



PRESS RELEASE

29.11.2024

In a significant move to restore the Proceeds of Crime (POC) to rightful claimants, the Directorate of Enforcement (ED), Chennai Zonal office has successfully restituted property valued at Rs. 25.38 Crore to victim and rightful claimant in an anti-Money Laundering case against M/s. Nafisa Overseas and others being investigated by ED.

ED initiated investigation on the basis of an FIR registered by Anti-Corruption Branch (CBI), Chennai. The FIR was registered on the basis of complaint by the bank that on the basis of bogus and fabricated documents i.e., Value Added Tax returns (VAT), stock statement, etc, credit facilities were processed and disbursed to the M/s. Nafisa Overseas and M/s. Safa Leathers.

ED investigation revealed that the accused availed the loan facilities from the Indian Bank and had created a hypothecation over the fabricated stocks and movable properties and also created an equitable mortgage of the immovable properties in favour of the claimant Bank as a security for the loan facilities. The availed facilities were utilised for round tripping of funds, simultaneously, exaggerated turnovers and stock statements were shown for availing further credit limits. Consequently, the accused committed gross default in servicing and repayment of the accounts and hence, the loans turned into NPAs, ultimately causing huge loss of Rs.23.46 Crore to the public money.

As a result of these findings, the ED issued a Provisional Attachment Order on 28.08.2020, attaching the properties valued at Rs. 20.65 Crore which was later confirmed by the Adjudicating Authority. Possession of the said properties was also taken by the ED on 06.09.2021. Further, a Prosecution Complaint (PC) was filed before the Hon'ble Principal Sessions Judge Court, Chennai and cognizance of the same has been taken.

The current value of the properties restituted is Rs 25.38 Crore, and its restitution to the rightful claimant and victim marks a significant step in the ED's ongoing efforts to ensure that the POC are returned to those affected. ED continues to uphold its commitment to combating financial crimes and ensuring justice for victims of such crimes.