



TOBACCO BOARD

ANNUAL REPORT
2022-23



TOBACCO BOARD INDIA

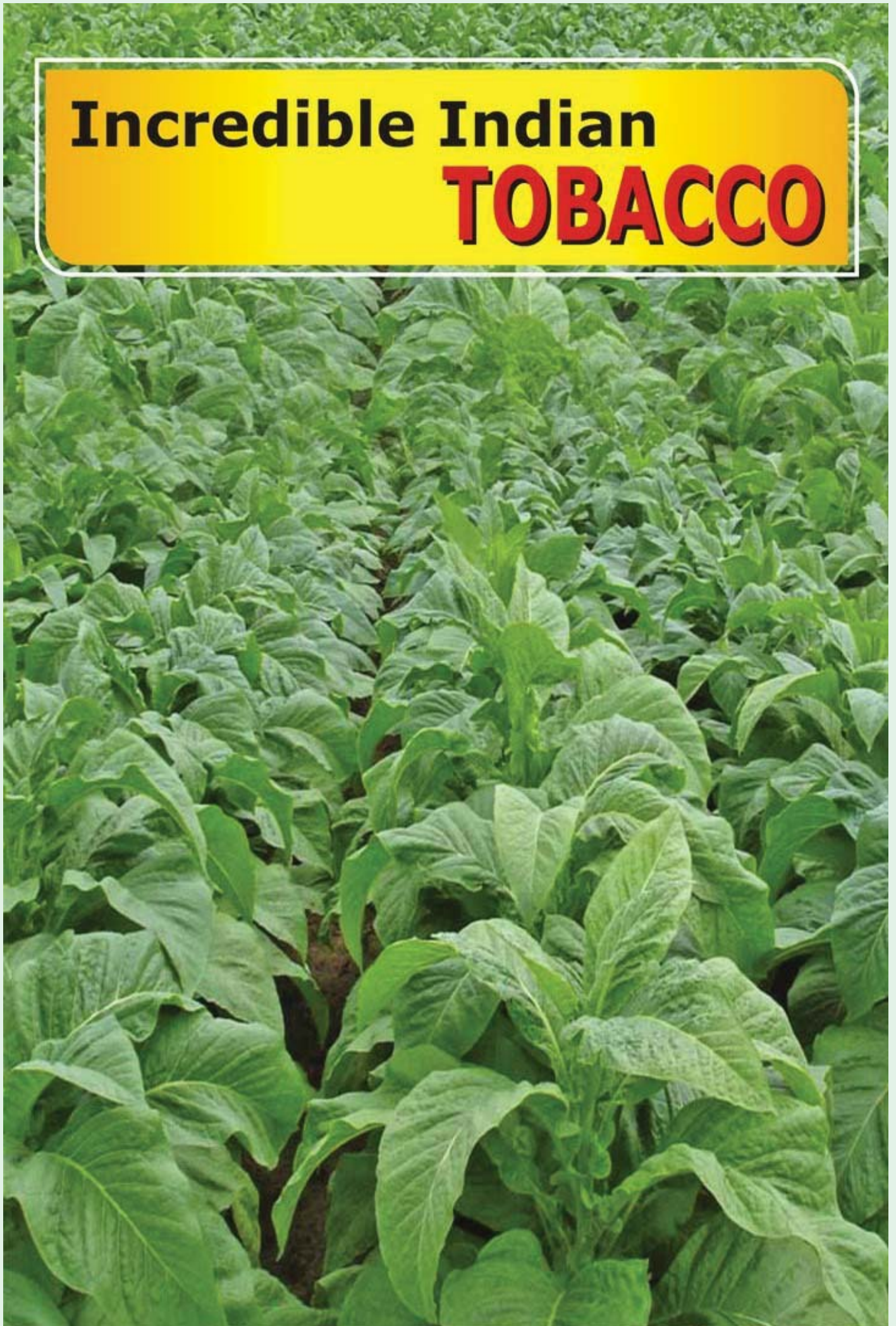
(An ISO 9001:2015 Certified Organization)

Ministry of Commerce & Industry

Department of Commerce, Government of India



Incredible Indian TOBACCO



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BOARD COMPOSITION

As on 31/03/2023

For the period under review, the Board was constituted as here under:

Chairman, appointed under section 4 of sub section 4 (a) by the Govt. of India;

Dr. K.N.Raghavan, I.R.S. Chairman, Tobacco Board

Members appointed under section 4 of sub section 4 (b) by the Govt. of India;

Shri Aravind Dharmapuri, Hon'ble Member of Parliament (Lok Sabha)

Shri Vallabhaneni Balashowri, Hon'ble Member of Parliament (Lok Sabha)

Shri G.V.L.Narasimha Rao, Hon'ble Member of Parliament (Rajya Sabha)

Members appointed under section 4 of sub section 4 (c) by the Govt. of India;

Shri Vijay Raj Mohan, Director (Trade- dealing with Agriculture), Govt. of India, Ministry of Agriculture.

