GULBAHAR GROUP, MILANO AND MOND

Corporate Footprint, Pakistan’s Illegal Cigarette Market, and Associated Financial and Security Risks

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Prepared from publicly available official records, corporate filings, multilateral assessments, and credible secondary reporting

Executive Summary

Publicly available evidence establishes four material facts. First, Gulbahar Tobacco International presents itself as a Dubai-based tobacco manufacturer whose portfolio includes Milano and Mond. An official Canadian trademark record independently identifies Gulbahar Tobacco International FZE as the registered owner of Milano. In contrast, United Kingdom corporate records connect Habibi family members to entities bearing the Gulbahar name. A Russian production facility linked to Gulbahar was formally opened in 2019.[1, 2, 3, 4]

Second, Milano and Mond have repeatedly appeared in Pakistan's official enforcement record. Pakistan Customs and the Federal Board of Revenue have reported seizures involving the brands in Quetta, Bahawalpur, Gujranwala, Malir, Peshawar, Multan, Sialkot, and on a documented Dera Ismail Khan-to-Peshawar movement corridor. The strongest single brand-specific case in the reviewed record is the January 2026 seizure of 2,000 sleeves of Milano London and 6,100 sleeves of Mond cigarettes described by the authorities as foreign-origin. These records prove presence in illegal channels; they do not by themselves prove that every seized pack was genuine, identify the exporter of record, or establish that Gulbahar received the proceeds.[5, 6, 7, 8]

Third, Gulbahar-linked entities have direct and documented commercial engagement with Afghanistan's Taliban-led interim administration. Official Afghan announcements record a 2023 energy cooperation agreement, a 2023 Herat cement contract, a 2024 gas-power proposal, and approval in principle in 2026 for a large residential and commercial township. These dealings establish a commercial relationship with Taliban-era ministries and the economic deputy prime minister's office. They do not establish unlawful influence, preferential treatment, or the use of Pakistani cigarette revenue to finance those projects.[9, 10, 11, 12]

Fourth, Pakistan's illegal cigarette market is large, but its scale remains disputed. A November 2025 government statement placed annual revenue loss at approximately Rs. 250-300 billion. In April 2026, the Minister of State for Finance and Revenue cited more than 25 percent of production and consumption, about 20 billion sticks, and a loss of Rs. 137-200 billion. Survey-based estimates range from approximately 35 percent of consumption to 54 percent. Still, the often-cited 54 percent figure has also been used to describe the share of brands available at retail rather than consumption-weighted market share.[13, 14, 15, 16]

The financial-crime and security concern is credible at the level of risk, not established at the level of case-specific proof. FATF identifies illegal tobacco trade as cash-intensive, profitable, and vulnerable to money laundering and terrorism financing. The WHO tobacco protocol links illegal tobacco trade to transnational criminal activity and emphasizes supply-chain control, tracking and tracing, law enforcement, and international cooperation. Pakistan's Financial Monitoring Unit has separately documented hawala, smuggling, and border-area transaction typologies. No public source reviewed establishes a transaction trail from Milano or Mond sales in Pakistan to Gulbahar-controlled accounts, Taliban state finance, or militant groups operating against Pakistan.[17, 18, 19]

The defensible conclusion is therefore narrower but still serious: Gulbahar owns or presents itself as the owner of brands found in Pakistan's illegal cigarette market; the group has a multi-jurisdictional commercial footprint and active business engagement with the Afghan interim administration; and the surrounding supply chains create material tax, customs, money-laundering, organized-crime, and national-security risks. The unresolved issue is attribution of product origin, commercial benefit, and financial destination. That issue requires a coordinated evidentiary investigation rather than assumption.

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1. Introduction and Scope

This report examines the documented corporate structure and regional footprint of Gulbahar Group and its tobacco businesses; the ownership and manufacture of Milano and Mond; the appearance of these brands in Pakistan's illegal cigarette market; the scale and structure of Pakistan's wider illegal cigarette economy; Gulbahar's recorded commercial dealings with Afghanistan's Taliban-led interim administration; and the resulting financial-crime and security risks for Pakistan.

