

Crack down on smuggled cigarettes, Tobacco Board officials urge Centre

Comprising 26% of the total market in the country, the smuggled cigarettes do not comply with the country's legislations and pose a threat to farmers' livelihoods, they say

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Tobacco Board of India chairman Yashwant Kumar Chidipothu and vice-chairman G. Vasu Babu urged the Centre to crack down on the menace of illegal cigarettes, alleging that they comprise 26% of India's cigarette market.

The duo met Sunil Kumar Sinha, Principal Additional Director General, Directorate of Revenue Intelligence (DRI) in New Delhi on Tuesday and submitted a representation in this regard.

Mr. Yashwanth told The Hindu over phone that the sale of illegal cigarettes which are smuggled into the country pose a severe risk to the local farmers, economy, and society. This trade directly undermines the livelihoods of Indian FCV tobacco farmers, as smuggled cigarettes do not comply with Indian tobacco rules and guidelines framed in the country, he added.

The sale of illegal cigarettes was one of the reasons behind a reduction in demand for local produce, he said.

“These cigarettes evade quality checks and excise duties. Youth and low-income groups are being attracted to them as these illegal cigarettes are being sold at less than half the price of domestic brands. The illegal cigarette market, valued at ₹22,930 crore in 2022, has led to massive losses for government revenue and a financial blow exceeding ₹1,000 crores annually to farmers. This impacts over 35 million kg of tobacco and causes the loss of 40 million man-days of employment,” he said.

“We must act now to protect our farmers and industry. I urge authorities to close all loopholes that allow the smuggling of cigarettes,” he said.

Source: <https://www.thehindu.com/news/national/andhra-pradesh/crack-down-on-smuggled-cigarettes-tobacco-board-officials-urge-centre/article68601694.ece>