries Limited	53.12 Cr	07.02.2025
17.	CSI Medical College and Others	0.89 Cr	10.02.2025
18.	M/s. SRD Commercial Pvt. Ltd. & Bhagwati Life Style Pvt. Ltd.	10.48 Cr	15.02.2025
19.	M/s. Saravana Stores and Others	235 Cr	17.02.2025
20.	M/s Shri. Guru Raghavendra Sahakara Bank	50 Cr	17.02.2025
21.	Sh. T.V. Krishna Rao and Others	1.02 Cr	18.02.2025
22.	Agri Gold Group and Others	6000 Cr	21.02.2025
23.	M/s I. M. Advisory Pvt. (IMA) Ltd. and Others	294 Cr	24.02.2025
24.	PSL Ltd. And others	274.6 Cr	27.02.2025
25.	M/s. GDS Builders Pvt. Ltd., Dwarka Jewellers and Others	5.17 Cr	27.02.2025

26.	ST Impex and Others (Kamal Karla)	13.58 Cr	07.03.2025
27.	Aryarup Tourism And Club Resort	52.83 Cr	11.03.2025
28.	Ambidant Marketing	3.8 Cr	12.03.2025
29.	Lamjingha Finance and Others	63 Cr	21.03.2025
30.	GS Oils and Others	62.30 Cr	24.03.2025
TOTAL for 2024-25		15,261.15 Cr	

The details of these cases are as follows:

1. SRS Group Case

In an Investor fraud case, SRS Group, led by its Chairman and Managing Director Anil Jindal, cheated thousands of investors by luring them into investing large sums of money by fake promises of high interests or good returns on their investments. These investments were made through cash, cheques, or bank transfers into various SRS companies. In many cases, there were no formal agreements—only informal, unsigned receipts were issued. Further, loans taken from banks in the guise of development / construction by companies of SRS Group were not paid to the banks. The group then diverted this money into numerous shell companies and key group firms and ultimately cheated the investors and banks.

During the course of investigation, several illicitly amassed assets worth thousands of crore belonging to the directors and associates of the company were attached by ED. During the course of trial before the Hon'ble Appellate Tribunal, hundreds of homebuyers have filed claims, and after document verification, 78 genuine homebuyers were identified. The Appellate Tribunal (PMLA) approved the release of 78 flats worth over ₹20 crore from the SRS Pearl City and Prime projects.

2. Rose Valley Chit Fund Scam



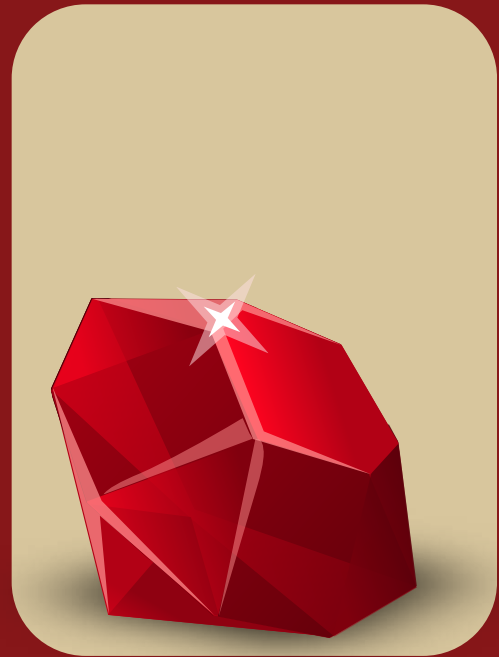
The Rose Valley Group scam is one of the largest financial frauds in India, involving thousands of investors were defrauded. The scam revolved around the Rose Valley Group floating a web of companies to collect public funds illegally. These companies issued secured debentures without complying with the Companies Act. Investors were promised high returns, but instead of being invested in legitimate ventures, the money was funnelled into various group and shell companies.

During ED investigation, assets worth thousands of crores (including both movable and immovable) have been attached by ED and subsequently confirmed by the Adjudicating Authority. Subsequently, defrauded investors of the fraud approached High Court of Calcutta to claim their right over the assets attached by ED. Considering the plight of the aggrieved investors and request of ED, the Hon'ble High Court of Calcutta constituted an Asset Disposal Committee (ADC) for redressal of the fraud. As on 31.03.2025, more than 31 lakh investors have submitted their claims with respect to the fraud to the ADC. ED has been able to successfully restore attached properties having market value of ₹ 538 Crore to around 1.5 lakh defrauded investors of the Rose Valley scam till date.



3. Gitanjali Gems Fraud

In a bank fraud case, Mehul Choksi, a businessman involved in manufacturing & export of gold/diamond jewellery through Gitanjali Group of companies entered into criminal conspiracy with the bank officials of PNB and got fraudulently issued Letters of Undertaking (LOUs) and Foreign Letters of Credit (FLCs) aggregating to thousands of crore. The said funds were subsequently siphoned off to his foreign entities in the guise of payment of imports etc. Further, Mehul Choksi and his companies eventually defaulted in repayment of the said LOUs & FLCs which caused a wrongful loss to the bank.



During investigation under PMLA, Assets worth ₹2,565 crore were provisionally attached or seized, and prosecution complaints were filed in the special court. During the trial, both Punjab National Bank and ICICI Bank have filed applications seeking the restoration of attached assets worth ₹2,565 crore. The application of the banks was allowed by the Hon'ble court.

4. Naidu Amrutesh Reddy & Others



In a case of illegal land grabbing, the land originally owned by Smt. N. Mangalam and Smt. R. Alamelu, was fraudulently transferred to Naidu Amrutesh Reddy in 2007. This was done through forged signatures and fake documentation prepared by the accused individuals. ED identified the proceeds of crime generated illicitly in the fraud and attached properties belonging to the accused person. Subsequently, a Prosecution Complaint was filed under PMLA, 2002. During the course of trial, the original claimant, Mr. D. Nagarajan, moved the Special Court seeking release of the attached land. The application of Mr. D. Nagarajan was allowed by the court and assets worth ₹ 12.73 Crore were ordered for restitution.

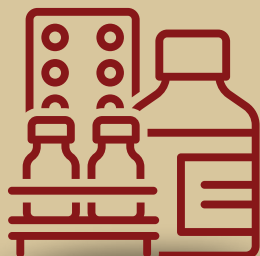
5. Nowhera Shaik & Heera Group

In an investment fraud case, Nowhera Shaik, promoter of the Heera Group of companies, along with others cheated the public by promising exorbitant returns of on investments. The funds so collected were routed through numerous shell companies floated under the Heera Group banner. The investor deposits were not recorded in company balance sheets, and the funds were diverted to personal accounts, resulting in the accumulation of significant movable and immovable assets.

During investigation under PMLA, assets worth ₹ 428.14 crore have been attached. Further, during the course of trial, the Hon'ble Supreme Court of India vide its order dated 11.11.2024 directed the accused to provide list of properties which are encumbrance free and directed ED to auction two properties valued at Rs. 201 Crore to settle investors' claims.



6. Surya Pharmaceuticals Ltd



In a significant financial fraud case, M/s. Surya Pharmaceuticals Ltd. fraudulently availed credit facilities from a consortium of banks with the help of forged documents and thus cheated the banks to the tune of hundreds of crore by not repaying the loan amount to the bank. ED initiated investigation and recovered various assets generated by the accused company through the illicit activities. During the course of trial, the directors of the accused company were non-cooperative and thus the accused were declared Proclaimed Offender and the recovered assets to the tune of ₹ 185.13 Crore were restored by ED to the consortium of banks. This recovery marked a crucial step in stabilizing the financial sector, reinforcing the importance of vigilant regulatory oversight in safeguarding the banking ecosystem.

7. M/s Nafisa Overseas and Others

In a bank fraud case, M/s Nafisa Overseas and its partners, defrauded Indian Bank by deceitfully availing various credit facilities by submitting forged and fabricated documents. The funds so obtained were subsequently misappropriated and diverted for personal use by the company's partners and guarantors. No repayment was made to the bank, resulting in wrongful loss to the financial institution.

During the course of investigation, the Enforcement Directorate attached assets worth ₹ 23.45 crore belonging to partners of M/s Nafisa Overseas and guarantors of the bank loan availed by M/s Nafisa Overseas. Subsequently Indian Bank-the lending bank had filed application u/s 8(7) & 8(8) of PMLA,2002 before the Special Court praying for restoration of the assets attached by the ED. Special Court vide order dated 17.08.2024 ordered for restoration of the assets worth ₹ 20.65 crore to the Indian Bank by relying on NOC provided by ED.



8. Debabrata Halder & Others



In a case pertaining to fraud involving wrongful invocation and fake issuance of Bank Guarantees (BGs) under the NSIC's Raw Material Assistance Scheme, Sudhangshu Kumar Halder, a former NSIC employee, and Debabrata Halder, invoked various BGs including fake BGs and caused wrongful loss of ₹ 173.50 crores to the banks using by these fraudulent activities. ED identified and attached proceeds of crime amassed from such illicit activities. Further, Debabrata Halder, Utpal Sarkar, and Rahul Paul have been declared Proclaimed Offenders. In the case, Bank of India filed an application under Section 8(8) of the PMLA on 23.09.2024, and resultantly the Special Court passed a restoration order on 04.12.2024 for restoration of assets worth ₹ 7 crore.

9. Bhushan Power & Steel Ltd.

In a Bank fraud case, Bhushan Power & Steel Ltd. availed credit facilities from a consortium of 33 banks, led by Punjab National Bank using fudged and manipulated books of account. The funds received from availing various credit facilities was withdrawn in cash. The cash was brought into the books of various beneficially owned companies [held through employees/ dummy directors] and the same was utilised for investments in the form of shares and purchase of immovable properties. The loan amount was never repaid to the consortium of banks resulting in a financial loss of thousands of crore to the banks. During investigation, various assets illegally amassed by Bhushan Power and Steel Pvt. Ltd. were attached by ED. Subsequently, JSW Steel, the Resolution Applicant appointed under CIRP under IBC had filed application u/s 8(8) of PMLA, 2002. On 11.12.2024, the Hon'ble Supreme Court approved restitution of ₹ 4,025 crore to Resolution Applicant.



10. Shine City Group of Companies



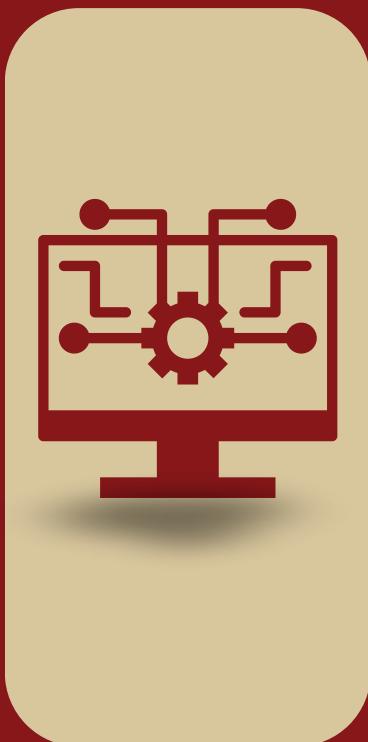
In an investment fraud case, Shine City Infra Project Pvt. Ltd. and associated entities cheated innocent public by luring them to invest in various lucrative schemes floated by the company promising manifold returns for the invested amount. Thousands of crore of rupees have been collected from the general public/investors under the garb of these schemes floated by the Shine City group of companies. The money collected from investors was routed through multiple shell companies and ultimately siphoned abroad. During the investigation assets illegally amassed were attached by ED. In the case to facilitate restitution, a public notice was issued on 14.11.2024 in both English and vernacular media. Subsequently claims were received from the defrauded investors of shine city group of companies. Claims of two such claimants were verified and restitution orders amounting to ₹7.61 lakh and ₹4 lakh, respectively, have been passed. Further, remaining claims filed by claimants are being verified.

11. M/s. Priyanka Overseas Ltd. & Others

In a money laundering case, Raj Kumar Jain entered into criminal conspiracy with the officers of State Trading Company (STC) and various others persons to finance M/s Priyanka Overseas Ltd. for export of wheat and rice in violation of the guidelines of the STC. By hatching this conspiracy M/s Priyanka Overseas Ltd caused wrongful loss to STC to the tune of ₹ 52 Crore. During the course of investigation ED attached POC amassed from cheating the STC. During the investigation it was further revealed that the attached property was mortgaged with Union Bank of India against credit facilities provided by the Bank. Hence, the bank filed an application under Section 8(8) of the PMLA before the Special Court and order dated 18.03.2025 was passed by the court restituting attached properties worth ₹ 10 crore to the legitimate claimant.



12.M/s. Palpap Ichinichi Software International Ltd. and Others



In a bank fraud case, M/s. Palpap Ichinichi Software International Ltd. (PISIL); its director Sh. P. Senthil Kumar and others defrauded Indian bank and State Bank of India by availing loans in the name of fictitious persons showing them as employees of M/s Palpap Ichinichi Software Ltd. Further, the said accused persons/entity also availed credit facilities on the basis of forged documents of collateral property. The loan amount was not repaid to the bank thus causing substantial loss to the bank. ED during the investigation attached the illicitly amassed assets. In the case, Indian Bank filed application for restoration of assets attached by ED. This resulted in restitution of assets worth ₹1.41 crore to Indian Bank vide Supreme Court's order dated 06.01.2025.

13. Musaddilal Jewellers Pvt. Ltd. & Others

In a bank fraud case, M/s. Musaddilal Gems and Jewels Private Limited, M/s. Vaishnavi Bullion Private Limited, under the directorship of Sh. Nitin Gupta, had deposited an amount of ₹ 57 crore and ₹ 40 crore respectively in their bank accounts just after the demonetization of ₹ 1000 & ₹ 500 currency notes claiming the same as genuine business by raising around 5200 cash advance receipts/ invoices on 08.11.2016 and subsequent sale invoices. During the investigation it was revealed that the forged documents were used to portray the illicitly acquired money as genuine. During the course of investigation assets in the form of gems and Jewellery and assets in other form were attached by ED. The gems and jewellery were mortgaged with SBI by the accused persons. SBI filed application before the Special Court for restitution of properties attached by ED. Subsequently, Special Court vide orders dated 06.01.2025 and 03.02.2025 ordered for restitution of assets worth ₹ 160 crore.



14. Pen Co-operative Urban Bank



In another Bank Fraud case related to the Pen Cooperative Urban Bank, the employees of the bank in collusion with the auditors and other individuals siphoned off the legitimate funds to the tune of hundreds of crore of several investors for personal use. During investigation several assets amassed through illicit activities were attached by ED.

The attached assets held significance as the site was earmarked for construction of Greenfield airport at Navi Mumbai. Considering the importance of building social infrastructure, ED proactively filed application for handing out the properties to the competent authority appointed under Maharashtra Protection of Interest of Depositors (MPID) Act. This would pave way for victims to get compensation amount from MPID and also in building a new airport.

15. M/s. Pixion Media Pvt. Ltd.

In a major bank fraud case, M/s. Pixion Media Pvt. Ltd. and related entities availed loans ostensibly for setting up or renovating studios and acquiring equipment. M/s. Pixion Media Pvt. Ltd. and related entities used fake or paper companies, submitted fictitious invoices to avail the credit facilities. The said funds were utilised for unauthorized purposes, and acquisition of assets in the names of the accused and associated entities. This led to widespread misuse of bank credit across various companies. During investigation, the assets generated from proceeds of crime were identified and attached by ED.

During trial, official liquidator of M/s Pixion Media Pvt. Ltd. and its associates filed application for restoration of assets attached by ED. Subsequently on 29.01.2025, the Special Court (PMLA) passed an order restoring properties worth approximately ₹100 crore to the Official Liquidator of M/s. Pixion Media Pvt. Ltd. and M/s. Pearl Vision Pvt. Ltd under second proviso to the Section 8(8) of PMLA even before framing of charges.



16. M/s. Sheetal Refineries Limited



In a bank fraud case, M/s. Sheetal Refineries Limited, M/s. Sheetal Siddhi Veg Oil Pvt. Ltd., and their directors defrauded State Bank of Hyderabad (now merged with SBI) by getting bank to open Letter of Credit on the basis of fabricated/ fudged financial documents and further diverting the sale proceeds leading to devolvement of LCs and thus causing a wrongful loss to the lending bank.

During investigation, ED identified the illicitly acquired assets and further attached the same under provisions of PMLA, 2002. During the trial, a restoration application under Section 8(8) of PMLA was filed by SBI which resulted in issuance of order dated 07.02.2025 by the Special Court (PMLA) directing restoration of attached properties having market value of ₹53.12 crore to SBI.

17. CSI Medical College and Others



This case pertains to an admission-related fraud involving the Director of Dr. SM CSI Medical College, Karakonam. The accused individuals were found to have deceitfully collected substantial sums of money from the parents of six students under the false assurance of securing MBBS admissions at the college. These fraudulent promises were made despite full knowledge that such admissions had been discontinued following the implementation of the National Eligibility cum Entrance Test. Pursuant to a detailed investigation under the provisions of PMLA, the Enforcement Directorate attached assets valued at ₹95.25 lakh. In pursuit of justice, the aggrieved parents approached the Hon'ble Special Court under PMLA, filed an application under Section 8(8) of the Act for restitution of the attached assets. In a significant move towards victim redressal, the Hon'ble Special Court, vide order dated 10.02.2025, allowed the restitution application and directed that an amount of ₹89.75 lakh be returned to the victims. This way the gullible parents got back the money which was fraudulently taken by the college management.

18. M/s. SRD Commercial Pvt. Ltd. & Bhagwati Life Style Pvt. Ltd.



In a bank fraud case, directors of SRD Commercial Pvt. Ltd. & Bhagwati Life Style Pvt. Ltd. availed credit facilities on the basis of fake/ forged documents. The loan taken in this manner was never repaid causing loss to the lending bank. Assets illicitly generated by commissioning of offence were identified and subsequently attached by ED. The directors of the companies absconded after commissioning of offence and were thus declared Proclaimed Offenders by the Special Court upon ED's application. Subsequently, SBI filed application u/s 8(7) and 8(8) of PMLA praying for restitution of the assets attached by ED. On the basis of NOC filed by ED, the Special Court (PMLA) allowed the application and ordered restitution of properties worth ₹10.48 crore to SBI under Sections 8(7) and 8(8) of the PMLA, 2002.

19. M/s Saravana Stores and Others

In a major bank fraud case, Saravana Stores, Chennai defrauded Indian Bank by way of submission of fabricated documents for availing loan from the bank. The bank was defrauded for more than ₹ 300 Crores. Investigation in this matter was initiated in 2022. The investigation under PMLA led to attachment of illicitly amassed assets to the tune of ₹ 274.75 Crore by ED in 2022, 2023. Further Prosecution Complaint was filed in the case in January, 2024. During the course of trial the victim bank i.e., Indian Bank approached the Special Court praying for restoration of assets attached by ED on 12.02.2025. In the case, Special Court speedily ordered for restoration of attached assets to the tune of ₹ 235 Crore to the defrauded bank on 17.02.2025, i.e., within 5 days of filing of application.



20. M/s. Sri Guru Raghavendra Sahakara Bank



In a bank fraud case, Sh. Mannur Vasudeba Maiya, a senior official of Sri Guru Raghavendra Sahakara Bank exercised unchecked authority to sanction large unsecured loans to 24 selected beneficiaries, including top management personnel. To orchestrate the fraud, bogus deposit accounts were opened to facilitate loan disbursements in violation of RBI guidelines. The funds of the bank were thus misappropriated by the officials of the bank. In the case, illicitly acquired assets by commission of the fraud were attached by ED. Subsequently, in June 2024, the Competent Authority under the Karnataka Protection of Interest of Depositors Act, 2004, filed an Interlocutory Application before the Special Court (PMLA) under Sections 8(7) & 8(8) of PMLA, seeking restoration of attached properties valued at ₹ 50 crore on 17.02.2025, the Special Court (PMLA) allowed the application and ordered for restoration of assets to the competent authority.

21. T.V. Krishna Rao & Others

In a cheating and bank fraud case, Sh. T.V. Krishna Rao, in connivance with the bank manager and unknown officials of Northern Coalfield Limited (NCL), allegedly defrauded the bank by submitting forged deposit receipts from NCL. The withdrawn funds were transferred to various personal/company accounts and a major portion was withdrawn in cash and used to settle both accounted and unaccounted liabilities/loans, thereby projecting the illicit money as legitimate. During investigation various assets in the name of accused individuals were attached by ED. During the trial in PMLA Court, The victim bank i.e., Central Bank of India filed a restoration application under Section 8(8) of PMLA. Based on the application, the Hon'ble Special Court (PMLA) ordered restitution of assets worth ₹ 1.02 crore to Central Bank of India vide order dated 18.02.2025.



22. Agri Gold Group

The Agri Gold Group lured innocent investors by offering them plots at an “offer price” with the promise of either land at higher value or money return with huge appreciation upon maturity. The firm collected deposits under pre-defined lock-in periods and followed a money circulation scheme on an MLM pattern, using new investor funds to repay earlier investors. The collected amounts were diverted to unrelated businesses like power, infra, software, and mining, and several properties were acquired in personal/benami names of promoters. Thus, thousands of crore of funds was duped from innocent investors. During the investigation ED attached assets worth thousands of crore in the name of name of various directors and associates of Agri Gold Group of Companies. In the case overlapping attachment over several assets was made by ED and CID, Andhra Pradesh under APPDFE Act, 1999.

Thus, to smoothen the process of restitution to the innocent investors, ED filed an application before the Special Court (PMLA) on seeking restoration of assets having market worth of ₹ 6000 crore to the CID, Andhra Pradesh Police for redistribution to defrauded investors. The same was allowed by the Special Court vide order dated 21.02.2025.



23. I Monetary Advisory Pvt. Ltd. (IMA Group)

This case pertains to a large-scale investment fraud involving I Monetary Advisory Pvt. Ltd. (IMA), based in Bengaluru. Investigations in the case revealed that Shri Mohammed Mansoor Khan initially operated a proprietorship firm, M/s I Monetary Advisory (IMA), with assistance from his Chartered Accountant, Shri Iqbal Khan and other associates. He expanded the operation by floating multiple entities, including companies, LLPs, co-operative societies, and charitable trusts under the IMA Group umbrella. These entities solicited investments from the public by offering assured high returns on the investment of the investors. In this manner thousands of crore was collected from gullible investors across various regions. Further, during investigation, proceeds of crime (PoC) to the tune of ₹294 crore was identified and attached by ED. Subsequently, the competent authority appointed under Karnataka Protection of Interest of Depositors in Financial Establishments (KPIDFE) Act filed Petition before the Hon'ble Karnataka High Court, seeking possession of the properties attached by the ED in the IMA case. The Hon'ble High Court allowed the petition and properties worth ₹294 crore have been restored for the purpose of victim compensation.



