



Press Release
11.05.2022

Directorate of Enforcement (ED) has filed Prosecution Complaint before Hon'ble Special Court at Visakhapatnam, Andhra Pradesh against M/s RMP Infotec Private Limited (RMPIPL), Chennai and its Directors, under Prevention of Money Laundering Act (PMLA), 2002, for cheating the public to the tune of Rs. 35.55 Crore in a Multi Level Marketing (MLM) fraud. The Hon'ble Court has taken cognizance of the Prosecution Complaint on 09.05.2022.

ED initiated money laundering investigation on the basis of various FIRs registered by the AP Police against M/s RMP Infotec Private Limited, Chennai and its Directors, for fraudulently cheating the public to the tune of Rs. 35.55 Crore.

Investigation by ED revealed that M/s RMPIPL had been doing a banned and illegal business under the Prize, Chits and Money Circulation (Banning) Act, 1978 and has lured the innocent public by promising unrealistic commissions/returns on their Multi Level Marketing business since its inception till 2012. The company has been doing such illegal and banned business by luring the distributors with easy and quick money that every member would get an amount ranging from Rs. 1000/- to Rs.1,30,000/- per week. Investigation has revealed that M/s RMPIPL was buying the goods at much lower value than MRP i.e., around 40% of MRP, and selling the products at MRP, thus making 60% as gross profit. The members who have enrolled themselves in the company were made to purchase the products at much higher value than the purchase value of M/s RMPIPL as mentioned above and a part of the profit earned by M/s RMPIPL was shared as commission/incentives and the remaining profit was retained with M/s RMPIPL. Therefore, the said profits earned by RMPIPL as reflected in their books of accounts, shares, bank deposits and immovable properties belonging to M/s RMPIPL and its Directors, worth the total POC of Rs 35.55 Crore were attached under PMLA and the same are being prayed to be confiscated.
