



Press Release
04.03.2024

Directorate of Enforcement (ED), Raipur has carried out search operations on 01.03.2024 at 13 locations in Chhattisgarh linked to DMF (District Mineral Fund) scam under the provisions of the Prevention of Money Laundering Act (PMLA), 2002.

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 has 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. DMF Fund allocated only to District Korba is more than Rs. 2000 Crore from its inception till FY 2022-23. With the prevalent rate of commission, commission amount alone in Korba would be to the tune of ₹500-600 Crore. Analysis of data for the whole state and quantification of Proceeds of Crime is underway.

During the search operations, cash amounting to Rs. 27 Lakh (approx.) has been seized. Also, various other incriminating evidence in the form of digital as well as documentary have been recovered and seized.

Further investigation is under progress.