



**PRESS RELEASE**

**14.10.2021**

Enforcement Directorate has provisionally attached assets worth Rs.146.67 Crore of M/s. Future Metals Pvt. Ltd. (FMPL) & M/s. Future Exim India Pvt. Ltd. (FEIPL) under the provisions of the Prevention of Money Laundering Act, 2002 in a case connected with fraud committed on banks under the guise of Merchant Trade. The attached proceeds of crime are immovable properties located in Maharashtra, Punjab, New Delhi, Gujarat, Bangalore & Bellary.

ED initiated investigation on the basis of FIR dated 18/07/2009 registered by Bangalore Police under section 120B & 420 of IPC, 1860 & FIR dated 09.10.2009 registered by CBI, ACB, New Delhi for the offences committed by the accused persons under section 120B r/w 420 & 471 of Indian Penal Code, 1860.

M/s FMPL & FEIPL approached M/s STCL for entering into merchandise trade and requested M/s STCL to facilitate the trade. Subsequently, M/s FMPL & FEIPL entered into Tripartite Agreements with M/s STCL Ltd., a fully owned subsidiary of the State Trading Corporation of India Ltd. (Public Sector Enterprise) along with Overseas buyers & Sellers for export and import of Copper and Nickel. M/s FMPL & FEIPL had signed the agreements guaranteeing the payment to be made by the overseas buyers.

Money laundering investigation has revealed that M/s FMPL & FEIPL didn't honor the tripartite agreements that they had entered with M/s STCL and overseas buyers and sellers. Naveen Sriram, Chairman of M/s FMPL & FEIPL and Sudheer Sriram, Managing Director of M/s FMPL & FEIPL had executed deed of Personal & Corporate Guarantee in favour of STCL against the latter agreeing to provide finance for the Merchandise trade transactions and this corporate guarantee could be invoked by M/s STCL in the event of any default in repayment of amount due to STCL. M/s STCL established irrevocable LCs for the usance period of 90 days towards purchase of goods with a condition that the LCs would not be allowed to devolve under any circumstances as per the undertaking given by M/s FMPL/FEIPL. However, the LCs were devolved due to non-payment by overseas buyers which was guaranteed by M/s FMPL & M/s FEIPL causing wrongful loss of US\$ 249.572 Million to M/s STCL.

Accordingly, identified assets to the tune of INR 146.67Crore in the form of immovable properties have been provisionally attached under PMLA. Earlier, in the year 2018, ED provisionally attached assets worth Rs. 39 Crore, which was confirmed by Adjudicating Authority & Prosecution Complaint was filed on 10.12.2018. With present attachment, total attachment by ED has reached to Rs.185.67 Crore.

Further investigation is under progress.

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