

DRI seizes items worth over Rs 1.35 crore

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The Directorate of Revenue Intelligence (DRI) on Thursday said it has seized tobacco-related contraband worth at least Rs 1.36 crore from Banswara, Rajasthan. The seized goods, according to the agency, includes 12 master cartons of cigarettes worth Rs 35 lakh, cigarette manufacturing machines worth more than Rs 50 lakh and 124 packs of Pan Masala with tobacco valued at Rs 18 lakh from an illegal factory at Vaake Industrial Estate in Banswara. Search at a godown led to the seizure of six gutkha manufacturing machines and raw material for manufacturing gutkha and cigarettes worth Rs 33 lakh, the department said.

“As per the law, the six gutkha manufacturing machines on installation, whether in use or not, are liable to pay Rs 6 crore per month as GST at the fixed rate of Rs 1 crore per machine per month. The machines were in operation for the past one-and-a-half-years or so. The process of exact quantification of evasion, which shall certainly run in to many crores of rupees of loss to the exchequer, is on,” the DRI said.

The agency has also said a transport company based in Indore was searched and three master cartons of cigarettes and 26 cartons of gutkha have been recovered. The DRI said a syndicate based in Indore and Banswara was behind the illegal manufacturing and clandestine sale of foreign branded tobacco items. The DRI has arrested one Vivek Wartewar from Indore and Insaf Ali from Banswara in this connection. “More arrests are on the way,” a DRI officials said.

“The syndicate was earlier into active smuggling of cigarettes from Dubai. To maximize the profits and to avoid being caught by Customs, they started to make the foreign brand cigarettes in India in violation of various laws including Intellectual Property Rights of the brand owner,” said the DRI. The syndicate has sold at least Rs 2 crore of illicit cigarettes in the past, it added.

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