Directorate of Enforcement (ED) has arrested N. Bhasurangan, former President of Kandala Service Co-operative Bank, Kandala, Maranalloor, Trivandrum, **Kerala** and his son Akhiljith J.B on 21.11.2023 in connection with an ongoing investigation under the provisions of Preventions of Money Laundering Act (PMLA), 2002 in a money laundering case of fraud which occurred in Kandala Service Co-operative Bank. N. Bhasurangan happened to be the overall in-charge of the bank as President, who played a key role in sanctioning various unauthorized loans.

ED initiated investigation on the basis of various FIRs registered by the Maranalloor Police Station, Trivandrum against the President & Secretary of Kandala Service Co-operative Bank.

ED investigation revealed several irregularities in the management of the bank. The Bank's governing body was headed by its President N. Bhasurangan. Preliminary investigations revealed that Rs. 57 Crore (approximately) was involved in the above irregularities and the Bank suffered massive asset impairment due to this.

Further, during ED investigation it was revealed that Kandala Service Co-operative Bank had given a loan of Rs. 2.04 Crore to Maranalloor Ksheera Vyavsaya Sangam Limited, as N. Bhasurangan was also managing the affairs of that Society. It was further found that multiple loans running into several Crores were fraudulently given to his family members & relatives by mortgaging same properties. It was also found that Kandala Service Co-operative Bank had not initiated any recovery proceedings in respect of the overdue loans availed by the family members & relatives of N. Bhasurangan, while he was holding the post of President.

N. Bhasurangan and his son Akhiljith J.B were placed under arrest on 21.11.2023 and subsequently, they were produced before the Special Judge (SPE / CBI) – I (Special Court for PMLA Cases), Ernakulam, **Kerala** on 22.11.2023. The Hon'ble Court has granted ED custody for 3 days till 24.11.2023.

Further investigation is under progress.

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