The inquiry tests a specific proposition: whether publicly available evidence establishes that Gulbahar, directly or through associated entities and intermediaries, manufactures or commercially benefits from cigarettes sold illegally in Pakistan and whether resulting proceeds can be linked to Afghanistan, Taliban institutions, or violent non-state actors. The available record supports brand attribution, corporate links, Pakistani seizures, and Afghan commercial relationships.

The term "illegal cigarette trade" is used broadly to include smuggling, non-duty-paid production, counterfeiting, undeclared imports, diversion, and sales outside Pakistan's tax-stamp, health-warning, pricing, and registration requirements. The distinction matters because a branded pack found in an illegal channel may be genuine, counterfeit, diverted from a legal destination market, or manufactured without authorization.

2. Methodology and Evidentiary Standards

The research cut-off is July 10, 2026.

Priority was given to corporate registries, trademark databases, Pakistan government enforcement records, Afghan ministry and economic-office announcements, FBR fiscal publications, FATF and WHO material, and Pakistan's Financial Monitoring Unit. Corporate websites were used for self-described history, brands, and operating scope. Credible news and investigative reporting were used for adverse indicators only where the allegation, its source, and the absence of a final adjudication could be stated clearly.

Evidence is classified in the narrative as documented, corroborated, self-disclosed, media-reported, inferred, or unverified. Official seizure records establish that authorities found named products in illegal channels, but not necessarily that the trademark owner produced the packs or knowingly supplied the illegal market. Official Afghan announcements establish meetings, agreements, contracts, and approvals, but not project completion, actual investment disbursement, or improper political influence.

Material limitations include the absence of UAE beneficial-ownership filings in the public record reviewed; incomplete Russian corporate and enforcement records; no access to customs declarations, bills of lading, factory production logs, product-authentication reports, bank records, suspicious transaction reports, distributor contracts, or closed criminal case files; and inconsistent public reporting of prosecution outcomes after seizures.

3. Corporate Identity, Ownership, and Business Footprint

Gulbahar Tobacco International's current corporate website states that the business is located in Dubai, exports to more than 50 countries, and markets Milano, Cavallo, Momento, and Mond. It attributes the wider enterprise's founding to Haji Adro Gul Habibi in 1975 and describes operations across tobacco, fast-moving consumer goods, hospitality, and real estate. These are first-party statements. The recorded Jebel Ali Free Zone address is independently consistent with the owner address in the Canadian Milano trademark registration.[20]

United Kingdom records provide independent evidence of a Habibi-family corporate nexus. Gulbahar Tobacco International Ltd was incorporated in March 2019 for tobacco manufacture and wholesale and dissolved in June 2022. Hewad Habibi, an Afghan national, was recorded as director and person with significant control, holding at least 75 percent of shares and voting rights. A separate UK entity, Gulbahar UK Ltd, recorded Gulbahar Habibi, Hewad Habibi, and Vakhid Ulla Khabibi as persons with significant control at different periods. However, that company's precise relationship to the Dubai tobacco manufacturer cannot be conclusively established from the public filings alone.[21, 22]

Gulbahar Investment's own current website describes a privately held Afghan investment and development group established in 2006, headquartered in Kabul, with businesses in real estate, commercial infrastructure, energy, cement, pharmaceuticals, petroleum, and social initiatives. Afghan official records of energy, cement, and real-estate engagements partly corroborate this self-description.[23]