24. M/s PSL Ltd. and Others

In a bank fraud case, M/s PSL Limited and its directors, deceitfully availed various credit facilities from the Bank of Baroda by submitting forged and fabricated documents. The funds so obtained were subsequently misappropriated and diverted for personal use by the company's directors. No repayment was made to the bank, resulting in substantial wrongful loss to the financial institution. Investigation under the Prevention of Money Laundering Act led to attachment of assets worth ₹ 274.6 crore belonging to M/s PSL Limited and its directors. Subsequently on the basis of application filed by the liquidator appointed by the National Company Law Tribunal, Special Court, vide order dated 27.02.2025, restored the attached assets to the liquidator.

25. M/s GDS Builders, M/s Surnag Builders and Others

In a bank fraud case, huge amount of loans were sanctioned by Union Bank of India and Indian bank on fictitious and forged documents to M/s GDS Builders, M/s Surnag Builders and others in connivance with the bank officials. The funds so obtained were subsequently misappropriated and diverted for other purposes by the firms and their partners. No repayment was made to the banks, resulting in wrongful loss to the financial institution. During investigation under the PMLA, the Enforcement Directorate conducted searches at premises connected to the fraud and attached assets worth ₹ 21 crore illicitly amassed by the partners of the accused firms. Subsequently, Indian Bank- one of the defrauded bank had filed application u/s 8(8) of PMLA, 2002 before the Special Court for restoration of the assets attached by ED. Thereafter, Special Court vide order dated 27.02.2025 ordered for restoration of the assets worth ₹ 5.17 crore to the Indian Bank.



26. M/s S. T. Impex Pvt. Ltd. and M/s S. T. Enterprises

This case involves a large-scale bank fraud wherein certain individuals, in connivance with others, were defrauded Bank of Baroda and causing a wrongful loss of thousands of crore. It was revealed during investigation that funds amounting to thousands of crore were illicitly remitted to various entities based in Hong Kong and Dubai under the pretext of advance import remittances and software imports. However, no actual imports occurred. The accused persons submitted forged documents to the bank in order to facilitate these fraudulent foreign remittances, working in connivance with corrupt bank officials. ED commenced an investigation under PMLA and attached several assets belonging to the accused company and its directors. In the case, SBI bank filed an application under Section 8(8) of PMLA seeking restoration of mortgaged properties belonging to M/s S. T. Impex Pvt. Ltd. and M/s S. T. Enterprises. Subsequently, the Hon'ble Special Court (PMLA), vide order dated 07.03.2025, allowed the application filed by State Bank of India under Section 8(8) of PMLA and ordered the restitution of attached properties worth ₹ 13.58 crore.



27. M/s Aryarup Tourism and Club Resort Pvt. Ltd.

M/s Aryarup Tourism and Club Resort Pvt. Ltd. lured the innocent public by floating various deceptive investment schemes promising abnormally high returns. Through these schemes the company collected substantial sums from investors but failed to honour its commitments, thereby defrauding a large number of individuals. Following an extensive investigation under the PMLA, the ED attached several assets amassed by the accused company and its directors by cheating the gullible investors. Subsequently, the Hon'ble Special Court, vide order dated 07.04.2021, directed the confiscation of these properties under Section 8(7) of the PMLA. Subsequently, competent authority under MPID Act, moved an application before the Special Court (PMLA) seeking modification of the confiscation order dated 07.04.2021. Recognising the larger interest of the bona fide victims and claimants, the Enforcement Directorate supported the plea for appropriate relief. In response, the Hon'ble Special Court (PMLA), vide its order dated 11.03.2025, directed the restoration of properties amounting to ₹52.83 crore to the MPID Authority.



28. M/s Ambidant Marketing Pvt. Ltd.



M/s Ambidant Marketing Pvt. Ltd. (AMPL) and its directors lured the public by floating various investment schemes offering superficial monthly profits/ returns on investments. To attract more investors, AMPL also announced rewards such as cars, motorcycles, and mobile phones for high-value investors. Through these fraudulent practices, the accused collected investments amounting to several crore from the general public. These proceeds of crime were diverted for personal gains and used to acquire immovable properties.

ED initiated an investigation under PMLA and identified proceeds of crime illicitly acquired and attached the same under PMLA, 2002. During PMLA trial, an Interlocutory Application dated 14.06.2024 was filed under Sections 8(7) and 8(8) of PMLA before the Special Court (PMLA) by the competent authority appointed under the KPIDFE Act for restoration of assets attached by ED. In this regard, the Hon'ble Special Court (PMLA) passed an order on 12.03.2025 allowing restitution of properties worth ₹3.8 crore to the victims through the competent authority under the KPIDFE Act.

29. Lamjingba Finance

This case involves a large-scale financial fraud perpetrated by Lamjingba Finance, which operated an unauthorised deposit scheme across the state of Manipur. The firm lured unsuspecting investors with the promise of unusually high monthly interest rates ranging from 2% to 3.5%, depending on the tenure of investment plans, and the company falsely projected itself as a stable and secure long-term private investment entity. Through these fraudulent schemes, M/s Lamjingba finance mobilised unauthorised deposits amounting to hundreds of crore from more than 15,000 investors. The collected funds were systematically diverted and utilised for acquiring a range of movable and immovable properties, many of which were held in the names of group companies or individuals connected to the accused. Following the investigation by ED, properties worth approximately ₹ 63 crore were provisionally attached by the ED.

In pursuit of justice for defrauded investors, the Enforcement Directorate brought to the attention of the Hon'ble Special Court (PMLA), Imphal, various precedents where illegally acquired assets were restored to victims in similar cases. Recognising the gravity of the fraud and in the interest of public justice, the Hon'ble Special Court ordered the restoration of attached properties valued at ₹ 63 crore to the rightful victims.



30. M/s G. S. Oils Ltd.

M/s G.S. Oils Ltd. fraudulently opened Letters of Credit (LCs) in favour of various entities by submitting forged documents. The proceeds from discounting these LCs were routed through various accounts and ultimately credited into the cash credit account of M/s G.S. Oils Ltd., from which the amount was withdrawn in cash. Additionally, the company availed further credit facilities from other banks and NBFCs without informing State Bank of India. The Enforcement Directorate initiated investigation under PMLA and attached several illicitly amassed assets belonging to the accused company and its directors. During the trial under PMLA, applications under Section 8(8) of PMLA were filed by SBI on praying for restitution of assets worth ₹ 62.3 crore attached by ED. Subsequently, the Special Court vide order dated 24.03.2025 allowed SBI's application and ordered restitution of attached properties worth ₹ 62.30 crore to the claimant bank.

Value of assets deprived of as on 31.03.2025

S. No.	Description		Total no. / amount (in ₹ cr)
1.	Amount of confiscation under Section 8(5) of PMLA (Rs. in crore)		62.41
2.	Amount of confiscation under Section 8(7) of PMLA (Rs. in crore)		15667.71
3.	Total amount of confiscation under PMLA (Rs. in crore)		15730.12
4.	Amount of confiscation under FEAO (Rs. in crore)		930.76
5.	Amount of assets deprived to accused under PMLA other than the confiscated amount (Rs. in crore)		15278.62
	5(a)	Amount of assets deprived to accused other than the confiscated amount under Section 8(8) of PMLA (Rs. in crore)	15018.11
	5(b)	Amount of assets deprived to accused other than the confiscated amount under Section 8(7) of PMLA (Rs. in crore)	185.13
	5(c)	Amount of assets deprived to accused other than the confiscated amount under both Section 8(7) & 8(8) of PMLA (Rs. in crore)	75.38
6.	Total amount of assets deprived to accused (Rs. in crore) {15730.121(column3: confiscation under PMLA) + 930.758(column4: confiscation under FEAO)+15278.61 (column 5: other assets deprived)}		31939.50
7.	Amount of property restituted to victims of Money-laundering/Legitimate Claimants (Rs. in crore)		30462.80

As can be seen from the table above, ED remains diligently focussed on depriving criminals of their assets derived from proceeds of crime and to that end, the total assets deprived from the hands of criminals as on 31.03.2025 is Rs. 31,939.50 crore out of which Rs. 30,462.80 crore (95.4%) has been restituted to the rightful claimants/victims.

The Way Forward:

ED remains fully committed to help victims of financial crimes. ED would continue to work with the aims to achieve at least an additional ₹15,000 crore in restitution in 2025-26. ED will keep working closely with banks, courts, association of victims and other agencies to meet this target. The focus will remain on timely action and justice for victims.

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Efforts and Challenges Towards Timely Completion of Investigation & Trial

Investigation and Trial under the Prevention of Money Laundering Act, 2002



The Directorate of Enforcement is empowered under the Prevention of Money Laundering Act, 2002, to detect, investigate, and prosecute offences of money laundering. The Act provides a comprehensive legal framework that enables effective enforcement action to trace, attach, and confiscate the proceeds of crime and punish the offenders. The following section outlines the key stages and tools of investigation exercised under PMLA by the Directorate:

Enforcement Case Information Report

The Enforcement Case Information Report (ECIR) is the initial step in a money laundering investigation. Though not a statutory document, it serves as an internal record, marking the commencement of inquiry or investigation by ED based on material indicating suspected laundering of proceeds of crime. Total number of ECIRs recorded by ED as on 31.03.2025 are 7771.

Section 2(1)(u) of the PMLA defines "investigation" specifying that it includes all proceedings for evidence collection conducted by the Director or authorised officers under the Act.

It is a known fact that the main object of PMLA is to prevent money laundering. The economic health of the State needs to be protected and money laundering scars the economic condition of our great nation as a whole. It tends to hamper the economic growth of a country. The sufferers ultimately will be the common man. Legislations like PMLA is to protect the interest of the common man. Money Laundering tends to affect the economic aspects leading to a vicious cycle, whereby the consequential ill effects of money laundering tend to burden the common man. Hence, a free and fair investigation into these offences is a prerequisite.



- Hon'ble Madras High Court

The Hon'ble Supreme Court, in *Vijay Madanlal Choudhary & Ors vs Union of India*, interpreted the term “investigation” to include inquiries undertaken for confirmation of provisional attachment and related proceedings. The scope encompasses prevention, attachment, adjudication, and confiscation of PoC, ultimately aimed at combating money laundering.

Tools of investigation under PMLA

The PMLA establishes an independent enforcement mechanism, granting wide-ranging investigative powers to ED officers, including:

- Provisional attachment of property
- Survey, search, seizure, and freezing of assets
- Personal search and arrest of suspects
- Issuance of summons
- Initiation of prosecution and confiscation proceedings
- International Cooperation

These powers are accompanied by procedural safeguards to ensure fairness and transparency.

Provisional Attachment Order

Chapter III of PMLA, 2002 deals with the attachment, adjudication, and confiscation of proceeds of crime. Under Section 5 of the PMLA, the Director or officers authorised not below the rank of Deputy Director can provisionally attach properties suspected to be proceeds of crime, subject to certain conditions. This includes recording reasons in writing and belief that the property may be concealed or dealt with to frustrate confiscation proceedings.

The mechanism ensures the offender does not continue to benefit or enjoy proceeds of crime from illicit assets while the legal process is underway. Total number of Provisional Attachment Orders issued as on 31.03.2025 are 2789 in numbers and amounting to Rs. 1,54,593 Crore (in value). The pursuit of proceeds of crime by ED has been dealt in detail in Chapter 3.

Survey

Section 16 of PMLA empowers authorised officers to conduct a survey of any premises based on recorded belief that an offence under the Act has been committed. During surveys, officers may inspect books of accounts, place identification marks on records, prepare inventories, and record statements.

Search and Seizure

Section 17 of PMLA enables search and seizure operations where there is reason to believe that a person is in possession of proceeds of crime or relevant records. Officers may search premises, seize property, extract copies of documents, and record statements under oath. In order to ensure the sanctity of the search and seizure and to ensure the safeguards in the exercise of power conferred under Section 73 of the of the PMLA, 2002, the Central Government has framed “the Prevention of Money-Laundering (Forms, Search and Seizure or Freezing and the Manner of Forwarding the Reasons and Material to the Adjudicating Authority, Impounding and Custody of Records and the Period of Retention Rules, 2005.

Search of Persons

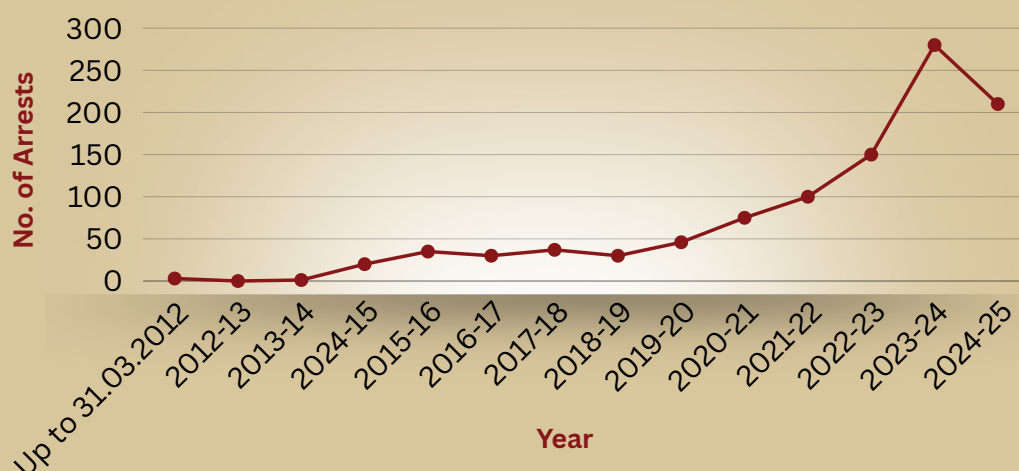
Section 18 of PMLA empowers authorised officers to search individuals suspected of concealing records or proceeds of crime. Such searches must be based on recorded reasons and are conducted in accordance with prescribed procedures to ensure accountability.



Arrest

Section 19 of the Prevention of Money Laundering Act, 2002 outlines the procedure and legal mandate for arresting a person accused of money laundering. Sub-section (1) empowers specified authorities—namely the Director, Deputy Director, Assistant Director, or any other officer authorised by the Central Government—to arrest an individual if there is material in their possession giving rise to a reason to believe, duly recorded in writing, that the person has committed an offence punishable under the Act.

Number of Arrests by ED over the years



This power to arrest is accompanied by built-in legal safeguards to ensure fairness and transparency in enforcement:

Following the Supreme Court judgment in Pankaj Bansal vs Union of India, 2023 SCC OnLine SC 1244, ED officers are mandated to furnish the written grounds of arrest to the person being arrested in writing.

Disclosure of reasons to believe: In line with the judgment in Arvind Kejriwal vs Directorate of Enforcement, 2024 SCC OnLine SC 1703, ED officers provide the copy of the recorded reasons to believe at the time of arrest.

Forwarding to Adjudicating Authority: A copy of the arrest order and the supporting material is forwarded in a sealed envelope to the Adjudicating Authority, which is obligated to preserve it for the prescribed period under the relevant Rules. This serves as an accountability measure to ensure the integrity of the arrest procedure.

Mandatory production before a magistrate: As per statutory requirements under Section 19 of PMLA and Section 187 of the Bharatiya Nagarik Suraksha Sanhita (BNSS), any person arrested must be produced before a Special Court or Judicial Magistrate within 24 hours of arrest, excluding the time necessary for travel.



Filing of Prosecution Complaint

Upon conclusion of investigation under PMLA qua person(s) or property(s) linked to the offence of money laundering, the authorised officer files a Prosecution Complaint before the Special Court under PMLA, in accordance with Section 44 read with Section 45 of the PMLA, 2002.

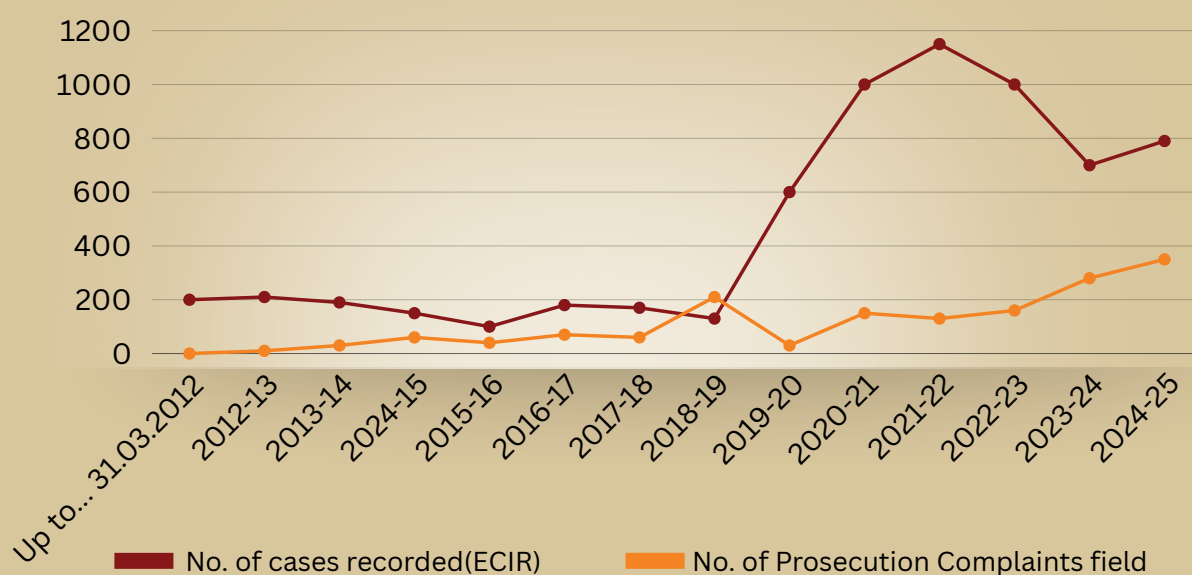
These Special Courts are designated under Section 43 of the PMLA, and are empowered to try offences under the Act. Currently, there are a total of 100 Special PMLA Courts operational across the country to handle trials under this legislation.

Where no offence of money laundering is made out after investigation, the Directorate also files a Closure Report in terms of the proviso to Section 44(1)(b) of the Act.

COMPLAINT

Year	ECIRs Recorded	PCs Filed
up to 31 . 03 . 2012	1474	31
2012-13	224	12
2013-14	185	41
2014-15	181	64
2015-16	110	57
2016-17	187	99
2017-18	163	92
2018-19	152	234
2019-20	557	55
2020-21	996	140
2021-22	1116	128
2022-23	953	172
2023-24	698	281
2024-25	775	333
Total	7771	1739

YEAR-WISE TREND OF ECIRs & PCs.



The graph above clearly represents the shift of focus on completion of all investigations and the filing of Prosecution Complaints, to enable trial and final conviction of the offenders and confiscation of the proceeds of crime.

Trial under PMLA

The conduct of trial is governed by the procedure laid down under the Code of Criminal Procedure, 1973 or the Bharatiya Nagarik Suraksha Sanhita, 2023 (BNSS), as applicable. Trials are conducted in the manner prescribed for a Court of Session, ensuring procedural integrity and judicial oversight. The trial under PMLA commences once charges are framed by the Special Court, a process that itself is often complex and time-consuming. This is primarily due to the intricate nature of money laundering offences, which typically involve complicated financial transactions, multiple layering of funds, and a large number of witnesses whose testimonies are crucial to establish the chain of money laundering.



Conviction under PMLA



Following the completion of trial proceedings, convictions are awarded in accordance with the gravity of the offence. Under the PMLA, the maximum punishment for money laundering is rigorous imprisonment of up to 7 years. In cases where the predicate offence is related to the Narcotic Drugs and Psychotropic Substances (NDPS) Act, the term of imprisonment may extend up to 10 years, reflecting the severity of such crimes.

As on date, a total of 47 PMLA cases have been disposed of through final court orders. Out of these 47 cases, the ED has successfully secured convictions in 44 cases, leading to the conviction of 100 persons. **This translates to a conviction rate of approximately 93.6%**, highlighting the effectiveness of the Directorate's investigation and prosecution processes under the PMLA framework.

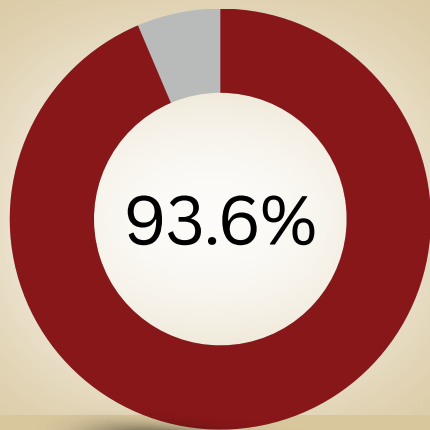
NUMBER OF CONVICTIONS UNDER PMLA

A fact based perspective

As on date, a total of 47 PMLA cases have been disposed off through final court judgements. Out of these, convictions have been secured in 44 cases, resulting in conviction of 100 individuals.

It is pertinent to note that the conviction rate is a measure of outcomes in disposed cases, and not a ratio of convictions to total number of ongoing investigations or pending trials.

CONVICTION STATISTICS



NO. OF CASES DISPOSED

47

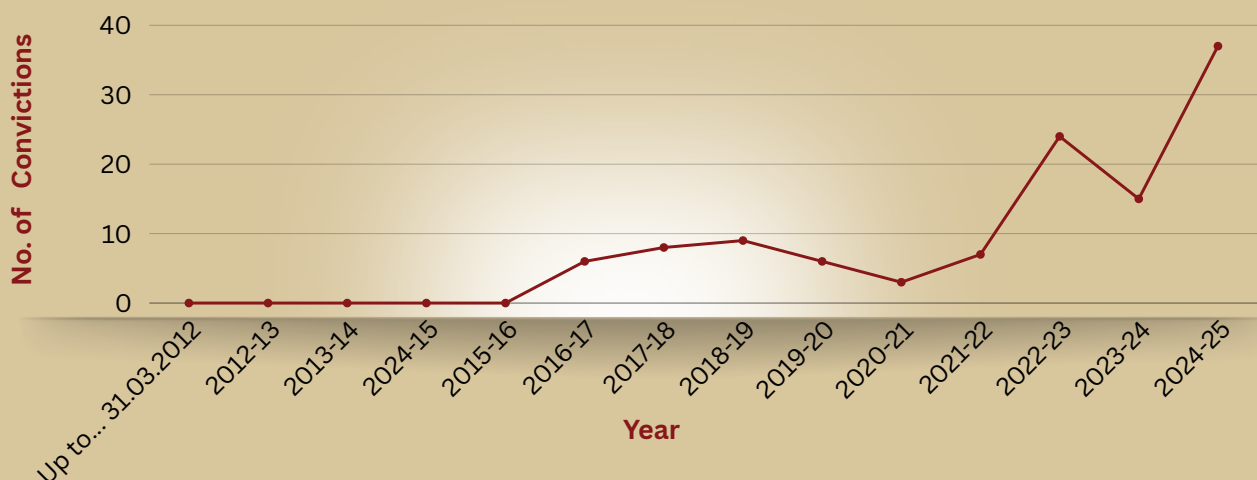
NO. OF CONVICTED CASES

44

TOTAL CONVICTIONS

100

YEAR-WISE TREND OF NO. OF CONVICTIONS



As is evident from the graphical representation above, the number of persons convicted per year keeps getting increased and there has been a conscious focus on expediting the investigation and urging the courts to fast track the trials in order for the criminals to meet the end of justice.

