



## **Press Release**

**27/11/2024**

Directorate of Enforcement (ED), Kozhikode Sub-Zonal Office, has arrested Ismail Chakkarath on 26/11/2024 in connection with a money laundering case wherein business loan facilities availed in Qatar was illegally diverted to India. The Proceeds of Crime (POC) generated in Qatar was invested in immovable properties in India. He was produced before the Hon'ble IInd Additional District and Sessions Judge, Kozhikode, who has remanded him to judicial custody till 10/12/2024.

ED initiated investigation on the basis of FIR registered by the Kerala Police Crime Branch (EOW, Kannur & Kasargod Unit) under Section 420 of the IPC, 1860 for non-repayment of loan of QAR 30,643,204 (approximately Rs. 61.3 Crore) from United Bank Limited, Qatar, for the business development of M/s Grand Mart Trading, Qatar. The loans were neither repaid nor used for the stated purpose of business expansion and illegally diverted to India by depriving the lender from taking further course of action for recovery of loan.

ED investigations revealed that the loan were diverted to India and invested in benami transactions in Wayanad, Kerala. Rs. 2.02 Crore was allegedly utilized for the attempted purchase of immovable property, which was not finalized. The funds remained in the possession of the purported seller. Properties and assets acquired using these funds were held in his associate's names to obscure actual ownership.

Search operations conducted under PMLA, 2002 at premises linked to Chakkarath and his associates led to the seizure of cash, mobile phones containing potential evidence, and incriminating documents. Bank accounts linked to Chakkarath were frozen to prevent further misuse of POC. Documents related to properties and investments in Benami's were also recovered.

Statements recorded under PMLA confirmed the diversion of significant amounts for property acquisitions and investments and his involvement in the offence of Money Laundering.

Further investigation is under progress.