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Increasing taxes on beedis is the most effective way of reducing tobacco consumption, saving lives and earning substantially higher revenues, a recent study titled "Economics of tobacco and tobacco taxation" conducted by a team of experts and funded by the Bloomberg Global Initiative to Reduce Tobacco has said.

Quoting the findings of the research paper, Healis-Sekhsaria Institute of Public Health director Dr. Prakash C. Gupta said the recommendations include increasing taxes on beedis from Rs.14 to Rs.98 per 1,000 beedis that will increase the Government revenue by Rs.36.9 billion while curbing 15.5 million premature deaths due to beedi smoking.

The report points out that by 2020, tobacco will be responsible for 13 per cent of all deaths in the country and estimates that without any intervention more than 38.4 million beedi smokers and 13.2 million cigarette smokers are likely to die prematurely due to smoking.

Further, the study recommends a five-point strategy to curtail tobacco consumption by increasing taxes on beedis and cigarettes, regulating beedi production and simplifying the current complex tax system.

### Tobacco-related deaths

"Increasing taxes on cigarettes to 78 per cent of retail price will avert 3.4 million premature tobacco-related deaths, while increasing Rs.146.3 billion in additional revenues each year. In addition, simplifying the tax system by reducing differential taxes across products will help convey a clear message that all tobacco products are harmful. Regular adjustments of tobacco taxes to account for inflation would help ensure high relative prices across tobacco products," noted the report.

Dr. Gupta added: "The recommendations made in the study should be considered while evaluating tobacco taxation in the country. Raising taxes on cigarettes and beedis would curb the premature death of millions of people in India while generating billions of dollars in additional tax revenues."

In India, beedis account for more than half of the tobacco consumed with an estimated 100 million people -- mostly the poor and illiterate -- smoking beedis. More Indians die from smoking beedis than from all other forms of tobacco combined -- Indians smoke eight times as many beedis as cigarettes.

Beedi smoking increases the risk of oral cancer, cancer of the lung, stomach and oesophagus, heart disease, chronic lung disease, asthma and tuberculosis. Beedi smoke has proven to have carcinogens, toxins and poisonous substances.

### No campaign

"While there are various campaigns and awareness drives against cigarette smoking, no one seems to be mentioning beedis, which is the biggest killer. India accounts for more than 85 per cent of the world's beedi production. Beedi smoke contains high levels of tobacco specific nitrosamines -- the two most potent cancer causing agents. It is high time the Government took beedi smoking seriously," said Dr. Gupta.