Press Release
18/1/2026

Directorate of Enforcement (ED), Bhubaneswar Zonal Office has carried out an extensive search operation on 16/1/2026, under the provisions of PMLA, 2002, at more than 25 premises across Ganjam district linked to individuals involved in illegal sand and black stone mining, as well as contractors and proprietors associated with country liquor (Bhati) operations. During the search, cash amounting to Rs. 2.63 Crore along with several incriminating documents, substantial property records, and agreements including Power Agreements and mining leases executed by the individuals in question were found and seized. Several high end benami vehicles were unearthed in the search action which were obtained through the Proceeds of Crime.

The premises covered are linked to brokers, syndicates having serious criminal antecedents and other connected business partners of them. These include the persons who, by using their muscle powers forcibly conducting illegal mining and sale of minor minerals by exploiting and terrorising people in their areas.

ED initiated investigation by way of recording an ECIR based on numerous FIRs registered against various sand syndicates who used to carry out the illegal mining and transportation (Smuggling) of minor minerals in the district of Ganjam by using false and fabricated Y- form (Transit Permits). Several members of the syndicate have FIRs registered against them in Ganjam district, involving serious crimes such as murder, kidnapping, physical assault, forgery, cheating, and extortion. Further, C&AG has also flagged rampant illegal mining along the river bed of Rushikulya, Bahuda and Bada River in Ganjam district causing huge loss to Govt. exchequer.

The modus operandi indicated that mining leases were obtained under the names of various leaseholders unlawfully and forcibly by syndicate associates by offering a commission at a predetermined rate. Mining licenses that are issued in the names of other leaseholders are not transferable and prohibited under law. This unauthorized usage of licenses which are in the name of the other lease holders, allow members of the syndicate to extract more sand or Blackstone than permitted by government regulations.The majority of minerals obtained through unauthorized excavation have been transacted in the grey market, typically through cash payments. The modus also includes usage of forged Y Forms (transit passes) to sell the illegally obtained minerals in the

grey market. The proceeds generated from the illegal mining are dealt in cash which is channelized through country liquor and other businesses. Most of these transactions are unaccounted and unrecorded causing huge losses to Govt. Exchequer.

Further investigation is under progress.



