



Press Release
11.05.2023

Directorate of Enforcement (ED) has provisionally attached movable and immovable properties worth **Rs. 307.61 Crore** in a money laundering case against members of NRI Academy of Medical Sciences (NRIAS) Nimmagadda Upendranath, Mani Akkineni & others. The provisionally attached properties include Rs. 15.61 Crore in bank accounts, Land and buildings situated in Andhra Pradesh & Telangana.

ED initiated money laundering investigation on the basis of FIRs registered by Mangalagiri PS, Andhra Pradesh Police, under various sections of IPC against Nimmagadda Upendranath, Mani Akkineni & others for criminal conspiracy, cheating and forgery in respect of funds of NRIAS (a society registered under Andhra Pradesh Societies Registration Act, 2001). Several other FIRs were also registered at different police stations of Andhra Pradesh against the members of the society.

ED investigation revealed that members and officials of NRIAS fraudulently siphoned off huge funds of the society and diverted them for their personal gains. During Covid-19, patients were charged exorbitant rates (much above the rates prescribed by the Government) and the charges were collected in cash which was never recorded in the books of accounts and was subsequently diverted by the members & officials of the society. Similarly, admission fee from MBBS/PG students under management quota was collected in cash. They also resorted to collection of fees from students under management quota in foreign currency in some of their societies formed in the USA instead of receiving the same in the accounts of NRIAS in India.

They also floated a private limited company, NRIAS Pvt. Ltd., which was deliberately chosen to deceive and induce APMSIDC (Andhra Pradesh Medical Services and Infrastructure Development Corporation) and others to deposit the amounts payable to the society for certain projects directly into the accounts of the said private limited company instead of the bank accounts of the society. Further, funds of the society were also diverted to associated entities & others in the guise of payment of taxes, construction activities etc.

Search proceedings had been conducted earlier by ED in this case in December 2022 and incriminating material evidencing collection & withdrawal of above mentioned unaccounted cash generated from COVID-19 patients/MBBS & PG students, parallel cash books, dummy ledgers etc. were seized.

Further investigation in the matter is under progress.