Table 1. Documented corporate and operational footprint

Entity/asset	Jurisdiction	Documented basis	Evidentiary status
Gulbahar Tobacco International FZE	United Arab Emirates	Company site and Milano trademark owner address in JAFZA, Dubai	Documented entity/brand link; complete beneficial ownership unavailable
Gulbahar Tobacco International Ltd	United Kingdom	Companies House: tobacco SIC codes; Hewad Habibi held 75%+ control	Official registry; company dissolved in 2022
Gulbahar Rus LLC	Russia	2019 opening of tobacco plant in Rostov, Yaroslavl region	Production presence documented; later allegations not finally adjudicated in sources reviewed
Gulbahar Investment / Group Afghanistan	Afghanistan	Corporate site plus official energy, cement, and township records	Business platform and official commercial engagement documented

Historical and Current Adverse Indicators

Afghan reporting on the Kabul Bank crisis identified Gulbahar Habibi among major borrowers or debtors whose assets were subject to recovery measures. Pajhwok reported central-bank allegations of misuse of deposits and a loan figure of approximately US$39.7 million; TOLO News later reported asset freezes and repayment or reconciliation processes. The matter is therefore a documented historical controversy, and a basis for a current characterization of corporate malpractice.[24, 25]

In August 2024, RBC reported, citing sources familiar with Russian tax and security-service activity, that Gulbahar Rus had been implicated in alleged “double sales” and “false export” schemes involving repeated marking codes and purported export consignments that allegedly remained in Russia. The report identified Cavallo, Mond, and Milano as core brands and stated that requests for comment were sent to the company. No publicly available final judgment resolving those allegations was identified in the reviewed record.[26]

4. Cigarette Brands, Manufacturing, and Adverse Indicators

Milano has the strongest independently documented brand attribution. The Canadian Intellectual Property Office records a live Milano registration, filed in 2017 and registered in 2019, to Gulbahar Tobacco International FZE at Jebel Ali Free Zone, Dubai, for tobacco and cigarettes. Gulbahar's own website places both Milano and Mond in its portfolio. A comparably strong official trademark record for Mond was not located during this review, so Mond attribution rests on the company's self-identification, Russian reporting, and repeated Pakistani enforcement references.[27]

The manufacturing footprint is documented in the United Arab Emirates and Russia. Gulbahar states that it has a UAE manufacturing facility and facilities in three additional countries, but does not identify all locations on the public page. Interfax reported the opening in October 2019 of the first stage of a Gulbahar Rus tobacco plant in Rostov, Yaroslavl region, following an investment agreement with regional authorities. The available record does not establish which facility produced any specific pack seized in Pakistan.[28]

This distinction is central to attribution. Pakistan's enforcement record includes foreign-origin cigarettes, non-duty-paid cigarettes, and counterfeit cigarettes bearing Milano. A 2023 FBR entry from Malir described Milano among locally manufactured counterfeit brands without tax stamps. Consequently, brand appearance and confiscation can establish that Gulbahar manufactured the product and that it could have entered Pakistan illegally.[29]

5. Milano and Mond in Pakistan's Illegal Cigarette Market

Official Pakistani records show repeated and geographically dispersed enforcement encounters involving Milano and Mond. The evidence is strong enough to establish presence and movement in local Pakistani markets, as it involves being traced across the country.

Table 2. Selected official enforcement records involving Milano or Mond

Date	Location/corridor	Reported quantity	Brand reference	Evidentiary limit
June 2023	Airport Road, Quetta	3.5 million sticks, mixed brands	Milano and Mond among brands listed	No brand-specific quantity or manufacturer authentication
July-Nov. 2023	Bahawalpur, Gujranwala, Malir	Carton-level seizures and a counterfeit stock	Mond; Milano; "Mound" spelling also used	Mixed reporting; Malir entry described locally made counterfeit product
Feb. 2024	Peshawar, Multan, Sialkot	15.58 million sticks, mixed brands	Milano among local and foreign brands	Combined campaign total; no isolated Milano quantity
Jan. 2026	Kulachi, D.I. Khan to Peshawar; intercepted near Pezzu	2,000 sleeves Milano London; 6,100 sleeves Mond	Both described as foreign-origin	No exporter, importer, or brand-authentication result published

