



**Press Release**  
**20.03.2023**

Directorate of Enforcement (ED) has carried out search operations under the provisions of the Prevention of Money Laundering Act (PMLA) 2002 at 9 locations in Aurangabad, Pune and Akola of Maharashtra in respect of money laundering investigation into irregularities in tender allocation of Pradhan Mantri Awas Yojana (PMAY) scheme at Aurangabad.

ED initiated investigation on the basis of FIR registered by Aurangabad Municipal Corporation against firms namely M/s Samarath Construction & JV, Indo Global Infrastructure Services, Jaguar Global Services and their respective partners, for forgery and formation of a cartel to illegally win the tender of the Aurangabad Municipal Corporation for constructing 40000 PMAY houses at Aurangabad. PMAY scheme was to be implemented at 7 plots / sites in Aurangabad. It was found that all the 3 e-tenders were uploaded from a single IP address. The FIR was registered after the PMAY regulators identified the anomaly that the winning firm was not at all financially capable of implementing such a big project.

ED investigation has also revealed that the 3 JV firms applied for the e-tender from the same IP address. Tender was allotted to one M/s Samarath Constrction & JV, but out of the performance Bank Guarantee of Rs 46.24 Crore they had deposited BG of only Rs 88.60 lacs. Also, Samarath Construction & JV subverted the due procedure by getting the extension of the initial tender for 19.22 hectares to 120 hectares without a fresh tender process. The amount of government subsidy involved in this scam is to the tune of around Rs 1000 Crore. Searches were conducted at all the 3 tender applicants. It was revealed that in the case of the 2 losing e-tender applicants, the major JV partners have completely denied their involvement in the tender process and are claiming forgery of their credentials by the L1 applicant. ED has seized various incriminating documents including the note-sheet of the tender file of Aurangabad Municipality from the applicant. Authorities of the Aurangabad Municipal Corporation are extending their cooperation and are sharing all documents in relation to this tender process.

Further investigation is in progress.

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