



Press Release
12.08.2024

Directorate of Enforcement (ED), Raipur has carried out search operations on 09.08.2024 and 10.08.2024 at 04 locations in Chhattisgarh and Maharashtra linked to DMF (District Mineral Fund) scam under the provisions of the Prevention of Money Laundering Act (PMLA), 2002. During the search operations, cash and bank balances amounting to Rs.1.11 Crore has been seized/freezeed.

ED initiated investigation on the basis of 03 different FIRs registered by Chhattisgarh Police under various sections of Indian Penal Code, 1860 for involvement in siphoning off of the exchequer money by DMF contractors in collusion with officials of the State Government and political executives. This case is related to corruption in the use of funds from the District Mineral Fund in Chhattisgarh. DMF is a trust funded by miners that have been set up in all districts of Chhattisgarh with an aim to work for the benefits of those affected by mining related projects and activities.

ED investigation revealed that the contractors have paid huge amount of commission/illegal gratification to officials and political executives, which is to the tune of 25% to 40% of the contract value. Cash used for payment of kickbacks was generated by the vendors using accommodation entries. The search was conducted on the entry providers and their patrons wherein various incriminating details, many dummy proprietorship entity and huge cash were found. As a result of search & seizure operation, cash amounting to Rs.76.50 Lakh has been seized; 8 bank accounts belonging to entry provider firms have also been freezed having an account balance of approximately Rs. 35 Lakh. Various Stamps belonging to dummy firms and other incriminating documents and digital devices have also been seized.

Further investigation is under progress.