

Key Mumbai gang member arrested in ₹10-crore Customs fraud

The gang transferred the sums to desirable bank accounts of companies

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A key member of a syndicate that fraudulently released drawback duties, amounting to nearly ₹10 crore, to 20 companies, which were frozen by Customs owing to various irregularities, has been arrested by the Directorate of Revenue Intelligence (DRI).

The gang transferred the sums to desirable bank accounts. Earlier, three members of the syndicate were arrested by the DRI. DRI suspects more people may be involved in the gang.

Navi Mumbai resident Arjun Goregaonkar has been arrested in the case. Goregaonkar works as a drawback agent at Jawaharlal Nehru Customs House, Nhava Sheva.

Earlier, DRI officials had arrested Mohammed Shaikh alias Arif, a Mumbra resident, Saddrudin Lasanwala, a Masjid resident and Ramesh Singh, a Kandivli resident, in the case.

Duty drawback is the rebate of duty chargeable on any imported material used in the manufacture of goods exported from India.

Drawback duties are held if authorities find any irregularities with the export company and an alert is issued.

A DRI source said Goregaonkar, being a drawback agent, was well-versed with the system. He would access the details of these dormant export companies and pass on the details, such as names, import export code (IEC), shipping bill numbers and amount of drawbacks kept on hold to the other members.

Using these details, Arif, one of the arrested accused, would prepare forged documents in the companies' names, which would be used to open bank accounts, DRI sources said.

Goregaonkar would then have the bank details amended in the Customs' electronic data interchange (EDI) system and with the help of another drawback agent, remove the alert invoked against the company.

Then the drawback duties kept on hold would get credited to the fake bank account and the accused would withdraw the funds. Goregaonkar would take the major share of the money while the rest was divided equally by the other three accused.

Arif, Singh and Lasanwala reportedly admitted to DRI officials that they earned ₹25-30 lakh each from this scam. A DRI source said Goregaonkar may have made crores.

Authorities are probing how the syndicate members got access to EDI and are also investigating if Goregaonkar was working hand-in-glove with some internal government personnel.

The modus operandi of the syndicate

The gang would siphon off drawback duties of tainted exporters who are facing investigations by Customs authorities

Key gang member Arjun Goregaonkar allegedly accessed the details of these dormant export companies and shared the list with his accomplices

He passed details such as names, Import Export Code (IEC), shipping bills numbers and amount of drawback kept on hold against the export company, to the other three (arrested) members of the gang

Using these details, Mohammed Shaikh alias Arif, one of the arrested accused, then prepared forged documents in the company's name, which would be used to open new bank accounts

Goregaonkar would get the details in the Customs' Electronic Data Interchange (EDI) system amended to reflect the new bank account numbers

He would access the EDI system of officers and with the help another drawback agent, remove the alert invoked against the export company

After the alert is removed, the drawback duties kept on hold would get credited to the exporters' new bank accounts and these funds would later be withdrawn by the accused.