

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

LOK SABHA
UNSTARRED QUESTION NO. 2575
TO BE ANSWERED ON THE 5TH AUGUST, 2025

TOBACCO PROCESSING AND VALUE-ADDITION INFRASTRUCTURE

2575. DR. BYREDDY SHABARI:
SHRI APPALANAIDU KALISSETTI:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) the details of farm-to-factory linkages created to ensure higher returns for tobacco farmers by promoting value-added tobacco production, year-wise and State-wise, particularly for Andhra Pradesh;
- (b) the quantum of investment facilitated by the Government over the past five years for establishing domestic tobacco processing and value-addition infrastructure, State-wise;
- (c) the specific measures undertaken by the Government to protect tobacco farmers from global price volatility and ensure price stability; and
- (d) whether the Government has any plans to further strengthen and expand such domestic farm-to-processing linkages to enhance farmer incomes sustainably, and if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) to (d): The Department of Agriculture & Farmers Welfare is not implementing any programme / scheme for promotion of tobacco/tobacco cultivation in the country.

The Tobacco Board under the Ministry of Commerce and Industry is mandated to regulate production and marketing of Flue cured Virginia (FCV) tobacco. The Board as per its mandate plans the FCV tobacco crop size, a season ahead and regulates its production. Subsequently, Tobacco Board conducts e-auctions for ensuring fair and remunerative prices to farmers and assured supply of tobacco to traders.

The Tobacco Board does not directly deal with farm-to-factory linkages to ensure higher returns for tobacco farmers by promoting value-added tobacco production. However, the Board has taken measures to improve its marketability in line with the international customer requirements thereby ensuring the realization of the better prices for the FCV tobacco produced by the farmers. Further, the Board has also taken necessary measures to protect the farmers from global price volatility to ensure the price stability. Due to focused efforts, the FCV tobacco farmers were able to increase their income since 2020-21 and the export revenue also more than doubled during this period. The farmer prices (average) for their FCV tobacco produce increased from Rs. 135.24 per kg in 2020-21 to Rs. 279.54 per kg in 2023-24. The value of export of tobacco and tobacco products also increased from Rs. 6,496.99 Crore in 2020-21 to Rs. 16,728.02 Crore in 2024-25.

Further, ICAR-National Institute for Research on Commercial Agriculture (NIRCA), Rajahmundry is involved in research through varietal development, production & protection technologies and leaf quality in different types of tobaccos grown in different climatic zones of India. ICAR-NIRCA is actively disseminating technologies and good agricultural practices to farmers.