

An uphill battle

Though enforcement agencies have offset attempts of illicit trade during the pandemic, the task still remains



ANIL RAJPUT

The recent report by the Directorate of Revenue Intelligence states that 412 cases of smuggling were detected and seizure of contraband worth Rs 1,949 crore resulted in the year 2019-20

An age-old adage — in every adversity lies an opportunity — was proved true by the enforcement agencies and their phenomenal work to arrest the menace of illicit trade during the COVID-19 period. While on one hand, the world was struggling to cope with the health crisis which hit us last year, illicit operators, on the other hand, found this to be an opportune moment to further their vicious plan by pushing smuggled, counterfeit, and spurious goods into the markets — impacting the national exchequer and damaging genuine manufacturers.

The grey market operations were getting murkier — the spike in the illicit trade of popular pandemic products such as sanitisers, face masks, PPE suits, disinfectants, medicines etc. along with the proliferation of such goods being sold online, including in the dark web was evidently seen. The criminals wanted to take advantage of what they thought was a lowering of guard by the government and enforcement agencies because of their focus on Covid-related pressing issues. This couldn't be further from the truth and proved to be an immense opportunity for our officers to quell the nefarious agenda and nab the offenders.

We saw that enforcement authorities world over reacted concertedly to heighten response against this global malaise. Be it Interpol's Operation Pangea XIII, which saw police, customs and health regulatory authorities from 90 countries take part in collective action against the illegal online sale of medicines and medical products or the global operation STOP by



Illicit cigarettes worth around Rs 412 crore were seized in India between June and October 2020

WCO against illegal trafficking linked to COVID-19, a strong counter strike to thwart the intentions was put in action.

In India too, our officers rose to push back the smugglers, tax evaders, traffickers and black marketers leaving them bitterly disappointed. Intelligence and innovative strategies of Indian Customs, Directorate of Revenue Intelligence (DRI), Police and Paramilitary forces helped them to raid and seize astounding quantities of smuggled, spurious, and counterfeit products such as sanitisers, masks, PPE kits, disinfectants, toiletries and cosmetics, electronic goods, cigarettes, spices, alcohol, gold etc across states. For instance, in the North East alone, the customs sleuths seized various goods worth Rs 110 crore in 710 operations since the pandemic hit the country. Another example that stands out is the seizure of illicit cigarettes worth around Rs 412 crores between June and October 2020 across India, a rise from Rs 52 crores in

2019. Despite several restrictions, India saw a huge surge in cigarette smuggling cases and continued to be a target for tobacco smugglers. However, this was duly taken care of by the commendable work of our enforcement agencies.

DRI in its recent 'Smuggling in India' report, stated that 412 cases of smuggling were detected and seizure of contraband worth Rs 1,949 crore resulted in the year 2019-20. Through risk assessment techniques and data analytics, DRI was able to unearth 761 complex cases of customs involving duty evasion amounting to Rs 2,183 crore. Moreover, during this period, agencies actively participated in multi-lateral operations and have also proactively joined hands with domestic agencies to curb this menace. DRI and BSF's joint operation in March 2020 seizing over 21 kg of smuggled gold at the Indo-Bangladesh border or the close cooperation of customs with DRI, Assam Rifles and state police to make the task of smugglers difficult

in northeast India are a testimony to this.

To my mind, the Covid period tested the alertness of our enforcement teams, and our officers have not been found wanting. I compliment the officers, who have not only adapted to the new challenges brought in due to change in the economic scenario arising out of COVID-19 but have also protected infiltration of counterfeit and smuggled goods into our marketplaces while plugging the leakage of government's tax revenue and maintaining law and order in the country. Moreover, their preparedness has also helped the country in anticipating and countering the new modus operandi adopted by organized crime syndicates across the globe especially in the Covid era.

Ultimately, neither the strict lockdown nor a pandemic could stop the perpetrators of illicit trade. In fact, with an increasing number of seizures being reported every day, the total seizures may just be

the tip of the iceberg of a much larger network, and hence, this calls for a continued focus on tackling the widespread threat. FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy, (CASCADE), has been over the years engaging with the government with the aim of greater awareness and on how the industry could play a collaborative role with enforcement agencies to address this problem. One of FICCI CASCADE's mandate is building capacities of law enforcement officers, and to this, it has worked extensively and intensively — organizing training programmes and continuous interactions with them across India sensitizing on the threats emanating from the spread of smuggling and counterfeiting.

India is today one of the fastest-growing economies in the world, it is also a hot favourite of those indulging in illicit trade. With seizures at an all-time high, it demonstrates the resolve of the Government to contain smuggled and counterfeit trade. The pandemic compounded the problem of illicit trade and this continues to be a huge challenge for the nation. But the hands-on approach and alertness of our enforcement officers to check the growth of illicit trade during such unprecedented times are indeed laudable. However, we cannot afford to get complacent. It is important that we continue the thrust on enforcement activities. This will undoubtedly go a long way to keep the offenders at bay.

The writer is the Chairman, FICCI CASCADE and Senior VP, Corporate Affairs, ITC Ltd. Views expressed are personal