



PRESS RELEASE

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ED restitutes 27 properties valuing Rs. 163.85 Crore to SBI

Directorate of Enforcement [ED], Chennai Zonal Office, has restituted 27 immovable properties located at Chennai valuing Rs. 163.85 Crore under the provisions of Prevention of Money Laundering Act [PMLA], 2002 to State Bank of India [SBI] in Rs. 380 Crore Bank Fraud case of M/s Nathella Sampath Jewellery Private Limited [NSJPL] and others. The restitution was made as per the orders of the Ld. Principal Sessions/ Special Court, Chennai, under Section 8(8) of PMLA.

ED initiated investigation under PMLA based on FIR dated 24-03-2018 registered by the CBI, BS&FC, Bengaluru on the complaint filed by SBI on behalf of the consortium of 3 banks led by SBI. The consortium of Banks had provided loan amounting Rs 380 Crore to NSJPL. It was alleged in the FIR that the accused entity diverted the funds for unintended purposes and did not repay the funds to the bank. The accused entity cheated the banks and caused wrongful loss to the banks.

Investigation made by ED showed that the promoters of NSJPL used several entities to route and layer the loan funds for unintended purposes and personal benefits. During the course of investigation, 37 immovable properties amounting to Rs. 328.44 Crore [being property equivalent to the value of Proceeds of Crime] were attached by ED on 31.07.2018 under Section 5 of PMLA. Further, a Prosecution Complaint was filed before the PMLA Special Court on 15.07.2019. The charges have been framed in this case on 28.10.2024 and the trial is in progress.

During the course of trial, SBI filed an application for restitution of 27 attached properties under the provisions of Section 8(8) of PMLA. SBI also claimed that it had first right on the 27 attached immovable properties being the financial creditor under SARFESI Act. As per Second Proviso to Section 8(8), the Special Court may restore properties to claimants/ victims during the trial. The application filed by SBI was supported by ED as SBI was a victim bank in this case who was cheated by the accused entity NSJPL. ED had attached the properties under PMLA for the benefit of victim banks. As per the order of the Special Court, 27 immovable properties at Chennai valuing Rs. 163.85 Crore were released to SBI on 12-09-2025.