

ITA demands RoDTEP scheme for tobacco

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Vijayawada: The Indian Tobacco Association (ITA) has appealed to the Union Government to include tobacco in the Remission of Duties or Taxes on Export Product (RoDTEP) Scheme and encourage exports through aggressive promotional schemes.

ITA president Maddi Venkateswararao said the economy of several countries is based on tobacco, like Brazil, Zimbabwe, Malawi and Thailand. India is well-positioned to become a major player in the global tobacco market “if it can harness the emerging opportunities through price competitiveness.”

He said the steep increases in the cost of cultivation, transportation and logistics have adversely impacted the price competitiveness of Indian tobacco.

Rao, ITA vice president Md Mustafa, Rayapti Jeevan and other ITA functionaries said the association submitted representations through the Tobacco Board against non-inclusion of tobacco in RoDTEP benefits. ITA representatives met central ministers and officials in this regard, but in vain.

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They said the global competitiveness of Indian tobacco industry has been affected due to factors like subsidies being provided to tobacco in countries like Zimbabwe, Tanzania, EU and the US, the duty free regime in EU for imports from least-developed countries such as Bangladesh, Nepal and Malawi and the prevalence of a tariff rate quota in the US wherein the American market is accessible at concessional import duty rate by countries like Argentina, Brazil, Thailand etc while non-quota imports from countries like India are taxed at an ad-valorem rate of 350 per cent.

The ITA leaders urged the Union Government to give extension of benefit under RoDTEP to the tobacco sector, eminently aligned to meet the objectives of the foreign trade policy to boost Forex and income generation for farmers.

Source: <https://timesofindia.indiatimes.com/city/vijayawada/tobacco-crop-size-hiked-to-130-million-kg-for-2021-22/articleshow/85381107.cms>