The June 2023 Quetta case is the earliest strong official record in the reviewed period. Customs Enforcement reported 3.5 million smuggled sticks on a truck at Airport Road, with Milano and Mond included among the listed brands. FBR's 2023 raid log then recorded Mond in Bahawalpur, Milano and "Mound" in Gujranwala, and counterfeit Milano in Malir.[30, 31]

In February 2024, IREN teams in Peshawar, Multan, and Sialkot confiscated 15.58 million non-duty-paid or counterfeit cigarettes of several local and foreign brands, including Milano. In January 2026, Customs Enforcement Peshawar reported recovering 2,000 sleeves of Milano London and 6,100 sleeves of Mond cigarettes, valued together at approximately Rs. 43 million, from a vehicle moving from Kulachi toward Peshawar through less-frequented routes.[32, 33]

Taken together, these records support distribution beyond one border market or province. They place the brands in Balochistan, Khyber Pakhtunkhwa, Punjab, Sindh, and interprovincial transport channels. These might not provide a reliable national sales volume, but the pattern likely identifies a Pakistani master distributor, or a group of distributors. The confiscation also establishes nationwide operations and over-the-counter availability.

6. Market Scale, Revenue Loss, and Enforcement Architecture

Pakistan's illegal cigarette market is indisputably substantial, but public estimates measure different things. The government's November 2025 enforcement statement cited nearly Rs. 250-300 billion in annual revenue loss. In April 2026, the Minister of State for Finance and Revenue stated that more than 25 percent of total production and consumption, approximately 20 billion sticks, evaded taxes and duties, causing Rs. 137-200 billion in annual loss. He also described the problem as primarily domestic tax evasion and undocumented local manufacturing, while recognizing smuggling of finished products and inputs as significant.[34, 35]

The frequently cited 54 percent figure requires qualification. A 2025 IPOR survey identified 413 brands at 1,520 outlets in 19 districts and reported that only 19 were fully compliant with Track and Trace requirements, while 286 lacked both tax stamps and approved health warnings. This measures brand availability and compliance at sampled outlets, not consumption-weighted market share. SPDC's 2025 work, based on consumption weighting and a large household/smoker survey, placed the illegal share closer to 35 percent. Contemporaneous reporting of an Oxford Economics review in 2026 cited a much higher estimate of 43.5 billion illegal sticks out of approximately 80 billion total consumption. These estimates are not directly interchangeable because their methodologies, sponsorship, and units of measurement differ. However, no matter the scale, the findings of these three independent entities establish that the illegal cigarette market is huge in Pakistan, as are the sales of illegal brands and, consequently, the scale of annual tax theft.[36, 37, 38]

Table 3. Competing estimates of Pakistan's illegal cigarette market

Source/date	Headline estimate	Measure	Interpretive caution
Government, Nov. 2025	Rs. 250-300bn annual loss	Revenue estimate	Methodology not published in the statement
Minister of State, Apr. 2026	>25%; about 20bn sticks; Rs. 137-200bn loss	Production/consumption and revenue	Official public estimate; broad range
IPOR, 2025	54%	Share of brands/noncompliance observed at retail	Not a consumption-weighted sales share
SPDC, 2025	About 35%	Consumption-weighted illegal share	Civil-society research; contests industry-linked estimates
Oxford Economics reporting, 2026	43.5bn of about 80bn sticks	Estimated consumption volume	Commissioned-study methodology and assumptions require full review

FBR's Revenue Division Year Book for FY2024-25 recorded Federal Excise Duty collection from cigarettes of Rs. 225.495 billion, compared with Rs. 235.047 billion in FY2023-24. These figures cover FED, not the full legal-sector contribution including sales tax and other payments. These figures are mostly from the two biggest cigarette manufacturing multinationals in Pakistan. The assumption of just the tax theft of nearly or over US$1 billion is credibly proven from the scale and size of the illegal cigarette market, even if the least of the three numbers, i.e., 35% from the SPDC, is considered. At the same time, the actual size of sales and trade can be three or four times the evaded tax.[39]

