

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

UNSTARRED QUESTION NO:3946
ANSWERED ON:19.12.2006
TRADING IN TOBACCO
Patel Shri Kishanbhai Vestabhai

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

(a) whether Government is contemplating permission for undertaking trading activities in tobacco products by foreign companies through RBI route; and

(b) if so, the Government's objective of discouraging consumption of tobacco is contrary to the public health policy of the Government?

Answer

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

a) FDI in wholesale / cash & carry trading of goods is allowed on the automatic route. There is no separate policy for trading of tobacco / tobacco products.

b)The cigarette consumption and trade is regulated through various measures such as Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003.