



Press Release
03/07/2025

Directorate of Enforcement (ED), Mumbai Zonal Office has conducted search operations at 16 different locations across Mumbai under the provisions of the Prevention of Money Laundering Act (PMLA), 2002 on 01.07.2025 in the case of Jayesh Mehta and others (VVMC Scam Case). The search operation led to freezing of **Rs. 12.71 Crore (approx.) in bank balances/ Fixed Deposits/Mutual Funds and Seizure of cash amounting to Rs. 26 Lakh** apart from large number of incriminating documents/devices.

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 the public at large by constructing illegal buildings on such land and subsequently selling it to 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 a large cartel of Architects, CAs, Liasoners and VVMC officials/officers are operating in collusion with each other in the Jurisdiction of VVMC. This cartel is responsible for large scale illegal construction in the Jurisdiction of VVMC.

During the course of search operation, large number of incriminating digital devices have been seized which reveal the involvement of VVMC officials in perpetration of this large scale illegal construction scam. The digital devices also revealed the close nexus of VVMC officials/officers with the Architects/CA's/Liasoners and the extent of large scale corruption and black money flowing in the VVMC to get the approval for construction of buildings.

Earlier search operations in the case led to seizure of Rs. 8.68 Crore (approx.) cash and Rs. 23.25 Crore worth of Diamond studded Jewellery and Bullion.

Further investigation is under progress.