



Press Release

29.12.2021

Enforcement Directorate has attached assets worth Rs.33.84 Crore of M/s. Popular Finance group, Kerala and its promoters under Prevention of Money Laundering Act (PMLA), 2002 in a cheating case. The attached assets include 11 immovable properties consisting of land and building in Kerala, gold weighing 11.85 kg pledged by public, which was re-pledged in the name of the promoters and staff of Popular Finance group, 19 Fixed deposits of promoters, Cash of Rs.3.79 Crore, Balances in 208 bank accounts of Popular Finance group entities and its promoters and 291 treasury deposit accounts.

ED initiated money laundering investigation on the basis of FIR registered by Kerala Police under the sections of IPC, 1860. Kerala Police has registered more than 1300 FIRs in various districts and as per the FIRs about 3,000 depositors have been cheated to the tune of around Rs.1000 Crore.

The money laundering investigation carried out so far has revealed that M/s. Popular Finance and allied entities are family controlled business and Thomas Daniel and Rinu Mariam Thomas were controlling the entire business, spread across 270 branches in Kerala and other states of India.

The deposits taken from general public were illegal and without any statutory permission from any regulatory agencies like RBI etc. The hard-earned money of the general public, mobilized as deposits by luring them of high interest rates, have been illegally utilized for purchase of properties and high end cars, parked as fixed deposits in the name of family members and also got remitted abroad for non-viable and sham business enterprises. The company had no viable business to sustain the promise of higher interest to depositors. They were paying interests and matured amount out of deposits taken from general public only. The gold pledged by the general public were re-pledged for availing loans and the loan proceeds got routed to personal accounts of the family.

Earlier, on 09.08.2021, ED had arrested Thomas Daniel and Rinu Mariam Thomas for playing active role in disposing of proceeds of crime. Presently, Thomas Daniel is under Judicial Custody. Earlier on 17.09.2021 ED had attached assets worth Rs.31.16 crore of M/s. Popular Finance group. With present attachment, total attachment in the case has reached to Rs. 65 Crore.

Further investigation is under progress.