



Press Release
15/05/2025

Directorate of Enforcement (ED), Mumbai Zonal Office has conducted search operations at 13 different locations across Mumbai and Hyderabad under the provisions of the Prevention of Money Laundering Act (PMLA), 2002 on 14.05.2025 & 15.05.2025. The Search operation led to seizure of **Rs. 9.04 Crore (approx.) cash and Rs. 23.25 Crore worth of Diamond studded Jewellery & Bullion** and large number of incriminating documents.

ED initiated investigation on the basis of multiple FIR 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 Municipal Corporation (VVMC)” 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 and the general public at large by 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 rooms 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 VVMC 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 of the large scale scam in jurisdiction of Vasai Virar Municipal Corporation are Sitaram Gupta, Arun Gupta and others. Further during the course of investigation it has been found that these unauthorized / illegal buildings were constructed with close connivance of various VVMC officials. During the course of search operation at the premises of Y S Reddy, Deputy Director Town Planning, VVMC cash amounting to **Rs. 8.6 Crore** and **Diamond studded Jewellery and Bullion worth Rs. 23.25 Crore** was seized. Further various incriminating documents have been seized, which throw light on large scale scam of illegal construction happened at Vasai Virar area with hand in gloves with officials of VVMC.

Further investigation is under progress.

