PRESS RELEASE

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ED Attaches Assets Worth Rs. 100.44 Crore in Illegal Coal Mining Case

Directorate of Enforcement (ED), Headquarters Office, has provisionally attached proceeds of crime amounting to Rs. 100.44 Crore under the provisions of the Prevention of Money Laundering Act (PMLA), 2002, in connection with an ongoing investigation relating to large-scale illegal coal mining and pilferage in the leasehold areas of Eastern Coalfields Limited (ECL). The illegal mining activities were carried out by a syndicate led by Anup Majee @ Lala.

Investigation has revealed that the syndicate was engaged in illegal excavation and large-scale pilferage of coal. The illegally excavated coal was distributed to various factories in West Bengal with the active assistance of the local administration. Investigation has further revealed that Anup Majee @ Lala introduced an illegal transport challan or pad, commonly known as the “Lala pad.” This illegal transport challan functioned as a tax invoice issued in the name of non-existent firms.

Along with the fake transport challan, a currency note of Rs. 10 or Rs. 20 was provided to the transporter. The transporter would take a photograph of the said currency note while holding it beside the number plate of the truck, dumper, or tipper carrying the illegal coal and send the image to the operator of the coal syndicate. The operator would then circulate the photograph through WhatsApp to concerned police officials and other government authorities along the route of the vehicle, ensuring that the truck was not intercepted or, if intercepted, was immediately released.

Records maintained by the syndicate indicate generation of Proceeds of Crime amounting to approximately Rs. 2,742 Crore. Evidence analysed during the PMLA investigation, including seized registers, digital records, Tally data, and WhatsApp communications, has revealed systematic cash transactions and the use of hawala channels for transfer and layering of Proceeds of Crime.

Investigation has further revealed that the syndicate operated an underground hawala network to transfer Proceeds of Crime in cash, bypassing formal banking channels and regulatory oversight. In a typical transaction, the recipient would share a unique code with the sender, usually the serial number of a Rs. 10 or other denomination currency note. This serial number functioned as the transaction’s authentication key.

The sender would relay this code to a hawala operator, who would communicate it to an associate at the recipient's location. Upon delivery of the agreed cash amount, the recipient would present the specific currency note bearing the pre-shared serial number as proof of identity. Once verified, the cash was handed over, completing the transaction without any formal documentation or banking record. This system enabled the movement of large sums of money across locations through a network of intermediaries operating outside the regulated financial system.

The investigation has further established that certain beneficiary companies in the steel and iron sector purchased illegally excavated coal in cash, thereby knowingly assisting, using, and projecting the Proceeds of Crime as untainted.

The attached assets include immovable property, fixed deposits, and mutual fund investments in the names of beneficiary companies, namely Shakambhari Ispat and Power Limited and Gagan Ferrotech Limited. With this latest attachment, the total value of assets attached in the case so far stands at Rs. 322.71 Crore.

The offence involves multiple layers and complex financial transactions designed to conceal and disguise the Proceeds of Crime. The Directorate of Enforcement is systematically unravelling each layer to trace the ultimate beneficiaries, identify additional Proceeds of Crime, and detect other persons involved in laundering illegally generated funds, with a view to expose the full scope of this sophisticated economic offence.

Earlier, on 08.01.2026, the ED conducted searches at 10 premises in Kolkata and Delhi in connection with the case. The evidence collected during these searches is under detailed analysis and has been instrumental in linking the Proceeds of Crime to the properties now being attached.

The Directorate of Enforcement reiterates its commitment to taking stringent action against economic offenders involved in illegal mining and money laundering activities. Such offences harm the public at large, as natural resources are public assets held in trust for the people of the country.

LALA PAD

IMAGE OF A PAD PAPER USED FOR TRANSPORTATION

