

Pandemic saw rise in cigarette smuggling

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CIGARETTES were among the most sought-after products smuggled into India during the coronavirus pandemic. That's because profit margins for them are high.

As air travel and cargo movements were affected, smugglers used diverse modus operandi to bring cigarettes illegally to India majorly from Dubai (UAE), Myanmar and Nepal, the Directorate of Revenue Intelligence (DRI) has observed.

According to a report of the anti-smuggling intelligence agency, seizure of illegal cigarettes increased during the pandemic (2020-21) by nearly 20%. The agency confiscated smuggled cigarettes worth ₹76.95 crore. The value of total consignment impounded was ₹93.02 crore.

The report says smugglers used cover cargo in containerised sea cargo and trucks. It summarises that 65% of the total confiscated stock was from container concealment, 23% from vehicles, 5% from air cargo and 7% was town seizures. In the DRI's analysis, Dubai and Myanmar were the main sources of cigarettes smuggled into India.

In 2020-21, as per DRI statistics, 65% of smuggled products came from Dubai and 8% came from Myanmar. Just 1% was from Nepal. Source of 26% remain unknown.

According to The Tobacco Institute of India (TTII), illegal cigarette trade including smuggled products from abroad and locally manufactured tax-evaded cigarettes accounts for one-fourth of the cigarette industry in the country. India is considered the fourth-largest illegal cigarette market in the world.