



## **Press Release**

**14.02.2022**

Enforcement Directorate has conducted search operations on 09/02/2022 and 10/2/2022 under Prevention of Money Laundering Act (PMLA) 2002, at multiple locations spread from Hyderabad to Aizwal & further upto the Myanmar border town of Champai in Mizoram. These searches were conducted in money laundering investigation pertaining to smuggling of raw human hair from India to Myanmar through illegal land routes via Mizoram generating huge cash. Large part of cash thus generated was used for making illegal compensatory payments through unauthorised channels for smuggled hair & under-valued exports of human hair from entities spread across India.

ED initiated money laundering investigation after it came across large hawala payments to local hair traders in the fund trail investigation of online Chinese betting mobile applications. Subsequently, based on ED's complaint, CCS Hyderabad Police registered a fresh FIR under various Section of IPC Act,1860, wherein, it was alleged that one M/s Nayla Family Exports Private Limited (Director Md Ibrahim Patel) exported human hairs by using benami Import Export Code (IEC) of multiple local proprietary firms. Also large scale domestic sales of raw human hair was taking place from AP & Telangana to Guwahati & Kolkata. All this domestically sold hair was ultimately findings its way to China via Myanmar and sale proceeds were surprisingly being received from shell Bank Accounts in Mizoram. ED conducted fund trail investigation and zeroed in on the following Shell entities based in Mizoram which were taking in hundreds of crores of cash deposits and then remitting the deposited amount to several hair merchants spread across India.

(a) M/s St Mary's Gem Industries Champai

(b) M/s Sun Moon Human Hair Champai

(c) M/s Thari Enterprises Aizwaland,

Mr Lucas Thangmangliana (resident of remote Champai District) is the chief facilitator of this mammoth hawala operation. ED has seized various incriminating documents, hand written diaries, digital devices & also recovered cash of Rs 1.20 Crore. ED has identified various suspicious Bank A/cs which were being used for huge cash deposits. Accordingly, ED has issued freezing order under PMLA against such 139 Bank accounts. Statements of Bankers and account holders are being recorded.

Further investigation is under progress.

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