



## **Press Release**

**23/05/2025**

Directorate of Enforcement (ED), Bengaluru Zonal Office has conducted search operations at 9 premises including the office of M/s Valmark Realty Holdings Private Limited, its Director and certain builder, brokers, and fake TDR applicants under the provisions of Prevention of Money Laundering Act (PMLA), 2002 in connection with a scam involving fraudulent issuance of TDRs.

ED initiated investigation on the basis of FIR registered by ACB, Bengaluru. As per the Chargesheet filed by ACB, the accused company represented by its Director, Ratan Lath, after obtaining the DRCs, sold the transferred TDR to real estate companies and individuals, earning a total illegal gain of Rs. 27.68 Crore (approx.).

TDR/DRC means an award specifying the Built-Up Area (BUA) an owner of a site or plot can either sell or utilize - in-situ / elsewhere, in lieu of the land foregone on account of compulsory acquisition of land free of cost by the Urban Local Body, required to be set apart for public purpose as per the Master Plan or for road widening, recreational use zone, etc. The award is in the form of a TDR Certificate issued by the Competent Authority. The TDR Certificate inter-alia mentions the area surrendered and the cost of that area as per the circle rate.

The modus operandi detected is that a set of Brokers, including private persons/entities provoked the previous owners of certain properties, which were proposed to be acquired by BBMP for widening of road/other public purposes, to claim the TDRs. It is observed that TDR brokers and previous owners/wrong owners of the properties colluded with BBMP employees/revenue officers to get such TDR and cheated the government as well as the actual owners of the properties. It is also observed that the BBMP officials/revenue officials in collusion with the brokers inflated the area of the acquired land, included public roads, claimed existence of extra floors and fake buildings and also adopted the wrong rate for calculation of value of TDR.

During the search proceedings, the ED seized several incriminating documents pertaining to the TDR scam. ED uncovered evidence related to involvement of certain developers, brokers/entities who effected TDR scam in connivance with top BBMP officers/officials, resulting in substantial financial losses to the BBMP and the state government. Incriminating evidences regarding large scale scam in TDR issued by BBMP from 2009 to 2015 and by BDA thereafter, at various other areas in Bengaluru and their linkages with other FIRs have been seized and are being examined.

Further investigation is under progress.