



Press Release

14/11/2024

Directorate of Enforcement (ED), Lucknow Zonal Office has made substantial progress in its efforts to provide justice to defrauded Shine City Group investors. In a significant development, an order which is first of this type, the Special Judge of the Special Court (PMLA), Lucknow, Shri Rahul Prakash has issued a proclamation inviting those victims with legitimate claims on Shine City Group properties to submit and establish their investments validate their claims for property restoration.

ED had appealed to the Hon'ble Allahabad High Court and the Special Court (PMLA), Lucknow, to exercise powers under the PMLA Act, section 8(8), second proviso, to restore properties attached or seized by the ED to victims of Shine City fraud. Following this request, the Hon'ble Special Court (PMLA), Lucknow was pleased to pass an order to issue a public notice in 02 leading new papers in English and vernacular language, allowing 30 days' time from November 14, 2024, for claim submission.

ED investigation originated from approximately 554 FIRs registered by UP Police against Rasheed Naseem and Shine City Group. ED investigation revealed that funds were raised in Ponzi pyramid schemes under the guise of real estate investments. The funds collected were layered, transferred, and used to acquire various movable and immovable properties which were held in the name of Shine City companies, its directors and other close associates, depriving investors of returns or promised plots.

ED previously conducted searches across 18 locations, recovering several digital evidence, incriminating documents related to offence of money laundering and details of properties. ED has attached assets worth approximately Rs.263.55 Crore and arrested eight individuals. Five Prosecution Complaints (PCs) have been filed against 8 people, 13 companies, and 9 partnership firms, with all PCs taken cognizance of by the Special Court. Initiating restitution of the attached properties to the legitimate claimants marks significant step in the ED's ongoing efforts to ensure that the Proceeds of Crime are returned to those thousands affected. ED continues to uphold its commitment to combating financial crimes and ensuring justice for victims of such crimes.