Challenges in Expeditious Completion of PMLA Trials

While the legal framework under PMLA provides for a structured mechanism for prosecution, the timely completion of trials continues to face several systemic and procedural hurdles.

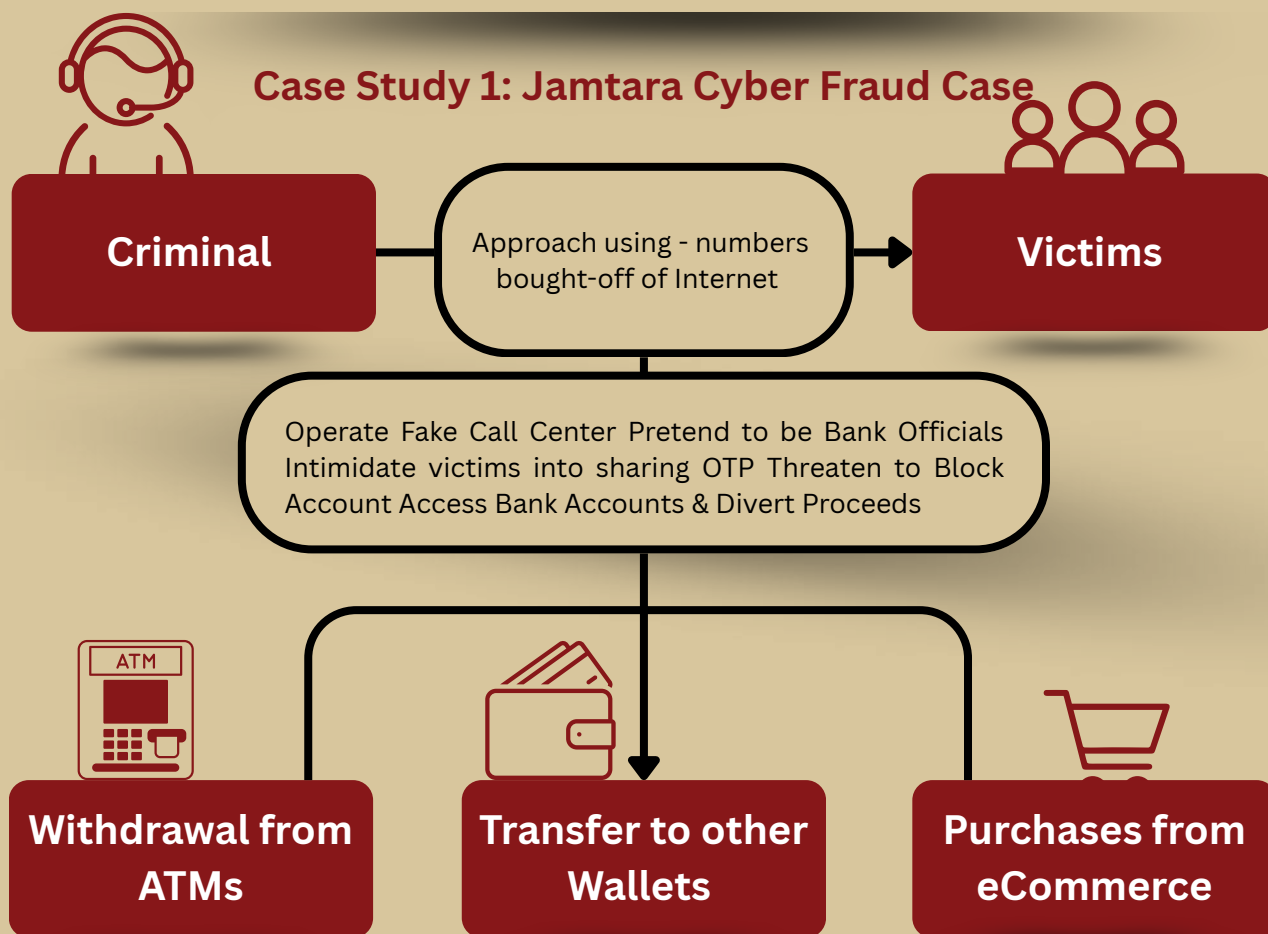
A primary challenge is that prosecution of money laundering cases is intrinsically linked to the progress of the investigation or trial of the corresponding predicate offence. Delays in those proceedings invariably impact the PMLA trials.

Further, PMLA investigations typically involve complex financial structures, large volumes of financial data, and often cross-border transactions. This demands intensive forensic analysis and extensive documentation, thereby prolonging the scrutiny required during trial. The volume and complexity of evidence significantly contribute to delays.

Despite the establishment of 100 Special PMLA Courts across the country, judicial resources remain stretched, as many of these courts are also burdened with cases under other statutes. Trials are frequently interrupted by the filing of interlocutory applications, writ petitions, and bail matters—some of which reach the High Courts and the Supreme Court—thereby impacting the continuity and expeditious disposal of trials under the Act.



Successful examples of conviction secured in cases by ED

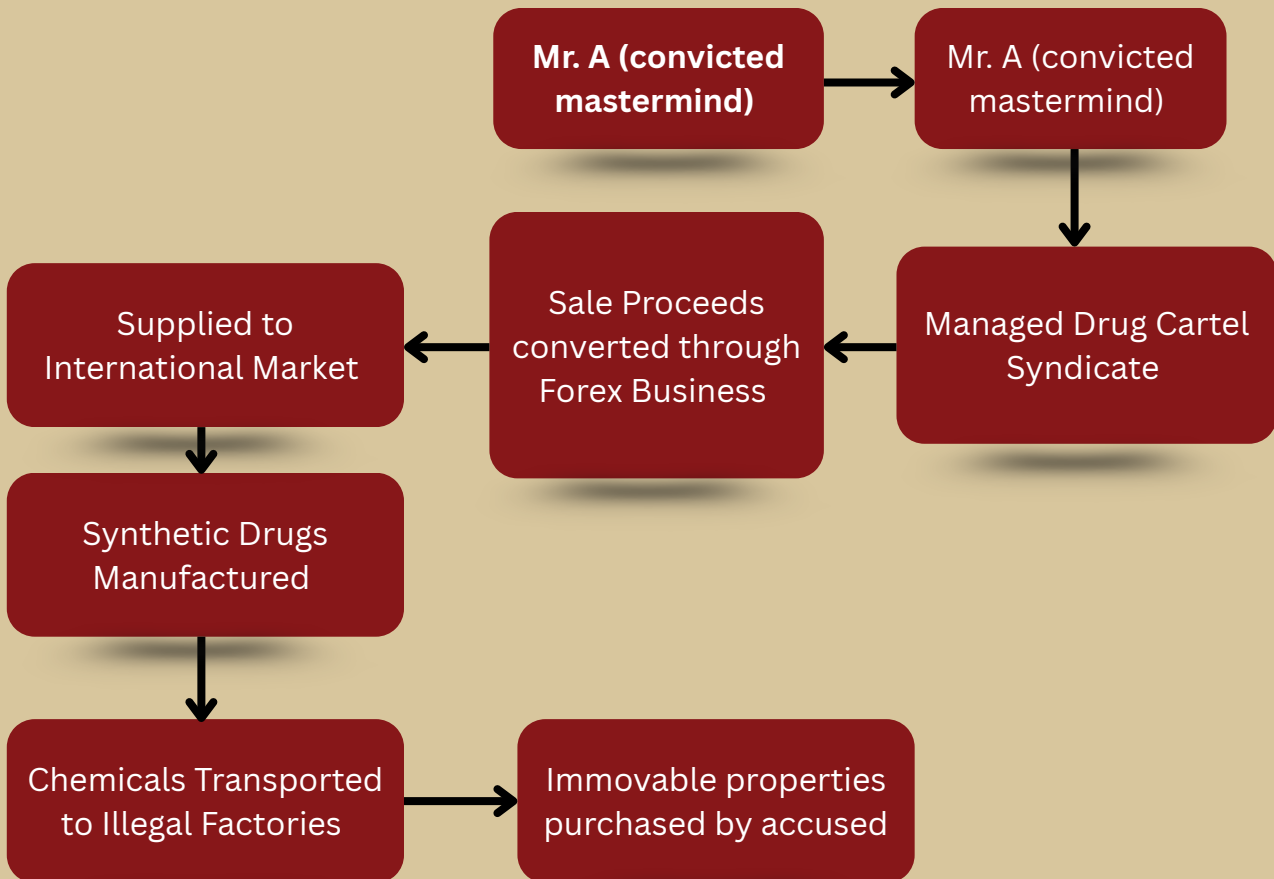


Investigations under PMLA were launched based on a chargesheet from Narayanpur Police Station against Pradeep Kumar Mandal and others for illegally withdrawing/transfer ring money from others' bank accounts and ATMs. The FIR cited sections of the IPC and Information Technology Act, leading to Mandal's arrest and seizure of properties worth ₹67.81 lakhs, along with mobiles and SIM cards.

PMLA probes uncovered that Mandal and associates ran a fake call center, posing as bank officials to scam people. They obtained sensitive details like OTPs by threatening to block ATM cards, enabling unauthorized transactions. Investigations revealed large illicit deposits in the accused's accounts via IMPS, UPI, e-wallets (Paytm, m-Pesa, PhonePe), and cash from across India. These proceeds were either transferred to other accounts controlled by the accused or withdrawn as cash, primarily used for buying properties, household expenses, and constructing Mandal's house.

Under PMLA, ₹1.81 lakhs of proceeds were seized/frozen, and ₹65.99 lakhs were attached. Prosecution complaints were filed, seeking confiscation of the attached properties. On 23.07.2024, the Special PMLA Court in Ranchi convicted five accused—Ganesh Mandal, Pradeep Kumar Mandal, Ankush Kumar Mandal, Santosh Mandal, and Pintu Mandal—for money laundering. Each received five years of rigorous imprisonment, a ₹2.50 lakh fine (with an additional six months' imprisonment if unpaid), and the court ordered confiscation of seized/attached properties.

Case Study 2: Bhola Drug Case



Multiple FIRs registered by Punjab Police under various Sections of the NDPS Act across Punjab and challans were filed in those cases in the competent court. The allegation was that the accused persons were indulging in manufacturing/smuggling of Narcotics & Synthetic Drugs on a large scale and drugs valuing in crores of rupees were seized by the police authorities. Investigation under PMLA was initiated on the basis of those FIRs/Challans.

ED investigation revealed that the accused person in connivance with others managed an international drug syndicate wherein synthetic drugs were manufactured in illegal factories and supplied to international drug market. The sale proceeds were converted through forex exchange business under the control of the accused person and the proceeds were used for acquiring immovable properties in the name of the accused person's families and relatives. During investigation by ED, 19 searches were conducted, 7 individuals were arrested, proceeds of crime amounting to Rs. 95.21 crore have been attached & 7 Prosecution Complaints have been filed.

In this case, the Special Court PMLA has decided 1 Main Prosecution Complaint & 3 Supplementary Complaints and convicted 17 accused persons. Also, Court has also confirmed the confiscation of movable properties and immovable properties in respect of assets attached by the ED. Assets worth approximately Rs. 10 crore have been ordered for confiscation.

Some important judgements pertaining to ED

“

Copy of 'Written grounds of Arrest' is furnished to the arrested persons as a matter of course.

”

Pankaj Bansal vs Union of India, 2023 SCC OnLine SC 1244

“

“Reasons to believe” should be furnished to the arrestee.

”

Arvind Kejriwal vs Directorate of Enforcement Criminal Appeal No.2493 of 2024

“

In order to avail the Right to fair trial, the accused cannot be denied the Right to have inspection of documents including the 'unrelied upon documents'.

”

Manish Sisodia Vs Directorate of Enforcement SLP (Crl.) 8781 of 2024

“

Bail in the money-laundering without considering the seriousness of the crime and rigors of section 45 cannot be vindicated

”

**The Union of India through the Assistant Director vs Kanhaiya Prasad
Criminal Appeal No. 728 of 2025**

“

Section 50 of PMLA, 2002 is gender neutral as it does not make any distinction between a man and a woman.

”

**Abhishek Banerjee Vs
Directorate of Enforcement
Criminal Appeals 2221-2222
/2023(SC)**

“

The act of laundering money is not a one-time occurrence but rather a process that continues so long as the benefits derived from criminal activity remain in circulation within the financial system or are being actively utilized by the accused.

”

**Pradeep Nirankarnath Sharma
vs Directorate of Enforcement &
Anr.
2025 Live Law (SC) 311**

“

A person need not be named as accused in complaint to retain seized property under section 8(3) of PMLA, 2002.

”

**Union of India vs J.P. Singh
2025 LiveLaw (SC) 338**

“

A Summons issued u/s 50 of PMLA cannot be quashed solely on the ground that the summoned individual has been discharged in the predicate offence.

”

**Director ED & Anr. vs. Vilelie
Khamo
SLP [CRL.] NO.15189/2024**

“
Constitutional validity of
Section 66(2) of PMLA
regarding sharing of
information with predicate
agencies for registration of
FIR or akin report was upheld.
”

**Ireo Pvt. Ltd. vs Union of
India & Anr.
CWP-29265/2023 (Punjab &
Haryana HC)**

“
Property purchased prior to
registration of a schedule
offence can also be attached
u/s 5(1) of PMLA.
”

**Dilbagh Singh vs Union of India
& Ors.
CWP No. 22688/2024 (Punjab &
Haryana HC)**

“
A witness in the predicate
offence case can be an accused
under PMLA investigation as
offence of money-laundering
has separate & distinct
ingredients.
”

**Ramesh Chandra Singh vs
Directorate of Enforcement
C.R.R. 3468 of 2018 (Calcutta
HC)**

“
Offence of money-laundering
is an independent offence
wherein an accused would
have independent remedies
in case of violation of
statutory provisions.
”

**Dr. Manik Bhattacharya Vs.
Ramesh Malik and Ors.2022 SCC
Online SC 1465**

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Pursuing Fugitives Beyond Borders

Pursuing Fugitives Beyond Borders

Over time, a disturbing trend has been noticed wherein economic offenders flee the country with their proceeds of crime to avoid prosecution.

After defrauding the Indian public at large, these criminals resorted to offshore concealment of their illicit wealth in safe havens. They have normally been seen to seek refuge in countries that have weak extradition laws, making it difficult for Indian authorities to bring them back to face charges.

The increasingly transnational nature of economic crimes was affecting our country's ability to trace, confiscate, and repatriate the proceeds of crime and extradite these fugitives.

Recognizing the need to deal with such criminals effectively, Fugitive Economics Offender Act 2018 (FEOA) was introduced as a special statute to compel appearance of these criminals.

ED is the only agency tasked with enforcing FEOA


The Act provides an opportunity to such Fugitive Economic Offender (FEO) evading the law, to appear before it or accept confiscation of their properties.



14

Individuals have been declared Fugitive Economic Offenders under FEOA over the last 5 years.

Value of properties confiscated under FEOA over the last 5 years.



930 cr

m A m Process



FEOA envisages a straight-forward investigation grounded in the rule of law and principles of natural justice. The following stages are involved in a FEOA investigation:

1. Application: Authority not below the rank of Deputy Director (DD) files an application before the Special Court to declare an individual a FEO.

2. Attachment: The DD may attach any property listed in the Application with permission of the Special Court, and may even provisionally attach any other property prior to filing of the Application.

3. Search & Seizure: The DD may conduct search, seizure, or survey based on Reasons to Believe that records or Proceeds of Crime linked to the crime.

4. Notice: The Special Court issues a notice requiring the individual to appear in person to face trial, failing which the individual is declared a FEO.

5. Proceedings: If the individual appears in person, FEO proceedings are terminated. If the person appears through counsel, the Special Court may allow a written reply.

6. Confiscation and Management:

After hearing the application, the Special Court may declare the person an FEO and may confiscate properties of an FEO which are proceeds of crime, benami properties, or any other properties. Subsequent to confiscation, these properties can be auctioned to recover PoC. The judgement is subject to appeal.



is a Fugitive Economic Offender?



Arrest Warrant is issued by a Court for committing Scheduled Offence under FEOA.



55 offences under 12 statutes in the schedule covering various offences including money laundering.



Individual has left the country and refuses to return to face criminal prosecution

Achievements in Implementation of

m A

In enforcing FEOA, ED has been able to establish a balance between the need of ensuring a fair trial of the accused and protecting the legitimate interests of victims.

Since inception, till date, action under FEOA has been initiated against 26 individuals, 14 of whom have been declared as FEOs by the Special Courts. Through action under this Act, ED has been successful in getting 1 individual to return to the country and joining the prosecution proceedings.

▶ Vijay mallya	22-06-2018	05-01-2019
▶ Nirav Modi	10-07-2018	05-12-2019
▶ Nitin Sandesra	26-10-2018	28-09-2020
▶ Chetan Sandesra	26-10-2018	28-09-2020
▶ Dipti Sandesra	26-10-2018	28-09-2020
▶ Hitesh Narensrabhai Patel	26-10-2018	28-09-2020
▶ Hajra Iqbal Memon	04-12-2020	26-02-2021
▶ Zunaid Iqbal Memon	04-12-2020	26-02-2021
▶ Asif Iqbal Memon	04-12-2020	26-02-2021
▶ Ramachandran Viswanathan	04-05-2022	08-06-2023
▶ Ramanujam Sesarathnam	27-01-2023	29-07-2023
▶ Sudarsan Venkatraman	27-01-2023	29-07-2023
▶ Pushpesh Kumar Baid	18-04-2023	05-01-2024
▶ Bhupesh Arora	24-10-2024	22-01-2025
▶ Atul Bansal	22-07-2022	Died
▶ Sona Bansal	22-07-2022	Joined Prosecution
▶ Mehul Choksi	10-07-2018	Sub-judice
▶ Nitish Thakur	25-01-2019	Sub-judice
▶ Jatin Mehta	25-06-2019	Sub-judice
▶ Zakir Naik	23-09-2019	Sub-judice
▶ Sanjay Bhandari	13-12-2019	Sub-judice
▶ Ashoni Kanwar	19-09-2024	Sub-judice
▶ Mandeep Rana	19-09-2024	Sub-judice
▶ Rashid Naseem	25-09-2024	Sub-judice
▶ Sourabh Chandrakar	28-10-2024	Sub-judice
▶ Ravi Uppal	28-10-2024	Sub-judice

Deterring the FEO from enjoying the proceeds of the crime is the only way of disincentivizing future economic crimes.

The efforts of ED under FEO Act 2018 compliment its efforts at seeking justice through international cooperation, issuance of Red Notices, increasing extradition and surrender treaties, and pushing for non-conviction-based-confiscation at both domestic and international platforms as well. Recently, non-conviction based confiscation was added to Recommendation-38 of the Financial Action Task Force (FATF).





Attached

In its pursuit to “Find the money”, ED has successfully accomplished the confiscation of assets worth more than ₹900 crore under FEOA. Further confiscation of over ₹20,000 crores has been sought by ED before the Special Courts.



The introduction of the FEOA marks a pivotal shift in India’s approach to addressing economic offences, demonstrating the government’s commitment to maintain economic stability and curbing illicit fund flows. To avoid procedural delays and complexities, the FEOA has enabled robust framework for swift action against individuals involved in high-value economic crimes and may go a long way towards expanding our tax base, combatting tax-motivated and ML-motivated Illicit Fund Flows, effective natural resource revenue management and promoting voluntary compliance.

AA S A
AS

Securing Foreign Exchange for the Country

Overview of FEMA

Foreign Exchange Management Act, 1999 (FEMA) was enacted to update and simplify the laws about foreign exchange. Its goal is to make external trade and payments easier and to support the orderly growth and management of foreign exchange resources.

In the 1990s, several important developments took place, such as a increase in foreign exchange reserves, growth in foreign trade, more freedom for Indian investments abroad, and greater involvement of foreign investors in India.

These changes led to the enactment of FEMA, which replaced the older Foreign Exchange Regulation Act (FERA) starting June 1, 2000. Unlike FERA, FEMA is mainly a civil law. It focuses on facilitating rather than regulating and controlling.

However, its core idea of supporting the orderly development and maintenance of India's foreign exchange remains the same.

**ED is the only agency
tasked with enforcing
FEMA**

8969 total Show Cause Notices (SCNs) have been issued, of which 7279 SCNs have been adjudicated, resulting in an 81.15% adjudication of cases.

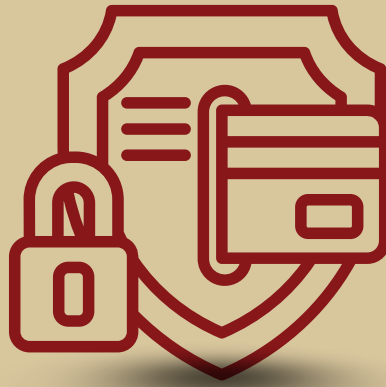
81%

40,044 Total Investigations initiated under FEMA till date, of which 18,425 cases have been closed.

Penalties levied through investigation and adjudication of Show Cause Notices in FY 24-25.



5238 CR



FEMA empowers RBI and Central government to facilitate Foreign Exchange transactions and set Rules and Regulations in line with Foreign Trade Policy of the country.

It prohibits dealing in foreign exchange except as provided in the statute, rules, regulations, and master directives.

Reserve Bank of India

RBI is the custodian of foreign exchange reserves. It issues notifications, circulars, policies, regulations, related to import-export, foreign direct investment, overseas investment, transfer of securities, dealing in foreign exchange etc. in order to regulate forex

Section 10(1) of FEMA empowers RBI to authorize any person to be known as authorized person to deal in forex as authorized dealer.

