



PRESS RELEASE

15.12.2025

The Hon'ble Special Court (PMLA), Port Blair has dismissed the bail applications of the arrested accused persons namely Kuldeep Rai Sharma, Ex-M.P., Andaman and Nicobar Islands and Ex-Chairman of Andaman and Nicobar State Cooperative Bank (ANSCBL); K. Murugan, Managing Director (ANSCBL); K. Kalaivanan, Loan Officer (ANSCBL) and Sanjay Lal (associate of Kuldeep Rai Sharma). The said 4 accused persons had filed bail applications before the Ld. Special Court (PMLA), Port Blair, which, upon hearing both sides at length were rejected vide order dated 12.12.2025.

The Ld. Special Court in its order dated 12.12.2025 held that there are prima facie materials showing active involvement of all four accused persons in the money-laundering activities arising from the A&N State Cooperative Bank fraud and related shell companies. The Ld. Court also relied upon various statements recorded under section 50 PMLA in its order and observed that shell companies were created in connivance of the accused persons and bank funds were fraudulently disbursed and big amounts were routed and paid as bribe to Kuldeep Rai Sharma and immovable properties were acquired. The Court also observed that the arrested accused persons, namely Kuldeep Rai Sharma and Sanjay Lal destroyed evidence related to the fraud and further also observed that the arrest of the 4 accused persons was justified, thereby denying bail to all accused persons under Section 45 of PMLA.

ED had arrested above named four persons including Kuldeep Rai Sharma, Ex-M.P., Andaman and Nicobar Islands and Ex-Chairman of Andaman and Nicobar State Cooperative Bank (ANSCBL) under Section 19 of the PMLA, 2002, in connection with a bank fraud case involving amount more than Rs. 500 Crore. Further, ED filed a Prosecution Complaint against 39 persons including the arrested persons on 14.11.2025 before the Hon'ble Special Court under PMLA in Port Blair.

ED initiated investigation in this case on the basis of an FIR registered by the Crime & Economic Offences Cell, Andaman & Nicobar Police, against Kuldeep Rai Sharma and various other persons and officials of the bank. The case pertains to a fraud committed by the above-named persons, who were officials of ANSCBL and responsible for sanctioning bank loans in collusion with Sanjay Lal and Sanjeev Lal. These persons, in connivance with their accomplices, floated several shell companies and sanctioned large loans to them as well as to their regular entities with the sole intent of not repaying the funds, thereby causing losses to the bank and generating corresponding gains for themselves. Evidence collected so far indicates that bank loans were laundered through more than 100 loan accounts in the names of various firms and shell companies which has caused loss to the bank and the amount involved in the said fraud/NPA exceeds Rs. 500 Crore.

Further investigation is under progress.