



Press Release
10.12.2024

In continuation of the Enforcement Directorate's ongoing efforts for restitution of properties to their rightful owners and victims of money laundering and in order to put the productive assets to use and to enable financial institutes to monetise the assets attached or seized/secured by ED, a concerted effort was put by ED in collaboration with PNB and ICICI Bank (victims of the bank fraud) and an application for restitution of assets was filed in the Mehul Choksi case.

Based on the application filed by the banks (supported by ED), Hon'ble Special PMLA Court, Mumbai allowed "monetisation of properties" amounting to Rs. 2565.90 Crore attached or seized by the ED, Mumbai in Mehul Choksi case (PNB fraud case). In pursuance to the order, the process of handing over of assets has been initiated and properties worth more than Rs 125 Crore have been handed over to the Liquidator of M/s Gitanjali Gems Ltd. The handed over properties include flats situated at Mumbai and two factories/ godowns situated at SEEPZ Mumbai. Restitution of rest of the properties is also in progress.

Investigation under PMLA in the case of Mehul Choksi revealed that he connived with his associates & Bank officials of Punjab National Bank (PNB) during the period from 2014 to 2017 and fraudulently got issued Letters of Undertaking and Foreign Letters of Credit from PNB resulting in wrongful loss of Rs. 6097.63 Crore to PNB. He had also taken loan from ICICI Bank and had defaulted on that loan too.

During the investigation, ED conducted searches at more than 136 locations all over India and seized valuables/jewelleries worth Rs. 597.75 Crore pertaining to Gitanjali Group of Mehul Choksi. Further, immovable/movable assets worth Rs. 1968.15 Crore of Mehul Choksi/Gitanjali Group were attached which included immovable properties in India and overseas, vehicles, bank accounts, factory, shares of listed companies, jewellery, among others. In aggregate, assets worth Rs. 2565.90 Crore were attached or seized in this case and three Prosecution Complaints have been filed.

To expedite the process of restitution of properties to the victim Banks, ED along with the Banks took proactive steps towards monetization of assets. The ED and Banks agreed to take a common stand and moved the Hon'ble Special PMLA Court, Mumbai for filing a Joint Application (consent application).. The Hon'ble Court passed the order dated 10.09.2024 on the Joint Application wherein it was ordered that ED would facilitate the Banks, Liquidators in different Gitanjali Group of Companies to carry out valuation and auction of the attached or seized properties and after auction of the said properties, the sale proceed amounts would be deposited in the PNB/ICICI Bank as FDs.

Till now, 6 such properties viz. Flats situated at Kheni Tower Santacruz, East Mumbai having collectively worth of approximately Rs. 27 Crore and 2 more properties viz. (1) Land & building at Plot No -61, SEEPZ and (2) Land & building at Plot No -16, SEEPZ collectively worth Rs. 98.03 Crore were restored and handed over to the Liquidator of M/s Gitanjali Gems Ltd. The remaining assets are being handed over to the Liquidator/Banks as per the order of the Hon'ble Spl. Court (PMLA).