

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO-2147**  
ANSWERED ON – 22.03.2022

**TAX ON TOBACCO PRODUCTS**

**2147 Shri Tiruchi Siva:**

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

- (a) whether Government is of the view that increasing taxes on tobacco products can reduce the consumption;
- (b) if so, the steps taken in this regard;
- (c) whether Government has carried out any studies to determine that increasing prices of tobacco products reduce the consumption; and
- (d) if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) and (b): Tax and Price Policies are recognized to be effective means of influencing the demand for tobacco products. The Central Excise Duty is reviewed periodically as a part of Union Budget taking all relevant aspects into account

(c) and (d): In the year 2015, the Report on Tobacco Taxes in India: An Empirical Analysis was commissioned by Ministry of Health & Family Welfare, Government of India, supported by WHO Country Office for India and developed by Institute for Studies in Industrial Development and Public Health Foundation of India.

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