PRESS RELEASE
24.1.2026

(SEAT BLOCKING SCAM)

Directorate of Enforcement (ED), Bengaluru Zonal Office has provisionally attached 03 immovable properties including 01 plot and 2 flats, having a market value of Rs. 19.46 Crore on 21.01.2026 under the provisions of Prevention of Money Laundering Act (PMLA), 2002 belonging to the trustees of BMS Educational Trust.

ED initiated investigation on the basis of FIRs registered by Malleshwaram Police Bangalore and Hanumanthnagar Police Bangalore, in the case of Seat Blocking Scam in admission to Engineering seats through Karnataka Examination Authority and collection of cash during the admission process over and above the laid down fees.

Searches in the case were undertaken by ED on 25.06.2025 and 26.05.2025. The searches revealed that the unaccounted cash was being collected during the process of admission to Engineering seats over and above the laid down fees in the engineering colleges controlled by BMS Educational Trust.

The searches undertaken by ED revealed that seats in engineering colleges controlled by BMS Educational Trust were sold by the college management through middlemen and agents. Cash was being collected by the management of BMS Educational Trust from the students directly and also through agents who acted as educational consultants. The cash so collected has not been disclosed in the book of accounts of the BMS Educational Trust.

The searches undertaken by ED resulted in seizure of Rs.1.86 Crore from the premises belonging to trustees/management of BMS Educational Trust and agents. Further evidences have been seized pertaining to collection of unaccounted cash amounting to Rs.20.20 Crore from sale of Engineering seats in Engineering Colleges Controlled by BMS Educational trust. The evidences collected includes diary notings, WhatsApp chats etc. which have been confirmed by the individuals involved in the same i.e. college staff, management personnel, agents involved etc.

The investigation has revealed that unaccounted cash generated from the sale of Engineering seats have been used for the personal benefits of trustees of BMS Educational Trust.

Further investigation is under progress.