

[AS PASSED BY THE SENATE]

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*further to amend the Pakistan Tobacco Board Ordinance, 1968*

**WHEREAS** it is expedient further to amend the Pakistan Tobacco Board Ordinance, 1968 (I of 1968);

It is hereby enacted as follows:-

**1. Short title and commencement.**-(1) This Act may be called the Pakistan Tobacco Board (Amendment) Act, 2017.

(2) It shall come into force at once.

**2. Amendment of section 2, Ordinance I of 1968.**- In the Pakistan Tobacco Board Ordinance, 1968 (I of 1968), in section 2, for clause (f), the following shall be substituted, namely:-

“(f) "Tobacco" means the commodity made from any part of the plant "Nicotiana Tabaccum" or "Nicotiana Rustica", used or consumed in the manufacture of cigarettes or any other tobacco product or by-product through any other modes, forms and processes:

Provided that Cess, Taxes, and duties will be levied at different rates on different parts of different types of the tobacco plants”.

**STATEMENT AND OBJECTS OF REASONS**

Pakistan Tobacco Board (PTB) has been established as a Semi-Autonomous Body under the Administrative Control of Ministry of Commerce through Ordinance No. I of 1968, dated 08-02-1968 for promotion of the cultivation, manufacture and export of tobacco, tobacco products and matters ancillary thereto, alongwith the national interest of Pakistan in relation to economic and financial stability.

2. In the past, Peshawar High Court has instructed to bring about appropriate amendment in the definition of tobacco [Section 2 (f)] in the PTB Ordinance, 1968 (amended through presidential Ordinance, 1972) through the Federal Government. PTB has also been facing unnecessary litigation in the courts, observations of Audit in DAC and PAC on one hand and perennial disputes with tobacco dealers, contractors and manufacturers of by-products like Khaka Khara and Rorh on the other.

3. The proposed amendments are essential to achieve the objectives as under:-
- (i) To enable PTB to wind up the court cases and audit paras which came to the surface directly or indirectly due to the limited scope of the definition of tobacco in the PTB Ordinance, 1968.
  - (ii) To broaden the scope of definition of tobacco in accordance with the modern day requirements of tobacco industry; and to make it comprehensive and inclusive of all parts of the tobacco plant, its products and by-products made thereof.

**MUHAMMAD PERVAIZ MALIK**  
Minister for Commerce and Textile  
Minister-in-charge