

Increasing Use of Indian Railways for Transport of Smuggled Cigarettes

According to *Euromonitor International*, a renowned global research organization, India is now the fastest growing and the 4th largest Illegal Cigarette market in the world with illegal cigarettes now representing 1/4th of the Indian Cigarette Market. It is estimated, that the Government loses Revenue of Rs.13,000 crores per annum on account of evaded taxes by the operators of illegal cigarette trade.

Illegal cigarettes have spread across the country and Media Reports indicate frequent seizures of illegal cigarettes by the enforcement agencies from different parts of the country. However, the reported seizures are only the tip of the iceberg of a much larger operation, as for every seizure dozens of consignments escape any surveillance. This is evidenced by the wide-spread availability and ubiquitous presence of smuggled cigarettes across markets.

In the recent months there has been a spurt in seizure of smuggled cigarettes at various Railway stations across the country as per reports appearing in various National and Regional newspapers.

For example, in October 2019, a team of Railway Protection Force (RPF) has seized duplicate cigarettes worth Rs. 25 lakh from passenger coach of Electric Multiple Unit (EMU) train, running from Old Delhi to Ghaziabad Railway Station in the National Capital Region (NCR). Another RPF team recovered many contraband items, including foreign cigarettes, worth about Rs. 73 lakh in a major clampdown in Guwahati, according to some Press Reports in September 2019. In the month of July 2019, the Customs authorities in two major operations seized 13 lakh cigarettes worth Rs.2.6 crores from Krantiveera Sangolli Rayanna Railway Station in Bengaluru.

The modus operandi of the Illegal trade operators is to smuggle cigarette consignments through land routes into the country from countries like Bangladesh, Myanmar etc. and then load these illegal consignments on trains, to transport them to various parts of the country, where these smuggled cigarettes are stocked by traders and sold to consumers.

According to media reports smuggled cigarette consignments are transported via both the passenger and goods trains. Enforcement agencies have also pointed to possible gaps in security, absence of checks of cargo on goods trains etc. resulting in smuggled cigarettes being transported on Indian Trains.

Increased Vigilance Needed to Control Smuggled Cigarettes

In order to deal with the menace of smuggled cigarettes in the mammoth Indian Railways network, the Railway authorities need to heighten vigilance regarding the presence of smuggled cigarettes in consignments booked for transportation through Cargo in goods trains as well as transportation of relatively smaller consignments in passenger trains.

Further, the Railway Security establishment should create awareness among Railway officials and ground staff about the rising use of Indian Railway Network for transportation of smuggled cigarettes to different parts of the country.

TII's Interaction with Railway Officials

In a bid to sensitize the Railway Security establishment on the issue of illegal cigarette trade, The Tobacco Institute of India (TII) had an interaction with officials of the Railway Protection Force (RPF) in New Delhi recently. The crucial aspects of Illegal cigarette trade in the country were highlighted during the meeting.

Illegal Cigarette Seizures in Railways

(As Reported by Media in July-Oct.'19)

Date	Place	Value (Rs lacs)	Enforcement Agency	Source
Oct. 14, 2019	Old Delhi Rly. Stn.	25	RPF	Navodaya Times
Oct. 6, 2019	Hyderabad	7	Police	The Hans India
Sept. 24, 2019	Siliguri	-	RPF	UNI
Sept. 18, 2019	Katpadi Rly. Stn. (TN)	35	Police	DtNEXT
Sept. 14, 2019	Lumding Rly. Stn. (Assam)	12	Commercial Dept. (NFR)	The Telegraph
Sept. 5, 2019	Bengaluru	54	Customs	Deccan Herald
Sept. 4, 2019	Gorakhpur Rly. Stn.	27	Customs	Hindustan
Sept. 3, 2019	Gorakhpur Rly. Stn.	90	Customs	Hindustan
Sept. 3, 2019	Gorakhpur Rly. Stn.	52.50	Customs	Amar Ujala
August 21, 2019	Guwahati Rly. Stn.	5.5	Commercial Dept. (NFR)	NorthEast Now
August 20, 2019	Patliputra Junction, Patna	37.5	DRI & RPF	The New Indian Express
August 5, 2019	KSR Rly. Stn., Bengaluru	260	Customs	The Times of India
July 20, 2019	Guwahati	5	RPF	InsideNE
July 19, 2019	KSR Rly. Stn. Bengaluru	60	Customs	The Times of India
July 10, 2019	Pune Rly. Stn.	48	Customs	Pukar News
July 5, 2019	KSR Rly. Stn. Bengaluru	350	Customs	Deccan Herald
July 3, 2019	Bengaluru Rly. Stn.	Over 200	Customs	The Times of India