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PRESS RELEASE

Directorate of Enforcement (ED) had searched 04 premises in Kerala covering business premises of Malabar Jewellery, Malappuram, Fine Gold, Malappuram, Atlas Gold Super Markets Pvt. Ltd., Kozhikode and residential premises of Shri Aboobacker Pazhedath, Malappuram, on 05.12.2022 under the Prevention of Money Laundering Act, 2002.

During the course of the above searches, a secret chamber for concealing Gold jewellery was found in the premises, which resulted in recovery and seizure of 5.058 kg of Gold jewellery totally worth Rs. 2.51 Crore hidden in the secret chamber, along with Indian Currency of Rs. 3.79 Lakhs.

Earlier, an ECIR/KCZO/31/2020 was recorded in the Kerala Gold Smuggling Case on the basis of an FIR registered by National Investigation Agency (NIA), Kochi, u/s 16, 17 and 18 of Unlawful Activities (Prevention) Act, 1967 consequent to the seizure of 30.245 kgs. smuggled gold by Customs (Preventive) at Trivandrum International Airport, which was camouflaged as diplomatic baggage of UAE Consulate, Thiruanantpuram. The accused Shri Sarith P.S., Smt. Swapna Prabha Suresh and Shri Sandeep Nair were arrested on 22.07.2020 by ED and were taken into ED custody from 05.08.2020 to 17.08.2020. On the basis of investigation conducted, Prosecution Complaint u/s 45 of the PMLA was filed on 06.10.2020 against Shri Sarith P. S., Smt. Swapna Prabha Suresh and Shri Sandeep Nair.

On further investigation, it came to light that Shri M. Sivasankar, IAS, then Principal Secretary to Chief Minister of Kerala was also involved in assisting the accused persons in gold smuggling and had knowingly assisted them in projection of Proceeds of Crime as untainted property. Hence, Shri M. Sivasankar was also arrested by ED on 28.10.2020 and he was arraigned as additional accused.

Provisional Attachment Order for attaching FDs in bank accounts and cash seized from bank lockers totalling to Rs. 1.85 Crore (belonging to Smt. Swapna Suresh, Shri Sandeep Nair, Shri Sarith and Shri Sadan Kumar, F/o Mr. Sarith) was issued on 23.12.2020, which was duly confirmed by the Hon'ble Adjudicating Authority (PMLA), New Delhi on 13.12.2021. A Supplementary



Prosecution Complaint against the Accused Persons including Shri M. Sivasankar was filed on 24.12.2020.

During the course of ongoing investigation relating to the seizure of smuggled gold by Customs, it was revealed that, Rs. 14.98 Lakhs was handed over by Shri Sarith P. S. to his cousin Shri Akhil S. for keeping in safe custody and this amount was part of the proceeds of crime generated by Shri Sarith P. S. and Smt. Swapna Suresh out of smuggling of gold and commission received. Therefore, a Provisional Attachment Order dated 15.09.2021 was issued for attaching movable properties being cash of Rs. 14.98 Lakh and smuggled gold weighing 30.245 Kg valued at Rs. 14.82 Crore (lying in the custody of Cochin Customs). The said attachment was also confirmed by the Hon'ble Adjudicating Authority (PMLA), New Delhi on 25.07.2022.

Money laundering investigation further revealed that one Shri Aboobaker Pazhedath of Malappuram is part of the Gold Smuggling Syndicate headed by Shri Sarith P.S., Smt. Swapna Suresh and Shri Sandeep Nair, under the patronage of Shri Sivasankar, IAS and was one of the beneficiaries. Out of the smuggled gold seized by the Customs on 05.07.2020, 3 Kgs. of gold belonged to the said Shri Aboobacker Pazhedath, who is the Promoter of Malabar Jewellery & Fine Gold Jewellery, both based in Malappuram, Kerala and one of the shareholders of Atlas Gold Super Markets Pvt. Ltd., Kozhikode, Kerala. On examination under PMLA, Shri. Aboobacker Pazhedath had admitted that 3 Kgs. of Gold Seized by Customs belonged to him and apart from that, he had also admitted that he had smuggled 6 Kgs. gold in similar manner in the past through diplomatic baggage of the UAE Consulate. The amount for buying the said smuggled gold was raised from his business firms viz. Malabar Jewellery, Fine Gold & Atlas Gold Super Markets Pvt. Ltd. Discreet enquiries conducted have further revealed that Shri Aboobaker Pazhedath was still indulging in gold smuggling related activities through his above firms.

Hence, Searches were conducted at the said firms as well as the residential premises of Shri Aboobacker Pazhedath, which resulted in the recovery and seizure of 5.058 kg of gold worth Rs. 2.51 Crore secreted in concealed chamber along with Indian Currency of Rs. 3.79 Lakhs.

Further investigation is in progress.

