

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1971
ANSWERED ON:06.12.2005
TOBACCO ZONES
Badiga Shri Ramakrishna

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether import of cigarettes is permitted under the import policy;
- (b) whether the Government intend to restrict of cigarettes to curb consumption of tobacco products;
- (c) whether Tobacco units are not eligible for any concession in the economic areas such as Himachal Pradesh, J&K, North Eastern States;
- (d) whether the Government has received proposals for setting up cigarette industries in these area; and
- (e) if so, the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN).

(a) Yes, Sir.

(b) India has strict mechanism for regulating and controlling domestic cigarette production, consumption and trade, as reflected through various measures such as the I(D&R) Act, 1951 and the Cigarettes and other tobacco products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003. The manufacture of cigar and cigarettes of tobacco is kept under compulsory licensing.

(c) Tobacco units are not eligible for concessions under the New Industrial Policy and other Concessions for the State of Uttaranchal and the State of Himachal Pradesh (2003) and New Industrial Policy and other Concessions for the State of Jammu & Kashmir (2002).

(d) Proposals to obtain licenses for manufacturing of cigarettes in North-East have been received by this Department.

(e) Govt. has not granted these licenses so far.