



PRESS RELEASE
28.02.2024

Directorate of Enforcement (ED) has filed a Prosecution Complaint (PC) on 21.10.2023 before the Hon'ble Special Court(PMLA), Shimla against KC Group of Institutions at Nawanshahr, Punjab and at Pandoga, Una, Himachal Pradesh; ASAMS Education Group; Skill Development Society; Skill Development School; persons associates with these institutes; officials of Directorate of Higher Education Shimla and Bank officials as they were involved in the process/activity connected with proceeds of crime obtained through illegal activity of fraudulently receiving scholarship under Post Matric Scholarship Scheme for SC/ST/OBC students of Himachal Pradesh. The Hon'ble Court has taken cognizance of the PC on 23.02.2024.

ED initiated money laundering investigation on the basis of FIR registered by Central Bureau of Investigation, Shimla, Himachal Pradesh regarding the irregularity in disbursement of scholarship by the Directorate of Higher Education, Shimla, Himachal Pradesh under Post Metric Scholarship Scheme for SC/ST/OBC students.

ED investigation revealed that these institutes had fraudulently received scholarship funds by verifying details of students (i) who were not enrolled in any course with these institutes; and (ii) who left the institute without completing their studies. Further, in order to fraudulently obtain more amount of scholarship funds, false details of students were uploaded on the scholarship portal by (i) changing course of students in subsequent years; (ii) by changing the caste category of students in subsequent years; (iii) by showing students as hosteller instead of day scholars and (iv) by claiming bogus course fee structure for distance education courses. The proceeds of crime, so obtained, by the accused person were used to acquire movable & immovable property in their name and in the name of their family members.

Earlier in the case, searches under the provisions of PMLA, 2002 were conducted which resulted in seizure of incriminating material, cash to the tune of Rs. 75 lakh and freezing of an amount to the tune of Rs. 2.55 Crore lying in the bank accounts.

Hitesh Gandhi, Rajdeep Singh, Krishan Kumar and Arvind Rajta being guilty of offence of money laundering were arrested on 30.08.2023.

Further ED have passed two provisional attachment order for attaching movable and immovable assets totaling to Rs. 10.7 Crore
