PRESS RELEASE
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Directorate of Enforcement (ED), Bengaluru Zonal Office has provisionally attached four (4 nos.) immovable properties including residential/commercial land and building worth Rs. 8.07 Crore (approx.), belonging to B Nagendra, former Minister, under the provisions of Prevention of Money Laundering Act (PMLA), 2002, in a case related to misappropriation and diversion of funds of Karnataka Maharshi Valmiki Scheduled Tribes Development Corporation (KMVSTDCL).

ED initiated investigation on the basis of various FIRs registered by Karnataka Police and BS & FB, CBI, Bengaluru in connection with offences related to misuse/ diversion of funds from KMVSTDCL. Earlier, search operations were conducted under the provisions of PMLA, 2002 at various locations across Karnataka and other states. Further, 6 persons including B Nagendra were arrested. Thereafter, Prosecution Complaint was filed before the Hon'ble Principal City Civil and Sessions Judge, Bengaluru on 09.09.2024 against 25 accused persons/entities including B Nagendra. The Hon'ble Court had taken cognizance of the same vide Spl CC No. 1991/2024, on 05.10.2024.

Earlier, PAO no. 22/2025 dated 26.08.2025 u/s 5(1) of PMLA was issued wherein movable and immovable properties, of other accused, totalling to Rs. 4.94 Crore (approx.) were provisionally attached. Further, all out efforts were taken to trace the Proceeds of Crime (POC) generated by B Nagendra. However, remaining POC could not be traced and it appears that the same has been either exhausted or concealed by B Nagendra. Therefore, ED is constrained to attach equivalent value of POC in the form of such properties which otherwise may frustrate the further proceedings under PMLA, 2002.

In view of the above, four (4 nos.) immovable properties worth Rs. 8.07 Crore (approx.), belonging to B Nagendra were attached as value thereof i.e. as equivalent value of the POC.

Further investigation is under progress.