



**Press Release**  
**19.11.2024**

Directorate of Enforcement (ED), Visakhapatnam Sub-Zonal Office has provisionally attached immovable assets having value of Rs. 1.44 Crore under the Prevention of Money Laundering Act (PMLA), 2002 in a case of cheating IDBI bank by taking fraudulent Kisan Credit Card (KCC) Fish Tank loans. The attached properties are in the name of wife of loan aggregator VSKDN Somaraju and include immovable properties in the form of agricultural land, plots and a flat in Andhra Pradesh.

ED initiated investigation on the basis of FIR registered by CBI, Visakhapatnam under various sections of IPC, 1860 and Prevention of Corruption Act, 1988 against Kumar Pappu Singh, Kusumpudi Pullamraju, Vanapalli Venateswara Rao, Jonnala Jaganmohana Rao, VSKDN Somaraju and others for fraudulently availing KCC Fish Tank loans in the names of 101 borrowers from IDBI Bank, Palangi Branch to the tune of Rs. 74.99 Crore.

ED investigation revealed that Kusumpudi Pullamraju, Vanapalli Venateswara Rao, Jonnala Jaganmohana Rao and VSKDN Somaraju acted as 'aggregators' for KCC Fish Tank loans sanctioned to 14 borrowers and were the ultimate beneficiaries. These 4 aggregators conspired with the officials of IDBI Bank & others and availed KCC Fish Tank loans totalling to Rs. 6.59 Crore on the strength of fabricated documents, primarily in the names of their own employees, relatives, friends and family members who were ineligible for such loans. Further, the value of collateral securities offered against the loans were highly inflated in connivance with the valuers. The sanctioned KCC loan amounts were diverted from the borrowers' accounts to the accounts of aggregators and other persons and also through cash withdrawals on the directions of the aggregators. The diverted and siphoned off loans were utilized by the aggregators for acquisition of immovable properties in their names as well as in the names of their family members, for investment in their other businesses and for repayment of old loans.

ED had earlier attached movable and immovable properties having value of Rs. 51.45 Crore in respect of another aggregator Kumar Pappu Singh (aggregator for 87 borrowers) which has been confirmed by the Adjudicating Authority (PMLA). Further, Prosecution Complaint in this case has also been filed by ED before the Hon'ble Special Court (PMLA), Visakhapatnam on 27.12.2022 and cognizance of the same has been taken by the Hon'ble Court.

Further investigation is under progress.