

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

UNSTARRED QUESTION NO:3820

ANSWERED ON:19.12.2006

EXPORT VARIETY OF TOBACCO

Mediyam Dr. Babu Rao;Siddeswara Shri Gowdar Mallikarjunappa

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

- (a) whether the market forces are discriminating in fixing prices and export of export variety Tobacco in between the States;
- (b) if so, the details thereof alongwith the share of exports from Karnatka and Andhra Pradesh ;
- (c) whether the PEER Committee recommended the reduction of staff in Tobacco Board and withdrawal of minimum support price of Tobacco within three years;
- (d) if so, the details thereof;
- (e) the volume of Tobacco exported during each of the last three years, State-wise; and
- (f) the steps taken by the Government to increase our exports as recommended by PEER Committee?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

a) No, Sir. No such matter has come to the notice of the Government

b) Does not arise.

c)&d) No Sir. The Committee has recommended that the production of FCV tobacco be deregulated. A transition period of three years be adopted for moving to a deregulated and market driven regime. The system of MSP be continued during the transition period. The Peer Review Committee has suggested to conduct an Internal Work Study for staff requirement, if considered necessary, after the recommendation of the Committee are implemented.

e):The estimates of exports of FCV tobacco from Andhra Pradesh and Karnataka based on the information received from the exporters during the last three years are as follows:

(Qty; tons, value: Rs. Crores)

Year	AP	Karnataka	Total
	Qty Value	Qty Value	Qty Value
2003-04	52482 324.06	46701 378.24	99183 702.30
2004-05	64192 440.78	41225 377.34	105417 818.12
2005-06	67764 460.68	41811 397.30	109575 857.90

f) : The Tobacco Board under the Ministry of Commerce provide assistance to farmers through various extension & development schemes to reorient the production of tobacco to enhance its quality and productivity in tune with the changing international demand and quality. It also participates in international trade fairs/ exhibitions to promote Indian tobacco and organizes delegations of tobacco traders and exporters to various countries. The Board also undertakes an extensive advertisement campaign in the international media to promote Indian tobacco.