Section 11 of FEMA empowers RBI to issue directions to authorized persons. Section 12 of FEMA empowers RBI to inspect authorized persons.

The objective of the law is to effectively use foreign exchange for the development of the country, promote systematized growth, simplify external trade, remove payment disparities, and encourage foreign investments in India to increase employment and development.

Major Provisions of FEMA



RBI & Central Govt Regulate Forex Transactions



Full Current Account Convertibility



Almost all FEMA contraventions are compoundable



Penalties up to 3x of contravention amount



Sync with Foreign Trade Policy



Search & Seizure similar to Income Tax Act

Directorate of Enforcement

ED is the sole agency tasked with the responsibility for enforcing FEMA. It ensures that the rules, regulations, notifications, circulars, directives, and orders issued by the Central Government and the RBI are followed in letter and spirit.

It investigates a broad category of cases under FEMA.

A INVESTIGATED



- Under-invoiced exports and over-invoiced imports
- Non-realization of export proceeds
- Siphoning of forex against fictitious imports
- Illegal acquisition and transfer of forex through Hawala
- Violations related to Foreign Direct Investment (FDI) and Foreign Portfolio Investments (FPI)
- Restrictions on land-ownership by non-residents
- Violations under Liberalized Remittance Scheme (LRS)
- Illegal acquisition and holding of foreign exchange
- Violation of norms related to GDRs, E-commerce, external borrowings, etc
- Transfer of money from India to abroad otherwise than through Authorized Channels

Information pertaining to these violations is gathered through and received from various sources such as RBI, Banks,

Customs Department, Income Tax Department, SEBI, and various state authorities.

RBI reports to ED information pertaining to Export Outstanding Statement (XOS), non-realization of foreign exchange, pending payments against Bills of Entry (BOEs), list of Authorized Dealers in contravention of FEMA, black-listed importers and exporters.

Banks report entities for non-submission of import-export documentation, violations of NRE/NRO/FCNR account holders, misutilization of forex availed by clients.

Customs and **Income Tax** authorities report instances of smuggling, trade-based money laundering, illegal imports, and information of foreign assets received from cases under Black Money Act, 2015.

SEBI shares information pertaining to investments by overseas entities through FDI / FPI route into listed entities in India.

State Authorities report information on purchase of land by non-residents and seizure of foreign currency cases.

Other Inputs received from other government departments and private individuals through e-mails / dak.

Based on these inputs, ED begins its investigation into FEMA cases.



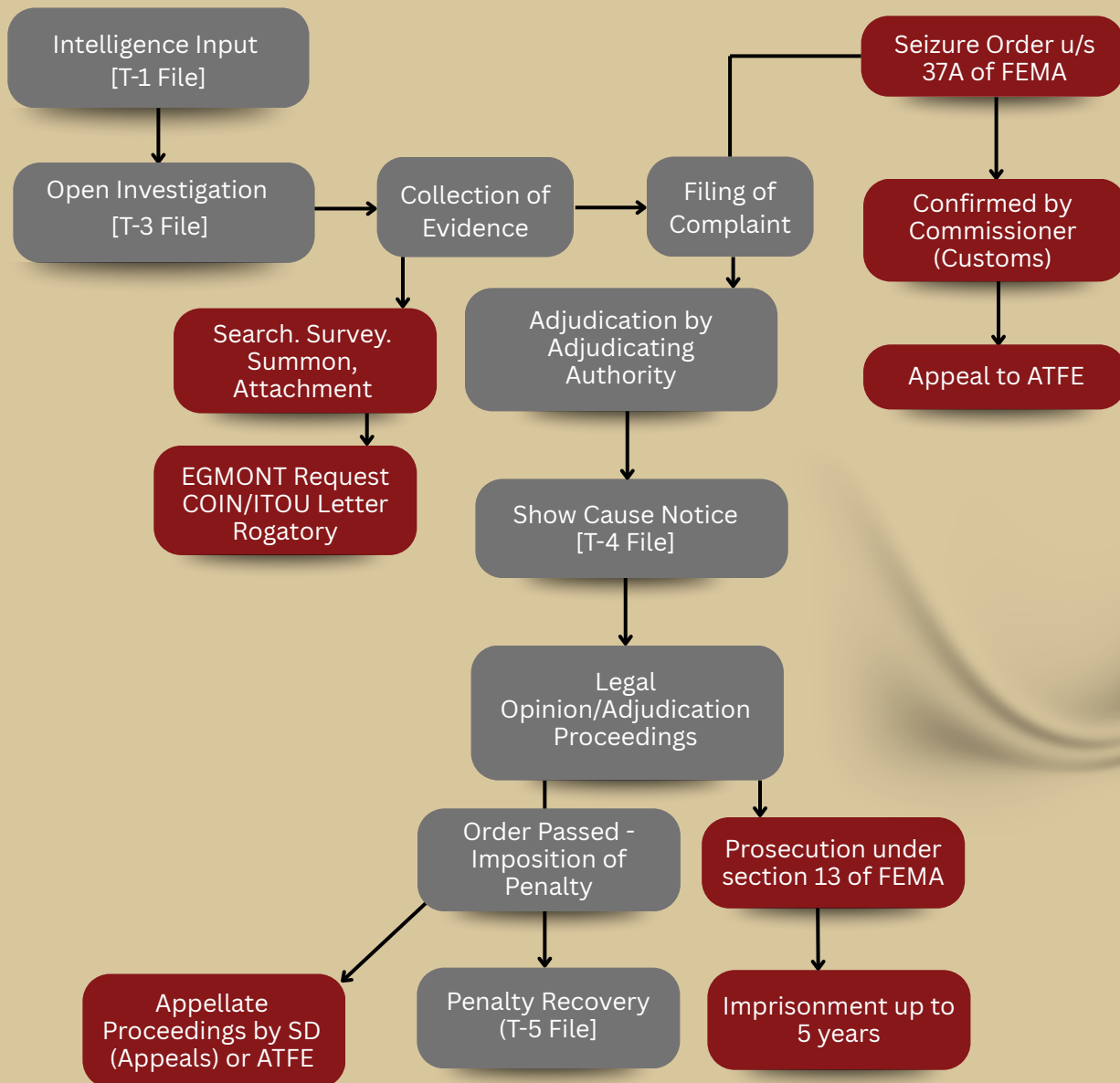


Figure: Lifecycle of an investigation under FEMA

Under the provisions of FEMA, the procedure from initiation of investigation to adjudication and logical conclusion can be divided into six stages:

- Stage I:** Collection and Analysis of Intelligence input.
- Stage II:** Investigation
- Stage III:** Filing of Complaint
- Stage IV:** Adjudication Proceedings
- Stage V:** Recovery of Penalty
- Stage VI:** Confiscation of property and prosecution in specific cases

Process

The entities that can be investigated under FEMA are Individuals, Proprietorships, Partnerships, Foreign Individuals, Non- Residents, Foreign Institutional Investors, Companies, and Ultra High Net Worth Individuals (UHNIs).

During investigation, the tools such as search, seizure, surveys, and summons are used to collect evidence. These tools are the same as those under the Income-tax Act, 1961.

Multiple sources of information are also leveraged by the officers such as Egmont Requests to foreign FIUs, intelligence inputs from Customs Overseas Intelligence Network (COIN) and Income Tax Overseas Units (ITOU), as well as information obtained from abroad as a part of International Cooperation.

Over time, the scope and powers under FEMA have evolved, with the most recent addition being section 37A, under which the concept of 'equivalent seizure' has been imported into the statute.

V

Forfeiture

37A



With the Government's focus on recovering Black Money abroad, along with the Black Money Act, another enabling provision was introduced under FEMA in the form of Section 37A.

This section provides for seizure / confiscation of legally acquired or licit properties of the 'person' charged with offence under section 4 of FEMA 1999, when they are placed / held abroad (frustrating attachment proceedings in India) to avoid the long arm of law.

The authorized officers have been empowered to seize equivalent value situated within India of the foreign exchange, foreign security or immovable property held outside India in contravention of section 4 of FEMA.

Income Tax Authorities shares information regarding acquisition of undisclosed foreign assets under Black Money Act or otherwise which invites action under section 37A of FEMA. The present monetary cap for seizure u/s 37A of FEMA is ₹1 crore.

This provision is conceptually similar to the provision for provisional attachment of property equivalent in value to the proceeds of crime under the Prevention of Money Laundering Act, 2002 (PMLA).

Equivalent value forfeiture is an internationally recognized concept as early as in UN Conventions such as the Vienna Convention 1988 (drug related money laundering offence) and Palermo Convention 2000 (money laundering offence relating to all serious crimes) which have been adopted by member countries through their domestic laws.



Case Study: Surat Gem Importer

ED launched an investigation following reports of suspicious outward remittances against disguised gems and jewellery imports from Surat's SEZ to entities in Singapore, Hong Kong, and Dubai. The suspect entity, engaged in the gems and jewellery trade, received payments from dummy firms, rotated funds, and transferred them abroad.

Searches under FEMA, 1999 revealed that over two years, the entity recorded import-exports worth ₹3,700 crore, with a claimed closing stock of ₹520 crore, as against an actual closing stock of ₹19.70 lakh, indicating fake imports.

Despite receiving payments, the entity did not sell goods or services locally, using complex transactions to remit funds abroad under the guise of imports. Exploiting SEZ's duty-free import rules meant to boost Indian exports and forex earnings, the entity instead parked forex overseas. Bank accounts showed multiple credits from unrelated entities, funneled abroad as fake imports. Overvalued export payments worth US\$ 430.8 million (₹3,437 crore) were left unrealized in violation of FEMA, 1999. Consequently, properties worth ₹29.9 crore were seized under section 37(A), and a complaint under Section 16(3) was filed for penalties and prosecution over forex violations totaling ₹4,000 crore.



Case Study: Rana Sugars

M/s Rana Sugars Ltd. issued Global Depository Receipts (GDRs) worth USD 18 million through Deutsche Bank Trust Company Americas. Investigations initiated by the Directorate of Enforcement revealed that the GDR subscription was financed via a loan taken by M/s Seazun, a British Virgin Islands-based entity. This loan was secured using a collateral deposit placed by Rana Sugars itself, indicating no real inflow of funds to the company.

The loan proceeds were routed through Banco Efisa, Portugal, and used to subscribe to the GDRs of Rana Sugars, creating an illusion of capital inflow. Although the GDRs were later converted to equity shares, the investigation found that substantial proceeds (USD 2.56 million) were transferred to foreign entities—Seazun and Vintage FZE—and retained abroad, violating Section 4 of the Foreign Exchange Management Act (FEMA), 1999.

The company misrepresented its financial position by showing the entire GDR proceeds as invested in domestic capital works, while only partial repatriation occurred. Consequently, assets worth ₹22.02 crores were seized by authorities under Section 37A(1) of FEMA for contravention of forex regulations.

This case underscores how financial instruments like GDRs can be misused to inflate company valuations and highlights the importance of regulatory compliance and transparency in cross-border financial transactions.



**Formal and Informal Channels of Cooperation and The
Active Role Played by the Directorate**



SIGNIFICANCE OF INTERNATIONAL COOPERATION FOR THE DIRECTORATE OF ENFORCEMENT



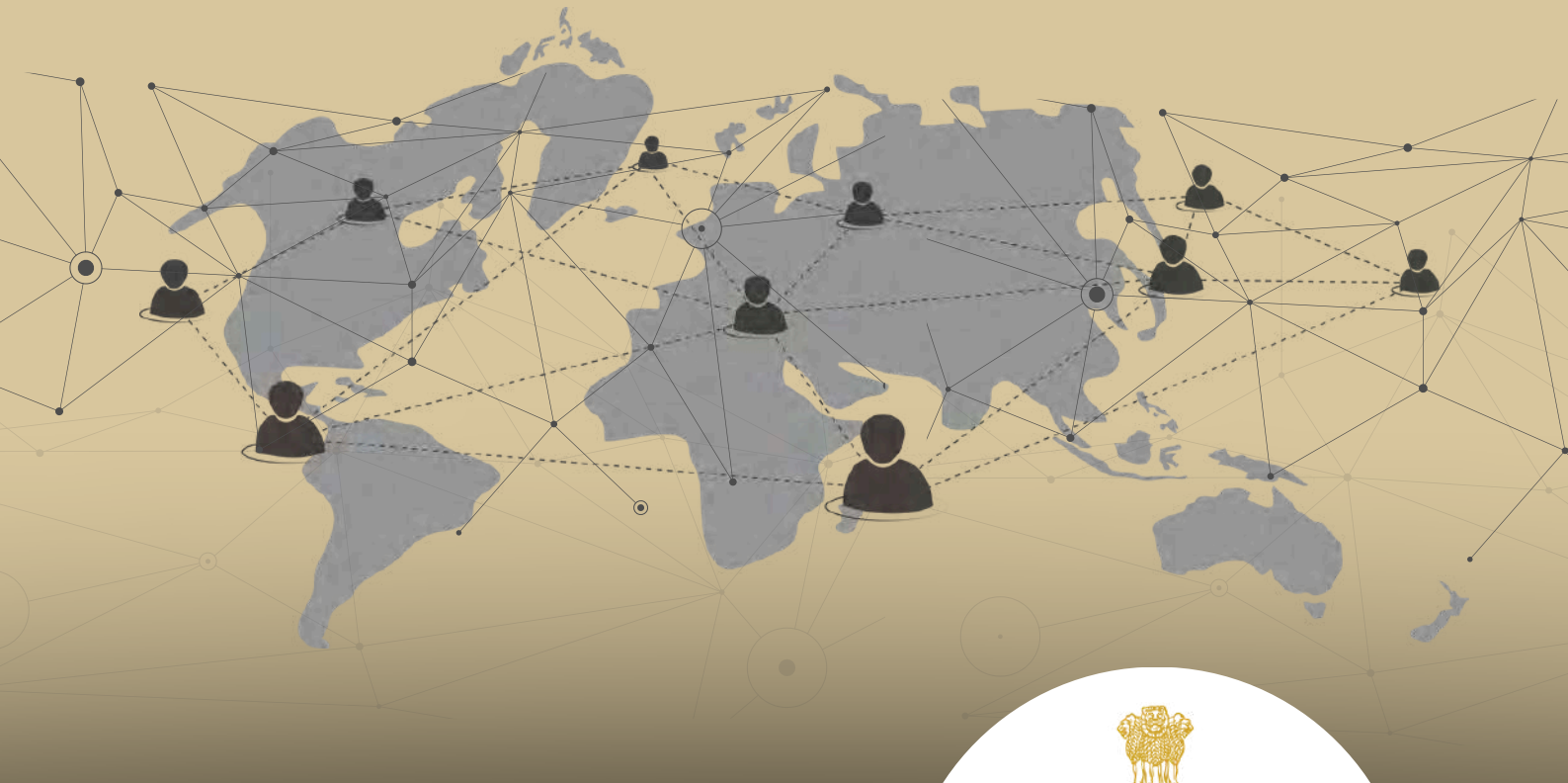
India faces significant challenges due to the outflow of funds of illicit origin, driven by various factors such as corruption, fraud, and money laundering. These illicit financial activities drain vital resources from the Indian economy, hindering its development and perpetuating economic inequality.



Recognizing the urgency of addressing this issue, India, during its G20 presidency in 2023, spearheaded efforts to prioritize asset recovery on the global agenda. By championing initiatives to enhance international cooperation, strengthen legal frameworks, and promote transparency, India underscored the importance of repatriating stolen assets to their rightful owners.

Successful investigation and prosecution of financial crimes including money laundering offences and asset repatriation depends almost entirely upon international cooperation between law enforcement agencies and other competent authorities across multiple jurisdictions. Cooperation is vital for sharing information, coordinating investigations, freezing assets, and enforcing court orders. However, differing legal standards, diplomatic tensions, and political considerations can hinder effective collaboration.

In the context of this dynamic criminal environment, ED has envisaged exploring avenues of both formal and informal means of cooperation with various countries to identify and break international linkages between cross border money laundering of proceeds of crime and the underlying predicate offenses including drug trafficking, corruption, smuggling etc. Further, Directorate of Enforcement has over the years yielded significant results in cross border tracing and extradition of fugitive economic offenders, recovery of assets derived from proceeds of crime and conviction of the accused.

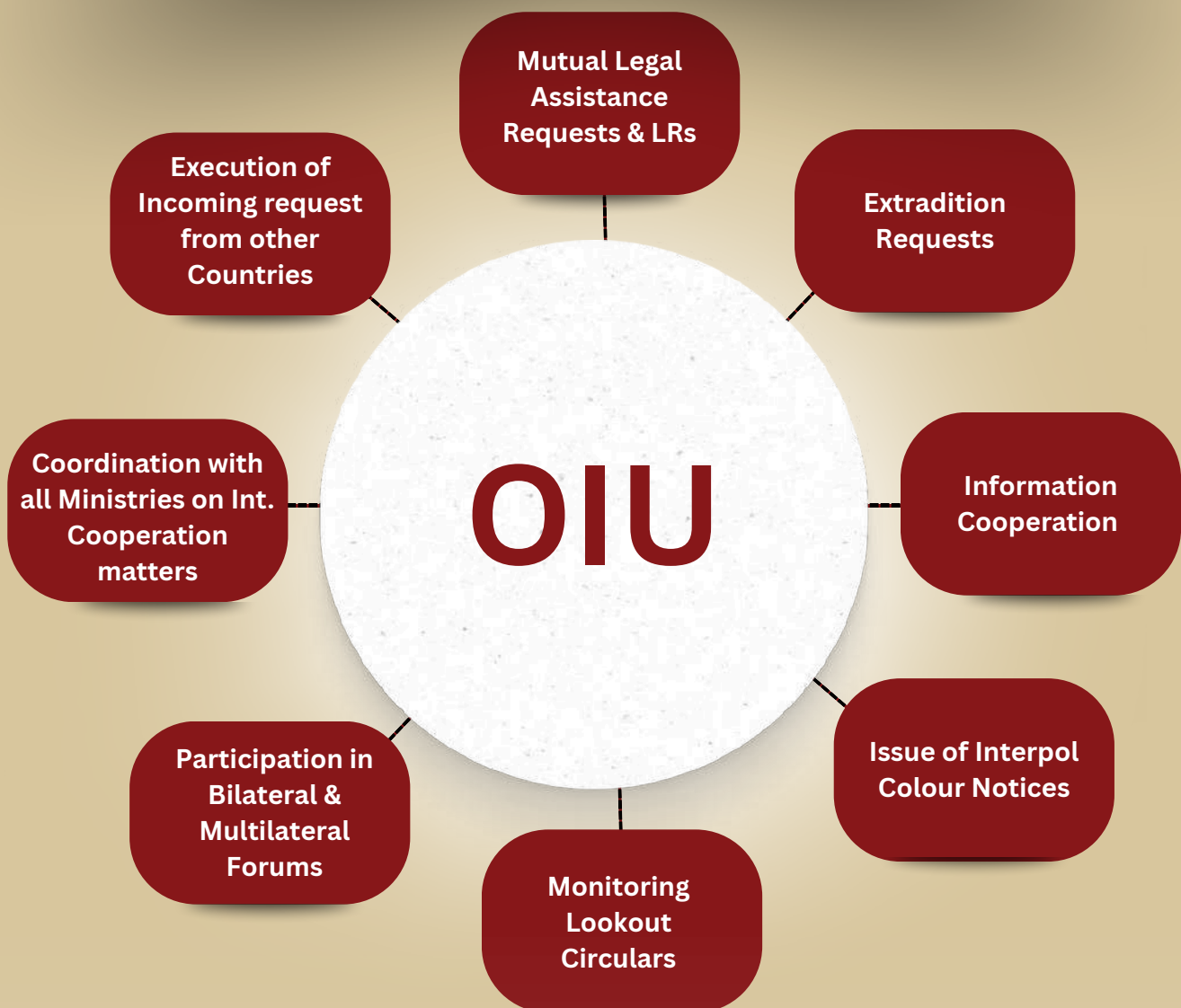


India has been graded as “SE”, i.e., ‘*substantially effective*’ in the IO2 Immediate Outcome parameter during the recent 2024 FATF evaluations of its AML-CT measures, which pertains to international co-operation and deliverance of appropriate information, financial intelligence, and evidence, and facilitating action against criminals and their assets. India’s remarkable achievement in this sector has also been on account of ED leveraging both formal and informal means to optimise international cooperation towards better cross border investigation of its ongoing cases.



