



DRI Report on Smuggling

For Prelims: [Directorate of Revenue Intelligence \(DRI\)](#), [Counterfeit currency trafficking](#)

For Mains: Highlights of the DRI Report on Smuggling, Implications of Rising Smuggling Trends on India's Economy.

Source: [IE](#)

Why in News?

The [Directorate of Revenue Intelligence \(DRI\)](#) recently released a report highlighting a significant increase in drug seizures, contraband cigarettes, and illicit currency in India.

- The report underscores the **evolving landscape of smuggling in India**, with Dubai emerging as a major transit hub for cigarette smuggling.

What are the Key Highlights of the DRI Report on Smuggling?

- **Spike in Drug Seizures:** The DRI reported a significant increase in drug seizures in FY24, with cocaine seizures more than doubling from the previous year and cocaine smuggling rising by 9%.
 - [Methamphetamine](#) seizures have also increased, particularly in northeastern states like **Assam and Mizoram**,
- **Contraband Cigarettes:** The first half of FY25 saw a **19% rise in contraband cigarette** seizures, primarily smuggled through free trade warehousing zones in **Dubai**.
- **Illicit Currency Seizures:** DRI officials seized **Rs 13.8 crore in foreign currency** during the first half of FY25, surpassing the total of Rs 12.4 crore seized in all of FY24.
- **Gold Seizures Decline:** Gold seizures fell by **9% in FY24**.
 - Land routes from **Myanmar, Bangladesh, and Nepal** accounted for **55% of gold seizures**.
- **Wildlife Smuggling Operations:** DRI seized **53.5 kg of elephant tusks** and various other wildlife items, highlighting ongoing issues with wildlife trafficking.

What are Some Key Facts About DRI?

- **About:**
 - The **DRI, apex anti-smuggling agency of India**, was established on **4th December 1957**, and has evolved from the Central [Revenue Intelligence Board](#) formed in **1953**.
 - The DRI, under the [Central Board of Indirect Taxes & Customs, Ministry of Finance](#), investigates and enforces Customs and indirect tax laws.
 - The **Directorate General of GST Intelligence** (formerly the **Directorate General of Anti-Evasion/Central Excise Intelligence**) and the [Narcotics Control Bureau](#) were created from the DRI before becoming specialized agencies.
- **Operations:**

- The DRI's cross-border operations target small arms trafficking, money laundering, terrorism financing, and illegal wildlife trade.
 - Its role has expanded to include **commercial fraud, money laundering, and counterfeit currency trafficking**.
 - **In the fiscal year 2023-24**, DRI recorded seizures valued at approximately Rs 3,573 crore.
- Since 2013, the **DRI's annual regional Customs enforcement meeting** on Foundation Day has fostered international cooperation among global Customs enforcement heads and organisations.

What are the Challenges in Controlling Smuggling?

- **Corruption and Collusion:** Smugglers often **exploit corruption and collusive practices to facilitate their operations**, undermining legal frameworks and enforcement mechanisms.
 - Despite amendments to the **Wildlife Protection Act empowering customs officers to seize illegally traded wildlife**, wildlife trafficking continues to be a persistent issue.
- **Misuse of Trade Agreements:** The **exploitation of free trade agreements** allows smugglers to **misdeclare goods, complicating enforcement** and enabling the influx of illicit products into the market.
 - This misuse poses a threat to domestic industries and the economy.
- **Lack of Comprehensive Data:** Inadequate data collection on smuggling activities limits the ability of authorities to respond effectively.
 - For instance, while the **National Crime Records Bureau (NCRB)** provides some statistics, **comprehensive data on all smuggling incidents is lacking**, hindering strategic planning and resource allocation.
- **Increased Use of Technology by Smugglers:** The rise of **cyber-enabled drug trafficking** through the **dark web** and **cryptocurrencies** presents new challenges for enforcement agencies.
 - The **Narcotics Control Bureau (NCB)** has reported a **growing number of cases involving these technologies**, complicating traditional smuggling detection methods.
- **Geographical Challenges:** India's **extensive borders with multiple countries** make it difficult to monitor and control smuggling activities effectively.
 - The **diverse terrain and varying levels of enforcement** across states further complicate efforts to combat smuggling comprehensively. Source: PIB
- **Changing Smuggling Tactics:** Smuggling syndicates have evolved their methods, employing **"mules" and using international departure gates** to facilitate gold smuggling, reflecting a shift towards more sophisticated techniques

What are the Actionable Strategies to Address Smuggling Challenges?

- **Strengthening Law Enforcement:** Enhancing collaboration between various law enforcement agencies at national and international levels can improve the effectiveness of anti-smuggling operations.
 - The **Ministry of Home Affairs** has initiated **capacity-building programs for law enforcement to combat trafficking** and smuggling more effectively.
 - The **US Customs and Border Protection (CBP)** works closely with the **Canadian Police** to combat smuggling across borders,
- **Regulatory Frameworks:** Implementing **stricter regulations on free trade zones** and improving monitoring systems can help curb contraband activities.
 - **Regular audits and inspections** should be conducted to ensure compliance with trade laws.
 - The **European Union (EU)** has **stringent regulations governing free trade zones** to prevent misuse for smuggling activities.
- **Investment in Technology:** Utilising **advanced technologies such as data analytics**, drones, and surveillance systems can enhance detection capabilities at borders and ports.
 - **Australia has invested in advanced surveillance technologies**, such as drones and automated detection systems, to effectively monitor borders and ports.

- **Public Awareness Campaigns:** Educating the public about the dangers of drug abuse and the impact of smuggling on society can foster community involvement in reporting suspicious activities.
 - Example: **In the UK, campaigns like "Crimestoppers"** urge citizens to report suspicious drug trafficking and smuggling activities.

Drishti Mains Question

Analyze the implications of rising smuggling trends on India's economy and security. Discuss actionable strategies that can be implemented to combat these challenges effectively.

UPSC Civil Services Examination, Previous Year Question (PYQ)

Mains

Q: Analyze internal security threats and transborder crimes along Myanmar, Bangladesh and Pakistan borders including Line of Control (LoC). Also discuss the role played by various security forces in this regard. **(2018)**

PDF Reference URL: <https://www.drishtias.com/printpdf/dri-report-on-smuggling>

