



Press Release
13.04.2022

Enforcement Directorate (ED) has issued a Provisional Attachment Order and filed Prosecution Complaint before Hon'ble Special Court at Nampally, Hyderabad, against M/s Ghanshyamdas Gems & Jewels and its Managing Partner Sanjay Agarwal, under the Prevention of Money Laundering Act (PMLA), 2002, in a case of fraudulent availment of Gold Loan from the State Bank of India using fake/forged Bank Guarantees and forged Bank letters for diverting and misappropriating the stock of gold mortgaged. The accused are responsible for total Loan fraud of around Rs 90 Crore.

ED initiated money laundering investigation on the basis of FIR dated 19.10.2011 registered by the CBI, BS&FC, Bangalore against M/s Ghanshyamdas Gems & Jewels and its partners for fraudulently inducing SBI into releasing 250 KG of metal gold on the strength of forged bank guarantees submitted by Sanjay Agarwal, purportedly issued by PNB. ED Investigation revealed that when the news of the fraud became public, Sanjay Agarwal and his brothers Ajay Kumar and Vinay Kumar removed the entire stock of gold from their shop situated at Abids, Hyderabad and sold it off in the local market in cash. This stock was mortgaged to PNB. The illegal money so generated by them was later invested in a new firm opened in Dec-2012 by Sanjay Agarwal in his wife's name. Later, he also opened 3 more firms in the names of his brothers and one of his employees. Substantial unexplained cash deposits were found in multiple bank accounts opened in the names of his family members and firms controlled by him. Moreover, it is revealed that Sanjay Agarwal had obtained a passport in a fake identity of 'Srikanth Gupta' and got a Passport issued and travelled abroad several times and opened multiple bank accounts for layering his ill-gotten money. The money trail further led the ED officials to benami property acquired in the name of one of his employees Avinash Soni.

Earlier, ED had arrested Sanjay Agarwal on 11.02.2022 and provisionally attached 9 immovable properties, belonging to Sanjay Agarwal, his family members and benamis vide PAO No. 11/2022 dated 11.04.2022. The attached properties include agricultural land in Shamshabad and Tellapur, plot in Raidurgam, a Villa in



Kompally and a 1000 Sq. yd Villa in the posh Jubilee Hills locality, and their total value is Rs. 9.5 Crore. On the same day, ED has filed its 1st Prosecution Complaint against M/s Ghanshyamdas Gems & Jewels and its Managing Partner Sanjay Agarwal before the MSJ Court, Nampally, Hyderabad with a prayer to confiscate the attached proceeds of crime and punish the guilty under Sec 4 of PMLA.

Further investigation into the role of other accused persons is in progress.