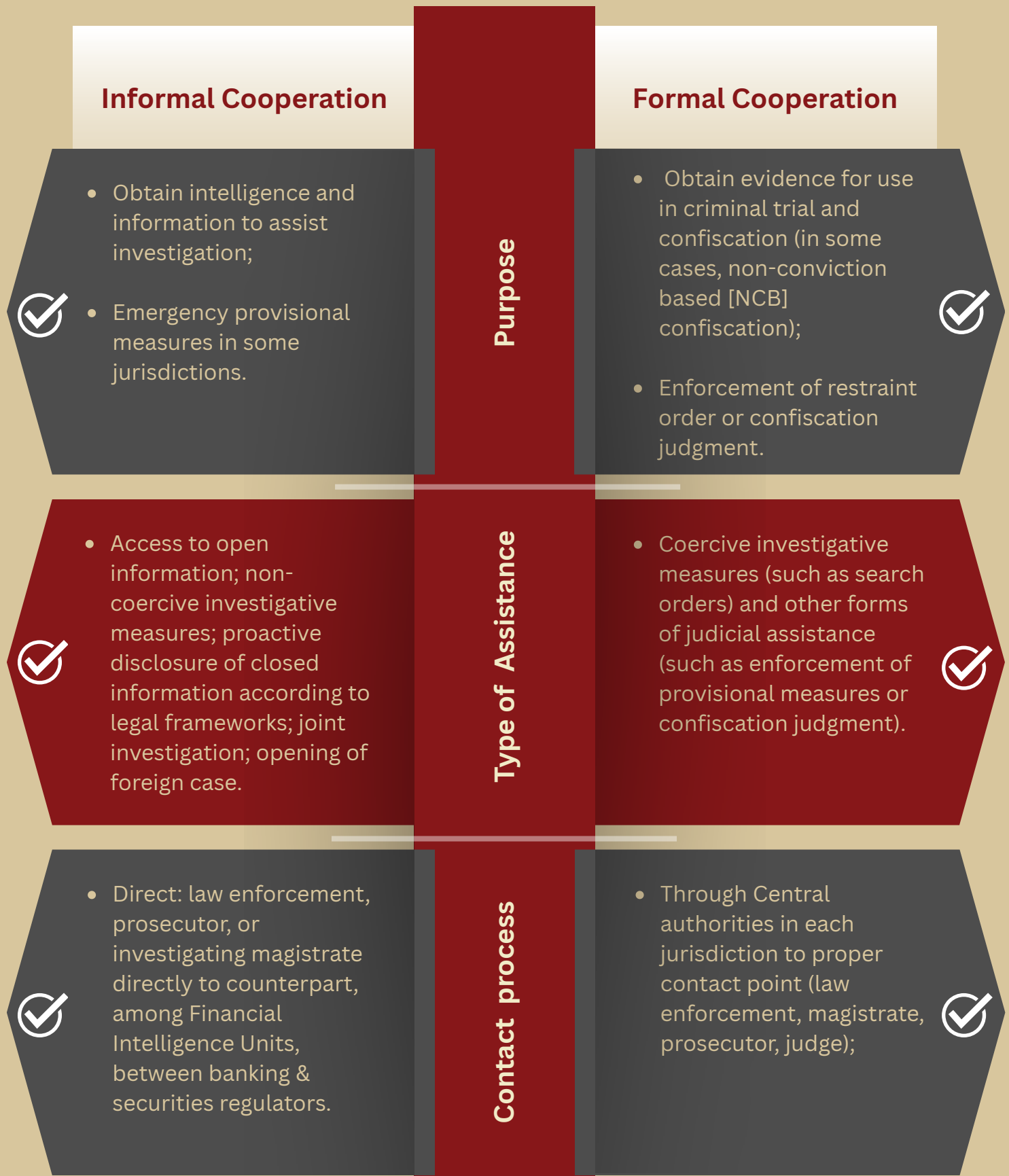
Institutional Framework within ED

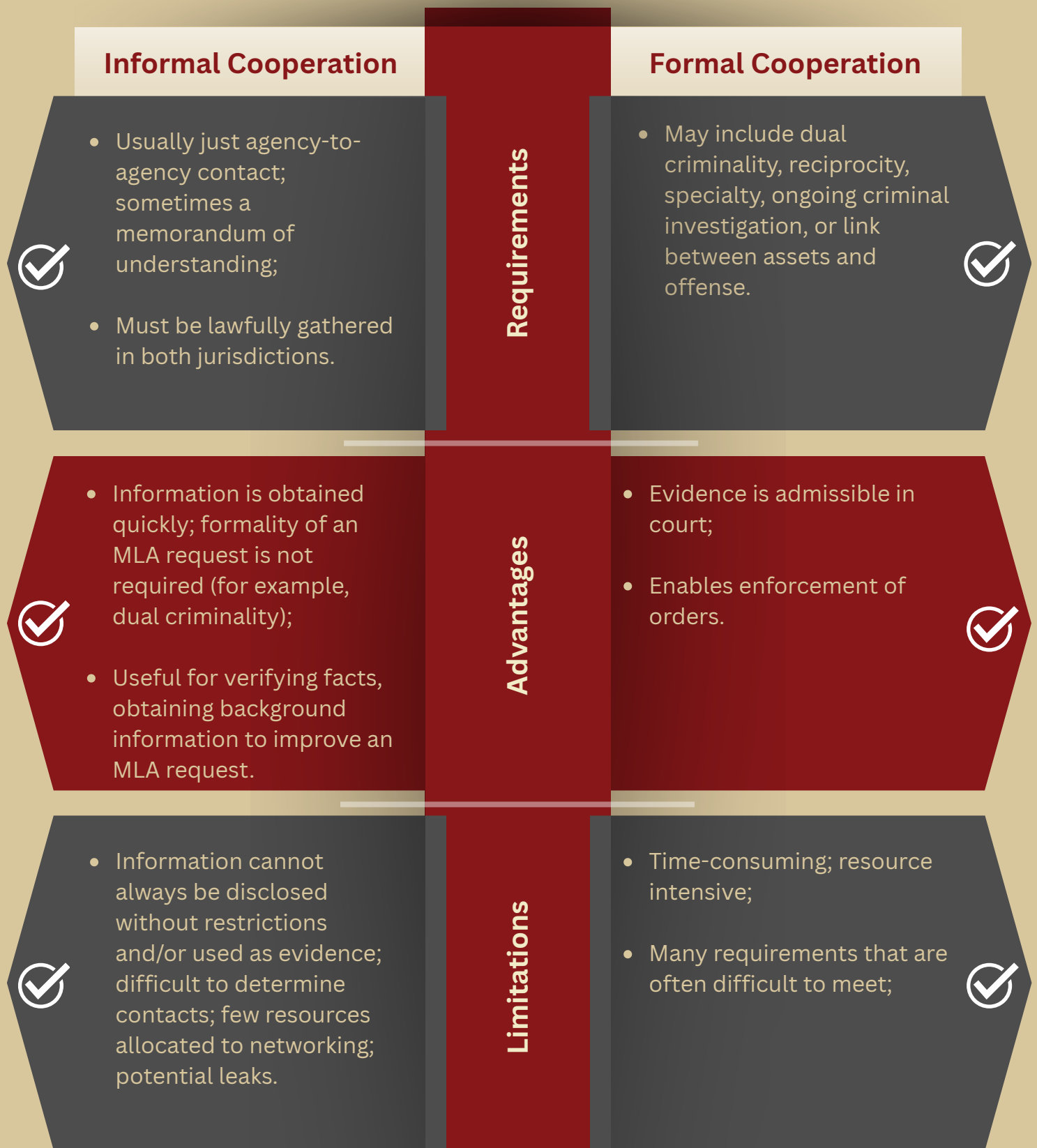
Overseas Investigation Unit (OIU) located in ED Headquarters, New Delhi has been specially designated to deal with International Cooperation. OIU deals with all the facets of International Cooperation as well as spearheads the engagement of ED in various forums.



The Overseas Investigation Unit (OIU) of the Enforcement Directorate (ED) has made significant strides in enhancing bilateral relationships and international cooperation over the past year. There has been a renewed focus on improving international cooperation in money laundering investigations due to the large outflow of proceeds of crime from India and the increased transnational nature of the crimes. Efforts are continuously made for enhanced cooperation for timely sharing of crucial information, facilitates the tracing and recovery of illegal proceeds, and strengthens the overall enforcement framework.

Formal vs Informal Cooperation





Use of Appropriate Channels

Navigating the thin line between the need to seek appropriate evidentiary assistance from foreign jurisdictions like recording of statements of accused/ witnesses or getting certified copies of documentary evidence from outside India which is a time consuming exercise; to the need of minimising the time lag in seeking real time intelligence and information sharing, which is beneficial in investigation but restricted in use, ED explores a plethora of international platforms to aid and assist faster and timely investigations, asset tracing and recovery, tracking the fugitive, prosecution, conviction and finally confiscation and restitution of assets back to the victims.

Formal Mode of Cooperation

In cases where proceeds of crime relating to a predicate offence committed in India are transferred overseas through illicit fund flows, or when accused person(s) has escaped from India after committing the offence of money laundering, or the predicate offense has been committed outside the country or the witnesses and other material evidences relating to offence of money laundering are available outside country, it becomes necessary to conduct formal investigation abroad for taking or collecting evidence for prevention, suppression, investigation and prosecution of offence of money laundering.



Assistance is sought in such cases by ED from other nations which may range from requests for coercive measures like seeking arrest and extradition of the accused or confiscation of the assets to non-coercive measures like seeking certified copies of open information. Formal assistance is more critical where material evidence has to be sought from foreign jurisdictions which are compliant with Indian Evidence Act 1872, Bhartiya Sakshya Adhiniyam 2023 or Bankers Book of Evidence Act. The tools of Formal Cooperation include Mutual Legal Assistance Requests and Letter Rogatories.



Mutual Legal Assistance

Mutual Legal Assistance is governed by various Bilateral Mutual Legal Assistance Treaties between India and other countries; as well as the legislative frameworks of both the requesting nations as well as the requested nations. The requests made by Enforcement Directorate are regulated by the MHA Comprehensive Guidelines for investigation abroad and issue of Letters Rogatory (LRs)/ Mutual Legal Assistance (MLA) Request.

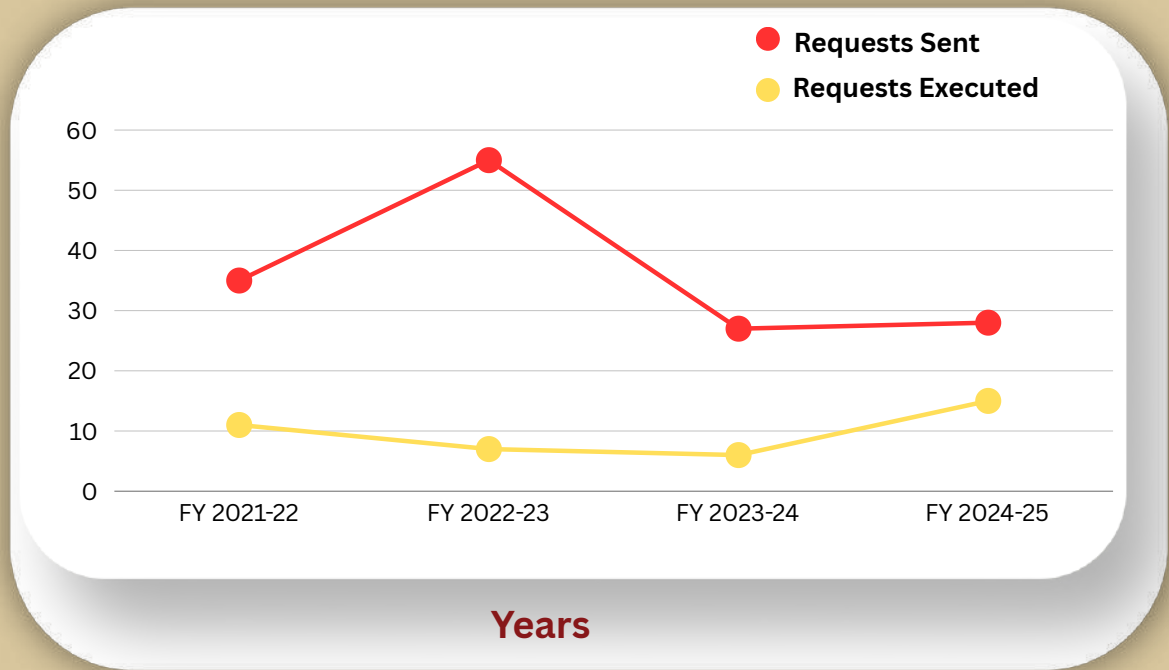
Over the past few years, there has been a constant endeavour to improve the quality of requests made in cases in which the formal assistance has been sought by ED through Letters Rogatory (LRs)/ Mutual Legal Assistance (MLA) Requests. Informal meetings have been held by OIU with counterpart agencies of requested nations from time to time to resolve any queries/ clarifications from the requested nations. This has enabled greater clarity amidst the requested nations with respect to the assistance sought and have enabled expeditious and more meaningful assistance.



27

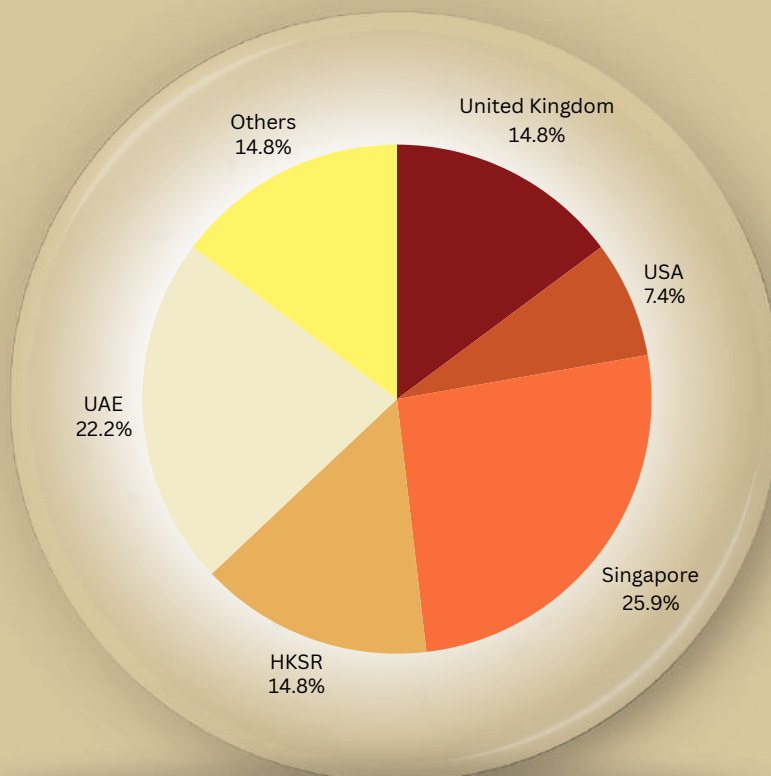
**Total Outgoing
Formal Requests in
2024-25**

No. of Formal Request



The number of requests has been deliberately kept in check to ensure that only quality formal requests are sent after enough materials are collected.

COUNTRY COMPOSITION FOR REQUESTS SENT BY ED



The Country Composition for the requests sent by ED giving a fair indication regarding the International transfer of funds.

Incoming MLA requests

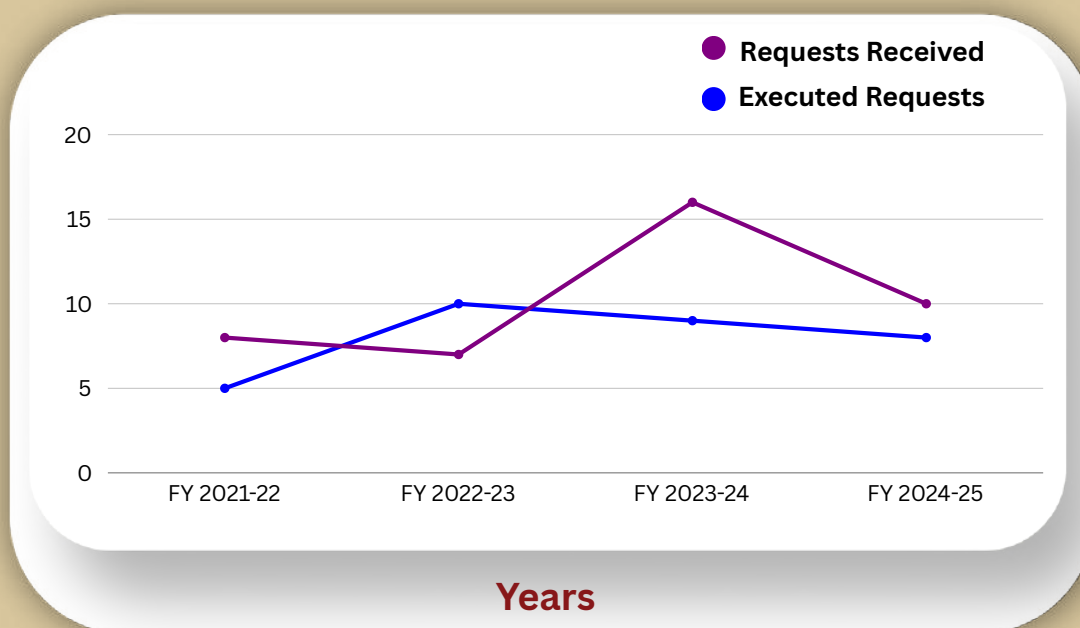
In the incoming Letters Rogatory (LRs)/ Mutual Legal Assistance (MLA) Requests, ED has managed to not only execute the incoming formal requests by providing actionable and targeted data in most cases, but has also significantly reduced the time duration for execution of the incoming requests. ED has also formulated various internal Standard Operating Procedures to guide its various regional jurisdictions towards handling the incoming international requests within a timebound framework. ED has also ensured secure handling, dissemination, and suitable protection of personal sensitive data while executing these requests. The key stats is captured in the graphics below.



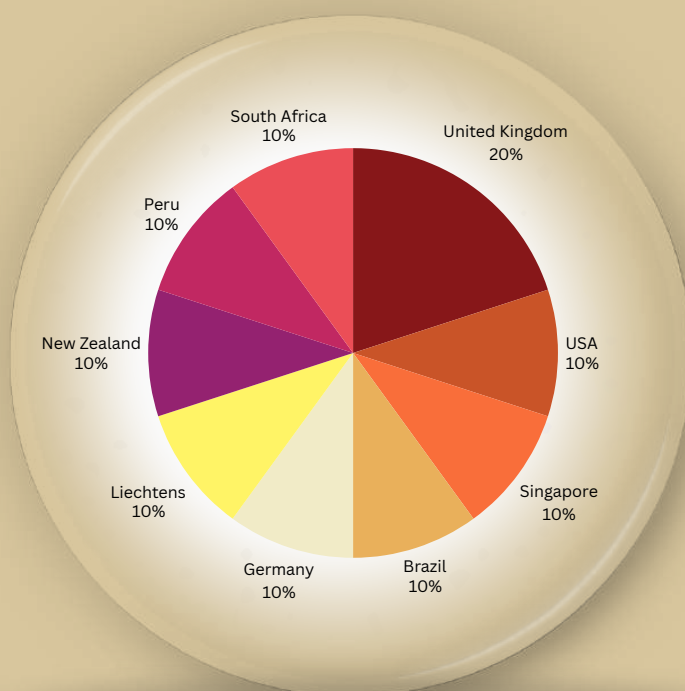
**Total Incoming Formal
Requests in 2024-25**

As can be seen from the table above, ED has significantly high disposal rates of the incoming formal requests.

No. of Formal Request



As can be seen in the trends, ED has been very proactive in disposing off the requests received from other country in a very timely manner



COUNTRY COMPOSITION FOR REQUESTS RECEIVED BY ED

The Country Composition for the requests received by ED giving a fair indication regarding the international transfer of funds.

As can be seen from the graph, ED has significantly high disposal rates of the incoming formal requests.

One country wise example of meaningful assistance provided by ED is as under: Mutual Legal Assistance Request (MLAT) request was received from US Authorities by India wherein it was informed that US was investigating 02 Indian Individuals who were involved in drug trafficking and money laundering offences. Immediately upon receipt of the information, ED took expeditious action by conducting search action on the accused and making seizure of 268.22 bitcoins worth approximately ₹ 1.3 billion (\$29 million). Further an attachment of assets of the accused in form of immovable properties worth \$1.1 million was also made. Criminal complaint has also been filed for prosecution of accused and confiscation of seized and attached assets.

EXTRADITION REQUESTS

In India, extradition is governed by the Extradition Act of 1962. Apart from this, India has also signed bilateral Extradition Treaties and arrangements with several Countries whose terms and conditions dictate the modalities of such requests made.

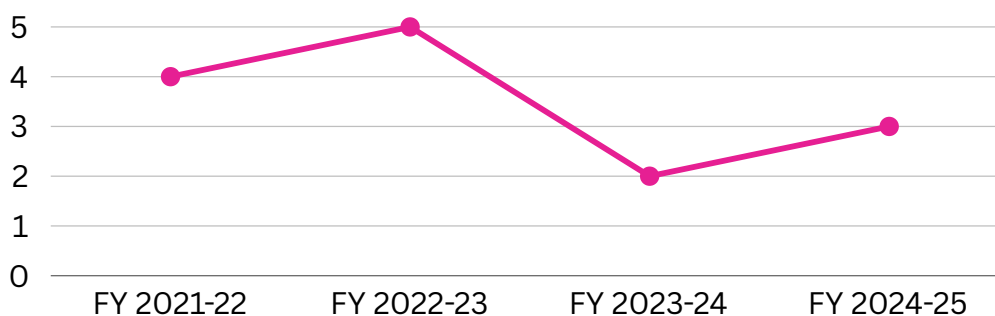
Being the executing agency for Prevention of Money Laundering Act 2002 and the Fugitive Economic Offenders Act, 2018 (FEOA), ED has over the past years coordinated with MHA and MEA to request the extradition of the accused in several cases. ED endeavours to ensure that trials in such prosecution cases where the offender has absconded/ fled to other nation, are not done in absentia rather the accused are duly afforded the opportunity of a fair trial while also ensuring the protection of legitimate interests of the victims.

Regular engagements and coordination are being done by ED with the MHA and MEA on a case-by-case basis with the prosecutorial teams of the requested nations wherever the legal differences need to be reconciled. Additionally Red Corner Notices are issued to Interpol through the National Crime Bureau - Central Bureau of Investigation for the deportation of the accused wherever possible. These requests are under deliberation at various stages.



No. of Requests

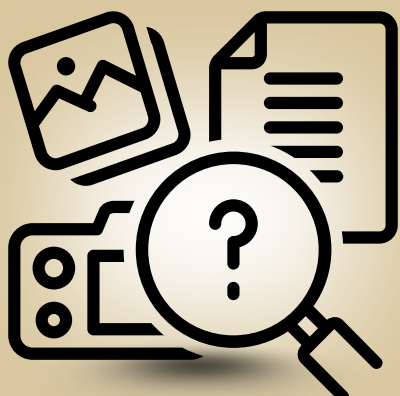
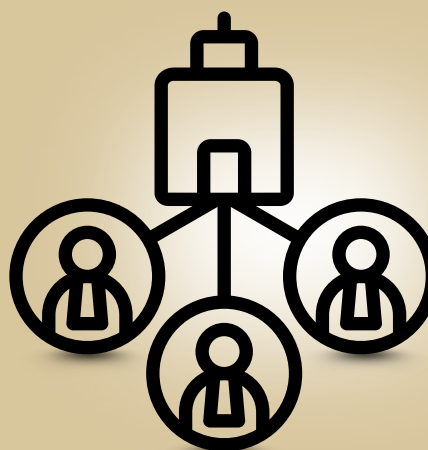
EXTRADITION REQUESTS SENT BY ED



Years

Informal Mode of Cooperation

In a dynamic criminal environment, the changes in the digital financial criminal landscape have made reducing the time lag in information sharing, a critical element to ensure effective cooperation between foreign competent authorities. Digitisation of services has enabled faster illicit fund flows emanating from the proceeds of crime, to curb which minimising the response time is of great value.



Informal means of cooperation is vital because it allows vaster scope of mutual cooperation. It is important in cases which require real time intelligence sharing, joint investigations, asset freezing and restraining of bank accounts, real time tracking the absconded accused and verifications of antecedents, just to cite a few.

