PRESS RELEASE
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Directorate of Enforcement (ED), Bengaluru Zonal Office, has **provisionally attached movable and immovable properties amounting to Rs. 1.22 Crores**, under the provisions of the Prevention of Money Laundering Act, 2002 (PMLA), in the case of **KPSC Recruitment Scam**. The Provisional Attachment Order (PAO) No. 43/2026 dated 13/11/2026 has been issued under Section 5(1) of the PMLA, 2002.

The provisionally attached assets comprise immovable properties and movable **properties belonging to Shivashankarappa Sahukar, the then Chairman, Karnataka Public Service Commission (*KPSC*), Geetha B V Shivamurthy, Member, KPSC, and Gyanendra Kumar Gangwar, IAS**, the then Controller of Examinations (CoE), KPSC.

ED investigation was initiated on the basis of multiple FIRs registered by the Vidhana Soudha Police Station, Bengaluru, for offences under Sections 318(3), 318(4), 336(2), 336(3) and 340(2) of the Bharatiya Nyaya Sanhita, 2023, relating to the irregularities in the recruitment exam for the Veterinary Officer post in the Department of Animal Husbandry & Fisheries of the state government of Karnataka, and also submission of false certificates in the KPSC recruitments.

Investigation has revealed that the then Chairman, a Member and the then CoE of the KPSC, in conspiracy with Basavaraj Kannale and others, **abused their official positions and induced candidates to pay illegal gratification in exchange for assured selection**, through

(i) leakage of question papers with the correct answers marked,
(ii) leakage of candidate-specific correct answer keys, and
(iii) misuse of confidential marks at the stage of the 1:3 eligibility list.

Further investigation has revealed that Gyanendra Kumar Gangwar, the then CoE, leaked the question papers, with the correct answers, to his close associate, Basavaraj Kannale, on 07/01/2026. Basavaraj Kannale circulated them among 10 candidates at villas on the outskirts of Bengaluru on 08/01/2026, i.e., one day before the examination, and demanded illegal gratification ranging from Rs.20 Lakhs to Rs.40 Lakhs, out of which a part amount was received as advance, and the remaining amount secured through blank signed cheques and promissory notes, from the candidates. The OMR answer sheets of these candidates matched the initial answer key published by the KPSC, including answers later found to be incorrect in the revised answer key.

Furthermore, **at the instance of Shivashankarappa Sahukar, Gyanendra Kumar Gangwar, by using the seating arrangements and jumbled charts (*as he was the custodian*), prepared the correct answers to 80 questions for six candidates, whose registration numbers were provided by Geetha B V,** and handed them over to her on 08/01/2026. In return, the then Chairman assured him of favourable interview marks in the KAS examination for a candidate of his choice. A notebook containing the centre-wise registration numbers of candidates, in the handwriting of Shivashankarappa Sahukar, was seized from his residence. **Shivashankarappa Sahukar collected Rs. 10 Lakhs in cash from one candidate, against a deal of Rs. 20 Lakhs, and Geetha B V collected Rs. 20 Lakhs in cash from another candidate, against a deal of Rs. 40 Lakhs**.

The **illegal gratification so derived was collected in cash and also through the bank accounts** of M/s. Om Lakshmi Souharda Sahakari Sangha Niyamita, Bhalki (Bidar), and other third parties, and were disguised through entries in bogus savings accounts. Out of the proceeds of crime, gold and diamond jewellery worth Rs. 52.30 Lakhs was purchased in the name of a third person for the benefit of Gyanendra Kumar Gangwar, with payments routed through third parties' accounts and in ca The **air travel expenses of Gyanendra Kumar Gangwar, his family members and friends, amounting to Rs. 13.31 Lakhs, were also met by Basavaraj Kannale** through third-party accounts.

Earlier, ED conducted searches under Section 17 of the PMLA, 2002 at multiple premises, including the KPSC office, and **arrested Basavaraj Kannale on 17/09/2026, Gyanendra Kumar Gangwar on 18/09/2026 and Shivashankarappa Sahukar and Geetha B V Shivamurthy on 06/10/2026**, under Section 19 of the PMLA, 2002.

Further investigation is under progress.