



**Press Release**  
**26.07.2024**

Directorate of Enforcement (ED), Chennai has provisionally attached immovable and movable properties worth Rs. 14.21 Crore in the case of Illegal Red Earth Mining in the state of Tamil Nadu by the family members and associates of K. Ponmudy, presently Member of Legislative Assembly (DMK Party) and Minister of Higher Education, Government of Tamil Nadu and his son Dr. P. Gautham Sigamani, former Member of Parliament.

ED initiated investigation on the basis of FIR registered by the District Crime Branch, Villupuram, Tamil Nadu under various sections of IPC, 1860 and PC Act, 2018 against K. Ponmudi, P. Gautham Sigamani and others.

ED investigation revealed that during the years between 2007 and 2010, when K. Ponmudy was the Minister of Mines, Govt. of Tamil Nadu, he managed to allot 5 licenses in the names of Dr. P. Gautham Sigamani, K.S. Rajamahendran (brother – in – law of Dr. Gautham Sigamani) and Jayachandran, who admitted to acting on behalf of Gautam Sigamani for quarrying Red Earth in Patta Lands. The investigation revealed that the Red Earth was extracted illegally beyond the permitted limits to the tune of Rs. 25.7 Crore. ED investigation also revealed that the sale proceeds were invested in the overseas entity.

Earlier, searches were conducted during the month of July, 2023 resulting in seizure of cash totaling Rs. 81.42 Lakh, along with unexplained foreign currency primarily in British pounds equivalent to approximately Rs. 13 Lakh, freezing of amounts to the tune of Rs. 41.9 Crore lying in the form of Fixed Deposits.

Further, immovable properties held in the name of K.S. Raja Mahendran & his entities totally valued Rs. 5.47 Crore and movable properties held in the name of M/s. Confluence (entity belonging to the wife of Dr. Gautham Sigamani) lying in the form of Bank FDs and Bank Balance totally valued Rs. 8.74 Crore, aggregating to Rs. 14.21 Crore have been identified and provisionally attached.

Further investigation is under progress.