



Press Release
03.12.2022

Directorate of Enforcement (ED) has searched 17 premises across Mumbai and Nagpur under Prevention of Money Laundering Act, 2002, covering office and residential premises of various persons involved in smuggling of Betel nuts of Indonesian origin, smuggled mostly via Indo-Myanmar Border.

ED initiated investigation on the basis of CBI Nagpur FIR dated 05.03.2021 registered under Sections 420, 467, 471, 120b of IPC & 13(2) r/w 13(1)(d) of PC Act. As per the FIR, many Nagpur based traders in connivance with various public servants, were indulged in Smuggling of substandard Betel Nuts/Areca Nuts of Indonesian Origin and falsely claiming the same to be originating from member countries of South Asia Preferential Trading Agreement (SAPTA) and South Asia Free Trading Agreement (SAFTA) by using Fake Certificates of Origin, and by using Bogus and undervalued Bills/Invoices and thus causing evasion payment of Customs Duty to the Government. Further, DRI had also investigated the illegal smuggling of betel nuts and issued 8 Show Cause Notices.

ED investigation has revealed that there is a well organized syndicate of suppliers of Indonesian Betel Nut, Commission Agents, Logistic providers, Transporters, Hawala Operators and Buyers who were smuggling Indonesian Betel Nut into India via Indo-Myanmar Border. Fabricated domestic invoices were made and transported smuggled betel nuts is brought to Nagpur and Gondia Districts of Maharashtra. During ED searches, unaccounted Betel Nut of 289.57 MTs valued at roughly 11.5 Crore has been **seized** under PMLA at Nagpur. The godown owner could not supply the KYC of the Traders who deposited the Betel Nut, & failed to furnish any supporting documentation like Stock Register, Bills, Invoices, Quality Certificate, Transport documents etc. ED has seized INR 16.5 lacs in cash and various incriminating documents and digital devices.

Further investigation is going on.
