Press Release
11.11.2026

Directorate of Enforcement (ED), Kolkata Zonal Office-II has issued a Provisional Attachment Order (PAO) dated 05.11.2026 under the provisions of PMLA, 2002, attaching 35 immovable properties and 05 movable properties worth Rs 121.35 crore (approx.) in the Andaman & Nicobar State Co-operative Bank (ANSCBL) fraud case. The attached assets include land parcels, a hotel, two semi-submarine tourist vessels and bank balances lying in three bank accounts.



ED investigation was initiated on the basis of FIR registered by the Crime & Economic Offences Police Station, Andaman & Nicobar Police, against Kuldeep Rai Sharma, Ex-MP and others. The investigation revealed that Kuldeep Rai Sharma, Ex-MP and the then Vice-Chairman of ANSCBL, along with bank officials and his associates, got large sums of loans sanctioned through shell companies in violation of banking rules. The loan money was then diverted and never repaid.

The accused floated 23 shell companies with no real business, using associates and other persons as dummy directors. Loans of about Rs 301.50 crore were sanctioned to 21 of these companies, and loans of about Rs 271 crore in 18 of these companies have turned NPA. The loan money was taken out in cash or moved through several accounts and was used to buy land and other assets in the names of family members and associates. Besides these 23 shell companies, huge loans were illegally sanctioned to various other companies including

the companies belonging to the family members of Kuldeep Rai Sharma. Such loans were also siphoned off and not repaid. The total proceeds of crime identified in this case exceeds Rs 500 crore.

The senior bank officials including the Vice Chairman and Ex MP Kuldeep Rai Sharma, MD K Murugan (since deceased) took a bribe of about 5% of the loan amount. In many cases loans were sanctioned in excess and a share of such sanctioned loan was taken in cash or through shell companies.

During the investigation, ED found that most of the provisionally attached properties were either bought with the diverted loan money or pledged with the bank at highly inflated values to get the fraudulent loans. In many cases, land bought for about Rs 1 crore was shown as worth Rs 10 crore or more in the loan files, with the help of a bank-empanelled valuer who assisted the accused persons in fraudulent loan sanctioning.

Out of the 35 immovable properties, 15 properties were acquired through Powers of Attorney or sale agreements in the names of borrowers, accused persons and dummy directors. These lands were then mortgaged with ANSCBL to take loans far above their real value. The attached properties also include the land and building of Joye Grand Hotel and two semi-submarine tourist vessels imported from Croatia for about Rs 2.11 crore, registered in the name of M/s Andaman Escapades Pvt. Ltd. However, the investigation revealed that they were actually bought for Kuldeep Rai Sharma, Ex-MP using money from a fraudulent loan taken in the name of a shell company, M/s Heyday Hospitality Services Pvt. Ltd.

Earlier, ED had arrested Kuldeep Rai Sharma (Vice-Chairman and Ex-MP), K. Murugan (MD, since deceased), K. Kalaivanan (Loan Officer) and Sanjay Lal (Hotelier), and filed a Prosecution Complaint on 14.11.2025 before the Hon'ble Special Court (PMLA), Port Blair, against 39 accused persons and entities. Earlier, ED had also attached 51 properties worth Rs 205.56 crore on 10.02.2026, and the said attachment was confirmed by the Ld. Adjudicating Authority on 04.08.2026. With the present attachment order, the total value of properties attached in this case has gone up to about Rs 326.91 crore.

Further investigation is under progress.