



## **Press Release - 14.10.2022**

Enforcement Directorate (ED) has conducted search operations & made arrests under Prevention of Money Laundering Act (PMLA) 2002, pertaining to a massive scam in which illegal levy of Rs 25 per tonne is being extorted from every tonne of Coal transported in the State of Chhattisgarh by a cartel involving Senior Bureaucrats, businessmen, politicians & middlemen. The main kingpin of this scam Mr. Suryakant Tiwari & his associates, **have entered into a criminal conspiracy to run a parallel system of extorting illegal levy on coal** and were doing illegal and unaccounted cash movement. The proceeds of crime were being used for investing in benami assets, bribing officials to influence senior officers and also used by or on behalf of political executives of the State.

ED initiated money laundering investigation based on the FIR lodged by Income Tax Department against this conspiracy for this illegal extortion & for destruction of evidence. ED is investigating the entire gamut of this conspiracy including the main kingpin, the role of senior officials who facilitated this scam with impunity and the beneficiaries of the illegal proceeds of crime. On 11.10.2022, ED conducted simultaneous searches at multiple locations in Chhattisgarh and has seized incriminating evidences and unaccounted cash & jewellery from various suspects. Suryakant Tiwari is found to be absconding. Mrs Ranu Sahu IAS (Collector Raighad) was also found to be missing from her official residence. ED has seized unaccounted cash amounting to **Rs 4.5 Crore**, gold jewellery, bullion and other valuables worth around Rs 2 Crore approximately.

ED investigation revealed that the extortion of illegal coal levy became rampant when the Director, Geology and Mining Department, issued a notification dated **15.07.2020** which modified the earlier online process of e-permit for transporting the coals from mines to users into issuance of manual NOC. No SOP or procedure was circulated in this regard.

Coal Delivery order (CDO) is issued in favour of the buyer by the mining company and the buyers are required to deposit an EMD of Rs. 500 per metric tons with the mining company and are also required to lift the coal within 45 days. The new notification forced the mining companies to apply to Mining officer/ DDM for NOC for issuance of e-permit. Without NOC, the E-permit for transportation of the coal cannot be issued by the Mining Officer leading to the non-execution of CDO (Coal Delivery Order issued by the Mining Company after auction). If CDO is not executed within 45 days, it lapses and EMD paid by the buyer @ Rs.500/- per tonne is forfeited by the Mining Company. Thus, it is the buyer of the Coal {normally Steel Plants/Captive Power Plant Owners} whose supply of coal is disrupted and his EMD is forfeited, if NOC is delayed or denied.

ED Survey revealed that no prudent documentation system was in place at these Mining Department left blank. At many places signatures were missing. Note sheets are missing. Namesake enquiry is conducted and NOCs are issued at the whims & fancy of the Collector/DMO. More than 30,000 NOCs have been issued since 15.7.22, without any SOP. Inward & Outward registers were not maintained. There is no clarity on the role of the officers. Many of the details like Transporter's Name, Company's Name etc are left blank.

The cartel led by Mr Suryakant Tiwari with the assistance of very Senior Officers created a network of extortion, by which each buyer/transporter of Coal had to first pay Rs 25 per tonne before getting the NOC from the DM's office. They kept men who would collect



and move money and share the exploits between the kingpins, workers, Senior IAS-IPS Officers & politicians. It is estimated that around Rs 2-3 Crore was generated on a daily basis.

During the course of search & investigation, cash of Rs 1.5 Crore, which was found with Mr. Laxmikant Tiwari was seized. He has admitted that he handled 1-2 Crore of the extorted money on daily basis.

Mr. Sunil Kumar Agrawal of Indramani Group, a big Coal businessman was found to be involved in this racket & was found to be a major business partner of Suryakant Tiwari.

Mr Sameer Vishnoi IAS Officer of 2009 Batch and his Wife were found to be in possession of Rs 47 Lacs of unaccounted cash and Gold jewellery of 4 KG.

All the 3 persons were arrested under PMLA and produced before the Raipur PMLA Special Court which has granted ED Custody of 8 days up till 21.10.2022

Further investigation is going on.



\*\*\*\*\*