

28.35 million sticks of non-duty paid cigarettes seized

The Federal Board of Revenue (FBR), Inland Revenue Enforcement Network's tobacco squad in Peshawar on Wednesday made a major seizure of 28.35 million sticks of non-duty paid cigarettes through a successful operation at an undeclared godown situated in Swabi.

Sources told *Business Recorder* here that the action has been taken by the tobacco squad of Regional Tax Office (RTO) Peshawar operating under the supervision of Inland Revenue Enforcement Network. This is the biggest seizure made by RTO Peshawar in 2018 as compared to total seizures of non-duty paid cigarettes made by the RTO Peshawar during whole year of 2017.

Peshawar is a major hub of Inland Revenue Enforcement Network FBR and successfully carrying major operations against the illicit trade of the cigarettes.

Details of the incident revealed that on receipt of information regarding movement of non-duty paid cigarette, the Anti-Evasion Mobile Squad No.11 after intercepting a truck bearing No.3746 near Ambar Chota Lahore, Swabi and recovered from it 300 packrites (Leader Chelsea, Marvel, Guy and Empire brands - 3,000,000 sticks) of non-duty paid cigarettes involving FED of Rs 24,00,000/- and Sales Tax of Rs 10,32,750/-. On further investigation from driver of the truck, the Mobile Squad raided an undeclared godown situated at Chota Lahor Jehangira-Swabi Road, Swabi and found another truck bearing No.9386 which was loaded with additional 300 packrites coupled with 2535 packrites (28,350,000 sticks in total) clandestinely stored in. the godown the revenue impact of which is Rs 22,680,000 (Federal Excise Duty) and Rs 97,59,488 (Sales Tax). The driver could not provide any legal document which could prove the payment of duty/taxes, hence seizure under the law.

M/s Frontier Leaf Tobacco Company, Swabi reportedly owns the seized cigarettes and it seems that no federal excise duty and sales tax have been paid on the same and the cigarette was manufactured and removed from the manufacturing premises in violation of Section 18, 26 of Federal Excise Act, 2005 and Federal Excise Rules, 2005 read with SRO 217(1)12017 dated 31.03.2010. Legal proceedings have been initiated in wake of the seizure. RTO Peshawar would share further progress with the Board in due course of time, sources added.

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