

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2097
ANSWERED ON:06.08.2010
EXCISE COLLECTION FROM TOBACCO
Jeyadural Shri S. R.

Will the Minister of FINANCE be pleased to state:

- (a) the rate of excise duties imposed on each category of tobacco products;
- (b) whether the Government has proposed to reduce such duties in future;
- (c) if so, the details thereof; and
- (d) the fiscal steps taken or proposed to be taken to help the industry and the farmer concerned in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S. PALANIMANICKAM)

- (a) The rates of basic excise duty on some important categories of tobacco products are as under:

The rate of basic excise duty on cigarettes ranges from Rs. 509 per thousand sticks to Rs. 1948 per thousand sticks. On non-smoking tobacco, the basic excise duty rate ranges from 50% to 60% ad valorem. Biris, other than paper rolled biris, manufactured without the aid of machine attract a basic excise duty of Rs. 8 per thousand sticks while others attract a basic excise duty of Rs. 19 per thousand sticks.

- (b) No Sir. Such measure has not been proposed by the Government.
- (c) Does not arise in view of (b) above.

(d) Excise duty is levied on manufacture and farmers are not subject to this levy. However, there is no such proposal under consideration of the Government at this stage.