



**Press Release**  
**05.05.2022**

Directorate of Enforcement (ED) has filed Prosecution Complaint before the Court of Hon'ble Principal Session Judge, Chennai against Ahmed A. R. Buhari & 06 others in a money laundering case of over valuation of coal prices whereby the Public Sector Undertakings paid higher price for the purchase of lower quality of coal. Court has taken cognizance on the Prosecution complaint on 29.04.2022.

ED initiated money laundering investigation on the basis of FIR registered by the Central Bureau of Investigation (CBI), New Delhi against Ahmed A.R. Buhari, Promoter of M/s. Coastal Energy Pvt. Ltd, Chennai and others unknown officials of PSUs under various section of IPC, 1860 and Section 13(2) read with Section 13(1) (d) of Prevention of Corruption Act, 1988. The investigation in the matter was also conducted by the Directorate of Revenue Intelligence and a show cause notice to the party has been issued under the provisions of Customs Act, 1962.

Investigation by ED revealed that Ahmed Buhari is controlling the companies M/s Coastal Energy Private Limited, Chennai, Coastal Energen Private Limited, Coal & Oil Group Dubai and other offshore entities located in Mauritius and British Virgin Islands. The PSUs were supplied coal of lower calorific value instead of the higher specification for which the tenders were floated and executed by the CEPL or MMTC and the coal was supplied by CEPL either directly or through MMTC on the strength of overvalued invoice for lower quality supported with fraudulent Certificate of Sampling and Analysis (COSA) whereas the original COSA depicting the genuine quality of coal was suppressed.

Investigation further revealed that Buhari generated proceeds of crime (POC) to the tune of Rs. 564.48 Crore from the over valuation of coal. Ahmed Buhari had diverted the POC through various companies and finally integrated the same in installation of power plant by his another company Coastal Energen.

The prosecution complaint has been filed against Ahmed A R Buhari, M/s Coastal Energy Private Limited, Chennai, M/s Coastal Energen Private Limited, Chennai, M/s CNO DMCC, Dubai, M/s CNO LLC, Dubai, M/s Precious Energy Holdings Limited, British Virgin Island and M/s Mutiara Energy Holdings Limited, Mauritius. All the six accused companies are managed, controlled and beneficially owned by Ahmed A. R. Buhari.

Land, Plant and Machinery and other assets of Power Plant of M/s. Coastal Energen Pvt. Ltd to the extent of Rs 564.48 Crore was also provisionally attached earlier and the same is prayed for confiscation through this prosecution complaint.



Further investigation is in progress.

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