



Press Release

07.06.2022

Directorate of Enforcement (ED) has provisionally attached 210 immovable properties worth approximately Rs. 110 Crore under the Prevention of Money Laundering Act (PMLA), 2002 in the M/s. Maithri Plantation & Horticulture Pvt Ltd. (M/s. MPHPL) Ponzi scam case. The attached properties are in the name of M/s. MPHPL, its sister concerns M/s. Sree Nakshatra Builders & Developers India Pvt Ltd (M/s. SNBDIPL), M/s. Maithri Realtors India Pvt. Ltd (M/s. MRIPL) and the Directors namely, Lakku Konda Reddy, Lakku Malayadri Reddy, Lakku Madhava Reddy and Kolikalapudi Brahma Reddy of these companies.

ED initiated money laundering investigation on the basis of FIR dated 24.03.2013, registered by Andhra Pradesh Police under Sec 420 of IPC, 1860, Sec 4 & 5 r/w Sec. 2(c) of Prize Chits Money Circulation Schemes (Banning) Act 1978 and Sec 5 of APPDFE Act 1999 against Lakku Konda Reddy & others for allegedly cheating and defrauding general public. In total, 12 FIRs were registered by Andhra Pradesh police.

Investigation by ED revealed that M/s MPHPL ran an illegal Ponzi scheme and solicited deposits from general public without any permission and without any kind of license to run a Collective Investment Scheme or NBFC etc. It collected deposits from lacs of gullible depositors who were encouraged to join by a network of organized agents who were in turn promised very high commissions on the invested amounts. Investors were lured with the false promises of very high returns or delivery of a plot in dream projects on maturity. Money trail revealed that the money collected from the public by M/s MPHPL was illegally diverted to other group companies namely - M/s SNBDIPL & M/s MRIPL, for their real estate business and several properties were acquired in Andhra Pradesh, Telangana, Kerala and Karnataka in the names of M/s MPHPL, M/s SNBDIPL, M/s MRIPL and the directors of these companies. The accused managed to collect Rs 288.42 Crore from lacs of gullible investors. As on date, out of the collected amount, M/s MPHPL has failed to return/repay nearly Rs.158.14 Crore to the investors.

ED has provisionally attached 196 landed properties in AP, 13 landed properties in Telangana and 1 landed property in Karnataka state. The properties include open lands, plots, flats etc., and are valued at INR 110 Crore

Further Investigation is in progress.
