



Press Release

16.03.2024

Directorate of Enforcement (ED), Mumbai has provisionally attached immovable properties consisting of 2nd, 3rd, 4th & 5th Floor of Hotel One Continent at King Koti Road, Sultan Bazaar, Abids, Hyderabad to the extent of Rs 43.84 Crore under the provisions of Prevention of Money Laundering Act (PMLA), 2002 in bank loan fraud case of Punjab & Maharashtra Co-operative Bank (PMC).

ED initiated investigation on the basis of FIR filed by Punjab & Maharashtra Co-operative Bank (PMC) against Joy Thomas, Waryam Singh (Directors of PMC Bank), Rakesh Kumar Wadhawan, Sarang Wadhawan and unknown other persons under various sections of IPC, 1860. 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).

During course of investigation under PMLA, based on a specific inputs and scrutiny of bank accounts of HDIL Group, it is revealed that during the period 2006 to 2014, promoters of HDIL had siphoned off Proceeds of Crime amounting to Rs. 43.84 Crore to entities in Hyderabad viz. M/s My Palace Mutually Aided Cooperative Housing Society & M/s Anish Construct. The transaction was carried out by Rakesh Wadhwan projecting it as a business by keeping PMC Bank in dark. Based on outcome of the investigation assets worth Rs 43.84 Crore belonging to Shri Shripad Deshpande's Group of Companies has been provisionally attached under PMLA.

Earlier, on 17.10.2019, the main accused persons, Rakesh Kumar Wadhawan & his son Sarang Wadhawan were arrested for their involvement in the offence of Money Laundering and both are currently under judicial custody. In this matter 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.