

TAMIL NADU

A.P. intelligence helps bust diesel smuggling racket

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DRI seizes 14 containers of fuel; suspects operated via Chennai Port

A specific input shared by the Andhra Pradesh intelligence agency helped the Directorate of Revenue Intelligence crack an inter-State racket at the Chennai Port in smuggling huge quantity of diesel from Dubai.

The information was that two gangs operating out of Chennai and Kakinada were regularly smuggling diesel in the guise of mineral spirit via the Chennai port for illegal sale in Tamil Nadu, Andhra Pradesh and Telangana. Closely guided by the Andhra Pradesh police, DRI teams drawn from Hyderabad and Chennai units launched a search operation at select locations in Tamil Nadu and Andhra Pradesh.

According to DRI sources, 14 containers imported at the Chennai port in the name of M/s SAF Petroleum and M/s Aditya Marine containing 263.78 tonnes (3 lakh litres approximately) of diesel were found in two container freight stations in Chennai. The goods in the containers were declared as mineral spirit.

After chemical analysis confirmed the seizure as diesel, investigators launched simultaneous search operations on the premises of the suspects, including importers, clearing agents and hawala operators, in Chennai and Kakinada.

The sources said diesel was a restricted commodity for import as per the Foreign Trade Policy. To circumvent the import norms, the suspects claimed the fuel to be "mineral oil" and also declared its value around 40% less than the actual price with an intention to evade customs duty on the consignments.

The suspects floated fictitious companies in Dubai to purchase the diesel and import the same to Chennai by creating fake documents. The price difference was paid through hawala channels. They had a storage yard at Maraimalai Nagar and office at Guindy here to facilitate smuggling and distribution of the smuggled diesel into the grey market in Chennai, Kakinada, Ongole and some parts of Telangana.

Huge quantity

Investigators said that at least 285 containers containing about 63 lakh litres of diesel worth Rs. 17.70 crore was smuggled into the country by the gangs in the past. The 14 containers seized in Chennai were taken into custody under the provisions of the Customs Act, 1962, and Foreign Trade Policy, 2015. Four suspects, including a hawala operator, were arrested.

A senior investigator said the brain behind the racket was detained. His statements would throw more light on the modus operandi. When contacted a senior official at the port said the port authorities hardly had any role in the issue as it was completely the domain of the customs authorities.