Directorate of Enforcement (ED) recognizes the significance of informal cooperation in this context, specifically pre-MLA (Mutual Legal Assistance) consultation, as a pivotal aspect in tracing and identifying assets, as well as gathering information to finalize MLA requests or Letter Rogatories.



Consequently, ED actively seeks informal cooperation from other jurisdictions. To facilitate such cooperation, ED consistently engages expert groups and international organizations involved in facilitating informal cooperation between jurisdictions. This includes police-to-police collaboration through channels like INTERPOL and the FIU-Egmont group. Additionally, ED also make inquiries through Customs Overseas Investigation Network (COIN) offices. In reciprocation, the Directorate of Enforcement promptly collects and shares relevant information sought by foreign counterparts.

ED receives incoming requests for assistance from foreign jurisdictions through channels such as Camden Asset Recovery Inter-Agency Network (CARIN), Asset Recovery Interagency Network Asia Pacific (ARIN-AP), NCB-INDIA (Interpol channels), National Crime Agency (NCA) UK, HMRC, FBI, DEA and others. Real-time informal cooperation plays a significant role in enhancing the value of shared information, as it allows for timely communication of the exact needs of the investigation between ED and foreign counterparts.





Advantages Over Formal Mutual Legal Assistance Channels

Informal channels of international cooperation offer several advantages over formal mutual legal assistance (MLA) channels, which typically involve treaties, diplomatic requests, and judicial oversight. First, speed is a key benefit; informal networks like Interpol or the Egmont Group enable near-instant communication, critical in fast-moving money laundering cases where funds can be transferred across borders in seconds, unlike MLA processes that may take months due to bureaucratic requirements. Second, flexibility allows agencies to adapt quickly to emerging threats, such as new laundering typologies involving cryptocurrencies, without the rigid protocols of formal requests. Third, informal channels facilitate preliminary intelligence sharing, helping authorities refine investigations before submitting MLA requests, thus improving their quality and success rate. Fourth, they reduce resource demands, as they often bypass the need for extensive legal documentation or high-level approvals, making them cost-effective for resource-constrained agencies. Finally, relationship building through networks like the Globe Network or ARIN-AP fosters trust and collaboration, enabling proactive information exchange that can preempt the need for formal intervention. While informal channels cannot replace MLA for evidentiary purposes or coercive actions like asset seizures, their agility and efficiency make them indispensable in the global fight against money laundering.

n

Globe Network

Global Network of Anti-Corruption Authorities under the ambit of UNODC.

Egmont Group

Grouping of all the Financial Intelligence Units, FIU-IND from India is the member.

A

ARIN-AP

Asset Recovery Inter Agency Network for Asia Pacific; Styled After CARIN

INTERPOL

Operation through NCB-CBI and ED primarily utilizes the notice system of the Interpol

A

Agency to Agency; Attaches

Direct contact with counterpart and through Agency ILOs posted as Embassy Attaches.

OIU section of ED works ardently to improve the informal channels and engagement in many of these forums. As maybe noted, ED strives to be actively engaged in many of the bilateral and multilateral forums that promote informal cooperation by taking up leadership roles and contributing to the overall improvement of the network which is mutually beneficial to all countries in the world.

Asset Recovery Interagency Network – Asia Pacific (ARIN-AP)

ARIN-AP is a prominent multi-agency network dedicated to tackling crime proceeds across the Asia-Pacific region. It was established to facilitate cross-border collaboration on asset tracing, freezing, and confiscation.

The aim of ARIN-AP is to increase the effectiveness of members' efforts in depriving criminals of their illicit profits on a multi-agency basis by establishing itself as the center of professionals' network in tackling the proceeds of crime.

The network includes 28 member jurisdictions and nine observers, serving as an informal yet robust framework within the CARIN, or Camden Asset Recovery Inter-Agency Network.



ARIN-AP operates through a network of contact points, enabling effective communication and intelligence exchange among member agencies, and of more than 100 jurisdictions in the CARIN Network. ED is the nodal agency for India in this network.

The law enforcement agencies across ARIN-AP and CARIN jurisdictions benefit from this network, as it aids in tracing assets related to criminal activities, both movable and immovable, across frontiers. Through ARIN-AP and the larger CARIN Network, agencies can exchange information on individuals, assets, and companies informally, often expediting the identification and recovery of proceeds of crime

ED has been associated with the Asset Recovery Interagency Network-Asia Pacific (ARIN-AP) since 2016 wherein its officers have participated over years in the network's Annual General Meetings held across various cities like Bali, Ulaanbaatar, Bangkok, Sydney etc. Further ED's engagement has been limited not just to ARIN-AP, but it has also with ARIN-SA and CARIN from time to time.

In 2024, ED was nominated to the Steering Committee of ARIN-AP in recognition of its positive contributions to the network. India led by ED will assume the presidency of ARIN-AP in 2026 and host the network's Annual General Meeting (AGM).



ED has endeavoured to effectively utilize ARIN-AP for informally seeking information not only for itself but also other Law Enforcement Agencies. ED has also been coordinating with ARINs for compilation of the details of focal points of G20 countries for pre-MLA/informal cooperation in asset recovery and take steps to expand this initiative for other countries.

GlobE Network



United Nations Office
on Drugs and Crime

GL**BE**
Network



The Global Operational Network of Anti-Corruption Law Enforcement Authorities (the GlobE Network) was established in 2021 and is open to anti-corruption law enforcement authorities of all UN Member States and States parties to the UN Convention against Corruption (UNCAC). The Network is governed by its members and is supported by the United Nations Office against Drugs and Crime (UNODC) which provides the Network's secretariat.



Through the GlobE Network, operational law enforcement authorities with an anti-corruption mandate can join forces to advance transnational corruption cases. These authorities include anti-corruption agencies, police forces, prosecutor's offices and offices of the attorney general, asset recovery offices and financial investigation units.

Practical support to investigators and prosecutors includes the GlobE Secure Communications Platform (SCP) for swift, secure exchange of information and other specialized resources and tools. With partners, the Network strives for effective and efficient transnational cooperation between practitioners world-wide.

The GlobE Network furthers transnational cooperation world-wide to detect, investigate and prosecute corruption cases. ED and CBI (Central Bureau of Investigation) are members of the GlobE Network. GlobE has recently introduced GlobE Threema Network, a platform connecting focal contact points from various agencies from across the world for direct and real time contact over a highly secure channel to effectively seek and share information.



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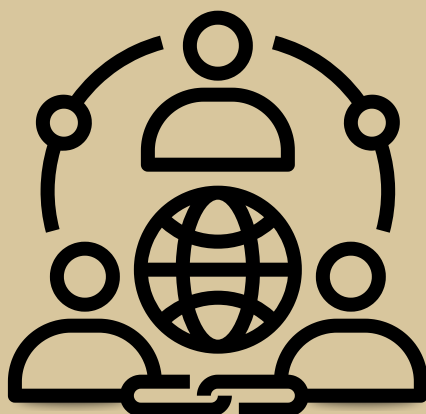
Authorities who have GlobE membership and auxiliary membership



126

Member States and Parties to UNCAC whose authorities have GlobE membership

Current GlobE membership





UN Member state with GlobE membership

Members State with GlobE member authorities in blue



India was elected as a member of the Steering Committee (SC) of GlobE Network in 2024. The steering committee is the managing body of GlobE Network and India has the opportunity to play a crucial role in shaping the Global Agenda against corruption & Asset Recovery.

 Search

THE  HINDU



HOME / NEWS / INDIA

India elected to GlobE Steering Committee on combating corruption


The GloBE Network was an initiative of G-20, supported by India in 2020

Updated - September 26, 2024 10:10 pm IST - New Delhi

THE HINDU BUREAU



 PRINT



ED and CBI (Central Bureau of Investigation) are members of the GlobE Network. ED is playing a crucial role in the work of the network as part of the various Thematic Working Groups created by GlobE Network to deliberate over various operational matters. Further, Sh. Visakh K, JD(Coord.) ED is also part of GlobE Secure Communications Platform (SCP) Task Force.



ED is also playing a crucial role in the ongoing deliberations over the finalisation of the Guiding Principles of GlobE network which will the exchange of information relevant for the fight against corruption.





United Nations
Office on Drugs and Crime

GLOBE Network

STORYTELLING SESSION SERIES

Diamonds and Money Laundering: The Punjab National Bank Fraud Case

Wednesday, 11 December 2024
 11:00-12:30 CET
 English | with AI interpretation in Arabic,
 Chinese, French, Russian and Spanish

Sh. Satyabrata Kumar
 Special Director (Eastern Region) of the
 Directorate of Enforcement

[Register here](#)

globenetwork.unodc.org

Globe Network conducts storytelling sessions - webinars featuring Globe Network member practitioners who share personal case insights. ED has also actively participated in the Series conducted by Globe and a session was taken by - Mr. Satyabrata Kumar, Special Director, ER.

INTERPOL

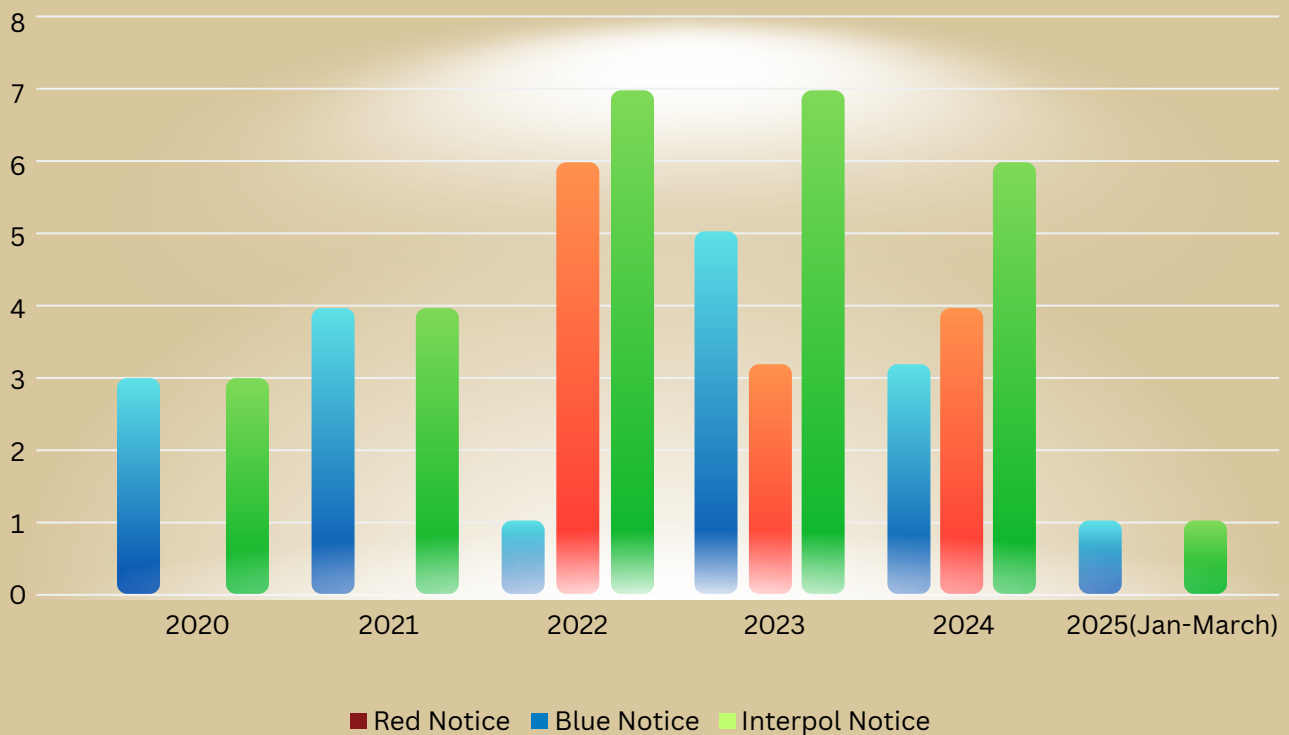


INTERPOL or the International Criminal Police Organization, facilitates cooperation and collaboration among the police forces of different countries, linked through their respective National Crime Bureaus. In the case of India, CBI is the designated NCB Agency. INTERPOL has developed a wide array of databases and an effective notification system of alerts such as Red Notice, Blue Notice, Green Notice, Yellow Notice, Orange Notice, Purple Notice, Black Notice, etc. to strengthen international police cooperation. INTERPOL Notices and diffusions are basically person/ agency specific alerts allowing police in member countries to share critical real time crime-related information.

An INTERPOL Notice will be published only if it complies with Article 2 and 3 of the INTERPOL's and hence are subject to screening and review process by INTERPOL's Notices and Diffusions Task Force, a specialized multilingual and multidisciplinary task force comprising lawyers, police officers and operational specialists.



In this regard, ED has also optimised the INTERPOL network through the issuance of red corner and blue corner notices and diffusions in several cases. The year wise details of the notices issued by ED is as under:



Silver Notices

Asset recovery is a key strategy to disrupt criminal networks through depriving the criminals the enjoyment of the proceeds of crime. Further, PMLA allows non conviction based confiscation (NCBC) of the proceeds of the crime in the conditions if the trial under PMLA cannot be conducted for any reason or having commenced but could not be concluded.' The Fugitive Economic Offenders Act, 2018 also empowers ED to attach and confiscate proceeds of crime and properties associated with economic offenders in the event of such offenders absconding to foreign jurisdictions.

To strengthen asset tracing and recovery, ED has now resorted to using Interpol's newly launched 'Silver Notice', through National Crime Bureau, as part of a pilot project involving 52 countries and territories.

FIU-Egmont Group



India, through its FIU-India, is a member of the FIU-Egmont Network. This membership facilitates the exchange, analysis, and dissemination of information received from Reporting Entities (REs) between FIUs. ED utilizes the same through effective communications to FIU-India to seek information through this channel.

Top 10 Countries to which EGMONT Requests have been sent		Year-wise EGMONT requests sent	
Name	Number	Year	Number
British Virgin Islands	355	2012	1
United Arab Emirates	324	2013	5
Singapore	227	2014	5
United Kingdom	223	2015	93
Hong Kong	183	2016	132
United States of America	130	2017	167
Bermuda	129	2018	253
Mauritius	109	2019	566
Switzerland	103	2020	535
Malta	102	2021	268
		2022	213
		2023	192
		2024	176
		2025	21
		Total	2627

Bilateral Cooperation: Partnerships with Liaison Officers/ Embassy Attaches and MoUs; Agency to Agency Cooperation

The Directorate of Enforcement has established informal relationships with numerous foreign counterparts, including authorities from USA, UK, Italy, Germany, Brazil, Australia, Singapore, New Zealand, Nigeria, Mauritius, Nepal, and others.

ED also seeks and provides informal cooperation through embassy attachés and in return promptly provide the information sought by their respective agencies as well. For example, it engages with the Special Liaison Officers from the National Crime Agency (UK), HMRC (UK), RCMP (Canada), FBI (US Embassy), Guardia di Finanza (Italy), German Federal Police, Australian Federal Police, etc.

By strengthening its partnerships with key international agencies, ED is reinforcing its commitment to global financial integrity and ensuring that illicit assets do not remain beyond the reach of justice.

Meeting with DMLI Nepal



Directorate of Enforcement (ED), New Delhi successfully hosted a bilateral meeting on the 7th and 8th May 2024 with the delegation from Nepal led by Mr. Pushpa Raj Shahi, Director General, Department of Money Laundering Investigation (DMLI), Nepal. This was the first head of the agency level meeting between the two anti-money laundering agencies of India and Nepal. The 2-day meeting was aimed at developing mutual cooperation and strengthening capacity building in the areas of money laundering and asset recovery between India and Nepal.

The meeting was chaired by Director, ED and was attended by officers from ED, DMLI and a representative each from the Indian Embassy at Kathmandu, Nepal Embassy at New Delhi and Ministry of External Affairs, New Delhi. During the meeting, both sides presented an overview of their respective anti-money laundering legislations and exchanged ideas for combating the menace of money laundering (ML). Both sides presented case studies and discussed common modus of money laundering schemes.

Further, DMLI requested assistance from ED to set up forensic labs along the same lines as ED and to arrange capacity building and training for DMLI officers. ED expressed their willingness for the same and to strengthen agency to agency cooperation through informal channels in the areas of money laundering and asset recovery. As a step closer, a draft MoU between ED and DMLI for enhancing mutual cooperation in the investigation of money laundering offences was discussed and the same would be signed in due course after obtaining the necessary approvals from their respective competent authorities.

MoU with Financial Crimes Commission (FCC), Mauritius



ED successfully signed an MoU with Financial Crimes Commission (FCC), Mauritius which aligns with India's broader efforts to enhance international cooperation in asset recovery, as outlined in its commitments under FATF recommendations and other global anti-money laundering frameworks. ED is in process to sign more such MoUs with other countries as well.

Memorandum of Understanding (MoU) was signed to enhance cooperation in combating financial crimes, including money laundering, corruption, fraud, asset recovery, and the financing of illicit activities. The MoU was exchanged in the presence of Hon'ble Prime Minister of India Sh. Narendra Modi and the Hon'ble Prime Minister of Mauritius Dr Navinchandra Ramgoolam as part of the former's State Visit to Mauritius in the context of the celebration of Mauritius Independence Day on 12 March 2025.

During the discussions, Director, ED and Acting DG, FCC explored the possibilities of joint operations to detect, investigate and prosecute cross-border money laundering offences and other related financial crimes.

The Memorandum of Understanding signed between ED and FCC, Mauritius is the first of its kind signed by the Directorate, with many more lined up for the future.

They also underlined the significance of exchange programmes, experience sharing and trainings and skill building of officers of both organizations. Discussions were held on how ED can assist FCC by providing technological assistance and sharing of their digital forensic tools and best practices, towards ensuring better data seizing and extraction, and more productive data analysis. Options were also explored towards cooperation between both countries on various international platforms.

The collaboration between ED and FCC will not only bolster financial enforcement capabilities but will also contribute to broader economic and security cooperation between India and Mauritius. The Enforcement Directorate remains committed to working closely with international partners to ensure an effective and coordinated response to financial crimes and asset recovery challenges.



Memorandum of Understanding signed between ED and FCC, Mauritius.

G-20 Anti-Corruption Working Group (ACWG)

Acknowledging the detrimental effects of corruption—which compromises market integrity, hampers fair competition, misdirects resource allocation, erodes public trust, and weakens the rule of law—the G20 Anti-Corruption Working Group (ACWG) was established to develop comprehensive recommendations for G20 leaders in contributing effectively and meaningfully to global efforts in combating corruption. G20 ACWG Action Plan 2025-2027 further has outlined the various key priorities for this period, including increasing the efficiency of asset recovery measures and a matter of key significance to ED.

ED in this context has been regularly playing a vital role in the various thematic deliberations from time to time of ACWG to enable international coordination for tracing and confiscation of the proceeds of crime born out of corruption activities and prosecution of the accused enjoying the illicit funds borne of corruption. ED has been providing inputs in the finalisation of the Concept papers underlying the various proposed Resolutions for the upcoming COSP Meeting in December 2025, Qatar.



भारत 2023 INDIA

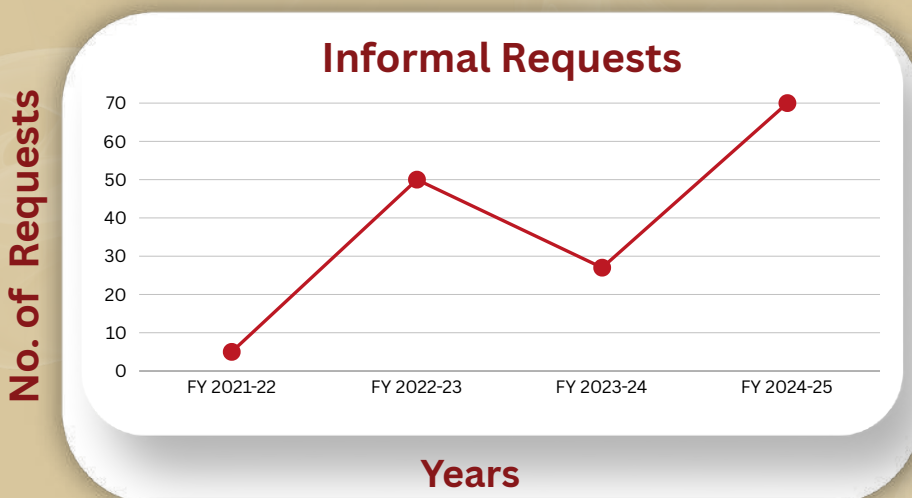
Key Statistics of informal cooperation sought:

In line with the emphasis by ED on informal cooperation with an aim to minimise the time lag and to improve the quality of the formal requests, there has been a distinct increase in the number of informal outgoing requests made by ED for sharing of information.



