



PRESS RELEASE

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Directorate of Enforcement (ED) has filed Prosecution Complaint (PC) under the provisions of Prevention of Money Laundering Act (PMLA), 2002 against M/s Heera Construction Company Pvt. Ltd. and its directors before the Hon'ble CBI Court -II, Ernakulam, Kerala. The Hon'ble Court has taken cognizance of the PC on 2/2/2024. The ED has levelled charges against M/s Heera Construction Company Pvt. Ltd. (HCCPL), A Abdul Rasheed then MD of HCCPL and Managing Trustee of M/s Heera Educational and Charitable Trust, and other erstwhile directors of M/s HCCPL namely Subin Abdul Rasheed S/o A Abdul Rasheed, Smt. Sunitha Beegum W/o A Abdul Rasheed and M/s Heera Educational and Charitable Trust for the offence of Money Laundering under sections of PMLA, 2002.

ED initiated investigation on the basis of FIR registered by the Anti-Corruption Branch of CBI, Cochin under various sections of IPC, 1860 and PC Act against M/s Heera Construction Company Pvt. Ltd. and its directors for bank fraud against the State Bank of Travancore (now SBI).

ED investigation revealed that M/s HCCPL availed a project specific loan of Rs. 15 Crores from erstwhile State Bank of Travancore (*now merged with State Bank of India*), Kowdiar branch. However, M/s HCCPL failed to repay the loan amount in the stipulated time-frame. It was also revealed that the properties hypothecated as collateral securities with the Bank were also sold without prior permission or consent of the Bank.

ED investigation further revealed that the loan funds were invested in a residential project and the amounts collected from the sale of flats were also diverted into other properties of the accused persons and into Heera Educational and Charitable Trust without repaying the bank loan. The accused had thereby generated proceeds of crime of Rs. 34.82 Crores.

Earlier ED has identified and attached properties worth Rs 30.28 Crores of the accused as proceeds of crime. Further, A Abdul Rasheed, the then MD of the M/s HCCPL was arrested on 04.12.2023 under PMLA, 2002 and he is presently under Judicial Custody.