

DRI: Gang smuggled Rs 1,000 crore gold in eight months till racket was busted

TNN | Jun 30, 2019, 05.27 AM IST



MUMBAI: Directorate Revenue of Intelligence (DRI), probing the 110kg gold smuggling case, involving businessmen from Mumbai and Kerala, revealed that the gang smuggled more than 3,000kg of gold worth Rs 1,000 crore in eight months. A DRI official said the accused smuggled gold in 24 consignments from July last year to March this year, when the racket was busted and 14 persons were arrested.

"During scrutiny, it transpired that the syndicate smuggled 3,396kg gold, which is one of the biggest seizures in recent years. Hence, the accused were detained under stringent sections of Conservation of Foreign Exchange and Prevention of Smuggling Act (COFEPOSA)," said a source. As Bombay high court said COFEPOSA was not applicable on technical grounds last week, DRI will move the Supreme Court on Monday.

Officials said if the accused are released, they may smuggle gold again.

DRI has so far confiscated nine cars, Rs 2 crore, and 185kg gold worth Rs 60 crore. They will confiscate properties of the main players, Dubai businessman Nisar Aliyar, jeweller 'Happy Dhakkad', Manoj Jain, financier Ashfaq Shiningwala, hawala operator Aquil Fruitwala and Shoeb Zoradarwala. DRI is also writing to Enforcement Directorate as the accused have diverted proceeds of the crime to accounts outside the country too.

DRI on Thursday had arrested 14th accused, Shiningwala, a key financier from Gujarat, who had invested Rs 9 crore in the

racket. The other main players are Aliyar, Dhakkad, Jain and Zoradarwala, it said.

The syndicate used to import gold, declaring it as brass scrap. They would unload the consignments at Mundra and Jamnagar ports in Gujarat, and then get it here by road. DRI has so far seized 185kg of gold from the accused. Others in the syndicate are Chetan Sojitra of Prachi Impex, who facilitated the smuggling, Irsahad Bagasrawala, who aided and abetted Aliyar in transportation and disposal of gold in Zaveri Bazaar, and Jignesh Solanki, who helped store and transport the yellow metal to 'Happy Dhakad'. DRI later arrested Vimal Nariya, proprietor of SM Corporation. It is looking for Asif Fazil, who escaped with around 90kg of gold before DRI could reach him.

Advocate Sujay Kantawala, on behalf of Nisar and Dhakkad, argued that the constitutional and statutory right to make a representation to the authorities was violated as documents were not supplied along with grounds of detention. "I cited judgements stating that the COFEPOSA guidelines were shown where it is advised by the ministry that there can't be a truncated manner of supply of documents," said Kantawala.