



## **Press Release**

**29.07.2024**

Directorate of Enforcement (ED), Nagpur has filed a Prosecution Complaint (PC) on 26.06.2024 before the Hon'ble Special Court (PMLA), Nagpur in the bank fraud case of M/s Rajmal Lakhichand Jewelers Pvt. Ltd., M/s R L Gold Pvt. Ltd., M/s Manraj Jewelers Pvt. Ltd. and their Promoters/ Directors/ Guarantors, Ishwarlal Shankarlal Jain, Manish Ishwarlal Jain and others under the provisions of Prevention of Money Laundering Act (PMLA), 2002. The Hon'ble Court has taken cognizance of the PC on 26.07.2024.

ED initiated investigations on the basis of 3 FIRs registered by CBI under the various sections of IPC, 1860. As per FIR, the Companies and its directors/ promoters were involved in the offences of Criminal Conspiracy, Cheating, Forgery and Criminal Misconduct, and had intentionally defaulted on their loans and borrowings from State Bank of India, thus causing wrongful loss to the tune of Rs. 352.49 Crore (plus interest thereon) to the State Bank of India.

ED investigation revealed that the promoters had submitted fake financials to avail such loans. Promoters had also engaged in round-tripping of transactions to inflate the financials and booking bogus sale purchase transactions in the books of accounts of the accused Companies to siphon off the loan proceeds for investments in real estate properties, in collusion with the auditors of the Companies. Promoters were also found to have fraudulently alienated and sold off parts of the mortgaged properties against these loans without the bank's consent. They also engaged in the destruction of incriminating data concerning the accused Companies to prevent any scrutiny of the utilization of the loan proceeds.

Earlier, ED had conducted search operations under the provisions of PMLA, 2002 on 17.08.2023 at 13 official and residential premises of Rajmal Lakhichand group in Jalgaon, Nashik and Thane (Maharashtra) and had seized gold, silver and diamond jewellery/ bullion of value Rs.24.36 Crore and Indian currency Rs. 1.121 Crore in cash u/s 17(1) of PMLA, 2002 along with various incriminating documents. Search and post-search investigative findings have revealed fictitious stock/ missing stock inventories of bullion and gold jewellery in books, use of shell companies, employment of dummy directors etc.

ED has provisionally attached movable and immovable assets valued at Rs. 315.60 Crore under the PMLA, 2002 on 13.10.2023. The attached assets include movable and immovable assets including the benami properties acquired by the promoters Ishwarlal Shankarlal Jain Lalwani, Manish Ishwarlal Jain Lalwani and others, wind mills, jewellery etc. The said attachment was confirmed by Hon'ble Adjudicating Authority under PMLA, New Delhi vide order dated 19.01.2024.

Further investigation is under progress.