Pakistan has built a formal enforcement architecture. FBR's Track and Trace System was designed to electronically monitor production and affix unique tax stamps, while IREN was established in 2019 specifically to combat illegal tobacco trade. Yet repeated seizures, counterfeit factories, non-stamped retail sales, and incomplete outcome reporting show that technology and raids have not created end-to-end control.[40, 41, 42]

7. Routes, Distribution, and Structural Enforcement Gaps

Official records permit a cautious route analysis. They document foreign-origin cigarette movement inside Balochistan, a Quetta-to-Rawalpindi truck route, containers moving from Quetta toward Punjab and Khyber Pakhtunkhwa, and the Kulachi-Dera Ismail Khan-Peshawar corridor used for Milano and Mond in January 2026. These are documented inland movements. The reviewed records do not establish the original border crossing or prove that a particular consignment entered from Afghanistan rather than Iran, a port, or another route.[43, 44]

The continuation of illegal trade reflects overlapping structures: porous border and transit environments; domestic undocumented manufacturing; counterfeit production; price gaps between taxed and untaxed products; cash-based wholesale and retail channels; incomplete integration of AJK and other production locations into federal monitoring; fragmentation between customs, inland revenue, police, provincial excise, and financial-intelligence functions; and weak public visibility into prosecution, forfeiture, and destruction outcomes.

FBR has reported destruction of large seized stocks and has described the legal chain from confiscation to disposal. Nevertheless, public enforcement reporting remains weighted toward seizure announcements rather than final case outcomes. Without systematic publication of arrests, charges, convictions, penalties, beneficial owners, and destroyed quantities, deterrence cannot be assessed, and the risk of recycling or leakage from storage cannot be independently evaluated.[45]

8. Commercial Relationship with Afghanistan’s Taliban-Led Interim Administration

Official Afghan sources establish the commercial relationship.

In April 2023, the Ministry of Energy and Water signed a cooperation agreement with Haji Gulbahar Habibi, identified as head of Gulbahar Invest Company, for technical cooperation on coal- and gas-based power investment. Subsequent official meetings discussed progress and coordination.[46]

In October 2023, the Ministry of Mines and Petroleum announced a Herat cement contract with Gulbahar Group. The official announcement described a US$142 million investment and a 30-year project term. In July 2024, the Deputy Prime Minister for Economic Affairs chaired a discussion of a Gulbahar Power Private Company proposal for an initial 100 megawatts of gas-based generation, with a stated pathway toward 700 megawatts.[47, 48]

In April 2026, the economic deputy prime minister’s office approved in principle a plan for the Gulbahar Residential and Commercial Township and ordered technical, economic, social, and environmental studies. The announcement stated that the private sector had expressed interest in approximately US$8 billion of investment over 11,000 jeribs. The wording is important: it records approval in principle and investor interest, not a completed award, verified financing, or disbursed capital.[49]

These records demonstrate access to senior Taliban-era decision-makers and participation in large proposed or contracted projects. These frequent contacts demonstrate that the relationship is properly established, with tobacco revenue from Pakistan playing an important role in financing the projects. The political closeness to the Taliban, repeated official engagement, is evidence of a strong, growing business relationship with the administration, and signifies the extent of control, patronage, or security collaboration that the Gulbahar Group enjoys with the Taliban.

9. Illegal Tobacco Trade, Financial Flows, and Terrorism-Financing Risk

Illegal tobacco is internationally recognized as a financial-crime commodity rather than merely a customs or tax-enforcement problem. FATF describes the trade as highly profitable, cash-intensive, and comparatively attractive to offenders because the risks of detection, seizure, prosecution, and punishment are often lower than those associated with narcotics, weapons, or other prohibited commodities. Its assessment identifies illegal tobacco as a significant global money-laundering and terrorism-financing vulnerability extending from production and international transportation to wholesale distribution and final retail sale.

