



PRESS RELEASE  
17.01.2025

Directorate of Enforcement (ED), Visakhapatnam has provisionally attached thirteen immovable properties worth Rs. 3.44 Crore (approx.) on 15.01.2025 under the provisions of the Prevention of Money Laundering Act (PMLA), 2002 in connection with diversion of funds of **General and Technical Education Society, Gudivada (GATES), Andhra Pradesh**. The attached properties belong to Late Vemulapalli Venkateswara Rao, Secretary GATES, and his family members.

ED initiated investigation on the basis of an FIR registered by the Gudivada Police Station under various sections of IPC, 1860 against Vemulapalli Venkateswara Rao and others on the allegation that Vemulapalli Venkateswara Rao, the then secretary of GATES and his family members alienated the valuable properties of GATES at very less values and diverted the funds of the society by not entering the cash revenue in the books of accounts.

ED investigation revealed that the accused deliberately collected revenue from the operations of the society in cash by employing various means such as - renting out the society's auditoriums to clients without issuing any payment receipts and receiving the charges in cash; by receiving security deposits pertaining to the society in cash; and also by transferring inflated salaries to the society's employees and thereafter making them withdraw the excess salaries in cash & handing it over to the accused.

By using the said modus operandi, approx. Rs. 3.44 Crore (approx.) of cash revenue generated in the society (GATES) was not recorded in its books of accounts and was siphoned off by the accused. The said Proceeds of Crime (POC) were subsequently diverted by the accused persons by way of cash deposits in the bank accounts of family members and officials of the society. The POC were eventually used by the accused for purchase of various properties including properties of GATES which were acquired at prices much lower than their prevalent market values. Several such properties acquired out of POC have been accordingly attached by ED during investigation.

Further investigation is under progress.