



Press Release
11.02.2025

Directorate of Enforcement (ED), Hyderabad Zonal Office has successfully accomplished the process of restitution of properties worth Rs. 79.20 Crore to the State Bank of India in connection with a money laundering case against **M/s Musaddilal Jewellers Pvt. Ltd & others.**

Based on ED's initiative, the State Bank of India (SBI) filed restitution applications under Section 8(8) of the Prevention of Money Laundering Act (PMLA), 2002 before the Special PMLA Court of the Hon'ble Metropolitan Sessions Judge, Nampally, Hyderabad for release of moveable properties seized by the ED, Hyderabad Zonal Office.

ED, Hyderabad Zonal Office urged the Hon'ble Court to release the seized amount to the rightful claimant, i.e. SBI in public interest. The Hon'ble Court vide orders dated 06.01.2025 and 03.02.2025 allowed the said petitions and ordered for release of moveable properties in the form of jewellery worth Rs. 79.20 Crore being closing stock seized from commercial premises of M/s Musaddilal Jewellers Pvt. Ltd.

ED has been investigating a money laundering case against Musaddilal Jewellers Pvt. Ltd. & others who had deposited more than Rs. 111 Crore in demonetized currency immediately after the demonetization of high value notes was declared. ED investigation revealed that said demonetized currency was deposited under the pretext of receipt of advance money from around 6000 fake customers by creating fake invoices of less than Rs. 2 Lakh each. ED investigation also revealed that the said amount was deposited in various bank accounts and was utilized towards purchase of gold bullion which was further sold. In this process, further Proceeds of Crime (POC) of Rs. 28 Crore were derived from such sale. ED investigation also revealed that SBI had extended various credit facilities to M/s Musaddilal Jewellers Pvt. Ltd. which remained unpaid and the loan accounts turned NPA in July 2019; that M/s Musaddilal had outstanding dues to SBI of over Rs. 120 Crore as on 14.03.2023.

ED had earlier seized movable properties worth Rs. 83.30 Crore during searches conducted on 12.01.2017 and 15.04.2019. Provisional attachment of movable & immovable properties to the tune of Rs. 130.57 Crore, including movable properties worth Rs. 83.30 Crore seized during search operations, was also done by ED during the course of investigation.

This marks a significant step in ED's ongoing efforts to restore properties to their rightful claimants and to ensure that POC are returned to those affected. ED continues to uphold its commitment to combating financial crimes and ensuring justice for victims of such crimes.