



## **Press Release**

**13.05.2022**

Enforcement Directorate (ED) has filed a Supplementary Prosecution Complaint against 2 leaders of the Popular Front of India (PFI) under the provisions of the Prevention of Money Laundering Act, 2002 (PMLA) before the Hon'ble Special PMLA Court, Lucknow with a prayer for awarding punishment to the accused. Cognizance of the offence of money laundering has been taken by the Court.

2. Earlier, a Prosecution Complaint had been filed by the ED on 06.02.2021 against five office bearers / members of PFI and its student wing Campus Front of India. Cognizance of the offence of money laundering was taken by the Court against all the accused.

3. The Supplementary Prosecution Complaint has been filed against PFI leaders Abdul Razaq Peediyakkal @ Abdul Razak BP and Asharaf Khadir @ Ashraf M.K. who, in association with other PFI leaders & members associated with overseas entities, were developing a residential project - Munnar Villa Vista Project (MVVP) at Munnar, Kerala with a motive to launder money collected from foreign countries as well as within the country and to generate funds for PFI to finance its radical activities. Investigation established that 'proceeds of crime' in the form of unaccounted & unexplained cash as well as foreign funds were parked in MVVP and were projected as untainted.

4. Investigation revealed that Abdul Razak BP, a long time dedicated member of PFI & its related entities, who also served as PFI Divisional President for Perumpadappu, Malappuram, Kerala, was a key figure representing such organizations' in the Gulf countries and was actively involved & instrumental in the fund raising activities of PFI in India & abroad. He transferred around Rs. 34 lakh from UAE to Rehab India Foundation (RIF) – a front organization of PFI. Similarly, he transferred Rs. 2 lakh to M. K. Faizy – president of Social Democratic Party of India (SDPI) – political front of PFI. Investigation also revealed that he was involved in raising / collecting funds abroad and he transferred around Rs. 19 Crore to India through underground / illegal channels.

5. Similarly, investigation revealed that Ashraf M.K., member of PFI Kerala State Executive Council [previously PFI President of Ernakulam District], who was also originally arraigned by the NIA as an accused in Professor Joseph hand chopping case of 2010, actively participated in the activities of PFI's related entities such as SDPI, CFI, etc. and that he was also involved in the funding of PFI as well as the related entities. He was the owner of Darbar restaurant in Abu Dhabi which served as a money laundering front of PFI. However, to conceal the laundering of proceeds of crime through Darbar restaurant, he did not disclose the fact of ownership of Darbar restaurant before the



Government Authorities. Abdul Razak BP was involved with him in carrying out the money laundering activities of PFI & related entities through Darbar restaurant. He received proceeds of crime of around Rs. 48 lakh from his brother who was managing Darbar restaurant in Abu Dhabi. Another company owned by him Tamar India Spices Pvt. Ltd. – was also used to launder proceeds of crime.

6. During investigation, both Abdul Razaq BP and Ashraf M.K. were arrested under the provisions of Section 19 of the PMLA for the offence of money laundering. Proceeds of crime amounting to around Rs. 22 Crore have been identified in the present Supplementary Prosecution Complaint filed by the ED.

7. Thus, PMLA investigation has revealed that Abdul Razak BP & Ashraf MK, with the active association and involvement of other PFI members, hatched a criminal conspiracy to raise funds in India & abroad and fraudulently transferred the funds through underground & illegal channels. While part of the said funds was parked in the MVV project as well as in TISPL and was projected as untainted, a large part was used by PFI & its related entities to carry out their continuous radical & unlawful activities. The funds so raised / collected by Abdul Razak BP, Ashraf MK & their associates as a result of criminal activity relating to the offence of criminal conspiracy qualifies as 'proceeds of crime'. They said 'proceeds of crime' generated through the offence of criminal conspiracy under Section 120B of the IPC, which is a scheduled offence under PMLA, were routed through various bank accounts and were transferred to the bank accounts of RIF, Ashraf MK, Abdul Razak BP and were invested in MVVPL, TISPL, withdrawn in cash, etc. with a clear intension to mask their origin, and to avoid direct linkages to PFI while putting them to use in its numerous unlawful activities carried out over the past many years including the recent cases such as the transfer of Rs. 3.5 lakh (during August 2018 to January 2021) to PFI member Anshad Badharudeen who was arrested by UP Police Anti-Terrorism Squad (ATS) in FIR No. 04/2021 dated 16.02.2021 along with PFI member Firoz Khan and improvised explosive devices, one 32 bore pistol and 7 live cartridges were seized from them. As per the said FIR, as part of criminal conspiracy, some PFI members were planning to form a terrorist gang and were collecting deadly weapons and explosive devices to simultaneously launch attacks on many important and sensitive places and personalities in UP with an intent to challenge the unity, integrity and sovereignty of the nation and to disturb communal harmony.

8. Further investigation regarding the money laundering activities of PFI and its related organizations and the use of such funds in various unlawful activities is underway and more Supplementary Prosecution Complaints shall be filed in future.