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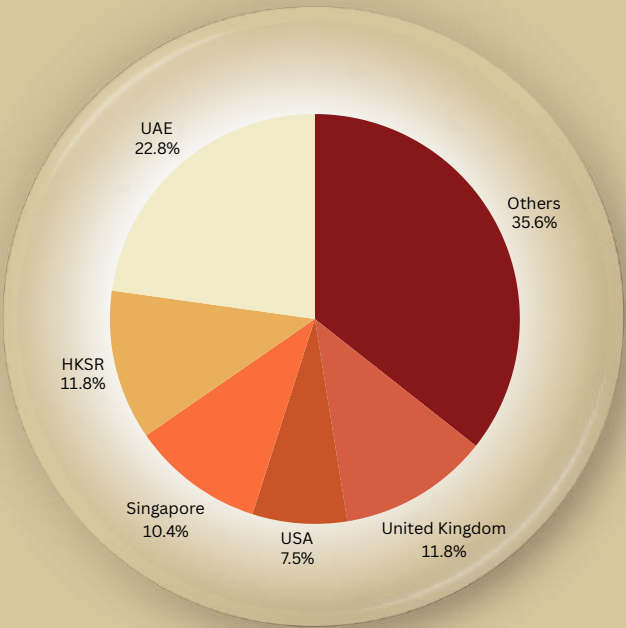
Total Outgoing Informal Requests in 2024-25



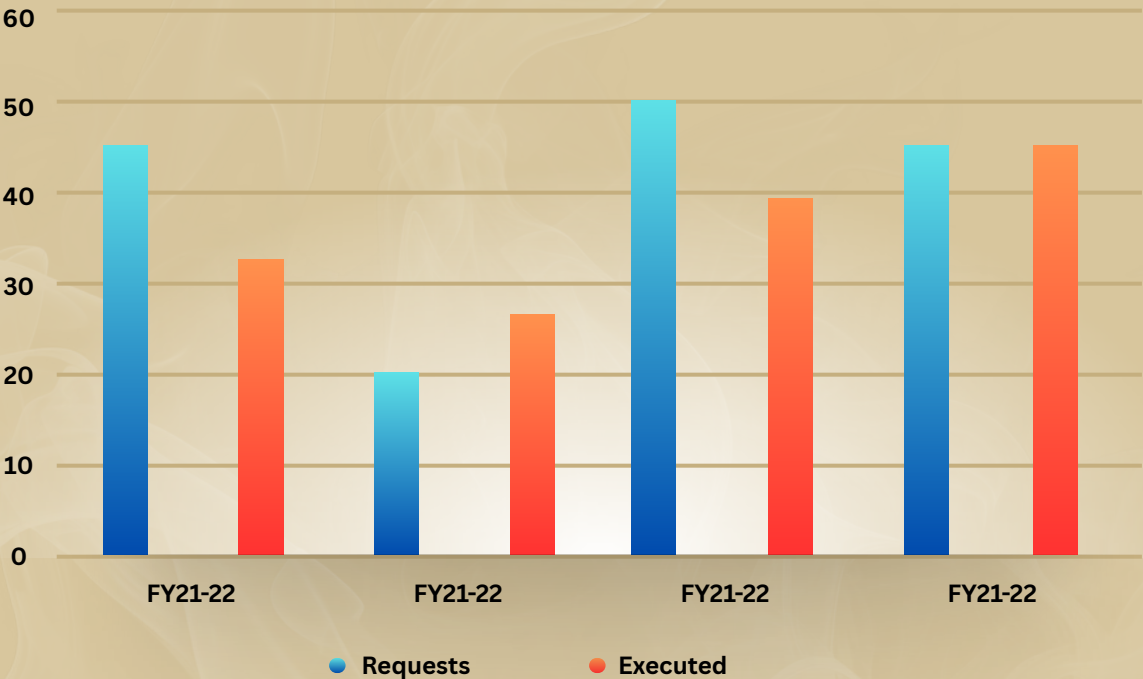
As can be seen in the trends, ED has actively pursued informal channels for gathering information with a 150% increase compared to the previous year.

COUNTRY COMPOSITION FOR INFORMAL REQUESTS SENT BY ED

The Country Composition for the request sent by ED gives a fair indication regarding international transfer of funds



ED has always acknowledged that successful informal cooperation requires speed, agility and trust with the other nations. The same is ensured by ED as can be observed from the table below wherein ED has executed successfully more than 80% of the incoming informal requests in any given year with the remaining pending only due to pending clarifications from other jurisdictions or due to ED not closing the request unilaterally due to pending investigations and challenges in discreet verifications.



There has also been noted a remarkable increase in the direct agency-to-agency contacts made by ED with various organizations like FBI which has enabled timely and meaningful assistance.



Participation in Meetings and Workshops

The globalization of crime, particularly in areas such as money laundering, terrorist financing, cybercrimes, and organized criminal activities, necessitates a robust international engagement framework. Similarly, ED understands and acknowledges the importance of capacity building, especially in the international forums, which helps the officers be abreast with the latest global standards. In light of this necessity, ED officers have been participating at various forums in various capacities from time to time:

International Participation of ED Officers in 2024-25

Sn No.	Meeting details	International Organisation	Scheduled Dated	Place/Country
1.	8th ICAC Symposium; Technical Visit to the ICAC Building	ICAC, Hong Kong,	22nd and 24th May, 2024	Hong Kong SAR
2.	EAG Working Groups and the 40th Plenary	EAG	27th to 31st May, 2024	Bishkek (Kyrgyz Republic
3.	FATF Working group Meeting	FATF	23rd to 28th June, 2024	Singapore
4.	BRICS Anti-Corruption Working Group (ACWG) MEETING	BRICS	26th and 27th August, 2024	Vienna, Austria
5.	15th Session of Implementation Review Group (IRG) Meeting	IRG	28th to 30th August, 2024	Vienna, Austria
6.	Asia Pacific Joint Group Meeting	APG	22nd to 27th September, 2024	UAE
7.	GlobE Network Fifth Plenary Meeting,	GlobE	24th to 27th September, 2024	Beijing, China
8.	FATF Working group Meeting	FATF	21st to 25th October, 2024	Paris
9.	9th ARIN-AP AGM	ARIN-AP	30th October & 1st November, 2024	Sydney, Australia.
10.	Joint Forum of the Eurasian Group on Combating ML and financing of Terrorism and CCPG of CIS Member States	EAG	13th & 14th November, 2024	Minsk, Belarus
11.	International Forum scheduled to be held from 10th to 12 December 2024 in Hong Kong	Customs and Excise Department, Hong Kong	10th to 12 December 2024	Hong Kong
12.	FATF Joint Assessor Training (JAT)	FATF	2nd to 6th February, 2025	Doha, Qatar
13.	Ninth Meeting of the Steering Committee of the GlobE Network	GlobE	11th to 12th February, 2025	Vienna, Austria
14.	February 2025 FATF Plenary and Working Group meetings	FATF	17th to 21st February 2025	Paris
15.	16th Session of Implementation Review Group (IRG) Meeting	IRG	17th to 21st February, 2025	Vienna, Austria.
16.	1st G20 ACWG meeting	G20 ACWG	3rd to 5th March, 2025	Cape Town

International Trainings by ED Officers in 2024-25

Sn No.	Training details	International Organization	Scheduled Dated	Place/Country
1.	The 9th Arin-AP Training	ARIN-AP	1st & 2nd May, 2024	Seoul
2.	2024 APG Annual Meeting and Technical Assistance & Training Forum	FATF Cell	22rd to 27th September 2024	Abu Dhabi, UAE
3.	Joint Assessor Training (JAT)	FATF	23rd to 27th September, 2024	Dar es Salaam, Tanzania.
4.	Seminar on the FATF Standards for experts in the field of AML/CFT for EAG member states	FATF	23rd to 27th September, 2024	Dushanbe, Republic of Tajikistan.
5.	OECD Academy for Tax and Financial Crime Investigation, (Specialty) Pilot Programme on Anti-Money Laundering: Current Trends, Prosecutions, and the Challenges presented by Crypto Assets.	NADT/OECD	21st to 25th October, 2024	New Delhi
6.	World Bank/APG/Japan Virtual Asset Investigation Training	FATF Training	28th to 31st October, 2024	Busan, South Korea
7.	Managing Financial Investigation (Intermediate) Pilot Programme.	OECD	20th to 31st January, 2025	at CTF, NADT, New Delhi
8.	FATF Joint Assessor Training (JAT)	FATF	2rd to 6th February, 2025	Doha, Qatar
9.	Invitation from IMF Regional Course on Strengthening Effectiveness of AML/CFT Frameworks (AML)	IMF Regional Course	3rd to 7th March, 2025	Singapore-
10.	OECD-Misuse of Technology in Financial Crimes (Specialty) Pilot Programme	OECD	31st March – 4th April, 2025	Ostia, Italy











Strengthening the Pillars of Enforcement



Strengthening the Pillars of Enforcement

As the premier law enforcement agency in India, the Directorate of Enforcement (ED) stands as a sentinel against economic crimes, and its strength lies in its workforce.

The Establishment, Vigilance, and Training verticals play a pivotal role in ensuring that the agency is equipped with a skilled, motivated, and resilient workforce capable of tackling the complexities of money laundering, foreign exchange violations, and economic offenses.

In 2024-25, the HR wing focused on enhancing recruitment, training, welfare, and operational efficiency to fortify the ED's mission. This chapter outlines the strides made in strengthening these foundational pillars.

Training & Initiatives For Integrity

ED regularly conducts several training programs to upskill its employees focusing on cutting-edge tools and techniques of investigation. In line with the Government of India's vision of Karmayogi Bharat, ED conducted the following training programs for its personnel during the year:

Name	Level of Officers	Duration	Sessions
AEO Basic Course	Newly inducted entry level officers of the executive cadre, i.e. Assistant Enforcement Officers (AEOs)	6 weeks	140 sessions on PMLA, FEMA, Accounts and other Statutes, including hands-on forensics training in the National Cyber Forensics Lab for a week.
Vertically Integrated Induction Program (VIIP)	Newly appointed Deputy Directors and Assistant Directors on deputation	3 weeks	97 sessions on PMLA, PMLA, FEMA, FEOA, BNSS, BNS, BSA, and digital forensics
Preventive Vigilance	For all officers and officials	As required	Multiple sessions to sensitize officers and officials regarding the procedural aspects of preventive vigilance.
Ethics and Conduct Rules	For all officers and officials	As required	Multiple sessions to sensitize officers and officials regarding the conduct rules.
Systems & Procedures	For all officers and officials	As required	01 session
Cyber Security and Awareness	For all officers and officials	As required	Multiple sessions to enhance awareness and knowledge about the ever-emerging cyber threats
Mental Health Awareness and International Yoga Day	For all officers and officials	As required	De-stressing and emphasis on work life balance
"Administrative and Establishment Rules' pre-promotion training	Upper Division Clerks	2 weeks	18 sessions on establishment and administrative matters

“Establishment Rules” for ED Cadre Assistants	Assistants	1 week	In collaboration with the Establishment Section
Public Procurement	80 officers of ED	One Day	Session for admin units of ED
Sensitization of New Criminal Laws BNS 2023, BNSS 2023 & BSA 2023 –in collaboration with CDTI Ghaziabad	All officers and officials of ED	One Day	To keep abreast with the evolving criminal laws
Training on Issuance of Summons	All officers of ED	One Day	To standardize practices across regions and zones and reduce discretion
Provisions of Arrest vis- à-vis the latest judgements	All officers of ED	One Day	In line with Karmayogi Saptah
Launch of Cryptocurrency and Digital Evidence Handling Manual	All officers of ED	One Day	For lawful handling of digital data and forensic analysis of seized data
Two Day visit of IRS Probationers	Officer Trainees of IRS (Income Tax)	One Day	Familiarization with work of ED
One-Day Attachment of twelve (12) IRS officers of Income Tax with Western Regional Office, Mumbai	Officer Trainees of IRS (Income Tax)	One Day	Familiarization with work of ED
Workshop on I-Acquity Software	All officers of ED	One Day	Familiarization with forensic tools for effective investigation
One-Day visit of IRS Probationers of 78 th Batch in ED	Officer Trainees of IRS (Income Tax)	One Day	Familiarization with work of ED



ED places a strong emphasis on constant development of its officers and officials. For this, specific training programs tailored to the level officers are specially designed to align with their future roles and responsibilities. ED constantly refines its training modules to keep up to date with the fast-changing and ever-evolving money laundering risks and legal perspectives.



These programs are held in designated fully-equipped state-of-art training spaces by world class faculties. ED is also in the process of establishing a dedicated training center equipped with modern infrastructure. Further, ED is committed to the Government of India's vision of continuous up-skilling of its personnel through implementation of a minimum number of training hours during the year. Further, the training vertical regularly liaises with external agencies for conducting training of its officers and officials, for instance with INTERPOL, NIA, CBDT, etc.



ED also sends its officers and officials abroad to various forums disseminate global best practices implemented in the anti-money laundering investigations conducted in India and learn from bilateral exchange of ideas as well as capacity building.

Besides in-house programs, ED regularly collaborates with INTERPOL, NIA, NCB, and other LEAs for intersectional training. Further, the Vigilance Section of this Directorate has implemented the following initiatives to ensure integrity and transparency:



i. Digital Transformation: Two significant initiatives contributing to this change are the introduction of the e-office system and digitalized entry systems for securing office premises. Entry of private persons into office premises after system approval.



ii. CCTV Installation: Installation of CCTV in the interrogation room as well as entire office premises.



iii. Press Releases: mentioning details of search operations conducted, Provisional Attachment Orders (PAOs) issued, Arrests made, and Prosecution Complaints (PCs) filed are regularly updated and proactively published in bilingual language. These updates are made available on ED's official Twitter handle and website. This approach ensures transparency, keeps the public informed about the progress of high-profile cases, and demonstrates ED's commitment to accountability.



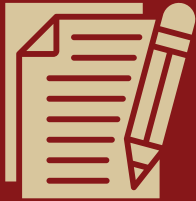
iv. Vigilance Circular Update: The Vigilance Circular latest updated on 11.06.2024 to incorporate the most current guidelines and practices. These updates are made as necessary to address emerging issues & reinforce preventive measures.



Vigilance Awareness Week was observed from 28th October 2024 to 3rd November 2024. Prior to this, ED engaged in a three-month awareness campaign starting from mid-August.



vi. Integrity pledge/e-integrity Certificate: A formal event was organized for personnel to an integrity pledge collectively.



vii. Essay Competition: An essay competition was organized during Vigilance Awareness Week in ED to raise awareness among officers and officials about the importance of integrity in the fight against corruption.



viii. Chief Technical Examiners (CTE) Program: was conducted with a primary focus on thoroughly examining technical, financial, and procedural aspects of projects, works, and procurements to identify any discrepancies, irregularities, or inefficiencies that could lead to corruption or mismanagement.

Streamlining Procedures through Internal Guidelines

In recent times, the Enforcement Directorate has placed renewed focus on streamlining and standardising its operations across all levels of functioning. Recognising the need for procedural clarity, consistency, and institutional integrity, the Directorate has undertaken a comprehensive exercise to issue internal guidelines and standard operating procedures (SOPs) across key operational domains. These measures are designed to reduce discretion, enhance transparency, and ensure greater alignment with legal mandates, judicial expectations, and public trust.

These guidelines span a wide range of operational areas, including initiation of investigations, arrest and remand procedures, issuance of summons, attachment and restoration of property, cross-border cooperation, and internal communication protocols. By codifying these procedures, the Directorate has not only reinforced legal safeguards but also enhanced internal accountability and officer preparedness.

Key areas addressed include the Guidance Notes on arrest and remand and issuance of summons, which seek to ensure that such powers are exercised with due care and in accordance with statutory requirements. The SOPs for taking possession and management of attached or seized properties, as well as the procedure for restoration of property, provide clarity and structure in matters involving property rights and judicial oversight.

In the interest of improved documentation and oversight, the Directorate has also issued detailed directions on handling of enforcement inputs, recording of ECIRs, and submission of periodic reports to the Head Office. Guidelines on correspondence and communication protocols help ensure a consistent and professional approach across all Zones and units.

Additionally, to support international cooperation and legal processes, SOPs have been released on executing incoming Mutual Legal Assistance Requests and on invoking specific provisions of PMLA while filing matters before adjudicating authorities and special courts. The introduction of guidance on the filing of closure reports under PMLA, as well as on the handling of FEMA files, reflects the Directorate's effort to bring parity and structure to all enforcement streams.

These internal guidelines also serve as critical tools for capacity building within the organization. They form part of a broader training and institutional memory framework that supports field officers in navigating complex enforcement challenges with clarity and efficiency.

A list of key guidelines issued recently is provided below:

S. No.	Date of issuance of circular / guidelines	Subject
1.	20.12.2024	Statutory/Administrative Authorities for the enforcement of the various provisions of the Prevention of Money Laundering Act, 2002
2.	20.12.2024	Guidelines on Correspondence and Communication
3.	20.12.2024	Directions for handling information received by offices of Directorate of Enforcement; opening, handling & disposal of T-O(PMLA)/T-1(PMLA)/T-2(PMLA); and recording of ECIRs
4.	20.12.2024	Guidelines for submission of reports to be sent to Head Office on periodic basis

5.	09.12.2024	Guidance Note on arrest of an accused and remand under provisions of the Prevention of Money Laundering Act, 2002(PMLA)
6.	11.10.2024	Guidance note on the issuance of Summons to give evidence or to produce any records during the course of any investigation or proceedings under the Prevention of Money-Laundering Act, 2002 (PMLA)
7.	27.08.2024	Filing of Closure report in terms of Proviso to clause (b) of sub-section(1) of Section 44 of the Prevention of Money Laundering Act, 2002 in certain circumstances
8.	01.07.2024	SOP for Restoration of Property in PMLA Cases
9.	07.03.2024	Guidelines on handling information received by offices of Directorate of Enforcement, opening, handling and disposal of T-1, T-2, T-3, T-4 and T-5 FEMA files including filing of Complaint, issuance of SCN and recovery of penalty under FEMA, 1999
10.	06.02.2024	Guidelines on Taking Possession and Management of Attached/Seized/Frozen Movable and Immovable Properties confirmed by the Adjudicating Authority
11.	31/10/2023	SOP for executing Incoming Mutual Legal Assistance Request and using informal Channels for Intelligence/information gathering
12.	13/11/2023	SOP in respect of invoking Section 22 of PMLA, 2002 while filing O.A. before the Adjudicating Authority as well as the Prosecution Complaints before the Special Courts

It may be noted that these technical circulars are issued solely for the internal use, providing guidance for the officers within the Directorate and it shall not be used before any quasi-judicial or judicial forums.

New Recruitment Rules

As per DoPT's guidelines, Recruitments Rules should be reviewed every five years to ensure alignment with evolving guidelines. In line with this, ED reviewed its recruitment rules for the post of Deputy Director (DD) to alleviate stagnation and enhance promotion opportunities for the direct-recruit cadre. Earlier, recruitment to the post of DD was in the ratio of 2:1, with 1 official promoted from direct recruits against every 2 officers recruited from deputation.



Now, with effect from January 2025, the recruitment criteria have been changed to for 1:1 recruitment at the level of DD, ensuring that fifty percent of all selections of DD are through promotion. This change is in line with DoPT's recommendations and aligns with other LEAs like the Central Bureau of Investigation (CBI).

With this change, ED hopes to develop a motivated cadre of professionals acting as subject experts in the fields of Anti-Money Laundering and Foreign Exchange Management, leveraging their years of experience and skills.

Cadre Restructuring Proposal

The first reorganization of ED was done in 2006 at a sanctioned strength of 745. In 2011, a comprehensive restructuring of ED was carried out and the sanctioned strength was increased to 2063. Since 2011, there has been no increase in manpower, except creating 2 additional posts of Additional Directors and 10 posts (5 AD, 5 EO) increased in 2022. Instead of increase in manpower, 45 posts (2 posts of AD (OL), 07 posts of System Analyst and 36 posts of Scientific Technical Assistant) were abolished in 2023. The present Sanctioned Strength of the Directorate is 2030.

Despite DoPT O.M. F. No.I.11019/4/2021-CRD dated 17.03.2021 stipulation that the ideal periodicity of cadre review to be 5 years, no cadre review of ED has been carried out for the last 14 years. The underlying principle for cadre review is to increase manpower of organizations entrusted with more responsibility and rationalize manpower of organizations whose role have reduced. In the case of ED, there has been an exponential increase in the number of cases being investigated and surge in litigation. Moreover, additional responsibility was entrusted to the Directorate in 2018 to enforce FEOA, 2018 without corresponding augmentation in manpower. The Hon'ble Supreme Court in the case of Ashwini Kumar Upadhyay vs. UOI has impressed upon the importance of expeditious disposal of cases by investigating agencies like ED & CBI - the need for increasing the infrastructure of the agencies has also been discussed in the said order.

Moreover, FATF in its MER report 2024 has also recommended increase in manpower of ED. It is clearly mentioned in the para 251 of MER report, 2024 of India that “Based on the size and risks of the country and the expected volume and complexity of ML investigations and prosecutions, there is a need to increase the resourcing of ED.”

In this regard, a proposal for Cadre Restructuring of ED has been submitted to the Ministry of Finance through Department of Revenue which is under consideration.



MoA with NFSU for Cyber Labs



The Directorate of Enforcement has signed a Memorandum of Agreement (MoA) with National Forensic Sciences University (NFSU) on 01.02.2021 to augment its existing forensic capabilities of 06 cyber labs ED (02 at New Delhi and 01 each at Mumbai, Chennai, Kolkata & Chandigarh) and to establish a new cyber lab for ED at NFSU Gandhinagar Campus.

ED's new forensics lab at NFSU has state-of-the-art facilities for analysis of the digital evidences which are seized during the investigation process in accordance with the provisions of law.

As per the MoA, NFSU has deputed 01 Reporting Officer and 02 Technical Assistant for each of the 07 ED cyber labs. The MoA shall be valid for a period of 05 years which can be extended for another specified period of time on mutually agreed terms and conditions.

Further, ED takes assistance/technical suggestions from NFSU before carrying out any procurement of forensic tools for cyber labs of ED. It is pertinent to note that ED seizes a large number of digital evidences (e.g. hard disks, mobile phones) during search and seizure operations. Analysis of these evidences is extremely essential for the purpose of investigation. Earlier it used to take 02-06 months to get data retrieved which has now been reduced to 04-05 days with the help of ED's 07 cyber labs.

