



Press Release

23.02.2024

Directorate of Enforcement (ED) has provisionally attached immovable properties totaling to Rs 13.20 Crore in form of shops in SGS Mall Pune held by SGS Group, under the provisions of Prevention of Money Laundering Act, 2002 (PMLA) in bank loan fraud of Rs. 6117.93 Crore (principal Rs 2540.92 Crore and interest Rs 3577.01 Crore) against Punjab & Maharashtra Co-operative Bank (PMC) by M/s Housing Development & infrastructure Pvt Ltd (HDIL), its promoters and other co- accused/ accomplices.

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

ED investigation revealed that HDIL and its group companies availed the OD/ Credit Facility from the PMC Bank. Despite repeated defaults in payments by HDIL and its group companies, the OD limits were enhanced from time to time to avoid them being classified as NPA. Further, ED investigation also revealed that Rakesh Wadhawan and his son Sarang Wadhawan were the main Directors/ Promoters and were authorized to operate all the bank accounts of HDIL & its group companies. All the key decisions of the companies were taken by them. They in connivance with other accused/ accomplices have layered the proceeds of crime in the bank accounts of HDIL and it's group companies which were under their direct/ indirect control. They have also diverted the proceeds of crime into their personal bank accounts and the bank accounts of their close associates to acquire assets.

During scrutiny of bank accounts of HDIL Group, investigation revealed that M/s HDIL had siphoned off Proceeds of Crime while keeping PMC Bank in dark and parked these Proceeds of Crime funds with M/s SGS group to project the same as untainted.

Earlier, on 17.10.2019, the main accused persons, Rakesh Kumar Wadhawan & his son Sarang Wadhawan were arrested and both are currently under judicial custody. After instant attachment, ED has identified & attached proceeds of crime totaling to Rs. 675.27 Crore under provisions of PMLA, 2002. Also, prosecution complaint and 2 supplementary complaints have been filed against them and 36 other person/ entities so far.

Further investigation is under progress.