

**₹832cr GST fraud
by gutka unit
unearthed in city**

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missioner for Central GST Delhi West, said there were 65 labourers were working at the facility. So far, one person has been arrested and accused of manufacturing and supplying goods without issuing any invoice. **P12**

GST officials bust illegal gutka unit in Delhi that evaded ₹832cr

Factory Found Even As Govt Tightens Noose Around Tax Evaders

TIMES NEWS NETWORK

New Delhi: GST authorities have unearthed an illegal gutka and tobacco product manufacturing facility in the capital, which it alleged had evaded Rs 832 crore in levies.

“On (the) basis of the search at the premise of manufacture, it was found that illegal manufacturing of gutka/pan masala/tobacco product was going on, evidenced by a godown, machines, raw materials and manufactured products at the premises,” Shubhagata Kumar, commissioner for Central GST Delhi West said in a statement, adding that there were 65 labourers were working at the illegal facility.

Sofar, one person has been arrested and accused of manufacturing and supply of goods without issuing any invoice and evading taxes. He has been charged under vari-



A NEW HIGH? The detection of an illegal manufacturing facility takes tax evasion to a different level. The authorities alleged that gutka was being supplied to various states and searches resulted in seizure of finished products and materials valued at Rs 4.1 crore

ous provisions of the central GST Act and was remanded to 14 days judicial custody on Saturday.

The authorities alleged that gutka was being supplied to various states in India and

the searches resulted in seizure of finished product and raw materials such as chuna, sada kattha, tobacco leaves, among others, which was valued at Rs 4.1 crore.

“On the basis of evidence

gathered, stocks seized and confessional statements recorded the total duty evasion is estimated to be approximately Rs 831.7 crore. Further investigation is in progress,” the statement said.

In recent weeks, the government has tightened the noose around tax evaders, especially those making bogus claims either using fake invoices or inflating credit on taxes paid in the manufacturing chain. But the detection of an illegal manufacturing facility takes evasion to a different level in a sector that is prone to illegally routing goods, without paying taxes on the entire produce.

“Delhi Zone has been making sustained efforts to check evasion of GST, leading to detection of Rs 4,327 crore in the present financial year and 15 persons have been arrested in these matters,” Kumar said.