

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

UNSTARRED QUESTION NO:4017

ANSWERED ON:14.12.2001

REJECTION OF TOBACCO BY ALGERIAN COMPANY

AMBATI BRAHMANIAH;GADDE RAMAMOCHAN;KINJARAPU YERRANNAIDU;UMMAREDDY VENKATESWARLU

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

to the reply given to Unstarred Question No.5136 on August 25, 2000 regarding discontinuation of import by Algeria from India and state: (

(a) whether tobacco exported by M/s Best India Tobacco Suppliers to M/s S.N.T.A.of Algeria was rejected by M/s S.N.T.A. for reasons of quality;

(b) if so, whether either the Government of Algeria or M/s S.N.T.A.made any complaint to Government of India in this regard so far; (

(c) if so, the details thereof alongwith the action taken against M/s Best India Tobacco Suppliers; (

(d) whether the tobacco exports have been taking place since 2000 onwards without any regard to the settlement of discontinued imports of tobacco by M/s S.N.T.A. of Algeria from India; and (

(e) if so, the details of tobacco exports that have taken place for the last three years including current financial year?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) : Yes, Sir. M/s Best India Tobacco Suppliers was one of three Indian companies which entered into a contract with M/s S.N.T.A. of Algeria in 1991 for supply of 3,500 tonnes of tobacco over a three-year period. M/s S.N.T.A. had detected insect infestation on part of the consignment shipped in 1994 and claimed weight loss compensation of 230 tonnes of tobacco.

(b) & (c) : This matter was brought to the notice of the Indian Mission in Algiers by M/s S.N.T.A. Although this is essentially a commercial dispute between two companies, Government of India has acted to encourage a mutually satisfactory conclusion to the dispute. The Indian exporter has been directed by the Tobacco Board to settle the matter with the Algerian party. At a meeting convened at the highest levels in Ministry in August, 2000, the Indian exporter was asked to ensure an expeditious resolution to the dispute, with the Tobacco Board playing only the role of facilitator. However, the dispute remains unresolved till date.

(d) & (e) : M/s SNTA, which is the Algerian Government tobacco monopoly, had discontinued import of tobacco from India since 1994. According to data from the Directorate General of Commercial Intelligence & Statistics, the total tobacco export to Algeria over the period 1995-2000 was nil. In the period 2000-2001, non-Flue Cured Virginia tobacco has been exported in small quantities to Algeria. The details of tobacco export to Algeria over the past four years are as follows:

Year Quantity (Tons) Value in Rs. Crores

1998-1999	NIL	NIL
1999-2000	NIL	NIL
2000-2001	500	2.12
2001-2002		

(till July 2001) 479.36+ 2.13+

(+) Provisional Estimates