

## **PRICE ALERT: Cigarette Prices Set to Surge in Jammu & Kashmir**

***Disclaimer:** This article is for informational purposes only and does not promote or support smoking, directly or indirectly. Smoking is injurious to health.*

### **Major Cigarette Brands Face Steepest Price Hike in Recent Years**

The cigarette industry across India is undergoing one of its steepest tax-led price escalations in recent years. With the Government of India implementing significantly higher excise duties effective 1<sup>st</sup> February 2026, smokers in **Jammu & Kashmir** are likely to experience **sharp increases** in retail prices across all major brands.

### **GOVERNMENT'S NEW EXCISE STRUCTURE**

The revised duty slabs—applied over and above the 40% GST—are as follows:

- **Unfiltered cigarettes ≤ 65 mm:** ₹2.05 per unit
- **Short filter cigarettes ≤ 65 mm:** ₹2.10 per unit
- **Medium (65–70 mm):** ₹3.6–₹4.0 per unit
- **Long / Premium (70–75 mm):** ₹5.4 per unit
- **Other non-standard designs:** Up to ₹8.5 per unit

This new framework marks a major structural shift in cigarette taxation and is driving rapid price corrections across markets.

### **NATIONWIDE PRICE SURGE ALREADY UNDERWAY**

Distributors across India have begun billing retailers at new effective tax rates, resulting in:

- **RSFT (Regular Size Filter Tip):** Prices have climbed by ₹20–₹30 per pack, with individual sticks retailing at ₹12, ₹14, and ₹15 in cities like Delhi, Mumbai, and Pune.
  - **King Size Brands:** Prices are expected to touch ₹24–₹25 per unit.
  - **Overall Market:** Nationwide, cigarette packs are becoming costlier by ₹10 to ₹90, depending on the category.
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## **IMPACT ON J&K CONSUMERS**

J&K smokers are likely to experience **substantial price hikes** across all cigarette categories. Since RSFT cigarettes dominates J&K's branded consumption, the revised excise slabs make significant MRP increases **unavoidable**.

With pricing transitions accelerating at the distributor level, J&K consumers may expect a **continued upward trajectory** in cigarette prices through February and March 2026. Retailers are likely to receive updated-MRP stock in February & March depending on current inventory levels of specific brands.

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## **EXPECTED RISE OF ILLICIT CIGARETTES**

Additionally, historically whenever taxes have pushed up legal cigarette prices, sales of illicit cigarettes (untaxed and cheaper) have increased.

The widening price differential increases profit margins for illegal sellers, encouraging smuggling and counterfeiting and sale of low quality illicit cigarettes.

It is advisable for consumers to remain cautious and avoid illicit cigarettes because they are produced in unregulated environments without oversight. These products often bypass safety standards, meaning they can contain significantly higher levels of toxic chemicals and heavy metals.

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