Shri Praveen Kumar, I.A.S, Director (dealing with Commerce), Govt. of India, Ministry of Commerce & Industry, Department of Commerce.

Dr.C.Vanlal Ram Sanga, Economic Adviser (dealing with Finance), Govt. of India, Ministry of Commerce & Industry, Dept. of Commerce.

Shri Sampa Saha, Director (dealing with Industrial development) Govt. of India, Ministry of Commerce & Industry, Department of Industry.

Shri Maganti Seshu Madhav, Director, Central Tobacco Research Institute, Rajamahendravaram

Shri S.J.Solanki, I.A.S, Director of Agriculture, Govt. of Gujarat.

Dr. G.T.Puthra, Director of Agriculture, Govt. of Karnataka.

Smt. Poonam Malakondaiah, I.A.S, Special Chief Secretary, Dept., of Food, Agriculture & cooperation, Govt. of Andhra Pradesh.

Members appointed under section 4 of sub section 4 (d) by the Govt. of India;

Shri V.V.Deshmukh, - Director of Agriculture, Govt. of Maharashtra

Dr.M. Muthukumar, - Director of Agriculture & Food Products, Govt. of Odisha

Members appointed under section 4 of sub section 4 (e) by the Govt. of India;

Shri H.C.Basavaraju, Vice Chairman

Shri Mareddy Subrahmanyeswara Reddy

Shri Poda Vara Prasada Rao

Shri H.R.Dinesh

Shri Mittapalli Ramesh Babu

Shri Koppuravuri Ramesh Babu

Shri Vikramraj G.C.

Shri Boddapati Brahmaiah

Shri Gutta Vasu Babu

Shri B.Ramesh Pai

Member, appointed under section 4 of sub section 4 (f) - ex-officio by the Govt. of India;

Dr. Nadendla Vijaya Lakshmi, I.A.S, Agricultural Marketing Adviser to the Govt. of India

Member, appointed under section 4 of sub section 4 (g) - ex-officio by the Govt. of India;

Dr. Sridhar Babu Addanki, I.A.S, Executive Director, Tobacco Board, Guntur.

SENIOR MANAGEMENT

Chairman:	Dr. K.N. RAGHAVAN, I.R.S.
Executive Director:	Dr. ADDANKI SRIDHAR BABU, I.A.S
Director (Auctions):	Smt. M. ASHWINI NAIDU, I.F.S.
Manager (Auctions) & Secretary i/c:	Shri D. VENUGOPAL
Manager (Finance & Accounts) i/c	Smt. M. RATNABAYAMMA
Manager (Marketing & Exports)	Shri B. SYAM PRASAD
Manager (Production) and Regional Manager (SBS & SLS, Ongole)	Dr. M. KRISHNA SRI
Manager (Extension)	Shri G. DAMODAR
Manager (GWF)	Shri B. MARANNA
Manager (Technical)	Shri H.K. GOPAL
Regional Manager (Mysuru & Periyapatna)	Shri M. LAKSHMANA RAO
Regional Manager (NLS - Rajamahendravaram)	Shri G.L.K. PRASAD
O.S.D. (Vigilance Squad)	Shri G. BULLI SUBBA RAO
Personnel Officer	Shri A.V.S. RAMAKRISHNA REDDY
Asst. Manager (Planning & Coordination)	Shri Y.V. NAMASSIVAYA

Personnel:

Senior Level Management :	67
Middle Level Management :	64
Junior Level Management :	146
Total :	277

Postal Address:

Tobacco Board
Govt. of India, Ministry of Commerce & Industry
Department of Commerce, Post Box No. 322,
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CORPORATE GOVERNANCE



Dr. K.N. RAGHAVAN I.R.S.
CHAIRMAN



Dr. ADDANKI SRIDHAR BABU, I.A.S.
EXECUTIVE DIRECTOR



Mrs. M. ASHWINI NAIDU, I.F.S.
DIRECTOR (AUCTIONS)



D. VENUGOPAL
MANAGER (AUCTIONS)
& SECRETARY I/c



B. SYAM PRASAD
MANAGER
(MARKETING & EXPORTS)



Dr. M. KRISHNA SRI
MANAGER
(PRODUCTION) and
REGIONAL MANAGER I/c
(SBS & SLS – ONGOLE)



