



PRESS RELEASE

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Directorate of Enforcement (ED), Bangalore Zonal Office has provisionally attached 92 immovable properties (MUDA sites) having market value of Rs. 100 Crore (approx.) on 9/06/2025 under the provisions of the Prevention of Money Laundering Act (PMLA), 2002, in connection with MUDA case. The attached properties are registered in the name of entity such as housing cooperative society and individuals who are front/dummy for influential persons including MUDA officials.

ED initiated investigation on the basis of an FIR registered by the Lokayuktha Police Mysore under various sections of IPC, 1860 and Prevention of Corruption Act, 1988 against Shri Siddaramaiah and others, who is the incumbent Chief Minister of Karnataka.

ED investigation revealed a large scale scam in allotment of MUDA sites by flouting various statutes and government orders/ guidelines and by other fraudulent means. The role of ex-MUDA commissioners including GT Dinesh Kumar has emerged as instrumental in illegal allotment of compensation sites to ineligible entities/individuals. The evidences with respect to obtaining bribe for making illegal allotments in the form of cash, bank transfer, movable/ immovable properties have been gathered during the course of the investigation.

The modus operandi for making illegal allotment involved identification of ineligible beneficiaries and making allotment using fake documents/incomplete documents in direct violation of government orders and also back dating of allotment letters in some cases. The gratification received for making these illegal allotments was routed through a co-operative society and bank accounts of the relatives/associates of the officers playing key role in the allotment process. The gratification thus received was further used to purchase some of these illegally allotted MUDA sites in the name of relatives of MUDA officers.

It is pertinent to mention here that the attachment of these 92 MUDA sites are in continuation to the previous attachment of 160 MUDA sites having a market value of approximately Rs. 300 Crore. The cumulative market value of Proceeds of Crime provisionally attached so far is approximately Rs. 400 Crore.

Further investigation is under progress.