

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
**LOK SABHA**  
**UNSTARRED QUESTION NO-5192**  
ANSWERED ON-MONDAY, APRIL 4, 2022/CHAITRA 14, 1944 (SAKA)

**SMUGGLING OF ARECANUT**

5192. SHRI NALIN KUMAR KATEEL:.

Will the Minister of FINANCE be pleased to state:

- (a) whether the cases of smuggling of arecanut from Myanmar in recent days have come to the notice of the Government;
- (b) if so, the border checkpost-wise breakup of such smuggling into the country along with the steps taken to curb such smuggling into the country;
- (c) whether the Government is aware that arecanut, which is mainly growing in Karnataka and Kerala States, is contributing a significant share of revenue;
- (d) if so, the amount of revenue received by the Government from this commodity for the last five years, State-wise; and
- (e) whether it is true that only around 15 percent of arecanut trade is under tax network in the form of major arecanut cooperatives such as Campco and the remaining 85 per cent is dominated by private traders and if so, the details thereof?

**ANSWER**

MINISTER OF STATE FOR FINANCE

(SHRI PANKAJ CHAUDHARY)

- (a) Yes.
- (b) During the Financial Year 2021-22 (upto Feb 2022), 21 cases of outright smuggling have been booked by Customs Preventive Formations (CPF) Moreh & Pallel and Divisional Preventive Force (DPF) of Imphal Division. The field formations and Directorate of Revenue Intelligence (DRI) under Central Board of Indirect Taxes and Customs (CBIC), Department of Revenue, keep constant vigil. On detection of cases of attempted smuggling, action is taken in accordance with the Customs Act, 1962.
- (c) Such information for Goods & Services Tax (GST) is difficult to ascertain as in the return GSTR-3B consolidated value for all supplies put together are captured and the data is not captured at HSN (Harmonized System of Nomenclature) code-wise. Consequently, information in the format of HSN code is not available with GSTN. Arecanut does not contribute significant share in Customs revenue.
- (d) Not applicable in view of (c) above.
- (e) Estimate of quantity of arecanuts traded outside the tax network is not available. Directorate of Arecanut & Spices Development under Ministry of Agriculture & Farmers Welfare reported that around 15% of arecanut is traded by Cooperatives such as CAMPCO Ltd Mangalore, Totgar's Cooperative Sales Society, Sirsi; MAMCOS Ltd, Shimoga; Tota Utpannagala Marata Sahakara Sangha (TUMCOS), Channagiri etc and 85% of the arecanut is traded by private traders. A good quantity of arecanut is traded through APMCs established in arecanut growing areas.

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