



**Press Release**  
**12.01.2022**

Enforcement Directorate has arrested Anup Nagaral, Director of M/s. Hoewelai Jinsu, Hong Kong, SAR, China Ltd., under Prevention of Money Laundering Act (PMLA), 2002 in a case connected with fraud committed on banks under the guise of Merchant Trade. ED initiated money laundering investigation on the basis of FIR dated 18/07/2009, registered by the High Ground Police Station, Bengaluru City.

Investigation revealed that M/s FMPL & FEIPL didn't honor the tripartite agreements that they had entered with Spice trading corporation Ltd.(M/s STCL) and overseas buyers and sellers. M/s FMPL & FEIPL had guaranteed the payments to be made by the overseas buyers. Naveen Sriram, Chairman of M/s FMPL & FEIPL and Sudheer Sriram, Managing Director of M/s FMPL & FEIPL had executed deed of Personal & Corporate Guarantee in favour of M/s STCL against the latter agreeing to provide finance for the Merchandise trade transactions and this corporate guarantee could be invoked by M/s STCL in the event of any default in repayment of amount due to STCL. M/s STCL established irrevocable LCs for the Usance period of 90 days. However, the LCs were devolved due to non-payment by overseas buyers which was guaranteed by M/s FMPL & M/s FEIPL causing wrongful loss of US\$ 249.572 Million to M/s STCL. Assets worth Rs 185.67 Crore have already been attached under PMLA The attached proceeds of crime are immovable properties located in Maharashtra, Punjab, New Delhi, Gujarat, Bangalore & Bellary. Prosecution Complaint has been filed vide Spl CC No. 148/2019 dated 01.03.2019 before Special Court under PMLA in Bangalore.

Anup Nagaral, is Director of one of the entities i.e. M/s. Hoewelai Jinsu, Hong Kong, SAR, China Ltd. in the buyer leg of tripartite merchandise trade. He is one of the accused in the Prosecution Complaint filed by ED. LR dated 28.07.2021 was issued for serving of summons to Anup Nagaral, Director of M/s. Hoewelai Jinsu, Hong Kong, SAR, China Ltd.

Further, Anup Nagaral returned to India and appeared before CBI. CBI arrested Anup Nagaral in the month of December, 2021 and produced him before CBI Court where he was enlarged on bail. As Anup Nagaral was not appearing before the PMLA court for trial, the Hon'ble Spl PMLA Court issued Warrant of Arrest dated 31.12.2021. The Warrant has been executed and Anup Nagaral has been produced before the Hon'ble Court. The Hon'ble Special Court has ordered for Judicial custody of the accused till 17.01.2022.

\*\*\*\*\*