



## **PRESS RELEASE**

**12/03/2025**

Directorate of Enforcement (ED), Kochi has provisionally attached assets worth Rs.16.52 Crore (approx.) of the Directors of M/s. Surabhi Steels Private Limited and its Group companies, situated at Palakkad in the State of Kerala and Coimbatore in the State of Tamil Nadu, under the provisions of Prevention of Money Laundering Act (PMLA), 2002, as part of investigation into the Indian Overseas Bank, Coimbatore Branch fraud case. The attached assets comprising 17 nos. immovable properties worth Rs. **16.52 Crore (approx.)** consisting of land and building at prime locations in Kerala.

ED initiated investigation on the basis of FIR registered by CBI, ACB, Chennai under various sections of IPC, 1860 and Prevention of Corruption Act, 1988 against M/s. Surabhi Steels (P) Ltd. and group companies along with its Directors, K. S. Kader Pillai and his family members all residents of Ernakulam, Kerala.

ED investigation revealed that the accounts of 3 companies of Surabhi Group-1, represented by its Directors were not serviced by payment of principal and interest, thus the bank was caused loss. The borrowers had jointly defrauded the complainant bank and caused wrongful loss of Rs. 37.74 Crore.

ED investigation revealed that the borrower had fudged the financial statements with an intention to defraud the financial creditors. That the working capital loan availed from the bank have been diverted to the group companies. K. S. Kader Pillai and his family members, being the Directors of Surabhi Group companies, have drawn substantial amount of money from the company before settling dues of the financial creditors which is not appropriate for which they misappropriated the bank loan, so availed by the borrower companies.

Further investigation is under progress.