



Press Release

05.10.2026

Directorate of Enforcement (ED), Guwahati Zonal Office, conducted search operations on 01.10.2026 at 16 premises located in Guwahati, Siliguri, Bagdogra, Phansidewa and Cooch Behar under the provisions of the Prevention of Money Laundering Act (PMLA), 2002, in a case relating to the smuggling of foreign-origin areca nut (betel nut) into India through the Indo-Myanmar border and the laundering of the proceeds thereof.

ED investigation was initiated on the basis of eleven FIRs registered by Assam Police and West Bengal Police under various Sections of the IPC/BNS and the NDPS Act against persons engaged in the smuggling, transportation and sale of betel nut of Indonesian, Thai and Burmese origin, which was brought into Mizoram via Myanmar and moved onward to consignees in West Bengal, Bihar, Uttar Pradesh, Maharashtra and other States on the strength of forged GST invoices, e-way bills and transport documents. Searches had earlier been conducted in the case at 20 locations on 03.07.2026.

Investigation has revealed that a well-organised, multi-layered smuggling and laundering chain stretching from Myanmar to the consuming markets of North and West India. Dried areca nut of Indonesian, Thai and Burmese origin is brought overland to the Indo-Myanmar border opposite Champhai district of Mizoram and ferried across the Tiau river at Zokhawthar in small lots, bypassing the Land Customs Station, where agents on the Myanmar side sell it to front firms on the Indian side. These firms are proprietorship concerns registered in the names of local residents of Champhai who have no real stake in the business; their GST registrations and bank accounts are set up, funded and operated by controllers based in Silchar (Assam), who retain the cheque books and banking credentials and direct every purchase, payment and dispatch. Notably, Champhai district has no recorded production of areca nut and, until recently, Mizoram had no betel nut drying or processing units.

From Zokhawthar the betel nut is aggregated at Champhai and trucked out of Mizoram via Vairengte to Silchar. To lend the goods the appearance of legitimate domestic trade, the consignments are shown as sales between a succession of shell firms registered in Mizoram and Assam, supported by invoices, e-way bills and transport documents describing the nut as Indian-origin produce. These firms are closed and replaced once they draw the attention of enforcement

agencies. From Silchar the consignments are moved by road to godowns in and around Guwahati, where they are stored, re-bagged and re-documented. This leg is managed by M/s Bikaner Assam Roadlines India Ltd and its associated concerns, controlled by Sushil Daga, whose premises were covered in the search action of 03.07.2026. The bank accounts of these companies show credits of several hundred crores from betel nut traders across the country.

From Guwahati the betel nut moves through the Siliguri corridor into North Bengal and onward to Bihar, Uttar Pradesh, Maharashtra and other States, where it is sold to gutka and pan masala manufacturers at a fraction of the duty-paid price. This leg is managed by Siliguri-based accused persons, whose network allegedly collects monthly protection money from transporters in exchange for tokens ("parchi") and code words ensuring unhindered passage of vehicles carrying smuggled betel nut from the Assam border through West Bengal and Bihar, while vehicles outside the arrangement are stopped and seized.

Payments flow back along the same chain through layers of bank accounts held in the names of relatives, employees and shell entities, followed by large cash withdrawals routed through hawala channels. The proceeds of crime have been invested in immovable properties, vehicles and other assets disproportionate to the known sources of income of the persons concerned. Bank credits exceeding Rs. 1,000 Crore have been identified in accounts connected with the syndicate.

The current searches were conducted at the residential and business premises of M/s DNG Biotech Pvt. Ltd., M/s Jai Karni Tradings Pvt. Ltd., M/s Purvottar Agro Pvt. Ltd., M/s N R Associates and connected individuals. During the searches, unaccounted cash of Rs.95 Lakh (Approx.), various digital devices, property and other investment documents, bank records and other incriminating documents were seized. The search operation also resulted in the freezing of fixed deposits (FDs) of Rs.85 Lakh (Approx.).

Further investigation is progress.

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ED, Guwahati has conducted search operations across 16 premises in Guwahati, Siliguri, Bagdogra, Phansidewa, and Cooch Behar under the PMLA, 2002, targeting M/s DNG Biotech Pvt. Ltd., M/s Jai Karni Tradings Pvt. Ltd., M/s Purvottar Agro Pvt. Ltd., M/s N R Associates, and connected individuals in a major foreign-origin areca nut smuggling and laundering case, leading to the seizure of Rs. 95 Lakh (Approx.) in cash, digital devices, freezing of FD (Rs. 85 Lakh Approx.) & various incriminating documents.