PRESS RELEASE
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(MUDA SCAM)

Directorate of Enforcement (ED), Bengaluru Zonal Office has provisionally attached 10 immovable properties i.e. 06 illegally allotted MUDA sites, 03 immovable properties and one commercial building having a market value of Rs. 20.85 Crore on 21.01.2026, under the provisions of the Prevention of Money Laundering Act (PMLA), 2002 in the case of Shri Siddaramaiah and others (MUDA Scam).

ED initiated investigation on the basis of FIR filed by Lokayuktha Police Mysore, in the case of large scale scam in illegal allotment of site by Mysore Urban Development Authority (MUDA).

Searches in the case were undertaken by ED on 18.10.2024 and 28.10.2024. The searches revealed that the sites were allotted in gross violation of letter dated 14.03.2023, GO dated 27.10.2023 Karnataka Urban Development Authorities (Allotment of Sites in lieu of compensation for the land Acquired) Rules, 2009 as amended in 2015 and Karnataka Urban Development Authority (Incentive Scheme for voluntary Surrender of Land) Rules, 1991. Further, search action also revealed a deep nexus between MUDA Officers/officials and real estate businessmen. Evidences also revealed payment of cash for allotment of sites as compensation and approval of layouts.

Earlier, in the case, the ED had provisionally attached a total of 283 illegally allotted MUDA Sites and 03 personal properties. Further, G T Dinesh Kumar, former Commissioner of MUDA who made large scale illegal allotment of MUDA sites was arrested under the provisions of PMLA, 2002 on 16.09.2025. Presently, GT Dinesh Kumar is in judicial custody under PMLA, 2002.

Further, Investigation under PMLA, 2002 revealed routing and layering of undue gratification obtained by GT Dinesh Kumar. Such Proceeds of Crime were used for purchasing immovable properties and construction of commercial building in the name of relative/associates of GT Dinesh Kumar. Further investigation also revealed gratification was received by Former Chairman of MUDA, S. K. Marigowda in the form of MUDA sites for illegal allotment of sites.

Proceeds of Crime having market value of Rs. 460 Crore (approx.) have been attached so far in the case under the provisions of PMLA, 2002.

Further investigation is under progress.