



## **PRESS RELEASE**

**21.07.2025**

Directorate of Enforcement (ED), Mangalore Sub Zonal Office, has provisionally attached two immovable properties and several movable properties to the tune of Rs. 5.88 Crore (approx.), under the provisions of the Prevention of Money Laundering Act (PMLA), 2002, in connection with **Mahadevappa Rampure Medical College Stipend scam**, on 18.07.2025. The immovable properties attached were acquired by the main accused Bhimashankar Bilgundi, in the names of his sons Rajkumar Bilgundi and Santosh Bilgundi, using the Proceeds of Crime.

ED initiated investigation on the basis of FIR registered by Kalaburagi City CEN Crime Police Station, Karnataka, under various sections of IPC, 1860, against Bheemashankar Bilgundi, Dr. S M Patil, Subash, Canara Bank Manager and others.

The investigation under PMLA, 2002, in the form of search operations conducted u/s. 17 during the month of April & May 2025 and subsequent enquiries, has revealed that the main accused Bhimashankar Bilgundi, *(the then President of Hyderabad Education Society which manages MRMC)*, with the assistance of Accountant of MRMC, Subashchandra Jagannath, and Mallanna *(Office Superintendent of HKE Society)*, during the period between 2018 and 2024, had siphoned off stipend funds credited to the bank accounts of PG Medical Students of MRMC to the tune of Rs. 33.34 Crore (approx.), by collecting blank signed cheques from them at the time of their admission and encashing the same by filling the details in blank cheques, thereby depriving students of their entitled stipend.

Further, during the check period, Bhimashankar Bilgundi had purchased two immovable properties in the names of his sons viz Rajkumar Bilgundi and Santosh Bilgundi, by paying huge cash consideration to the tune of Rs 5.87 Crore to Madhusudan Malu, through an intermediary named Shantappa Patil, without any legitimate source of income, leading to attachment of said properties.

Further investigation is under progress.