Guntur: The government is losing nearly Rs 13,000 crore annually due to boom in illegal cigarette trade, said director of Tobacco Institute of India Syed Mohammad Ahmed at a meeting held in connection with the annual TII awards for growers from AP, Telangana and Karnataka on Thursday. Stating that high taxes on cigarettes is not only helping widen the market for illegal cigarettes in India, Ahmed said, that it is also adversely affecting tobacco growers. He said any further tax increase on cigarettes will affect the offtake of Indian tobaccos and increase the stress on earnings of domestic tobacco farmers.

He urged the Centre to adopt a consultative approach for policy development on tobacco so that livelihoods of farmers are protected. tnn