



Press Release

09.02.2022

Enforcement Directorate has provisionally attached properties worth Rs 1621.93 Crore(approx.) in the case of coal block investigation against M/s Corporate Ispat Alloys Ltd. (CIAL). The provisionally attached properties consists of 1 Bio mass Power Plant, 2 Captive Thermal Power Plants, 1 Ferro Alloys Plant and Direct Reduced Iron Plant and parcels of land situated at Durgapur, West Bengal and Saraikela, Jharkhand.

ED initiated money laundering investigation on the basis of FIR dated 06.01.2016 registered by CBI EO-III, New Delhi, for alleged commission of offences under of IPC and section 13(2) and 13(1)(d) of P.C Act, 1988 against M/s Corporate Ispat Alloys Limited (CIAL), promoters of M/s Corporate Ispat Alloys Limited, and others for alleged criminal conspiracy, cheating and criminal misconduct by the accused persons for obtaining coal block.

Investigation carried out under the provisions of PMLA revealed that the company fraudulently obtained the Chitarpur coal block through misrepresentation of facts. Huge capital was later infused in M/s CIAL in form of equity shares so as to derive and obtain benefits/gains from the allocated coal block. The shares were allotted at a huge premium. This entire infusion of capital Rs. 1896 Crore was done with an intention and in anticipation of undue benefits to be derived and obtained by M/s CIAL in future. The proceeds derived from the issue of share capital were further invested in fixed assets and projected as untainted property and given colour of a genuine business investment, whereas, the entire process starting with the application for getting a coal block, to being awarded the Chitarpur coal block, to raising of funds on the strength of tainted property (allocation letter) was a consequence of criminal activities related to the scheduled offences.

Further investigation is in progress.