



PRESS RELEASE
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Directorate of Enforcement (ED), Guwahati Zonal Office has conducted search operations on 23.04.2026 under Section 17 of the Prevention of Money Laundering Act (PMLA), 2002 at 9 premises of wholesale liquor entities spread across Arunachal Pradesh – Itanagar, Nahagarlagun, Seppa, Ziro, Daporijo, Namsai and Roing, as part of its ongoing investigation into a large-scale illegal liquor smuggling network.

ED initiated investigation on the basis of multiple FIRs registered by the Assam Police concerning illegal transportation/smuggling of liquor from Arunachal Pradesh into Assam, supplemented by a reference from the Assam Excise Department. An ECIR was recorded on 17.10.2024, and the scope has since been expanded through an Addendum to include 173 additional FIRs.

Earlier search actions on 04.02.2025 at the premises of three principal manufacturers of liquor in Arunachal Pradesh, alleged to be the kingpins of the network, had indicated that the syndicate exploits the inter-State excise-duty differential by using a chain of manufacturers, bonded warehouses and wholesalers, concealing beneficial ownership behind tribal partnerships and dummy licence holders, and diverting liquor meant for Arunachal Pradesh for illegal sale in Assam and other States. PMLA investigation has so far revealed that the three kingpins control 25+

The searches revealed that every entity is run on a benami/dummy licence held in the name of a local resident while actual financial and managerial control vests in the kingpins, with each wholesaler procuring liquor exclusively from 1–2 bonded warehouses owned by its own beneficial controller. The wholesale bank accounts examined show 51% to 90% of total credits as unexplained cash deposits, accompanied by systematic invoice-splitting below Rs.2,00,000 including over 200 bills of an identical Rs.1,99,554 in a single month at one spot. On-site managers of the wholesalers confirmed the beneficial ownership of the kingpins as books, stock registers and daily cash proceeds were found to be physically routed to the kingpins' central offices, and approximately Rs.40 lakh in unexplained cash was seized during the action. Additionally, 14 seals (including seals of the "Excise Department, Government of Arunachal Pradesh") were seized from one premise, prima facie used to fabricate transport permits, corroborating the trail of undocumented physical movement of liquor smuggled into Assam.

Further investigation is under progress.