



Press Release

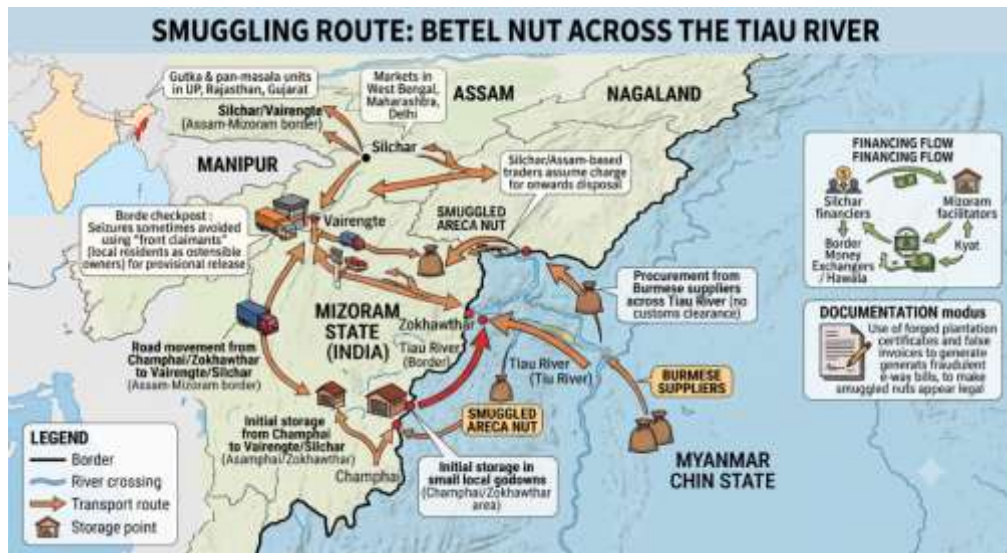
06.07.2026

Directorate of Enforcement (ED), Guwahati Zonal Office on 03.07.2026, carried out search operations under Section 17 of the Prevention of Money Laundering Act (PMLA), 2002 at 20 premises located in Assam, Mizoram, West Bengal and Uttar Pradesh in connection with an investigation into a large, organised syndicate engaged in the smuggling of Betel Nut (Areca Nut) across the Indo-Myanmar border and the subsequent laundering of proceeds generated therefrom.

The case originates from multiple FIRs registered at various Police Stations in Assam, involving offences under various Sections of the IPC, 1860 read with the Customs Act, 1962, relating to illegal smuggling of Areca Nut and evasion of Customs duty. The investigation draws on findings of the Directorate of Revenue Intelligence (DRI), Guwahati Zonal Unit, which had earlier detained and seized 655.32 Metric Tonnes of Areca Nut, along with the vehicles used for transportation, pursuant to directions of the Hon'ble Gauhati High Court.

ED investigation revealed that the syndicate operated through a network of suppliers based in Mizoram (predominantly Champhai district) who are involved in smuggling of Areca Nut through Indo-Myanmar border, namely Hmingthanzami (Proprietor, M/s Beki Kuhva Dawr), Smt. Lalrinchhani (proprietor, M/s L R Store) & Smt. Lalenkawli (Proprietor, M/s K.L. Store), facilitators based in Assam namely Abub Ahmed Mazumder (one of the key facilitators of the whole syndicate), Prodip Kumar Paul (proprietor, M/s Sarada Traders), consignees/financiers spread across West Bengal and Uttar Pradesh namely M/s Jay Matajee Enterprises of Falakata, M/s Nabadwip Arecanut Processing Pvt. Ltd. of Nabadwip, M/s Shubh Trading Company of Varanasi & M/s Chimera Infrastructure Pvt. Ltd. Of Varanasi, invoice provider facilitating circular trading namely Shri Shashi Kumar Choudhary (proprietor, M/s S K Enterprises) of Kolkata and Logistics facilitator M/s Bikaner Assam Roadlines India Limited (Guwahati).

Investigation also revealed that the syndicate smuggles foreign-origin Areca Nut from Myanmar across the Indo-Myanmar border via the Champhai–Zokhawthar route, even though Champhai grows none itself. Official production data obtained from Central and State Government agencies established that the district Champhai from which the bulk of the consignments were shown to originate had recorded nil domestic production of Areca Nut during the relevant years, corroborating that the goods were of smuggled, foreign origin routed through the Indo-Myanmar border. To fake legitimacy, the group uses forged GST invoices, bogus supplier/buyer firms and false transport papers. The proceeds are then layered through buyers in West Bengal and Uttar Pradesh who pay Silchar/Assam hawala operators, who then routes the money through mostly Mizoram Rural Bank transit accounts that mask the real depositors before it reaches the Champhai smugglers. Finally, large cash withdrawals from those accounts are sent back to the Myanmar suppliers via hawala, completing the laundering cycle.



Financial investigation including scrutiny of bank accounts, GST returns and international trade data has revealed that Proceeds of Crime in excess of Rs. 1,500 Crore were generated by the syndicate and layered through a complex web of current accounts, intermediate accounts and front/shell entities, before being routed back to the smugglers.

During the course of the search operations, incriminating documents, including manual records (diaries) of Areca Nut trading, title deeds and property documents pertaining to immovable properties held in the names of accused persons and their family members, business records, and electronic devices including mobile phones, laptops, hard drives and unexplained cash amounting to Rs. 1.30 Crore were seized under the provisions of the PMLA, 2002. A total of 33 bank accounts connected with the smugglers have been put under freezing orders during the searches. It was also found during the searches that Proceeds of Crime were integrated into real estate and huge properties were purchased and developed by the smugglers and facilitators, in Champhai, Silchar, Guwahati, Nabadwip, Falakata, Kolkata and Varanasi, in the form of independent villas and high-rise buildings in posh localities.

Further investigation is under progress.



(Guwahati)



(Guwahati)



(Falakata)



(Nabadwip)



(Champhai)



(Varanasi)



(Silchar)