Press Release
17.02.2026

Directorate of Enforcement (ED), Kolkata Zonal Office has filed a Prosecution Complaint (PC) against Shri Krishna Damani under the provisions of the Prevention of Money Laundering Act (PMLA), 2002, before the Ld. Chief Judge, City Session Court, Kolkata on 11.02.2026. The Ld. Special Court has issued notice to the accused persons u/s 223(1) of the BNSS, 2023.

ED initiated investigation on the basis of FIR registered by Kolkata Police for siphoning off funds of M/s South Point Education Society. ED investigation revealed that under the guise of availing manpower services and other services, Shri Krishna Damani diverted funds to the tune of more than Rs. 20 Crore to the entities owned and controlled by Shri Krishna Damani and his family members.

During the investigation under PMLA, 2002, it is revealed that Shri Krishna Damani, a trustee of M/s South Point Education Society (M/s SPES), assumed control over the Board of Trustees by sidelining other members. Having gained dominance over the governance of M/s SPES, Shri Krishna Damani abused his fiduciary position to divert substantial school funds to entities owned and controlled by himself and his family members, thereby converting charitable funds for personal enrichment and enjoyment. It was revealed that Shri Krishna Damani ensured that payments were supported by fabricated vouchers, fake invoices and fictitious employee records, including salaries paid to non-existent staff and to his personal employees from society / school accounts. He further misused school funds to pay elite club membership fees, personal expenses and salaries even during the lockdown period for services that were never rendered.

ED investigation revealed that Shri Krishna Damani orchestrated the layering and integration of the Proceeds of Crime by distributing the funds diverted from Charitable Trusts to his family members and controlled entities in the form of inflated salaries, directors' remuneration and commissions, etc. and by investing the same in mutual funds and other investments in his own name, in the names of his wife, mother and daughters, and in the names of his companies.

Further investigation is under progress.