



**Press Release**  
**02.09.2021**

Enforcement Directorate has attached partly paid Compulsorily Convertible Preference shares of HDIL group companies totalling to Rs.233 Crore under the provisions of Prevention of Money Laundering Act 2002 in PMC bank scam. On the strength of these shares HDIL have right for allotment of under construction flats admeasuring 90,250 Square feet FSI in Ghatkopar, Mumbai of the developer M/s Aryaman Developers P Ltd. The developer has given an undertaking to ensure not to sell/transfer/alienate or create any third party rights thereon on completion of the project.

ED initiated investigation under PMLA on the basis of FIR dated 30.09.2019 registered by Economic Offences Wing, Mumbai Police under the provisions of Indian Penal Code, 1860 against Joy Thomas (Managing Director) of PMC Bank, Waryam Singh (Chairman), Sarang Wadhawan, Rakesh Kumar Kuldeep Singh Wadhawan of M/s. Housing Development Infrastructures Ltd (hereinafter known as HDIL) and promoters & executives of M/s Somerset Construction Pvt Ltd, Serveall Construction Pvt Ltd, Sapphire Land Development Pvt Ltd, Emerald Realtors Pvt Ltd, Awas Developers & Construction Pvt Ltd, Prithvi Realtors and Hotels Pvt Ltd, Satyam Realtors Pvt Ltd and others for causing wrongful loss to the tune of Rs.4355 Crore to PMC Bank and corresponding gain to themselves.

Investigation under PMLA revealed that in spite of default in payment, HDIL group Companies availed loans from PMC from time to time. The mode and manner of operation of bank accounts of HDIL clearly indicate the connivance of PMC Bank officials with the promoters of HDIL. There was misconduct on the part of PMC officials as they ignored all the prevailing procedures to facilitate promoters of HDIL by extending unusual credit facility. Instead of declaring them as NPA for initiating actions for recovery, the PMC bank officials choose to accommodate the HDIL group. Due to such criminal act of promoters of HDIL Group companies, PMC bank suffered a huge wrongful loss to the tune of Rs.6117.93 Crore.

Investigation further revealed that Rakesh Wadhawan and other promoters of HDIL, have fraudulently utilized the funds taken from PMC bank in various projects by projecting the same as untainted. During the year 2011-12, amount of Rs 233 Crore was transferred from the HDIL group companies to group companies of Mukesh Doshi of Mumbai. These funds were finally utilised by Aryaman Developers Pvt Ltd in the Slum Rehabilitation Project developed in Ghatkopar East, Mumbai. As per the understanding between Rakesh Kumar Wadhawan and Mukesh Doshi, HDIL group of companies would be allotted constructed area of FSI admeasuring 90250 Sq ft of Carpet Area in the proposed building. For the instant project M/s Aryaman



Developers had its own investments including loans from bank. The funds were utilised for payment of Land premium, Rent to Slum Dwellers, Construction of Transit Camps, Fungible Premium, Construction of Rehab and IOD Deposit with SRA. It is also revealed that the promoters of HDIL intend to take a back door exit from the project and approached M/s Aryaman Developers for a settlement at Rs.150 Crore. To not to cause hinderance in the ongoing project for slum rehabilitations, an undertaking was taken from the Mukesh Doshi in the form of affidavit to ensure that the project after development would not fall in the hands of accused Rakesh Kumar Wadhawan. Therefore, the identified Proceeds of Crime generated out of fraudulently availed loan by HDIL from PMC, lying in the form of Compulsorily Convertible Preference shares of HDIL group companies totalling to Rs.233 Crore are provisionally attached under PMLA.

Earlier, Rakesh Wadhawan and Sarang Wadhawan the promoters of HDIL were arrested under PMLA on 17.10.2019 and are presently in judicial custody. Prosecution Complaint has been filed before the Hon'ble Special PMLA court against R K Wadhawan , Sarang Wadhawan, Waryam Singh and Joy Thomas.

Further investigation is under progress.

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