

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION**

LOK SABHA

**UNSTARRED QUESTION NO. 4280.
TO BE ANSWERED ON MONDAY, THE 12TH DECEMBER, 2016.**

BAN ON FDI IN TOBACCO SECTOR

4280. SHRI B. VINOD KUMAR:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether there is a proposal to completely ban Foreign Direct Investment (FDI) in the tobacco sector as part of India's commitments as a signatory to the World Health Organisation's (WHO) Framework Convention on Tobacco Control; and
- (b) if so, the details thereof along with the possible impact on farmers who are engaged in tobacco farming in the country?

ANSWER

वाणिज्य एवं उद्योग राज्यमंत्री (स्वतंत्र प्रभार)(श्रीमती निर्मला सीतारमण)

**THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)**

- (a): As per the extant FDI policy on tobacco sector, FDI is prohibited in manufacturing of cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes. FDI in trading of tobacco products is governed by general FDI policy on trading sector. As regards proposal to completely ban FDI in tobacco sector, it is stated that review of FDI policy on different sectors is a continuous process and the Government has not taken any decision in the matter.
- (b): Does not arise.
