

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO-3920
ANSWERED ON-MONDAY MARCH 28, 2022 / CHAITRA 7, 1944 (SAKA)

SMUGGLING OF CIGARETTES

3920. DR. BHARATIBEN DHIRUBHAI SHIYAL.
SHRI SHANKAR LALWANI.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is losing thousands of crores in revenue every year as a result of smuggling of foreign cigarettes into India;
- (b) if so, the steps being taken by the Government to check smuggling of cigarettes;
- (c) whether the legal trade of cigarettes is continuously shrinking due to alleged smuggling; and
- (d) if so, the steps likely to be taken by the Government to protect the legitimate business?

ANSWER

MINISTER OF STATE FOR FINANCE

(SHRI PANKAJ CHAUDHARY)

- (a) Being a clandestine activity, the loss in revenue because of smuggling could not be accurately estimated in the recent years. However, field formations and Directorate of Revenue Intelligence (DRI) have seized around 14 crore sticks of cigarettes in the current financial year.
- (b) The field formations and Directorate of Revenue Intelligence (DRI) under Central Board of Indirect Taxes and Customs (CBIC), Department of Revenue, keep constant vigil. On detection of cases of attempted smuggling, action including seizure and confiscation of smuggled cigarettes and invoking penal provisions, is taken in accordance with the Customs Act, 1962.
- (c) There is no credible report/study from which any inference on the impact of smuggling of cigarettes on legal trade of cigarettes can be made.
- (d) The Government makes policy interventions. Simultaneously taking operational measures to check smuggling as well.
