

**Date 23.09.2024**

**To,**  
**BSE Limited**  
Corporate Relation Department  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001

Re: Scrip Code: 514394

**Subject: Further Reporting Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Quashing of Enforcement Directorate proceedings by Hon'ble Courts and Appellate Tribunal under Prevention of Money Laundering Act 2002.**

**Reference: Our Earlier intimations dated 24.01.2022 , 26.01.2022, 20.07.2022, 29.08.2022 and 27.02.2023.**

Dear Sir/ Madam

In continuation to our early intimations on the captioned matter, we would like to provide certain other relevant information/ clarification as below: -

**A. Background in Brief:**

1. That the Kerala Police Station Thrissur East P.S., Thrissur has registered FIR bearing No.776/2018 on 05.10.2018 against a complaint received from AGM South Indian Bank, Thrissur, Kerala against Shri M.M. Ramachandran ( Promoter) Smt. Indira Ramachandran and M/s. Atlas Jewellery Private Limited (Kerala) under Section 403, 406, 409, 420, 468, 471 and 34 of IPC, 1860 by making allegations that the suspected person during the period from 21.03.2013 to 26.09.2018 cheated the complainant bank with an intention to cheat, placing forged documents before the bank for availing loan worth of Rs.242.40 Crores for business purpose and had not repaid the money.
2. As the FIR has schedule offence therefore, the Enforcement Directorate, Kerala Zone(ED) registered an ECIR bearing No ECIR/KCZO/05/2019 dated 14.08.2019 and started the investigation under the provision of Prevention of Money Laundering Act, 2002
3. Later, the Enforcement Directorate vide registering an additional ECIR on 29.12.2021 incorporated the name of the Company on the ground that the equity infused in the company in 2014 by (late) M.M. Ramachandran was proceeds of crime and seized all the business assets as well as froze the bank accounts of the company in January 2022



thereby bringing the operations of the Company, which has been in existence since 1989, to a sudden and grinding halt.

4. M.M. Ramachandran (Promoter) , vide his detailed clarification dated 25.01.2022 on the actions of ED had categorically stated , as follows:
  - a. He had not cheated the bank (South Indian Bank) while availing the credit facility by presenting forged documents while availing the said facility.
  - b. His equity investment in Atlas Jewellery India Limited on 18.07.2014 were out of his own funds earned in U.A.E.
  - c. The assets of Atlas Jewellery India Limited were not mortgaged to secure the said facilities from the bank and hence it is having no connection with the said facilities/transactions.
  - d. He also had asked the board of Atlas Jewellery India Limited to forward this clarification to ED and seek release of the assets of the Company .

Copy of the said promoter clarification of 25.01.2022 which is already available on Bombay Stock Exchange web site, “ bseindia.com” as well as Company’s web site “ www. Atlasjewelleryindia.com” is being attached again for ready reference.

5. That primarily due to the actions of ED as abovementioned, led to alleged default of dues to regulatory authorities like BSE, NSDL , CDSL and other vendors which led to initiation of legal or regulatory proceedings against the Company, including suspension of trading in securities of the Company by BSE, suspension of all shareholders information and services by NSDL and CSDL. Which not only further adversely affected the Company’s operations but also caused financial loss to its small and minority shareholders.
6. That further the ED’s actions led to en-mass resignations of all the long -standing independent directors of the Company causing a complete collapse of the Board and Corporate Governance Structure . Reference be kindly made to the stock exchange intimations filed in this regard dated 21.04.2022 and 19.05.2022.

Further it also resulted in the exit of key employees thereby causing immense disruption in the day-to-day running of the Company.

7. That further, Mr. M.M. Ramachandran, promoter of the Company passed away on Sunday (02.10.2022) night following cardiac arrest in Dubai, U.A.E. Reference be kindly made to the stock exchange intimations filed in this regard dated 03.10.2022. Presently the Company has no identifiable promoter(s).
8. Further, Tarun Kandhari & Co, LLP- Chartered Accountants , the Statutory Auditors of the Company also tendered in their resignation as auditors of the Company on 07.06.2023. Reference be kindly made to the stock exchange intimations filed in this regard dated 07.06.2023.

**B. Quashing of Enforcement Directorate Proceedings against the Company and its late promoter:**

**9. Closure of FIR, by Crime Branch , Thrissur, Kerala: As the investigation revealed that the matter of dispute was only of civil nature:**

The original FIR No. 776/2018 dated 05.10.2018 registered by Kerala Police Station Thrissur East, which was subsequently transferred to the Crime Branch, Kerala Police on 05.02.2019 and investigated upon by Crime Branch.

