



Press Release
19.8.2023

Directorate of Enforcement (ED) has carried out search operation under the provisions of Prevention of Money Laundering Act (PMLA), 2002, on 17.8.2023 at 13 premises in Jalgaon, Nashik and Thane in money laundering investigation into the loan fraud committed by M/s Rajmal Lakhichand Jewelers Pvt Ltd, M/s R L Gold Pvt Ltd, and M/s Manraj Jewelers Pvt Ltd and their Promoters namely Mr Ishwarlal Shankarlal Jain Lalwani, Mr Manish Ishwarlal Jain Lalwani, Smt Pushpa Devi and Smt Neetika Manish Jain. During the course of the search operation, ED has seized large amount of incriminating documents and also seized proceeds of crime consisting of **39.33 KG of gold and diamond jewellery valued at Rs 24.7 Crore and cash amount of Rs 1.11 Crore.**

ED initiated investigations on the basis of 3 CBI FIRs against the above Companies & their promoters for offences of Criminal Conspiracy, Cheating, Forgery and Criminal Misconduct, and as per the Banks the accused persons had intentionally defaulted on their loans from State Bank of India, causing wrongful loss to the tune of Rs 352.49 Crore (plus interest thereon) to SBI.

ED investigation has revealed that the Promoters of the 3 accused Companies, had colluded together and engaged in fictitious transactions, and fabrication of the Books of Accounts of 3 accused Companies and its related entities. Following discrepancies have been observed :-

- Bogus Sale-Purchase transactions had been shown in the Books of Accounts with the main holding company i.e. Rajmal Lakhichand Jalgaon Partnership Firm. Large amount of stock in trade was found to be completely missing. Against a declared stock of more than 1284 KG of jewellery, ED could trace only around 40 KG of jewellery. Thus, loans taken against this declared stock was siphoned off by showing bogus purchases for non-existent jewellery.
- The Promoters failed to produce any supportive document to prove genuine utilization of the loans by the 3 accused Companies- M/s Rajmal Lakhichand Jewelers Pvt. Ltd., M/s R L Gold Pvt. Ltd., and M/s Manraj Jewelers Pvt Ltd. Infact they admitted that purposefully, No books of accounts, ledgers, stock registers, invoices or any supportive documents were maintained for the period FY 2003-2014 (loan disbursement period).
- Analysis of the books of accounts of the 3 accused Companies M/s Rajmal Lakhichand Jewelers Pvt. Ltd., M/s R L Gold Pvt. Ltd., and M/s Manraj Jewelers Pvt. Ltd for FY 2022-23 also revealed that the stock as on 17.08.2023 in the 3 accused Companies had been brought to zero inspite of being hypothecated to SBI.
- Fictitious entity with relatives as dummy directors were created to apply for new loans fraudulently.
- Loans were routed through a convoluted web of bogus sale purchase transactions through related parties of Rajmal Lakhichand Group and finally invested in immovable properties by the Promoters. New jewellery business in the name of R L Enterprises and new investments were done in real estate sector, Car dealership, setting up a Hospital.

