



Press Release

21.02.2023

In a bank fraud case investigated by the Directorate of Enforcement (ED), the Metropolitan Sessions Judge, Hyderabad has convicted all the accused for committing the offence of money laundering defined under section 3 of the Prevention of Money Laundering Act, (PMLA) 2002. The MSJ Court has sentenced Smt. T Jayasree, M Chinna (employees of M/s Chakkilam Trade House Limited) and three bank officials namely S Narasimhan, A Sesibhushana Rao and S Arogyam to undergo rigorous imprisonment for a period of seven years and to pay a fine of Rs. 50,000 each. Further, the Court has directed M/s Chakkilam Trade House Limited to pay a fine of Rs. 1 lakh.

PMLA investigation was conducted by ED on the basis of a case registered by the Central Bureau of Investigation, Anti-Corruption Branch, Hyderabad under various provisions of Indian Penal Code, 1860 and Prevention of Corruption Act, 1988. ED investigation established that M/s Chakkilam Trade House Limited (then represented by its Director Late Sh. Chakkilam Raghuram) had fraudulently availed loan from SBI on the basis of fabricated financial statements, board resolution and documents showing higher turnover and fake MoUs with various parties showing business dealings. Total amount of Rs. 2,08,50,000 sanctioned by SBI was misappropriated and laundered. Investigation also revealed that properties, which were mortgaged with the banks for the loan, were already sold by the company and its promoters.

On conclusion of investigation, ED filed Prosecution Complaint in December 2013 against M/s Chakkilam Trade House Limited and 06 accused persons, including three bank officials, involved in the offence of money laundering.