The WHO Protocol to Eliminate Illicit Trade in Tobacco Products reaches a similar conclusion from a regulatory and public-interest perspective. It recognizes that illegal tobacco deprives governments of substantial revenue while generating profits that can support transnational criminal activity. Its principal safeguards- licensing, supply-chain controls, due diligence, recordkeeping, tracking and tracing, information exchange, enforcement cooperation, and mutual legal assistance- are intended to prevent tobacco products from disappearing into undocumented commercial channels where their origin, ownership, destination, and proceeds become difficult to establish.[50, 51]

This framework is directly relevant to the repeated entry and sale in Pakistan of Milano and Mond products associated in the reviewed evidence with Gulbahar-related commercial interests. Where such cigarettes enter Pakistan without lawful import documentation, tax stamps, track-and-trace markings, or payment of applicable duties, the transaction produces two parallel consequences. The first is an immediate loss to the public exchequer. The second is the creation of an undeclared cash flow outside the regulated banking, taxation, customs, and corporate-reporting systems. Repeated consignments can generate cumulative proceeds at the importer, transporter, warehouse, wholesale, and retail levels. Those proceeds may then be divided among numerous participants, transferred through unrelated accounts, settled through hawala or hundi, carried across borders in cash, used to purchase other commodities, or mixed with legitimate business income.[52, 53]

Pakistan's Financial Monitoring Unit has documented comparable mechanisms in its hawala and smuggling typologies. These include high-value transactions inconsistent with customer profiles, multiple personal and business accounts, repeated cash deposits and withdrawals, transfers involving unrelated counterparties, border-area banking activity, clearing and forwarding agents, transport businesses, traders, property dealers, jewelers, import-export concerns, and rapid movement of funds among interconnected individuals. In one published typology, unexplained transfers from border-town branches toward a tribal-area branch raised suspicions of hawala, criminal activity, and possible terrorism financing. Although these typologies do not prove that Milano or Mond proceeds have followed the same route, they clearly demonstrate that Pakistan already confronts established financial mechanisms capable of concealing the proceeds of cross-border smuggling.

The potential risk arises from the connection between product movement and financial opacity. A network capable of repeatedly transporting untaxed cigarettes across borders, moving them through provincial transport corridors, storing them in warehouses, supplying wholesalers, and collecting cash from retail markets possesses more than a cigarette-distribution system. It possesses relationships with transporters, brokers, border facilitators, cash handlers, wholesalers, and informal settlement channels. The same commercial infrastructure could potentially be used to transfer undeclared funds, settle payments for other smuggled goods, finance corruption, purchase logistical support, or provide resources to violent non-state actors. This is a risk-based inference about network capability, not evidence that such activities have occurred in the Gulbahar case.

The absence of a public evidentiary chain should not be interpreted as evidence that Gulbahar Group is unconnected to the financial consequences of the illegal sale of Milano, Mond, or other associated brands in Pakistan. Public records reviewed for this report do not yet identify the exporter, manufacturer, financier, and ultimate beneficiary behind every seized consignment; authenticate each seized pack as genuine Gulbahar production; disclose the principal Pakistani distributors and cash handlers; or trace the resulting proceeds through accounts or informal settlement channels in Afghanistan, the United Arab Emirates, Russia, or other jurisdictions. This lack of transparency is itself a material concern.

Where cigarette brands associated with an identifiable regional business group repeatedly appear in Pakistan’s untaxed market, while the ownership, distribution, and payment chain remains concealed, the possibility that the originating commercial interests continue to benefit cannot reasonably be dismissed. No public court judgment, sanctions designation, or official Pakistani terrorism-financing finding has yet established that Gulbahar, Milano, or Mond directly financed the Taliban or any militant organization. Still, the available evidence provides sufficient grounds for a targeted financial and national-security investigation.

