PRESS RELEASE

27/07/2026

ED files over 20,000-page Prosecution Complaint against 32 accused persons in Rs. 103.42 Crore Indore Municipal Corporation Fake Bill Scam

Directorate of Enforcement (ED), Indore Sub-Zonal Office, has filed a detailed Prosecution Complaint (PC) on 24.07.2026 under the provisions of the Prevention of Money Laundering Act, 2002, before the Hon'ble Special Court (PMLA), Indore, against 32 accused persons in connection with the Indore Municipal Corporation Fake Bill Scam. The accused include contractor beneficiaries, officials of Indore Municipal Corporation, officials of the Local Fund Audit/Resident Audit Office and other private persons who assisted in the concealment, possession, layering and use of the Proceeds of Crime.

ED initiated investigation on the basis of multiple FIRs registered by Police Station M.G. Road, Indore, relating to fraudulent withdrawal of public funds from the treasury of Indore Municipal Corporation through submission of fake bills, forged work orders, fabricated Measurement Books, false completion certificates, manipulated note-sheets and other falsified records in respect of works which were either not executed or had already been completed under genuine work orders.

ED investigation revealed that various accused contractor firms, in connivance with officials of IMC and officials of the Local Fund Audit/Resident Audit Office, prepared and processed forged work-order files and fake bills and thereby fraudulently siphoned off public funds amounting to approximately **Rs. 103.42 Crore** from the treasury of IMC. The fraudulently obtained funds were withdrawn in cash, distributed among contractors, public servants and other beneficiaries, transferred to related and associated entities under the guise of business transactions, intermingled with other funds and utilised for acquisition of movable and immovable assets and personal expenditure.

During investigation, ED conducted searches at 20 premises on 05.08.2024 and 06.08.2024, leading to seizure/freezing of assets worth approximately **Rs. 22.04 Crore**, including cash, bank balances, fixed deposits, demat holdings and mutual funds, besides recovery of incriminating documents and digital evidence.

Subsequently, ED also provisionally attached 52 immovable properties valued at approximately Rs. 37.14 Crore through two Provisional Attachment Orders issued under the provisions of PMLA, 2002. The attached properties comprise commercial properties, residential houses and plots, and agricultural lands situated in Madhya Pradesh and Uttar Pradesh. **Accordingly, assets having an aggregate value of approximately Rs. 59.18 Crore have been provisionally attached, seized or frozen in the case so far.** During investigation, ED arrested the alleged kingpin of the scam, Abhay Singh Rathore, along with Mohd. Zakir and Rahul Badera, under Section 19 of PMLA, 2002 for their central role in orchestrating and laundering the Proceeds of Crime.

The Prosecution Complaint has been filed before the Hon'ble Special Court (PMLA), Indore, inter alia, seeking confiscation of the attached, seized and frozen properties involved in money laundering under the provisions of the PMLA, 2002. The Hon'ble Special Court has issued notices/summons to the accused persons and the matter is listed for further proceedings.