



PRESS RELEASE
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Directorate of Enforcement (ED) has conducted searches under PMLA, 2002 at 6 premises in Thrissur, Kerala belonging to M/s Manappuram Finance Limited and its Managing Director V.P. Nandakumar as part of investigation under PMLA, 2002 into the allegations of money laundering from the illegal collection of deposits from public.

ED searches have resulted in detection of evidences regarding money laundering and large scale cash transactions in the form of public deposits, done by V.P. Nandakumar through his proprietary firm, Manappuram Agro Farms (MAGRO) without RBI approval. The deposits were illegally collected by him at various branch offices of M/s Manappuram Finance Limited (MFL) which is a Public Listed Company, through some of its employees.

The outstanding illegally collected deposits which is the Proceeds of the Crime have been detected to be Rs 143 Crore. When RBI detected the same and directed to return the amount to the depositors, the accused have responded to RBI that they have returned the money to the depositors but ED investigation revealed that there is no proof of repayment or no KYC of the depositors. Further, Rs 53 Crore of deposits are shown to have been returned in cash, but with no proof of repayment or KYC.

During the course of searches, it was found that the proceeds of crime have been diverted and invested by V.P. Nandakumar into immovable properties in his names of himself, spouse and children and into the shares of M/s Manappuram Finance Ltd. Hence ED has frozen the assets of V.P. Nandakumar, under PMLA, 2002 totalling to Rs 143 Crore. The assets frozen includes 08 bank accounts, investment in listed shares and shares of M/s Manappuram Finance Limited. In addition, various incriminating documents evidencing money laundering and property documents of 60 immovable properties were also seized during the course of search for further investigation.

Role of the CFO of M/s Manappuram Finance Limited and other employees, suspected to have assisted in the offence of money laundering is being investigated.

Further investigation is in progress.