



Press Release
20.6.2025

Directorate of Enforcement (ED), Delhi Zonal Office has conducted search operations on 18.06.2025 at 37 locations across Delhi, under the provisions of the Prevention of Money Laundering Act (PMLA), 2002 in **“Delhi Classroom Construction Scam”**.

ED initiated investigation on the basis of FIR registered by the Anti-Corruption Branch, GNCTD, against Manish Sisodia (the then Education Minister), Satyendra Jain (the then PWD Minister) and others pertaining to financial misappropriation exceeding Rs. 2,000 Crore in the construction of approximately 12,748 additional classrooms by the Public Works Department, Government of NCT of Delhi, between 2015 and 2023. Despite an initial requirement for 2,405 classrooms, the project scope was arbitrarily increased to 7,180 Equivalent Classrooms, and subsequently to 12,748 rooms without proper sanction or approvals resulting in massive cost escalations. Further there was unjustified adoption of richer specifications proposed by M/s. Babbar & Babbar Associates, and execution of duplicate and inflated works. Cost escalations of up to 49.03% were observed across Priority-I and Priority-II phases.

During the course of the searches, ED unearthed a substantial incriminating evidence from the premises of a private contractors. Among the materials seized were original departmental files belonging to the Government of National Capital Territory of Delhi, as well as rubber stamps bearing the names and designations of officials from the Public Works Department (PWD).

ED also recovered 322 bank passbooks linked to mule accounts opened in the names of labourers used to divert government funds under the guise of legitimate transactions. Furthermore, forged letterheads of various private contractors and shell entities, which were used to generate fake procurement records and fictitious purchase bills, were found and seized.

Evidences relating to fake invoices submitted to GNCTD departments, showing inflated or entirely bogus claims was found and seized. Several dummy firms have been found during the search which were having no real infrastructure, documentation, or operational legitimacy, but were shown to have received substantial payments for construction activities relating to the Additional Classrooms. Additionally, substantial incriminating documents and digital evidences have been recovered and seized during the search.

Further investigation is under progress.