



Press Release

09.04.2024

Directorate of Enforcement (ED), Mumbai Zonal Office has provisionally attached 413 agricultural Land Parcels admeasuring approximately 1807 acres at Village Vijaydurg, Taluka Devgarh, District Sindhudurg under the provisions of Prevention of Money Laundering Act (PMLA), 2002 in bank loan fraud case of Punjab & Maharashtra Co-operative Bank (PMC). The attached 1807 acres were having registered value of Rs 52.90 Crore and the Proceeds of Crime to the tune of Rs 82.30 Crore were utilised during the period from 2010 to 2013 for acquiring these parcels of land.

ED initiated investigation on the basis of FIR registered by EOW, Mumbai Police under various sections of IPC, 1860 against Joy Thomas, Waryam Singh (Directors of PMC Bank), Rakesh Kumar Wadhawan, Sarang Wadhawan and other unknown persons. M/s Housing Development & Infrastructure Pvt Ltd (HDIL), its promoters and other co- accused/ accomplices committed a fraud by causing loss of Rs. 6117.93 Crore (principal Rs 2540.92 Crore and interest Rs 3577.01 Crore) against Punjab & Maharashtra Co-operative Bank (PMC).

ED investigation revealed that during the period 2010 to 2013, promoters of HDIL- Sarang Wadhawan and Rakesh Wadhawan had siphoned off Proceeds of Crime totalling to Rs. 82.30 Crore to the accounts of 39 Farmers through their subsidiary companies Viz. M/s Privilege Power and Infrastructure Limited and M/s Privilege Hi-Tech Infrastructure Limited for acquiring lands at Vijaydurg, District Sindhudurg. Sarang Wadhawan in connivance with his employee Mukesh Khadpe, persuaded farmers to acquire lands in their names and transfer the same in the name of HDIL group company in lieu of commission and other benefits. Cash components were also used for acquiring these lands and after registration of lands at registered value of Rs 52.90 Crore, power of attorney documents was obtained in favour of HDIL Group Company. Though these lands were purportedly acquired for development of ports, the same was never developed. Sarang and Rakesh Wadhawan, from their subsidiary companies accounts of HDIL diverted PoC to the tune of Rs 82.30 Crore in the accounts of farmers keeping PMC bank at dark. Based on outcome of the investigation, assets having registered value of Rs 52.90 Crore has been provisionally attached under PMLA.

Earlier, on 17.10.2019, the main accused persons, Rakesh Kumar Wadhawn & his son Sarang Wadhawan were arrested for their involvement in the offence of Money Laundering. A prosecution complaint and 2 supplementary complaints have already been filed against them and 36 other persons/entities. So far, ED has attached assets aggregating to Rs. 719.11 Crore under provisions of PMLA, 2002.

Further investigation is under progress.