PRESS RELEASE
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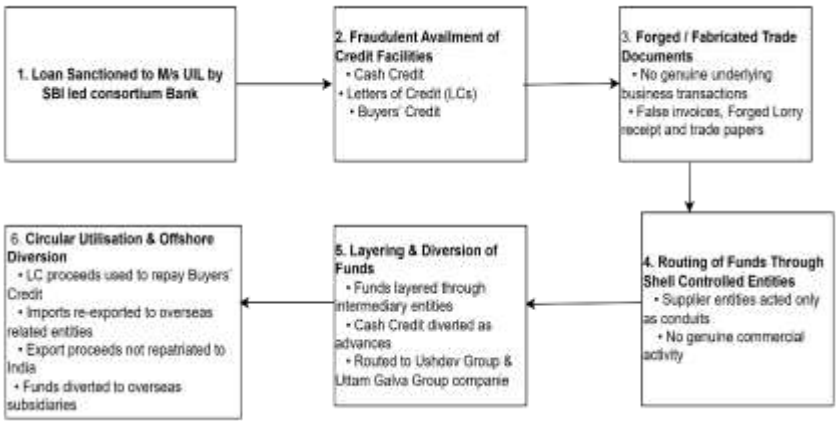
Directorate of Enforcement (ED), Mumbai Zonal Office, has provisionally attached **immovable properties worth Rs. 132.85 Crore**, in the nature of plots of land and office units at Mumbai and Raigad districts of Maharashtra, under the provisions of the Prevention of Money Laundering Act (PMLA), 2002 in the case of M/s Ushdev International Limited (UIL)**.**

ED initiated investigation based on an FIR registered by BS & FB, CBI, Mumbai, under various sections of IPC, 1860 pursuant to a complaint filed by State Bank of India on behalf of an SBI-led consortium of banks, alleging bank fraud of approximately Rs. 1,438 Crore**.**

Investigation revealed that the accused persons fraudulently availed Cash Credit, Letters of Credit (LCs) and Buyers' Credit by submitting forged and fabricated trade documents without any genuine underlying business transactions. On this basis, consortium banks were induced to release funds. It was found that the LC proceeds were received by shell and controlled supplier entities, which were used merely as conduits. The funds were subsequently layered through multiple intermediary entities and routed back to Ushdev group companies, creating circular transactions without commercial justification.

Further investigation revealed that a significant portion of the Cash Credit funds was diverted to the related entities, under the guise of advances. These entities were found to be dormant or not engaged in genuine business activities. The funds were ultimately routed to Uttam Galva Group companies, indicating layering and diversion of Proceeds of Crime**.** It was also found that fraudulently obtained LC proceeds were utilised to repay Buyers' Credit facilities, which financed imports that were re-exported to overseas related entities. The export proceeds were not repatriated to India and, wherever realised abroad, were diverted to overseas subsidiaries and connected entities.

Flow of Alleged Money Laundering



ED has so far provisionally attached properties amounting to Rs. 176.37 Crore in this case.

Further investigation is under progress.

