



Press Release
15/08/2025

Directorate of Enforcement (ED), Mumbai Zonal Office has arrested Anil Kumar Khanderao Pawar, IAS, Ex- Commissioner of Vasai Virar City Municipal Corporation (VVCMC); Y. S. Reddy, Deputy Director Town Planning, VVCMC; Sitaram Gupta, Ex-Corporator of BahujanVikasAghadi and Arun Gupta on 13.08.2025 under PMLA in the money laundering investigation being conducted in Vasai Virar Illegal Construction and Corruption Scam.

ED initiated investigation on the basis of multiple FIRs registered by Mira Bhayandar Police Commissionerate against builders, local henchmen and others. The case pertains to “illegal construction of residential cum commercial buildings on government and private land” under jurisdiction of “Vasai Virar City Municipal Corporation (VVCMC)” since 2009. Over a period of time, 41 illegal buildings were constructed on the land reserved for “Sewage Treatment Plant” and “Dumping Ground” as per the approved development plan of Vasai Virar City. The accused builders and developers have deceived the general public by first constructing illegal buildings on such land and subsequently selling it to them (general public) by fabricating approval documents. Even with prior knowledge that these buildings were unauthorized and would eventually be demolished, the developers misled the people by selling units in these buildings, thereby committing serious fraud.

The Hon’ble Bombay HC vide its order dated 08.07.2024 ordered the demolition of all 41 buildings. Thereafter, an SLP was filed before the Hon’ble Supreme Court by the families residing in 41 illegal buildings which was dismissed. The demolition of all 41 buildings was completed by VVCMC on 20.02.2025.

ED investigation revealed that the large scale illegal construction in the area has been going on since 2009. It has been found that the key perpetrators Sitaram Gupta and Arun Gupta sold illegally 60-acre government/private land based on forged agreement/Power of Attorney to local Builders who, from 2013-2021, constructed 41 buildings with close connivance of VVCMC officials/officers.

Further, ED investigation revealed that an organized cartel of VVCMC officer’s viz. Commissioner, Deputy Director Town Planner, Junior Engineers, Architects, CAs and Liasoners are operating in collusion with each other. This cartel is responsible for large scale illegal construction in the Jurisdiction of VVCMC in exchange of huge amount of bribe.

Commissioner VVCMC **Anil Pawar, IAS** is allegedly responsible for organizing and running of this cartel. Investigation revealed that, **after joining** of Anil Pawar as Commissioner of VVCMC,

the **commission amount** was **fixed** for giving various development permissions at the rate of **Rs 20-25 per sq ft** for commissioner and Rs 10 per sqft for Y.S.Reddy as DDTP on the total area of the project. Further, he fixed the rate of commission at the total rate of Rs 150 per sq ft for keeping a blind eye and taking no action over rampant illegal construction on government/private land and fixed the commission/bribe amount.

During the course of multiple search operations in the case, large number of incriminating documents were seized which revealed that the accused have created large number of entities in the name of his family members/relatives/benamidars to launder the bribe amount collected.

All the 4 arrestee accused were produced before Hon'ble Special Court, PMLA, on 14.08.2025. The Hon'ble Court has granted ED custody for 6 days.

Earlier Search operations in the case led to cash seizure of approx Rs. 10.27 Crore, Diamond studded Jewellery and Bullion worth Rs. 23.25 Crore and freezing of Bank Balances/ Shares/ Mutual Funds/FDs worth Rs. 13.86 Crore.

Further investigation is under progress.