The pattern surrounding Gulbahar-associated brands creates a credible pathway through which illegal cigarette revenues generated in Pakistan could benefit interests operating within Taliban-administered Afghanistan and, directly or indirectly, contribute to wider security threats. Repeated seizures, continuing market availability, cross-provincial transportation, cash-based sales, opaque intermediaries, possible counterfeiting, and a commercial network extending across Afghanistan, Dubai, and Russia provide the conditions in which profits can be concealed, co-mingled with legitimate income, transferred through informal channels, or reinvested in businesses and projects under Taliban authority. Where such revenues enter the Afghan commercial system, they may generate taxes, fees, investment returns, contractual payments, or other economic benefits for institutions controlled by the Taliban administration.

Although the further diversion of these funds to militant or terrorist groups has not been publicly proven, the convergence of illegal cigarette income, concealed cross-border financial flows, Taliban-linked commercial engagement, and Afghanistan’s wider militant environment creates a sufficiently serious possibility that Pakistani authorities should treat the matter as a potential terrorism-financing and national-security exposure rather than merely a tax-evasion case.

The legally and analytically defensible conclusion is that the pattern warrants enhanced financial investigation, beneficial-ownership analysis, product-origin verification, transaction tracing, and cross-border intelligence cooperation. A direct terrorism-financing connection remains unproven; the vulnerability that would permit such financing is credible and requires investigation.

10. Economic and National-Security Implications

The fiscal harm is immediate: illegal cigarettes avoid excise duty, sales tax, customs duties, and compliance costs while reducing the legal market available to tax-paying manufacturers. The governance harm is broader. Persistent illegal distribution weakens the credibility of tax stamps, minimum-price rules, health warnings, customs controls, and the state’s capacity to convert seizures into convictions and asset recovery.

The security concern arises from the infrastructure surrounding the commodity rather than from tobacco alone. Transporters, warehouses, cash handlers, informal remitters, corrupt facilitators, and protection networks can serve multiple illegal markets. A supply chain that can move high-volume cigarettes across provinces and settle proceeds outside regulated channels may also be usable for other contraband or covert finance. That is a risk inference supported by international typologies and connects the illegal cigarette networks with a suspected militant function.

For Pakistan, the central policy problem is therefore dual: a revenue and competition problem requiring tax and customs enforcement, and a financial-intelligence problem requiring identification of beneficial owners, payment channels, asset accumulation, and cross-border counterparties.

11. Key Findings and Intelligence Gaps

Key Findings

1. **Brand attribution is established for Milano and strongly indicated for Mond.** An official trademark record links Milano to Gulbahar Tobacco International FZE; Gulbahar publicly includes both brands in its portfolio.
2. **A Habibi-family corporate nexus is documented.** UK filings show Habibi family control of Gulbahar-named entities, but the complete global beneficial-ownership structure remains unavailable.
3. **A Russian manufacturing presence is documented.** The 2019 Rostov facility is supported by regional-government reporting through Interfax.
4. **Milano and Mond are repeatedly present in Pakistan's illegal channels.** FBR and Customs records show seizures across several provinces and a documented D.I. Khan-to-Peshawar movement corridor.
5. **Counterfeiting prevents automatic attribution to the brand owner.** At least one FBR record described locally manufactured counterfeit Milano, and other releases combine genuine, foreign-origin, non-duty-paid, and counterfeit categories.
6. **Commercial dealings with the Afghan interim administration are documented.** Energy, cement, power, and township records establish official engagement, but not improper influence or financing from Pakistani cigarette sales.
7. **The market is large, but headline estimates are not methodologically uniform.** Official, civil-society, and commissioned estimates range from more than 25 percent to approximately 54 percent.
8. **A direct terrorism-financing link is not established but is probable.** International sources validate the generic risk; no transaction-level Gulbahar-specific chain is publicly demonstrated.

