



## **Press Release**

**31.03.2022**

Enforcement Directorate (ED) has provisionally attached assets worth Rs. 243.93 Crore belonging to Mohamed Asadulla, A. Shafiulla and their relatives under the Prevention of Money Laundering Act (PMLA), 2002 in a Bank fraud case of Amanath Co-operative Bank Ltd, Bengaluru.

ED initiated money laundering investigation on the basis of FIR registered by Commercial State Police Station, Bengaluru and Chargesheet dated 05.05.2006 filed by CID, Bengaluru various sections of IPC before the Hon'ble Court of 1<sup>st</sup> Addl. Chief Metropolitan Magistrate (ACMM), Bengaluru against Mohamed Asadulla (Ex-General Manager of Amanath Co-operative Bank, Bengaluru), A. Shafiulla (Ex-Branch Manager of Amanath Co-operative Bank, NR Road, Bengaluru) and K. Hidayathulla (then accountant of Amanath Co-operative Bank Ltd) in connection with the misappropriation of the funds of the said bank to the tune of Rs. 68.43 Crore by opening fictitious overdraft accounts in the name of themselves, their relatives and their entities.

Investigation by ED revealed that the above said persons, during the year 1997 to 2002, opened 50 fictitious Overdraft accounts in the name of themselves, their relatives and their entities to misappropriate the bank's funds. Further, the said persons opened another 8 Real Estate Accounts and 165 housing loan accounts to adjust the outstanding amount of the said 50 fictitious accounts and by doing so, the accused persons have succeeded in closing 40 accounts out of the said 50 fictitious accounts. As per the details submitted by the said bank, as of now, the said 8 Real Estate Accounts, 165 housing loan accounts and previously opened 10 Overdraft accounts (out of 50 fictitious accounts) are still outstanding and the total loan proceeds of these accounts, at the time of the said accounts were declared NPA, was to the tune of Rs. 79.30 Crore (total of both principal and interest). The illegally acquired loan proceeds of the said accounts were utilised towards purchase of various immovable properties by the said persons in their name and the name of their relatives. Land and property were acquired out of proceeds of crime generated by opening the said fictitious accounts. Properties totalling to 8 Acres situated at NS Palya, BegurHobli, Bannerghatta Road, Bengaluru, held in the name of Mohamed Asadulla, A. Shafiulla and their relatives, worth Rs. 243.93 Crore, have been provisionally attached under the provisions of PMLA.

Further investigation is in progress.