Further Crime Branch after detailed and through investigation submitted its final report before Chief Judicial Magistrate, Thrissur, Kerala on 07.09.2023 mentioning therein that the matter is only of civil nature and hence not chargesheet able

**10. Chief Judicial Magistrate, Thrissur, Kerala's order : Dropping of all charges and closing the predicate offence:**

The Hon'ble Court vide its order dated 05.01.2024 was pleased to observe that the dispute primarily pertains to a breach of contract and further noted that the original complainant (that is South Indian Bank) did not want to proceed with the case. Considering this, the Ld. CJM vide its order dated 05.01.2024 was pleased to drop all charges, effectively closing the predicate offence.

**11. Hon'ble High Court of Kerala :Quashing of ECIR proceedings initiated against the Company and its promoters-**

Furthermore, the original Complainant i.e. South Indian Bank Limited, in the predicate offence, subsequently filed a petition, being CrI. M.C. No. 5127/2024, before the Hon'ble High Court of Kerala at Ernakulam, seeking quashing of proceedings in the ECIR registered by the Enforcement Directorate (ED), in which the Company was also arrayed as a respondent.

The Hon'ble High Court, vide its order dated 09.07.2024, while taking note of CJM, Thrissur's order dated 05.01.2024, was pleased to quash the ECIR proceedings initiated against (late) M.M. Ramachandran, Mrs. Indira Ramachandran, Atlas Jewellery Private Limited, Kerala and Atlas Jewellery India Limited.

**The relevant extract of the Order dated 09.07.2024 is reproduced below:**

*"10. Even though the ECIR registered by the enforcement directorate is an internal and administrative document, since an investigation by the ED is impossible without the existence of a predicate offence, it is essential that the ECIR be closed by the ED on its own volition soon after the predicate offence is quashed, or the accused is acquitted or discharged. When the ED refuses to close the ECIR, an aggrieved person is certainly*

entitled to knock at the doors of this Court either under Article 226 of the Constitution of India or under Section 482 Cr.P.C.

“11. The final report in the predicate offence did not reveal the commission of any criminal offence. The order of the learned Chief judicial Magistrate, Thrissur accepting the final report as R.C. No. 73/2023 on 05.01.2024 in an order issued under the Cr.P.C. To give full effect to such an order, **this Court can exercise its inherent powers to quash a proceeding, including an administrative document like an ECIR, when it continues to exist, without legal authority**”

Despite the Hon'ble High Court's directions that ED should have closed the ECIR on its own violations and released the assets seized. ED did not comply with the same and the Company then having no other alternative moved the Special Court, for PMLA cases and the Appellate Tribunal under PMLA Act for necessary and urgent relief as follows:-

**12. Special Judge (SPE/CBI)-III, Ernakulam (Special Court for PMLA Cases, quashing of ED's criminal complaint filed against the Company:**

Furthermore, the Special Judge (SPE/CBI)-III Ernakulam (Special Court for PMLA Cases) which had earlier taken cognizance of the offences alleged under the ECIR and had issued summons against the respondents including the Company.

That, furthermore, the Company had filed a petition for discharge as an accused u/s 227 of Cr. P.C. read with Section 46 of PMLA Act, before the Special Judge against the criminal complaint filed by ED.

The Ld. Special Judge vide his order dated 24.08.2024 was pleased to close the complaint and quash the criminal complaint filed by ED.

**the relevant extract of the Order dated 24.08.2024 is reproduced below:**

**“4.....**

*In the result, this complaint is closed as quashed by the Hon'ble High Court of Kerala, as per order in CRL. M.C. No 5127 of 2024 dated 09.07.2024 CrI. M.P. 345/2024 filed by the third accused for discharge stands closed.”*

**13. Hon'ble Appellate Tribunal (Under the Prevention of Money Laundering Act) New Delhi Order dated 12.09.2024 received on 23.09.2024, certified copy awaited: Attachment Order set aside.**

That the Company had preferred an appeal before the Hon'ble Appellate Tribunal (under the Prevention of Money Laundering Act), New Delhi (Appellate Tribunal-PMLA) Under Section 26 of the Prevention of Money Laundering Act 2002 against the order dated 22.08.2022 passed by the Learned Chairman, Adjudicating Authority ( Under the Prevention of Money Laundering Act) New Delhi.

