

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
UNSTARRED QUESTION NO. 4031

TO BE ANSWERED ON FRIDAY 10TH AUGUST, 2018
SHRAVANA 19, 1940 [SAKA]

ILLICIT DOMESTIC TRADE OF TOBACCO

4031. SHRI S. RAJENDRAN:
SHRI T. RADHAKRISHNAN:
SHRI S.R. VIJAYAKUMAR:
KUNWAR HARIBANSH SINGH:
SHRI BIDYUT BARAN MAHATO:
SHRI SUDHEER GUPTA:
SHRI ASHOK SHANKARRAO CHAVAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has reported cases of fake cigarettes being manufactured in India, if so, the number of such cases detected by Directorate of Revenue Intelligence (DRI) during the last three years and the current year;
- (b) whether the Government has received data from DRI about the illicit domestic trade of tobacco products and illegal tobacco import during each of the last three years and the current year;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) whether the illicit trade in tobacco products is causing a loss to the exchequer of Rs 13000 crore or thereabout and this is growing every year; and
- (e) if so, the reasons for the same and the steps being taken by the Government so far to curb this menace?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE [REVENUE]
(SHRI SHIV PRATAP SHUKLA)

- (a) Directorate General of Revenue Intelligence (DRI) had detected a case in the year 2017 regarding involvement of a Syndicate in manufacturing and clandestine removal of foreign branded cigarettes, Pan Masala and tobacco from a factory in Banswara, Rajasthan.

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(b) & (c) DRI only sends data relating to seizures made. Hence, no data about illicit domestic trade of tobacco products received from DRI. As regards, illegal imports of tobacco products, the details of seizures made by DRI in the last three years and the current year are given below:

Year	2015-16	2016-17	2017-18	2018-19 (upto July, 2018)
No. of Cases	33	27	30	4

(d) & (e) The Government has not conducted any study on this matter to arrive at the quantum and trends of loss to the exchequer on account of illicit trade in tobacco products. The Government is committed to combating illegal import of all goods and all the Directorates/field formations have been alerted to be vigilant and to carry out proper checks to thwart and detect the cases of smuggling of cigarette and tobacco products.

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