



## **PRESS RELEASE**

**1/08/2025**

### **ED conducts first-ever search operation in Andaman Nicobar Islands**

Directorate of Enforcement (ED) has conducted its first ever search operation in Andaman Nicobar Islands in the case of Andaman Nicobar State Cooperative Bank (ANSCB) fraud. Searches were conducted at **9 places** in and around **Port Blair** and 2 places in Kolkata on 31.07.2025. Further, searches at 10 more places in A & N Islands are being conducted in respect of certain shell companies & others which were identified during the search on 31.07.2025.

ED initiated investigation in the case on the basis of FIR registered by Crime & Economic Offences, Andaman Nicobar Police against various private persons and officials of the bank.

During the course of searches at A & N Islands, various incriminating documents have been recovered pointing large scale irregularities in the grant of loans and overdraft facilities by ANSC Bank. Evidence collected so far indicates that loan facilities were extended through more than **100 loan accounts** in the name of various firms and shell companies by ignoring the laid down procedures and guidelines of the bank. Searches have also led to identification and recovery of property documents of around **Rs. 100 Crore**.

Searches have also revealed that several shell companies were created by Shri Kuldeep Rai Sharma, Ex-MP of Andaman & Nicobar Islands in connivance with his associates and loan facilities amounting to more than **Rs. 500 Crore** were fraudulently taken by these entities/ companies from the A & N State Cooperative Bank. The loan amount was diverted and siphoned off through various shell entities. It has also been revealed that a substantial portion of these loans were withdrawn in cash and have been paid as kickbacks to the senior bank officials including Kuldeep Rai Sharma, Ex-MP. It is worth mentioning here that Kuldeep Rai Sharma, Ex-MP was till recently also serving as the Vice-Chairman of the Andaman Nicobar State Cooperative Bank.

Further investigation is under progress.