



Press Release

2/02/2024

Directorate of Enforcement (ED) has provisionally attached assets valued at Rs. 130.60 Crores approx. including movable assets amounting to Rs. 128.34 Crores approx. which consist of 209 sand excavators employed in illicit sand mining. Additionally, a sum of Rs. 2.25 Crores spread across 35 bank accounts belonging to individuals such as Shanmugam Ramachandran, Karuppaiah Rethinam, Pannerselvam Karikalan, and others involved in the unlawful sand mining activities in the state of Tamil Nadu under the provisions of the Prevention of Money Laundering Act (PMLA), 2002.

ED initiated investigation under the PMLA, 2002 based on various FIRs filed across Tamil Nadu and information gleaned from open sources indicating widespread unauthorized sand mining along the riverbeds and basins of the state.

ED investigation unveiled that three individuals, namely Shanmugam Ramachandran, Karuppaiah Rethinam, and Pannerselvam Karikalan, along with their associates, had formed a syndicate and established a network of companies and firms, either under their names or in the names of their relatives and associates. These entities were found to be engaged in illicit sand mining activities in the state.

ED conducted a comprehensive examination of all sand quarries in Tamil Nadu to determine the status of mining sites. The expert team's report highlighted instances of excessive and illegal sand mining, much more than the recorded volume documented in the state government's records. Moreover, analysis of Geofencing reports submitted by the manufacturers and suppliers of the excavators utilized in illegal sand mining revealed that the excavators were predominantly deployed beyond the permitted quarry area. This unequivocally confirmed the occurrence of illegal and excessive sand mining activities.

Earlier, ED conducted searches at 17 locations across Chennai, Trichy, and Puddukottai. Consequently, unreported cash amounting to Rs 2.33 Crore, gold jewellery valued at Rs 56.86 Lakhs, and numerous other incriminating evidence were seized. Additionally, 30 bank accounts with a cumulative balance of approximately Rs. 13 Crore were frozen.

Further investigation is under progress.