Press Release
12.03.2026

Directorate of Enforcement (ED), Bengaluru Zonal Office has filed a Prosecution Complaint on 11/03/2026 in the case of TDR scam involving M/s Valmark Realty Holdings Private Limited (VRHPL) along with 19 more accused including certain BBMP officials.

TDR/DRC means an award specifying the Built-Up Area (BUA), an owner of a site or plot can either sell or utilize - in-situ / elsewhere, in lieu of the land foregone on account of compulsory acquisition of land free of cost by the Urban Local Body, required to be set apart for public purpose as per the Master Plan or for road widening, recreational use zone, etc.

ED initiated investigation on the basis of FIR No. 13/2019 and 24/2019 registered by ACB, Bangalore. As per the Chargesheet filed by ACB in FIR No. 13/2019, the accused company represented by its Director, Ratan Lath, after obtaining the DRCs, sold the TDR to real estate companies and individuals, earning a total illegal gain of Rs. 27.68 Crore (approx.). Similarly, as per the Chargesheet in FIR No.24/2019, TDR brokers K Suresh, K Gautham and associates conspired with the previous owners of land and certain BBMP Officials to obtain TDR from BBMP by concealing the facts that the property has already been sold and falsely valuing the building at Rs. 1.26 Crore (approx.), with illegal issuance of DRCs totalling 10,672.14 square meters.

Earlier, ED, BGZO conducted searches at 9 premises including the office of M/s Valmark Realty Holdings Private Limited, its director and certain builder, brokers, and fake TDR applicants which revealed the exact role of the TDR brokers and previous owners. Investigation conducted so far discloses a concerted conspiracy whereby brokers B.S. Surendranath, K. Gautham and K. Suresh, acting with VRHPL and BBMP officials, procured mutation of RTC in favour of Revanna’s heirs despite the land in Sy. No. 132, Kowdenahalli having long been converted into a revenue layout with numerous third-party purchasers in possession. Agreements and general powers of attorney were allegedly used to initiate administrative processes, following which, spot mahazars and building valuations were prepared and the land was treated as agricultural for the purpose of issuing development rights.

The investigation has also revealed that K. Suresh and K. Gautham, along with associates, approached Muniraju and Srinivas and entered into agreements to obtain TDR benefits even though they were no longer the legitimate owners of the land. Powers of attorney were subsequently registered at the Sub-Registrar's Office, Indiranagar to facilitate the procurement of TDR from BBMP. It has been revealed that the land had already been sold and remained vacant without any eligible structure for TDR benefits, and that a building located in a neighbouring survey number was falsely projected as being situated within the concerned land in order to support the recommendation and issuance of Development Rights Certificates. The investigation further revealed that these receipts were layered through multiple accounts before being integrated into real-estate acquisitions and routine business expenses, thereby exhausting the said Proceeds of Crime.

In this way, TDR fraud has been conducted at several other such sites notified for road widening by BBMP which are also being examined.