

Duo evade over ₹9-cr tax in fake gold racket, held

HT Correspondent

■ htmetro@hindustantimes.com

MUMBAI: The Directorate Revenue of Intelligence (DRI) on Saturday arrested two people for allegedly evading tax over ₹9 crore in a fake gold export racket.

According to the DRI, the arrested accused Vishal Choudhary is the director of a company that dealt in the export and import of gold. The other arrested accused, whose name is yet unknown, was a government-approved gold valuer who wrongly gave approval for Chaudhary's fake gold to be exported.

Chaudhary is accused of misusing the advanced authorisation scheme (AAS) through which the government allows duty-free import on gold (without paying mandatory 10% custom duty) if the buyer makes jewellery out of the imported gold and exports it.

Since January, Chaudhary had imported 450 kilograms of tax-free gold bars from an African country. He, however, exported only 160 kilograms of gold jewellery of which 90% was found to be made from copper and nickel. He was thus able to evade paying tax over ₹9 crore.

The DRI had raided and seized the consignment at the Ahmedabad Air Cargo on Saturday and discovered that the accused had painted the alloys in gold.

The accused exported the



■ The fake gold bangles that DRI seized at Ahmedabad Air Cargo on Saturday.

HT

SINCE JANUARY, THE ACCUSED IMPORTED 450 KILOGRAMS OF TAX-FREE GOLD BARS FROM AN AFRICAN COUNTRY AND EXPORTED FAKE GOLD JEWELLERY

material to his own accomplices in Dubai and Hong Kong in order to show the trade on paper to government.

The accused instead sold the imported gold in the market at premium rates.

According to the DRI, the government had introduced AAS in order to increase the country's exports and help increase the flow of foreign exchange in the country.

DRI busts gold export scam, 2 held

Ahmed.Ali@timesgroup.com

Mumbai: The DRI has busted a major racket in gold export involving an Ahmedabad-based businessman who, in connivance with a government-approved valuer, exported inferior quality metal jewellery by declaring it as gold to various foreign countries, resulting in huge losses to the exchequer in terms of remittances.

The DRI's Ahmedabad unit on Saturday arrested Vishal Choudhary, director of Royal Refinery Pvt Ltd. Nachiket Mavalankar, the government-approved jewellery valuer, was arrested on Sunday.

On May 23, DRI officials examined a few consignments of Royal Refinery at the air cargo complex in Ahmedabad. According to the shipping bills, the company had sought to export nearly 13 kg of 22 karat gold jewellery. Mavalankar had issued certificates stating the purity of gold was 22 kt.

On getting suspicious, the DRI called in another government-approved valuer. It transpired only two kg was 22 kt gold, while the remaining was some other inferior metal. In order to boost exports, the Government of India, under advance authorisation scheme, allows import of gold duty free against export of gold ornaments.

DRI officials said the modus operandi was to bring in illegal remittances by showing export of gold jewellery. Probe has revealed the company has imported nearly 450 kg gold bars since January 2019 against export of only 160 kg of 22kt gold jewellery.

DRI busts gold export scam, 2 held

TNN | May 27, 2019, 10:18 AM IST



MUMBAI: The DRI has busted a major racket in gold export involving an Ahmedabad-based businessman who, in connivance with a government-approved valuer, exported inferior quality metal jewellery by declaring it as gold to various foreign countries, resulting in huge losses to the exchequer in terms of remittances.

The DRI's Ahmedabad unit on Saturday arrested Vishal Choudhary, director of Royal Refinery Pvt Ltd. Nachiket Mavalankar, the government-approved jewellery valuer, was arrested on Sunday.

On May 23, DRI officials examined a few consignments of Royal Refinery at the air cargo complex in Ahmedabad. According to the shipping bills, the company had sought to export nearly 13 kg of 22 karat gold jewellery. Mavalankar had issued certificates stating the purity of gold was 22 kt.

On getting suspicious, the DRI called in another government-approved valuer. It transpired only two kg was 22 kt gold, while the remaining was some other inferior metal. In order to boost exports, the Government of India, under advance authorisation scheme, allows import of gold duty free against export of gold ornaments.

DRI officials said the modus operandi was to bring in illegal remittances by showing export of gold jewellery. Probe has revealed the company has imported nearly 450 kg gold bars since January 2019 against export of only 160 kg of 22kt gold jewellery.