

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2026

ANSWERED ON:02.12.2011

TAX ON TOBACCO PRODUCTS

Patasani Dr. (Prof.) Prasanna Kumar;Ray Shri Rudramadhab

Will the Minister of FINANCE be pleased to state:

- (a) the rates of tax applicable to tobacco products in the country, item-wise;
- (b) whether taxation regime of tobacco products is discriminatory between different tobacco products;
- (c) if so, the details thereof;
- (d) whether any survey has been done to find out consumption of various tobacco products by adults in the country; and
- (e) if so, the details thereof product-wise alongwith the reaction of the Government thereto?

Answer

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

- (a): The rates of basic excise duty are attached as ANNEXURE.
- (b): Although the rates of excise duty vary from product to product, this is because of differences in their nature and ability to bear the tax burden.
- (c): Does not arise in view of (b) above.
- (d): Yes, Madam. The Ministry of Health and Family Welfare has conducted the `Global Adult Tobacco Survey (GATS) - India, 2010`.
- (e): The Survey Report is in the public domain. As per the Survey Report more than one-third (35%) of adults in India used tobacco in some form or the other. Among them, 21 % adults used only smokeless tobacco, 9 % only smoke and 5 % smoke as well as consume smokeless tobacco. Several measures such as printing of statutory and pictorial warning on packs, ban on smoking in public places, ban on sale of tobacco products to minors and in the vicinity of schools etc to curb tobacco consumption are already in place.