



PRESS RELEASE

22/5/2024

Directorate of Enforcement (ED), Kochi Zonal Office has arrested Ebin Varghese on 15.05.2024 under the provisions of the Prevention of Money Laundering Act (PMLA), 2002 in the case of **M/s Masters Finserv and others**.

ED initiated investigation on the basis of 03 FIRs registered by Kerala Police in Thrikkakara Police Station, Kakkanad, Ernakulam of Kerala State under various sections of IPC, 1860 against the accused Ebin Varghese, Proprietor of M/s Masters Finserv and others for cheating general public. Subsequently, investigation has revealed that multiple other FIRs have also been registered by the state of Kerala wherein it is found that he has cheated general public to the tune of Rs. 73.9 Crore (approx.).

ED investigation revealed that Ebin Varghese and others dishonestly induced various complainants to make deposits and accepted huge amounts as investment in his proprietorship firm M/s Masters Finserv on the pretext of generating profit from share trading, by giving false assurance of high returns of 18-24% per annum besides the capital guarantee and the option of refund of Capital on demand. However, Ebin Varghese neither repaid the principal amount nor paid any profit to the complainants.

ED investigation further revealed that Ebin Varghese, while accepting the deposits, made a false representation to the complainants and made them to believe that M/s Masters Finserv had the recognition as an authorized broker by SEBI and their investments were secured. Further, in place of share trading, he diverted a major part of such collected fund from prospective investors to third-parties for layering proceeds of crime.

Thus, he appeared to have committed the offence of money-laundering under the PMLA, 2002 and have not revealed the full details of utilisation of total amount received from complainants/investors. Hence, he was arrested under the provisions of the PMLA, 2002 on 15.05.2024 and was produced before the Hon'ble Special Court (PMLA), (CBI-III), Ernakulam on 16.05.2024. The Hon'ble Court has granted custody of the accused for 2 days to ED.

Earlier in the instant case, ED office had conducted searches on 09 premises on 30.10.2023 and also provisionally attached Rs 30.41 Crore worth as proceeds of crime on 06.02.2024.

Further investigation is under progress.