

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1195
ANSWERED ON:08.08.2011
EXPORT OF TOBACCO
Bheiravdanji Shri Gadhvi Mukeshkumar

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government is aware of any illegal trade in tobacco and its products;
- (b) if so, the details thereof and the action taken by the Government to curtail such illegal trade;
- (c) whether the Government is incurring huge loss due to such illegal trade; and
- (d) if so, the details of the total loss incurred during the last three years, if any?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a to d) Yes, Madam. The details of cases of illegal trade of tobacco products detected and losses incurred by way of duty evasion for the last three years custom formations' and Central Excise formations' wise are given below:-

Customs Formations

(Rs. in crore)

Year No. of Cases Duty Evaded

2008-09	327	1.49
2009-10	322	1.46
2010-11	533	1.10

(upto Dec. 10)

(Source: Department of Revenue)

Central Excise Formations

(Rs. in crore)

Year	No. of Cases	Duty Evaded
2008-09	135	389.18
2009-10	101	127.06
2010-11	70	115.27

(upto Dec. 10)

(Source: Department of Revenue)

All Customs field formations including Directorate of Revenue Intelligence have been sensitized to be alert and keep constant vigil to thwart any attempt at illegal trade in tobacco. Similarly, the Central Excise field formations including Directorate General of Central Excise Intelligence have also been sensitized to be alert and keep vigil on the units manufacturing tobacco products prone to evasion of Central Excise duty and collect Intelligence/information and book cases of duty evasion against such units where required. The Government has taken appropriate action to demand duty and impose fine and penalty on errant traders.