That the Hon'ble Appellant Tribunal -PMLA Act vide its order dated 12.09.2024, while taking note of the Hon'ble High Court's order dated 09.07.2024 as well as the CJM, Thrissur's order dated 05.01.2024, concluded that nothing remains against the Appellant.

**The relevant extract of the Order dated 12.09.2024 is reproduced below:**  
“... In the light of the aforesaid now nothing remains against the Appellant so as to continue the attachment and its confirmation, accordingly both the orders are set aside. The Appeals are allowed with the aforesaid.”

**C. Steps being taken for restoration of seized assets as well as reviving the operations of the Company.:**

- a. The Company is in the process of making necessary applications before ED seeking restoration of its assets considering the Court and Tribunal Judgement/Orders as above mentioned.
- b. The Company is also in the process of seeking necessary regulatory directions/approvals to revive the affairs of the Company and to ensure that the status of the Company as a going concern is re-established.

However, it be noted that - revival process would can only be initiated -

- i. Once the assets are restored by ED- Any delay in this regard may further adversely affect our business, financial conditions and results of operations and cause the Company and its small and minority shareholder's irreparable damage.
- ii. Once the necessary approvals are received from statutory and regulatory authorities including shareholders .

Thanking You  
For Atlas Jewellery India Limited



**Chandan Mahapatra**  
Company Secretary

Encl.:  
Copy of promoter clarification dated 25.01.2022.

January 25, 2022.

To

Mr. Bashyakar Mattapalli,  
Atlas Jewellery India Ltd.,  
NEW DELHI (India).

Dear Sir,

Clarifications on the Press Release issued on 24.01.2022 by E.D.

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This has reference to your mail of today. I have not seen any news articles or media reports on the investigations conducted by the Enforcement Directorate on Atlas Jewellery India Ltd. However, after receiving your mail I have managed to obtain a copy of the press release purported to have been issued by them on 24.01.2022. My comments on the same are given below:

1. At the outset, I consider that the company should have informed me on 20.01.2022 when the investigation started. This would have helped me to present my case to the E.D. before they issued the press release.
2. I have not cheated the South Indian Bank in any manner. The account of Atlas Jewellery Private Limited was being operated to the entire satisfaction of the Bank until I was detained by the Dubai court on August 23, 2015 in connection with a returned cheque. The sentence was cancelled by the appeal court in due course. Meanwhile the South Indian Bank acted rather hurriedly. They took custody of the primary security of the gold ornaments of the company and exhibited their name in an unduly large size on all the collateral securities valued at double the amount of the facilities. Later on, they sold the same and took some of the properties for themselves at an extremely low value. In fact, their precipitous action has put me under heavy loss. The assets of Atlas Jewellery India Limited are not mortgaged to them and they have no right to lay their hands on these assets.
3. The press release says that I have presented forged documents to avail the facility. This is an utter falsehood. I would like to get a clarification from them as to which document is forged and whose signature is forged by me.



4. As you know the Fixed deposit of Rs. 14 crores is under lien to SEBI and the South Indian Bank cannot claim this amount. I have also impleaded myself in the High Court of Kerala, Kochi in the case filed by the Axis Bank, where the deposit is made.

5. As regards the amount Rs. 100 crores remitted by me to Atlas Jewellery India Limited on 18.07.2014 in connection with my application for 5 crores of shares, I would like to inform you that I had sufficient funds here. I have been living in the Gulf since 22.03.1974 and have saved adequate money by my own hard work to remit this amount. There was no need for me to borrow from the South Indian Bank for this purpose. I worked as a senior manager in a well reputed bank in Kuwait before founding the Atlas Jewellery. My equity in Atlas Jewellery was as follows for the four years prior to my problem in 2015:

2011 - Aed 334 million  
2012 - Aed 337 million  
2013 - Aed 360 million  
2014 - Aed 383 million

The financials duly audited by international auditors can be forwarded to you, if you desire.

I hope the above information will be of use to you. Please do not hesitate to refer to me if you need any more details and I assure you of my whole hearted cooperation. I also consider that it may not be out of place to request you to forward this letter to the E.D. and make a plea to them to release the items seized by them. Anyway, I leave entirely to your discretion.

Thanks and Regards,



M.M. RAMACHANDRAN