

Cigarette smuggling still booming in Chandigarh

TNN | Jun 23, 2019, 06.18 AM IST

Though illegal, but the sale of foreign-made cigarettes continues unabated in most parts of the city.



The illegal cigarette packs do not carry the cancer awareness images and warnings as mandated by the law. These contain the cancer awareness warnings in just 15% packet space, but by rules 85% of cigarettes and other tobacco product packing should be covered with warnings, graphics and images focusing on cancer.

These cigarettes are being smuggled in from countries like Malaysia and South Korea and are sold cheap due to tax evasion affording a huge arbitrage opportunity.

According to officials, many illegal distribution units have come up in Punjab and these have flooded the markets with the illegal cigarettes.

Availability of these products spreads across urban as well as rural markets. These smuggled in cigarettes carry international brands that are popular among the youth.

Another reason that makes illegal cigarettes sell more is the huge price difference between Indian-manufactured cigarettes and the smuggled ones. At the same time, the retailers benefit enormously by pushing sales of illegal cigarettes due to higher trade margin as these are offered to the retailers at a very low price. The margin behind legal cigarettes are around 20%-25% and the percentage behind illegal ones is more than 200%.

Sale of illegal cigarette among the youth is on the rise because they come in different flavours, it is way cheaper and its packaging is much attractive since it does not contain any unpleasant images on the packets, the official added.

Illegal cigarettes are thinner than regular ones and come with more than five flavours and does not have filters. Cigarette vendors in every part of the Tricity have illegal cigarettes and each one of them sells the same pack at different prices.

“All cigarettes are harmful to health. And tobacco, whether legal or illegal, contains over 4,000 chemicals. However, illegal cigarettes are made up of poor quality ingredients and can be more damaging to a person’s health than an ordinary cigarette,” said a health department official.

Chandigarh home secretary Arun Gupta, who also handles secretary (health) portfolio, said, “I am not aware of the sale of illegal cigarettes in the city, but if it is being done then strict action will be taken against those involved in this illegal practice.”

Source: <https://timesofindia.indiatimes.com/city/chandigarh/cigarette-smuggling-still-booming-in-chandigarh/articleshow/69910136.cms>