

IREN Press Release

Inland Revenue Enforcement Network (IREN) Squad of Regional Tax Office, Rawalpindi, in a major counter-evasion operation, has seized two trucks bearing Registration No. XA-606 and C-1762, which were illegally transporting non-tax paid counterfeit cigarettes for supply into local market. The trucks were loaded with 300 cartons of counterfeit cigarettes of Classic Brand, and 300 cartons of counterfeit cigarettes of Kissan Brand containing 6 million cigarette sticks. Market value of the seized cigarettes comes to Rs. 18,900,000/- involving unpaid duties and taxes at Rs. 12,646,500/-. IREN squads were engaged and chased to abort operation upto Faizabad but the illegal trucks were successfully drove into the RTO, Rawalpindi warehouse by midnight. Some of the counterfeit cigarette brands are manufactured in AJK, and then transported across into Pakistani markets without payment of duty and taxes.

Apart from Pakistan Tobacco Company, and Phillip Morris International, most of the local tobacco manufacturers are clustered in and around the tobacco-growing areas of Khyber Pakhtunkhwa, some of which may have also established unregistered units in AJK areas adjoining Pakistan. Dr. Muhammad Ashfaq Ahmed, Member (Inland Revenue Operations) visited RTO, Rawalpindi on the morning of April 16, 2021, met the senior officers as well as the members of the raiding squad. He also appreciated Dr. Khalid Mahmood Lodhi, Chief Commissioner, RTO, Rawalpindi and his enforcement drive to curb movement of illicit cigarettes on the roads. He also announced special reward for the members of the raiding squad and encouraged them to continue working with full commitment and integrity.

The Member also apprised the RTO, Rawalpindi IREN staff that from July 1, 2021, Track & Trace System would be rolled out to cover tobacco manufacturing across the country, and that AJK Government had approached Federal Board of Revenue to extend the scope of Track & Trace System to cigarette manufacturing units located inside AJK territory. The Member further stated that FBR was in the process of drafting new rules where-under cigarette brands registered with FBR could only be sold in Pakistani markets. It is expected that over the next few months implementation of Track & Trace System and its extension into AJK, coupled with IREN's valiant drive would help overcome the menace of counterfeit, illicit and non-tax paid cigarettes in the market.

Prime Minister of Pakistan has repeatedly expressed his resolve to the implementation of Track and Trace System with full force and curb movement and supply of counterfeit and illicit cigarettes in Pakistan.