

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1033  
ANSWERED ON:28.11.2014  
TAX ON TOBACCO PRODUCTS  
Panda Shri Baijayant "Jay"

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government is considering imposing higher tax on beedis or smokeless tobacco to curb their consumption;
- (b) if so, the details thereof;
- (c) if not the reasons therefor; and
- (d) the measures taken or proposed to be taken to adopt a comprehensive taxation policy for all tobacco products and discourage the tendency of switching over to relatively cheaper tobacco products?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

- (a): As of now there is no proposal under consideration to impose higher tax on beedis or smokeless tobacco to curb their consumption.
- (b) & (c): Do not arise in view of (a) above.
- (d): In the Budget 2014-15, Excise Duty on cigarettes was increased by 72% for cigarettes of length not exceeding 65 mm and by 11% to 21% for cigarettes of other lengths. Similar increases were made on cigars, cheroots and cigarillos. Basic excise duty on pan masala was increased from 12% to 16%, on unmanufactured tobacco from 50% to 55% and on jarda scented tobacco, gutkha and chewing tobacco from 60% to 70%.