Press Release
11.11.2026

Directorate of Enforcement (ED), Kolkata Zonal Office-II has filed a Supplementary Prosecution Complaint against Kuldeep Rai Sharma, EX- MP, A & N Islands and 13 more persons and entities in the Andaman Nicobar State Cooperative Bank (ANSCBL) fraud on 06.11.2026 before the Hon'ble Special Court under PMLA in Port Blair. The persons and entities newly arraigned as accused include Jayanta Bala, J. Suresh Chandran (empaneled property valuer of ANSCBL), John Robert Babu, Anil Kumar, Md. Ali, P. Abhilash and Kiran Lal N. H. along with their companies. With this, the total number of accused persons in the case stands at 52.

ED investigation was initiated on the basis of an FIR registered by the Crime & Economic Offences Police Station, Andaman & Nicobar Police, against various private persons and officials of the bank. The case pertains to the fraud committed by officials of ANSCBL, including Kuldeep Rai Sharma, the then Vice-Chairman and Ex-MP, and others responsible for sanctioning bank loans. In connivance with their accomplices, they floated 23 shell companies and sanctioned large loans to them as well as to regular entities, in violation of the rules of the bank and with no intent to repay. Loans of about Rs 301.50 crore were given to 21 shell companies alone, of which about Rs 271 crore has turned NPA. The total Proceeds of Crime identified in the case is more than Rs. 500 Crore.

ED investigation has revealed that shell companies were formed in the names of associates or dummy directors and were given huge loans within a few months of incorporation, with no business record. Cheap lands were pledged as security to banks after its value was inflated many times over in collusion with the bank officials, private persons and the same land was used again and again as mortgage to raise the loan amount. Once the money was released, it was quickly withdrawn in cash or moved through several bank accounts of shell companies and associates and was never used for the stated purposes.

The diverted money was used to buy land, build hotels and resorts, semi-submarine tourist vessels and repay old loans, mostly in the names of family members and associates to hide the real owners. Many land parcels were taken over through Powers of Attorney or sale agreements, without registered sale deeds in order to conceal the ownership of properties. These lands were also then pledged with the bank for fresh loans, which also turned into NPA.

Further investigation has revealed that the fraud was not limited to shell companies. Loans were also given to several active companies in return for a commission of about 5% of the loan amount, paid to Kuldeep Rai Sharma and senior bank officials. Investigation also revealed that Sh. Kuldeep Rai Sharma and his wife, Smt. Vinita Sharma, benefited from fraudulent loans of about Rs 81.10 crore taken through companies linked to Kuldeep Rai Sharma and in the name of his wife.

Earlier, ED had arrested Kuldeep Rai Sharma, K. Murugan (MD, since deceased), K. Kalaivanan (Loan Officer) and Sanjay Lal, and filed a Prosecution Complaint on 14.11.2025 against 39 persons and entities. ED has so far attached properties worth about Rs 326.91 crore in this case, through attachment orders dated 10.02.2026 (Rs 205.56 crore, confirmed by the Ld. Adjudicating Authority) and 05.11.2026 (Rs 121.35 crore). Confiscation of these properties has been sought in the supplementary complaint.