Press Release

22.11.2024

Directorate of Enforcement (ED), Kochi Zonal Office, conducted search operations on 21.11.2025 under Section 17 of the Prevention of Money Laundering Act, 2002 at multiple premises linked to P.V. Anvar and others in connection with a money laundering investigation arising from fraudulent loan sanctions by Kerala Financial Corporation (KFC) in 2015. The searches were carried out at residential, business and institutional premises associated with M/s Malamkulam Constructions Pvt. Ltd., M/s Pee Vee Aar Developers, M/s Bis Manjeri LLP, M/s Kerala Finance Corporation (Malappuram Branch) and at the residences of key individuals involved.

The investigation stems from loans amounting to Rs. 7.5 Crore to M/s Malamkulam Constructions and Rs. 3.05 Crore + Rs. 1.56 Crore to M/s Pee Vee Aar Developers, sanctioned using the same collateral properties within a short interval, resulting in a total NPA of approximately Rs. 22.3 Crore. Preliminary evidence indicates diversion of the sanctioned funds, use of nominal shareholders and directors, and suspected benami ownership of assets.

During the searches, P.V. Anvar admitted to being the real beneficial owner of M/s Malamkulam Constructions, despite the company being held in the names of his nephews and driver. He confirmed that loan amounts were used for the large township project “Pee Vee Aar Metro Village. Statements of his associates revealed that documents were routinely signed at his instruction, funds were diverted to associated entities, and certain cash collections were handled outside regular accounting channels. It is also found that certain buildings were constructed in PVR Metro Village by M/s Malamkulam Constructions Pvt Ltd without proper approvals from local/regulatory body and Proceeds of Crime have been infused in the said construction.

Searches at the premises of M/s Bis Manjeri LLP and PVR Metro Village indicated extensive construction and commercial activity, including schools, amusement park, resort, villa projects and apartment blocks. Evidence collected suggests transfer of loan proceeds between related entities and utilisation for purposes unrelated to sanctioned activities. During the searches, various incriminating documents and digital evidence related to sale agreements, financial documents and property papers, multiple records and digital devices, have been seized.

Statements of KFC officials recorded during the operation revealed procedural lapses, non-verification of prior mortgages, and re-use of the same collateral for subsequent loans. The Technical Officer admitted that valuation reports were reused without fresh inspection, and the Legal Officer acknowledged that earlier encumbrances went undetected.

During the search, 15 bank accounts held in the names of different persons, alleged to be benamis, from which suspected transactions have taken place were identified. The seized materials are being examined to identify the Proceeds of Crime, quantify the diversion of loan funds, establish the layering mechanism and determine the extent of benami holdings.

Further investigation is in progress.