



PRESS RELEASE

27.03.2026

Directorate of Enforcement (ED), Mangalore Sub Zonal Office, has filed a Prosecution Complaint on 27.03.2026, under the provisions of Prevention of Money Laundering Act (PMLA), 2002, before the Hon'ble Special Court for PMLA cases at Mangalore, against M/s. Mookambika Rural Development Trust, Smt. Baby, Sh. Harish, P. Ramdas and Ramakrishna P, in connection with the fraudulent loan waiver obtained by them with respect to loans taken by various Fishermen Self Help Groups (SHGs) in the Udupi District of Karnataka.

ED initiated investigation on the basis of FIR registered by Byndoor Police Station, Udupi, against Smt. Baby Kotari, Harish Kharvi, Ramadasa Kharvi and Ramakrishna Devadiga, for waiving off the loans of ineligible Fishermen Self Help Groups by utilizing the loan waiver scheme floated by the Government of Karnataka.

ED investigation revealed that the main accused persons Smt. Baby, Harish, P Ramdas, during the Financial Year 2017-18, through M/s. Mookambika Rural Development Trust, had arranged loans for various Self Help Groups from Union Bank of India and also assisted them in making repayments, by collecting and repaying the loan instalment amount to the bank. However, they had failed to deposit the complete repayment amount given by the SHGs as it is and siphoned off part of the instalment amounts and utilised the same for unexplained purposes, thereby cheating the SHGs.

In order to cover up the cheating of SHGs, the main accused persons in connivance with UBI Bank Manager Ramakrishna P, had themselves applied loan waiver for 58 ineligible SHGs claiming them as Fishermen SHGs without proper documentation, under the loan waiver scheme introduced by Government of Karnataka meant for Fishermen SHGs. In this process, the accused had generated Proceeds of Crime to the tune of Rs. 1.66 Crore and utilized the part of the funds for squaring off loans of ineligible SHGs and withdrawn the rest of the funds for unexplained purposes.

The Prosecution Complaint against the accused persons has been filed for commission of offense of money laundering as defined under section 3 and punishable under section 4 of PMLA, 2002.

Further investigation is under progress.