



## **PRESS RELEASE**

**27/5/2023**

Directorate of Enforcement, initiated investigations on the basis of an FIR registered by Central Crime Branch-I, Chennai under various sections of the IPC wherein it was alleged that the complainant (Gaurav Chachra, Director of M/s Pettigo Comercio Internacional Lda, a subsidiary of the UK based Lyca Group having significant presence in India in form of Lyca Productions, Lyca Hotels etc.) had been defrauded of 114.37 Crore by the Kallal Group and its Directors/founders Saravanan Palaniappan, Vijaykumaran, Aravinth Raj and Vijay Ananth alongwith, Mrs. Lakshmi Muthuraman and Mrs. Preetha Vijayananth.

Investigations conducted by ED revealed that the fraud is actually of an amount of Rs. 300 Crore as the Lyca Group had also made other investments/ loans to the accused group and its entities without any due diligence or rationale. This resulted into searches at both the accused and complainants related entities on 27.04.2023 and 16.05.2023 and led to discovery of various incriminating evidences in form of digital evidences, documents, properties, suspicious cash and hawala transactions which is still under the ED scanner and investigations.

Meanwhile on 25.05.2023, in order to secure part of the proceeds of crime ED has provisionally attached various immovable properties across Tamil Nadu, valued at Rs. 36.3 Crore and further attached Rs. 34.7 lakh available in the bank account of M/s Udayanidhi Stalin Foundation as it received the proceeds of crime amounting to Rs. 1 Crore. The trustees of the above said foundation failed to explain the rational for the above receipt from the parties involved in the case. .

Thus total Proceeds of Crime in the said case is around 300 Crore of which Immovable properties valued at Rs.36.3 Crore and movable properties in form of bank account with available balance of Rs. 34.7 Lakhs have been attached.

Further investigation is in progress.

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