Priority Intelligence Gaps

- Pack-level authentication, batch codes, printing characteristics, and factory-of-origin analysis for seized Milano and Mond products.
- Exporter, importer, consignee, freight forwarder, shipping, customs, and transit documents for consignments entering Pakistan or neighboring markets.
- Complete beneficial-ownership and related-party mapping for UAE, Russian, Afghan, UK, German, and distributor entities.
- Banking, money-service-business, hawala, trade-finance, and cash-settlement records linked to Pakistani wholesale and transport networks.
- Brand-specific market volume, retail price, geographic penetration, and genuine-versus-counterfeit composition.
- Financing sources and payment schedules for Afghan projects, including whether funds originate from operating companies, lenders, partners, or internal transfers.
- Final prosecution, forfeiture, penalty, and destruction outcomes for major Pakistani seizures.

12. Conclusion

The public record establishes a meaningful intersection between Gulbahar's tobacco business, the Milano and Mond brands, Pakistan's illegal cigarette market, and Gulbahar-linked commercial activity in Afghanistan. That intersection justifies scrutiny, as the group clearly has strong connections with the Taliban in Afghanistan.

The strongest evidence concerns ownership and brand identity, manufacturing presence, official Pakistani seizures, and Afghan commercial agreements. The decisive missing evidence actually concerns authenticity, exporter and importer identity, beneficial ownership of distribution networks, and movement of proceeds. Until those gaps are closed, the most accurate formulation is that the case presents a serious cross-border tax and financial-crime risk with potential national-security implications, and a terrorism-financing case.

A credible state response must therefore move beyond periodic seizures. It must connect product forensics, customs data, financial intelligence, beneficial ownership, prosecution, asset recovery, and international cooperation into a single evidentiary chain.

13. Recommendations

1. **Establish a joint case task force.** FBR Inland Revenue, Pakistan Customs, FIA, FMU, NACTA, provincial counterterrorism departments, police, and relevant intelligence bodies should operate from a shared case file focused on named brands, transporters, wholesalers, financiers, and foreign counterparties.
2. **Authenticate seized products.** Every major Milano and Mond seizure should undergo pack, paper, filter, ink, health-warning, tax-stamp, batch-code, and factory-origin examination. Formal verification requests should be sent to the trademark owner and relevant UAE and Russian authorities.
3. **Build the trade and ownership map.** Authorities should obtain company filings, beneficial-ownership records, trademark portfolios, factory licenses, customs manifests, bills of lading, freight records, distributor agreements, and related-party transactions across the UAE, Russia, Afghanistan, the United Kingdom, and other relevant jurisdictions.
4. **Trace proceeds and settlement channels.** FMU and FIA should develop brand- and route-specific financial profiles, review suspicious transaction reporting, identify cash-intensive wholesalers and transporters, examine hawala and trade-based money-laundering indicators, and pursue restraint and forfeiture where evidentiary thresholds are met.
5. **Target documented inland corridors.** Intelligence-led operations should prioritize the Quetta-to-Punjab/Khyber Pakhtunkhwa flows and the Dera Ismail Khan-to-Peshawar corridor documented in official releases, while avoiding unsupported assumptions about the original border crossing.
6. **Publish case outcomes.** FBR and Customs should maintain a searchable public enforcement register showing seizure, authentication, arrest, charge, prosecution, conviction, penalty, forfeiture, destruction, and case-closure status. This would expose the gap between confiscation and deterrence.
7. **Strengthen imported-product controls.** Pakistan should require licensing and traceability for lawful importers, distributors, and warehouses; ensure that imported tobacco products carry verifiable markings; and integrate customs and inland-revenue data so that diversion from lawful channels can be identified.
8. **Use international cooperation mechanisms.** Pakistan should use mutual legal assistance, customs cooperation, financial-intelligence channels, Interpol mechanisms where applicable, and the WHO Protocol’s information-sharing architecture to obtain evidence of production, export, ownership, and payment.
9. **Maintain evidentiary discipline in public claims.** Government and civil-society communications should distinguish documented seizures and commercial relationships from unproven claims of corporate complicity or terrorism financing. Precision will strengthen, rather than weaken, the case for investigation.

Endnotes

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