



**Press Release**

**05.09.2024**

Directorate of Enforcement (ED), Chennai has provisionally attached assets worth Rs 55.30 Crore belonging to Jaffer Sadiq and associates on 2/09/2024 under the provisions of Prevention of Money Laundering Act (PMLA), 2002. This includes 14 immovable properties, such as the JSM Residency Hotel and a luxurious bungalow, and 7 high-end vehicles like Jaguar and Mercedes, acquired through criminal activities.

The action follows an investigation into Jaffer Sadiq Abdul Rehman, a former DMK functionary and alleged leader of a drug cartel smuggling pseudoephedrine and ketamine. The ED's probe, based on NCB and customs investigations, led to searches at 15 locations in Tamil Nadu.

ED investigation revealed that there Jaffer Sadiq in collusion with his brother Mohammed Saleem and others was actively involved in exporting and concealing of pseudoephedrine and other narcotic substances. He has been director/ partner/ prop. of various firms/entities/ companies along with other persons and relatives, which has been used to channelize and layering the proceeds of crime. This entire set up was used to route the Proceeds of Crime (POC) earned from the illicit drug trafficking. Hence, ED, on 26.06.2024 arrested Jaffer Sadiq and on 12.08.2024 arrested Mohammed Saleem under PMLA, 2002 for the offence of money laundering.

ED investigation further revealed that Jaffer Sadiq and his associates laundered the POC from their drug operations by investing in various legitimate ventures, including real estate, film production, hospitality, and logistics. The POC were channelled into these investments through a network of bank accounts, including those controlled by Sadiq and his family members. The illicit cash was deposited, layered through financiers, and recorded as unsecured loans in financial statements. The laundered funds were used to acquire both immovable and movable assets in the names of Sadiq, his wife Smt. Ameena Banu, Mydeen Gani and others, including benamis like Shri Mohammed Mustafa S and Shri Jamal Mohammed.

Further investigation is under progress.