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Building for the future

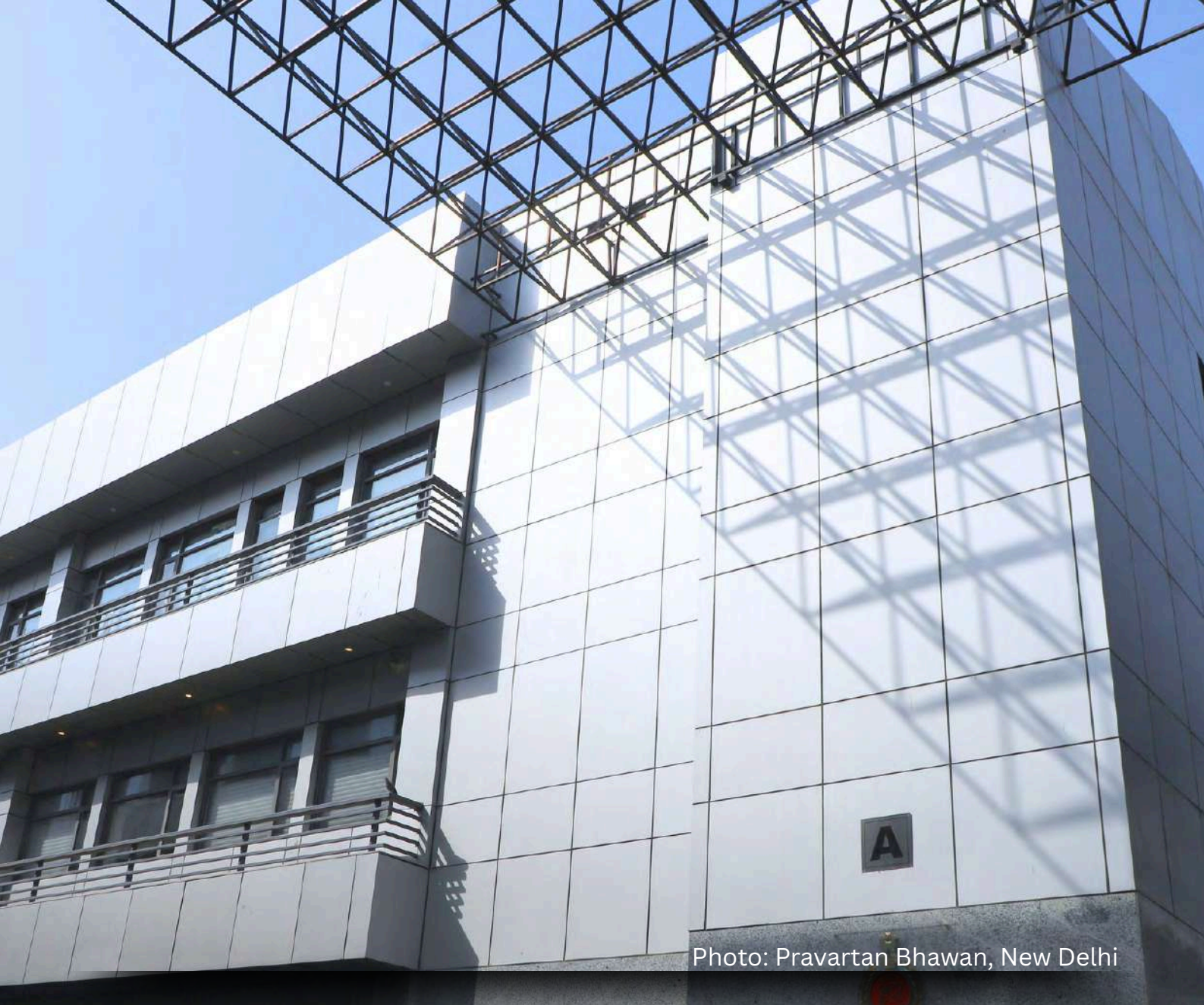


Photo: Pravartan Bhawan, New Delhi

Building for the Future

Since its inception in 1956, ED has largely operated from rented premises. These accommodations often did not conform to the spatial norms set by the Directorate of Estates and were typically located among private commercial establishments.

Given the growing workload of the ED, the need for improved infrastructure became increasingly pressing. Over the past year, significant progress has been made in this regard, with concerted efforts undertaken to acquire or lease suitable new premises on a priority basis.

Infrastructure has been improved in the following ways:

- Hiring new offices on rental basis to cater the current immediate requirement.
- Identifying and Purchasing land to construct office buildings taking into consideration the present and future requirements of this Directorate.
- Purchasing ready built buildings/office space considering the immediate and future requirements.

Offices of ED

This chapter showcases the progress made by ED in setting up its own independent offices and improving the infrastructure available to its officers.

Pravartan Bhawan & Central Regional Office

Operational since January 1, 2022, Pravartan Bhawan serves as the center for ED, housing its Headquarters, Central Regional Office, and Delhi Zonal Offices. The facility spans over 83,000 square feet and is equipped with modern infrastructure, including round-the-clock CISF security and more than 100 CCTV cameras with integrated audio capabilities.

It is equipped with two state-of-the-art Cyber Labs have been established within the premises to support the forensic and technological needs of various ED zones, significantly enhancing the Directorate's investigative capabilities.



CRO: Lucknow Zonal Office

Lucknow Zonal office is currently functioning from Princeton Business Park, 2nd Floor, 16 - Ashok Marg, (Near SIDBI), Lucknow since 01.02.2013. In its pursuit of having own premise, LKZO has recently purchased a land parcel of 8,114 sq. mts. situated at Gomti Nagar, Lucknow. Further, another floor has been purchased in the current premises and was recently inaugurated.



CRO: Patna Zonal Office

Patna Zonal office is currently functioning from Bank Road, Chandpura Place, Patna since 22.01.2024. PTZO has recently purchased a land parcel of 01-acre land located at 90 ft. Road, adjacent to Patliputra Marriage Hall, Ashiana Digha Road, Patna Rajeev Nagar, Patna. The process for construction of new office building has already been initiated.



CRO: Ranchi Zonal Office

Ranchi Zonal office is currently functioning at Plot No. 1502/B, Airport Road, Hinoo, Ranchi, Jharkhand since October 2021. Recently, the zone has purchased a land parcel of 1.98 acres land located at Circle- Nagri, Village- Mudma, Thana no. 229, at HEC Sector, Ranchi and the new office is under construction.

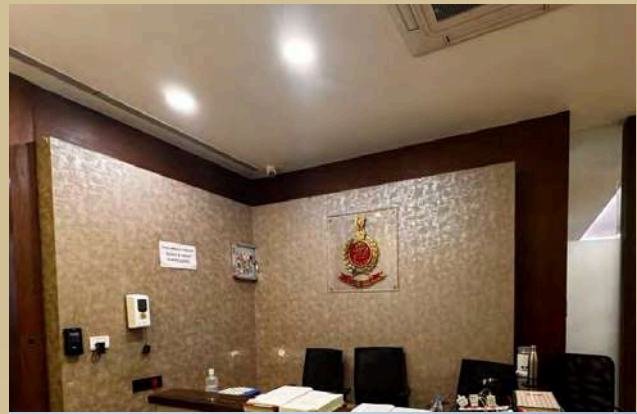
CRO: Allahabad Sub-Zonal Office

Allahabad Sub-Zonal office is currently functioning at 6th Floor, CTO Compound, BSNL Building, Nawab Yusuf Road, Civil Lines, Prayagraj since 22.02.2022.



Western Regional Office & Mumbai Zonal Office -II

Western Regional Office and Mumbai Zonal Office-II are currently functioning from 301, 302 & 303, Ceejay House, Dr, Annie Besant Road, Worli, Mumbai since 27.01.2022. Along with the Mumbai Zone-I Office, these offices are going to shift to a new unified premises.



WRO: Mumbai Zonal Office - I

Mumbai Zonal Office-I is currently functioning from 4th Floor, Kaiser-I-Hind Building, Currimbhoy Road, Ballard Estate, Mumbai since 21.04.2015. In a major step towards infrastructure development, ED Mumbai has recently purchased a land parcel of 2200 sq. mt. in a prime location in Bandra-Kurla Complex for construction of a unified office complex for all the offices of ED Mumbai including Western Regional Office, MBZO-I and MBZO-II.

WRO: Ahmedabad Zonal Office

Ahmedabad Zonal Office is currently functioning from 11th Floor, Satya One, Near Helmet Circle, Opp. Manav Mandir, Drive-In Road, Ahmedabad - 380052 since April 2018. A proposal for purchase of land from Ahmedabad Municipal Corporation is currently in progress.



WRO: Bhopal Zonal Office

Bhopal Zonal Office is currently functioning from Ground Floor, BSNL Bhavan, Arera Hills, Hoshangabad Road, Bhopal (M.P.) since 01.01.2022. In pursuit of having its own building, Bhopal Zonal Office has purchased 01 Acre land parcel in Arera Hills, Bhopal for construction of office building.

WRO: Panaji Zonal Office

Panaji Zonal Office is currently functioning from the 1st & 2nd Floor, Jeevan Vishwas, LIC Building, EDC Complex, Patto Plaza, Panaji, Goa since 19.04.2013.



WRO: Raipur Zonal Office

Raipur Zonal Office is currently functioning from A-1 Block, 2nd Floor, Pujari Chambers, Pachpedi Naka, Raipur since 03.02.2025. In pursuit of having its own building, ED Raipur has purchased 2.20 Acre land in village Jhanj, Raipur for construction of office building.

WRO: Nagpur Sub-Zonal Office

Nagpur Sub-Zonal Office is currently functioning from 7th Floor, A Block, CGO Complex, Seminary Hills, Nagpur since 01.06.2019.



WRO: Indore Sub-Zonal Office

Indore Sub-Zonal Office is currently functioning from Nehru Park, Telephone Exchange, Building No. 3, Indore, Madhya Pradesh since 15.03.2024.

WRO: Surat Sub-Zonal Office

Surat Sub-Zonal Office is currently functioning from 115, 116 Hari Om Awas Bungalows, near Valentine Multiplex, Dumas Road, Surat since 11.11.2013.



Eastern Regional Office & Kolkata Zonal Office-I, II

The Eastern Regional Office, Kolkata Zonal office-I & II are currently functioning from a CGO Complex, 3rd M.S.O. Building, 6th Floor, C & D Wing, DF Block, Salt Lake, Sector - I, Kolkata since 2003. ED has recently purchased an office space of 62,481 Sq. ft. (Ground, First and Second Floor) in NBCC Square, Rajarhat, Kolkata for having a unified office premise for all three offices.



ERO: Bhubaneswar Zonal Office

Bhubaneswar Zonal office is currently functioning from N/3-134, IRC Village, VIP Area, Bhubaneswar, Odisha since 2007-08. However, recently, ED Bhubaneswar has purchased 2 floors (Ground and First Floor) in Tower-1 of NBCC Imperia at Chandrasekarpur, Bhubaneswar.



ERO: Guwahati Zonal Office-I, II

**Itanagar, Aizawl, & Dimapur Sub-Zonal
Offices**

Guwahati Zonal Office-I & II, as well as the Itanagar, Aizawl and Dimapur Sub-Zonal Offices are currently functioning from 6th Floor, Mainaak Tower G. S. Road, Christian Basti Guwahati, Assam since 11.10.2023. Further, a proposal for purchase of land by ED is currently underway. Dimapur Sub- Zonal Office has recently purchased a land parcel of 0.97 acre land situated at Village Puranabazar, Dimapur, Nagaland.

ERO: Imphal Sub-Zonal Office

Imphal Sub-Zonal office is currently functioning from Sangakpham, Chingmeirong, Imphal since 19.07.2021. Moreover, Imphal Sub-Zonal Office has recently purchased a land parcel of 01-acre land from the Pattaland of Directorate of Settlement & Land Records, Govt. of Manipur for construction of office building of Imphal Sub Zonal office.



ERO: Shillong Sub-Zonal Office

Shillong Sub-Zonal office is currently functioning from ABRI Building, Langkyrding, Shillong since 01.03.2021. A proposal for purchase of 01-acre land is currently under process.



ERO: Agartala Sub-Zonal Office

Agartala Sub-Zonal office has been functioning from House No. 039952, Ward No. 03, Nutan Nagar, Co-Operative, Airport Road, Agartala since 01.10.2021.



ERO: Gangtok Sub-Zonal Office

Gangtok Sub-Zonal office has been functioning from behind Krishi Bhawan, Milan Gaon, Upper Tadong, Gangtok since 08.10.2021.

Southern Regional Office & Chennai Zonal Office-I

The Southern Regional Office and Chennai Zonal Office-I has been functioning from No. 2, 5th & 6th Floor, BSNL Administrative Building, Kushkumar Road, Nungambakkam, Chennai- 600034 since 01.04.2023. A proposal to purchase land from BSNL is under consideration for building a unified office complex for CEZO-I, CEZO-II and SRO.



SRO: Chennai Zonal Office-II

Chennai Zonal Office-II has been functioning from 3rd Floor, BSNL Building, Grems Road, Chennai since 18.03.2024.

SRO: Hyderabad Zonal Office

Hyderabad Zonal Office has been functioning from 3rd Floor, Shakar Bhawan, Fateh Maidan Road, Hyderabad since the year 1996. Efforts are underway to purchase land / building from BSNL.



SRO: Bangalore Zonal Office

Bangalore Zonal Office has been functioning from 3rd Floor, 'B'-Block, BMTC, Shantinagar, TTMC, K.H. Road, Shantinagar, Bangalore, Karnataka since 22.03.2013.

SRO: Kochi Zonal Office

Kochi Zonal Office has been functioning from Kanoos Castle, Mullassery Canal Road West (A K Seshadri Road), Cochin since 10.03.2014. Recently, Kochi Zonal office has started the process of shifting the office to a newly hired office premise.



SRO: Madurai Sub-Zonal Office

Madurai Sub-Zonal Office has been functioning from 1A, Post & Telegraph Nagar Main Road, Madurai, Tamilnadu since 21.02.2022.



SRO: Kozhikode Sub-Zonal Office

Kozhikode Sub-Zonal Office has been functioning from 3rd Floor, Kendriya Bhavan, M.S. Baburaj Road, Kallai, Kozhikode since 01.04.2011. A proposal of purchase of land for office building is currently in process.



SRO: Mangalore Sub-Zonal Office

Mangalore Sub-Zonal Office has been functioning from 2nd Floor, 4-212/16, "Vistaar" Commercial Complex, Yeyyadi, Airport Road, Konchady, Mangaluru since 01.04.2022.



SRO: Vishakhapatnam Sub-Zonal Office

Vishakhapatnam Sub-Zonal Office has been functioning from Door No. 1-83-47, Plot No. HIG-244, Sector-4, MVP Colony, Visakhapatnam, Andhra Pradesh since 01.02.2024. Currently a proposal for purchase of land from port trust is in process.



Northern Regional Office & Chandigarh Zonal Office-I

Northern Regional Office and Chandigarh Zonal Office-I have been functioning from 3rd Floor, Telephone Bhawan, Bridge Market, Sector 17-D, Chandigarh since 01.04.2013. Efforts are currently underway to purchase own land / building for the office.



NRO: Chandigarh **Zonal Office-II**

Chandigarh Zonal Office-II has been functioning from 1st Floor, U.T. GOVT. Press Building, Madhya Marg, Sector - 18, Chandigarh. Recently, the Chandigarh Zonal Office-II has hired a new office space situated at CHB Building, Sector-9, Chandigarh to meet the space requirements and the shifting is under process.



NRO: Jaipur **Zonal Office**

Jaipur Zonal Office has been functioning from 2nd Floor, Jeevan Nidhi- II, LIC Building, Bhawani Singh Road, Jaipur, Rajasthan since 24.05.2013. Jaipur Zonal Office has recently purchased a ready built building located at Plot No 5A, Jhalana Doongari, Jaipur.



NRO: Gurgaon Zonal Office

Gurgaon Zonal Office is ED's first owned building situated at Sector 28, MG Road, Chakkarpur, Saraswati Vihar, Gurugram, Haryana and has been operational since 01.01.2025.



NRO: Jalandhar Zonal Office

Jalandhar Zonal Office has been functioning from 556-B, 'The Mirage', Cool Road, Jalandhar, Punjab since September 2013. Further, efforts are being made to hire a new office premises and also to purchase a land parcel from BSNL to construct own office building.





NRO: Srinagar Zonal Office

Srinagar Zonal office has been functioning from Shah Building, Gogji Bagh, Jawahar Nagar, Srinagar, Jammu & Kashmir since 01.06.2023. Srinagar Zonal Office has recently purchased a land parcel of 1.2-acre land located under Khasra No 1012 at Lasjan Estate, Srinagar for construction of building of Srinagar Zonal Office.

NRO: Dehradun Sub-Zonal Office

Dehradun Sub-Zonal Office has been functioning from 5, Cross Road, Near Doon MRI, Dehradun since 01.04.2017. A proposal for purchase of new office space is currently at final stages.





NRO: Jammu Sub-Zonal Office

Jammu Sub-Zonal Office has been functioning from 5 A/C, Green Belt Area, Gandhi Nagar, Jammu since 01.04.2024. A proposal for purchase of land in Jammu is currently under consideration before the Department of Revenue, Ministry of Finance.

NRO: Shimla Sub-Zonal Office

Shimla Sub-Zonal Office has been functioning from Rani Villa, Bagrian House, Strawberry Hills, Chhota Shimla, Shimla since 30.07.2014. Efforts are underway to purchase land for building own office.

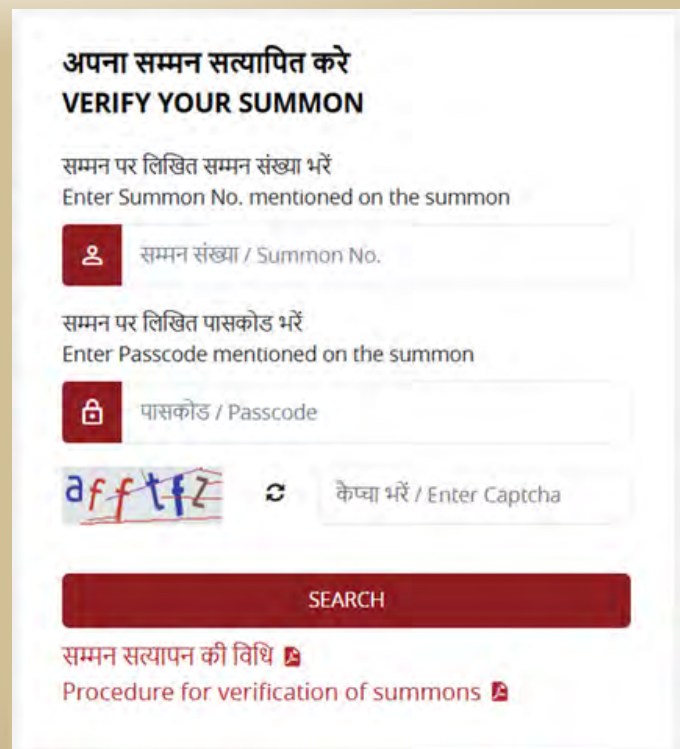


E-Infrastructure

Apart from the focus on physical infrastructure, ED is also focused on expanding the digital and systems-based infrastructure to automate processes, aid officers, and leverage insights from big data. Massive projects have been undertaken in the past few years and optimized in the past year itself, which are discussed in the following paragraphs.

1. QR Code for Validation of Summons

ED introduced a QR code system to verify summons, enhancing efficiency and security. Each summons now includes a unique QR code linked to a centralized database, accessible directly from the ED website's homepage.



The screenshot shows a web form titled 'अपना सम्मन सत्यापित करे' (Verify Your Summon) in Hindi and English. It contains two input fields: 'सम्मन संख्या / Summon No.' and 'पासकोड / Passcode'. Below these is a CAPTCHA image with the text 'कैप्चा भरें / Enter Captcha'. A red 'SEARCH' button is at the bottom. Links for 'सम्मन सत्यापन की विधि' (Procedure for verification of summons) are provided at the bottom.

Recipients can scan it to confirm the authenticity, reducing impersonation risks. The implementation of this measure has directly reduced the menace of impersonation and fake summons issued by unscrupulous elements.

e-Office



e-Office, being an integral part of the Digital India Programme, is the medium to achieve a simplified, responsive, effective, accountable and transparent working in Government offices. The speed and efficiency of e-Office not only assists departments in informed and quicker decisions but also makes them go paperless.

During the year, ED has implemented e-Office not just within the Headquarters Office, but also in all field units of the Directorate. This has enabled implementation of a file-management system, knowledge-management system, and work-from-anywhere model. ED has successfully implemented and is effectively utilizing the e-Office for administration. This digital transition has not only eliminated the need for physical files, but also significantly enhanced document accessibility along with streamlining workflows, reducing response times and improving overall efficiency.

3. SPARROW for APAR

SPARROW, or "Smart Performance Appraisal Report Recording Online Window," is an initiative by the Government of India to digitize and streamline the performance appraisal process for its officers. Launched by the Department of Personnel and Training (DoPT), SPARROW enables electronic



filing of Annual Performance Appraisal Reports (APARs) in a user-friendly, transparent manner, allowing officers to submit appraisals anytime, anywhere. Within the Enforcement Directorate (ED) in 2024-25, SPARROW was extended to cover all gazetted officers, with plans to include non-gazetted staff by mid-2025.

This system has reduced delays in APAR submissions, ensuring timely completion and better monitoring of performance across the ED's workforce. By replacing paper-based dossiers with a secure online platform, SPARROW has minimized loss of records during transitions and enhanced accountability, with most appraisals completed on schedule this year. Integrated with e-Office and e-HRMS 2.0, it supports the ED's digital transformation, aligning HR processes with the agency's mission of operational excellence.



4. Enforcement Directorate Employee Management System (EDEMS)

This Directorate has developed an in-house application viz. the Directorate of Enforcement Employee Management System (EDEMS) to implement its Transfer Policy. This portal has created a digital database of employee profiles with their history of postings along with details of charges held for both ED Cadre as well as employees on deputation.

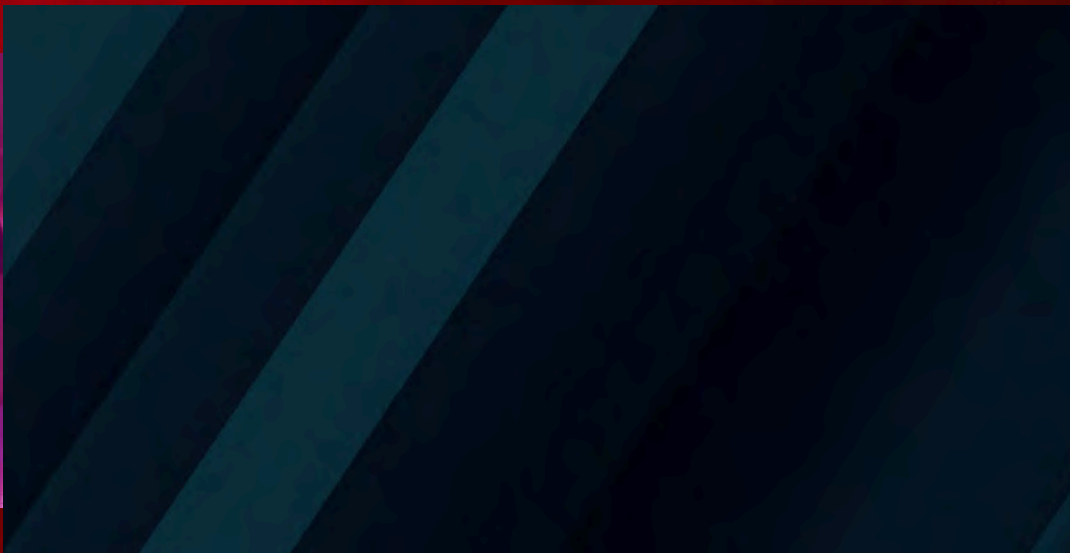
5. Enforcement Directorate Offenders Tracking System (EDOTS)

EDOTS has been implemented to centralize data of all cases under investigations within the Directorate of Enforcement. This centralized system will streamline case tracking, enhance coordination, and ensure that all relevant data is available in real time for efficient decision making and ensuring time bound completion of the investigation process.




Presence of ED





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