



PRESS RELEASE  
13.08.2024

Directorate of Enforcement (ED), Bangalore Zonal office has conducted search operations under the provisions of Prevention of Money Laundering Act (PMLA), 2002 on 09/10.08.2024 at 12 Premises in Bangalore and Dharwad in connection with the fraud committed in land acquisitions undertaken by Karnataka Industrial Area Development Board (KIADB), Dharwad Zonal office for projects such as Hubli Airport, IIT Dharwad etc. Searches were conducted at 07 premises in Bangalore including KIADB Head office, Bangalore and at 05 premises in Dharwad-Hubballi including KIADB Zonal office, Dharwad.

ED initiated investigation on the basis of FIR registered by Vidyagiri Police Station, Dharwad under various sections of IPC, 1860 against V D Sajjan (Former Special Land Acquisition Officer of KIADB Dharwad Zonal Office) and others. Further, the above FIR was transferred to CID, Dharwad and charge sheet in respect of the FIR has also been filed by the CID, Dharwad. It is alleged in the FIR & Chargesheet that the V D Sajjan, SLAO, KIADB Dharwad and other officials of KIADB, Dharwad conspired with the land brokers/other accused and sanctioned an amount of Rs.19.99 Crore (approx.) to seven individuals on the pretext of compensation for land acquisition. However, these individuals had been paid compensation previously. Thus, causing lose to the government exchequer.

The evidences gathered during the search reveal that a total of Rs.72.55 Crore have been siphoned off by using above modus operandi. Evidences gathered during the search the above modus was also in use prior to the tenure of the main accused in the case VD Sajjan. Evidences on the modus operandi used have been gathered in the form of original payment register, final notification issued by KIADB for acquisition of land, RTGS payment forms prepared in the name of fake land owners etc.

In addition to the above, it was revealed money was being siphoned off through "Malki Payments" i.e. payments made for trees, structures etc. in the acquired land.

Searches conducted on 09.08.2024 & 10.08.2024 also resulted in seizure of various incriminating electronic, digital evidences and records/documents. Searches also resulted in recovery and seizure of Rs. 1.50 Crore in Cash. Searches had also resulted in freezing of bank deposits amounting to Rs. 55 Lakh in the name of Main accused in the case. Further, details of movable, immovable properties acquired by the main accused have been gathered.

Further investigation is under progress.