



Press Release
23.12.2021

Enforcement Directorate has provisionally attached movable and immovable assets worth Rs. 100 Crore belonging to Rebba Satyanarayana and his family members under Prevention of Money Laundering Act (PMLA), 2002, in a case of cheating IDBI bank by taking fraudulent fish tank KCC loans. The attached assets are in the form of Agricultural lands, Fish Ponds, Commercial sites, plots and Flats in Andhra Pradesh and Telangana; and Bank Balance.

ED initiated money laundering investigation on the basis of FIR registered by ACB/CBI, Visakhapatnam, under sections of IPC against Rebba Satyanarayana and others for fraudulently availing KCC fish tank loans in the names of 143 benami borrowers from IDBI Bank, Rajahmundry branch to the tune of Rs 112.41 Crore.

Investigation under PMLA revealed that Rebba Satyanarayana was the aggregator and end beneficiary of all the KCC loans sanctioned to the borrowers and that he had conspired with the officials of IDBI Bank & others; and had availed the loans in the names his family members, relatives and acquaintances totaling to Rs 112.41 Crore. The said KCC Loan amounts were firstly transferred to the Borrowers' Savings Accounts (opened by Rebba Satyanarayana in their names) and later on, most of said loan amount was withdrawn in cash and handed over to Rebba which he utilized for:

- (i) repayment of earlier loans availed by entities in his/relatives/benami names but controlled by him only,
- (ii) purchase of properties in the names of himself/relatives as well as in benami names and
- (iii) investment in his other export-import businesses being run in the name of himself/relatives/benami.

Investigation under PMLA also revealed that properties purchased by Rebba Satyanarayana in his/relatives/benami names were again used to mortgage for getting other loans in their other business entities in the name of himself/others/family members/employees. He is a habitual offender who is taking cyclical loans to repay old loans and divert portions of the sanctioned loans to run his various benami ventures. Investigation further revealed that, he was indulged habitually and continuously in fraudulently availing loans from banks by pledging/mortgaging properties and for repayment of the same, either he used to avail fresh loans or used to settle said loan under OTS in a cycled manner.

Investigation also revealed that he had incorporated a foreign entity in New Jersey, USA and exported sea food/cultured prawns worth of more than \$24,00,000 from his domestic entity to the said foreign entity, which is pending for export realization. This non realization of the export is also suspected.

Further investigation in this case is under progress.

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