PRESS RELEASE

14/2/2026

Directorate of Enforcement (ED), Bangalore Zonal Office has provisionally attached 11 immovable properties belonging to Rajesh VR, Smt. Nagavalli BS and their entities having a market value of Rs. 16.95 Crore on 12.02.2026. The attached properties have been purchased by the accused persons out of the Proceeds of Crime generated through criminal activity. The attached immovable properties include land, plots and buildings situated in Ramnagara, Mysore and Bangalore.

ED initiated investigation on the basis of FIR registered by Subramanyapura Police Station, Bengaluru against that Sirivaibhava Sourhardha Pattina Sahakari Niyamitha society its president Mrs. Nagavalli B S, its CEO Rajesh VR and others. The FIR was registered on the basis of complaint filed by Managing Director, Karnataka State Federal Co-Operative Limited on allegation that Sirivaibhava Sourhardha Pattina Sahakari Niyamitha, Bengaluru City had sanctioned loans to the entities owned by its president Mrs. Nagavalli BS and its CEO Rajesh V R, without obtaining proper surety and the same loan amount has not been repaid by the said entities. The key person of the entity has caused wrongful loss to its depositors for their own benefits by misusing their post and power.

During the course of investigation under PMLA, various other FIRs and charge sheet filed by the Police against the accused society and its key management personnel were obtained. The modus operandi of the scam revealed that:

1. Rajesh VR (CEO of the society) and Smt. Nagavalli BS (President of the society) are legally wedded couple. They, with dishonest intentions to receive deposits from public and to further invest the same for their own illegal benefits, incorporated Sirivaibhava Souharda Pathina Sahakari Niyamitha Co-operative Society in the Year 2011.
2. They in collusion with other accused person's/entities, majority of which were opened by them, diverted deposits of the public amounting to around Rs. 65 Crore and thus generated Proceeds of Crime.
3. A major part of this Proceeds of Crime was routed in their personal accounts and in the accounts of the fictitious entities opened by them for the purpose of money laundering.
4. The diverted amount was further utilised for their personal gain such as purchase of immovable properties, investment in business and personal consumption etc.

Further investigation is under progress.