G. DAMODAR
MANAGER
(EXTENSION)



B. MARANNA
MANAGER
(GWF)



M. RATNABAYAMMA
MANAGER
(FINANCE & ACCOUNTS) I/c



H.K. GOPAL
MANAGER (TECHNICAL)
Directorate of Auctions,
BENGALURU



M. LAKSHMANA RAO
REGIONAL MANAGER
MYSURU & PERIYAPATNA



G.L.K. PRASAD
REGIONAL MANAGER
Rajamahendravaram

Tobacco Board's Activities during 2022-2023 - A Review

Tobacco Board was constituted by the Government of India, under "TOBACCO BOARD ACT, 1975", for overall development of the Tobacco Industry. The Board's primary role is to facilitate smooth functioning of the vibrant farming system; ensure fair and remunerative prices to tobacco farmers and promotion of exports.

Tobacco is one of the important commercial crops grown in India. It provides employment directly and indirectly to 46.00 million people and ₹9,739.75 crore in terms of foreign exchange to the National exchequer, during 2022-23. India is the 2nd largest producer of Tobacco and 4th largest exporter of unmanufactured tobacco in the world. India produces different styles of FCV tobacco, which vary in their physical and chemical characteristics. Indian tobacco is exported to over **125** countries across the globe. FCV tobacco is grown in Traditional Black Soils (TBS), Northern Light Soils (NLS), Southern Light Soils (SLS) and Karnataka Light Soils (KLS). The tobacco produced in India has a wide range in quality such as semi-flavourful to flavourful (NLS & ELS), quality neutral filler (KLS & SLS) and good filler (TBS) styles. During 2022-23 crop season, Tobacco Board has fixed a crop size of **242 million kg** for cultivation of FCV tobacco which is more than 15 million kg when compared to previous year of 227 million kg. Tobacco Board incurred an expenditure of ₹411.64 lakh on extension and development schemes for improvement of yield and quality of tobacco. During the year 2022-23, the Board marketed a quantity of **193.73 million kg** in its auction platforms in both Andhra Pradesh and Karnataka at an **average price of ₹195.95 per kg** as against **183.05 million kg** marketed at an average price of ₹153.89 per kg during the year 2021-22. India has a fairly diversified base of production for exports and provides a one-stop shop for different styles, qualities and price ranges. Indian exports of unmanufactured tobacco and tobacco products have registered the highest ever exports of 1213.37 million USD during 2022-23 registering a growth of 31% over the exports made during 2021-22 and also achieved the export target set for 2022-23.

The Board has been privileged with coveted ISO 9001:2015 certificate in recognition of its quality services to growers and its activities related to the development of Tobacco Industry from M/s DNV - Business Assurance and the certificate is valid till 18/03/2025.

MEETINGS DURING 2022-2023

(From 01/04/2022 to 31/03/2023)

A) Statutory meetings:

Three Board Meetings and two committee meetings were held.

Board Meetings:

1. The 158th Meeting of the Board was held on 8th June, 2022 (Wednesday) through hybrid mode.
2. The 159th Meeting of the Board was held on 15th July, 2022 (Friday) through hybrid mode.
3. The 160th Meeting of the Board was held on 10th December, 2022 (Saturday) through hybrid mode.

Registration Committee for Growers and Others:

1. The 97th meeting of the Registration Committee for Growers and Others was held on 15/07/2022 at Head Office, Guntur

Registration Committee for Traders and Manufacturers:

1. The 47th meeting of the Registration Committee for Traders and Manufacturers was held at Guntur on 28/09/2022.

B) Non Statutory meetings:

1. A meeting was conducted on 22/04/2022 at Head Office, Guntur with Trade & Growers Representatives to study the feasibility of completion of auctions in 100 days.
2. A meeting was conducted on 30/06/2022 at Head Office, Guntur with ITA & Trade Representatives to discuss on on-going 2021-22 Andhra Pradesh FCV tobacco auctions.
3. A meeting was conducted on 26/08/2022 through video conference with Grower Representatives and ITA & Trade Representatives to discuss the issues related to commencement of auctions for sale of 2022-23 Karnataka FCV tobacco crop.
4. A meeting was conducted on 25/10/2022 at Head Office, Guntur with ITA and Trade representatives to discuss on on-going 2022-23 Karnataka FCV tobacco auctions.
5. A meeting was conducted on 30/01/2023 at Rythu Bhavan, Tobacco Board, Guntur with Growers representatives in Andhra Pradesh and the ITA & Trade representatives to discuss on commencement of auctions for sale of 2022-23 FCV tobacco crop in Andhra Pradesh.

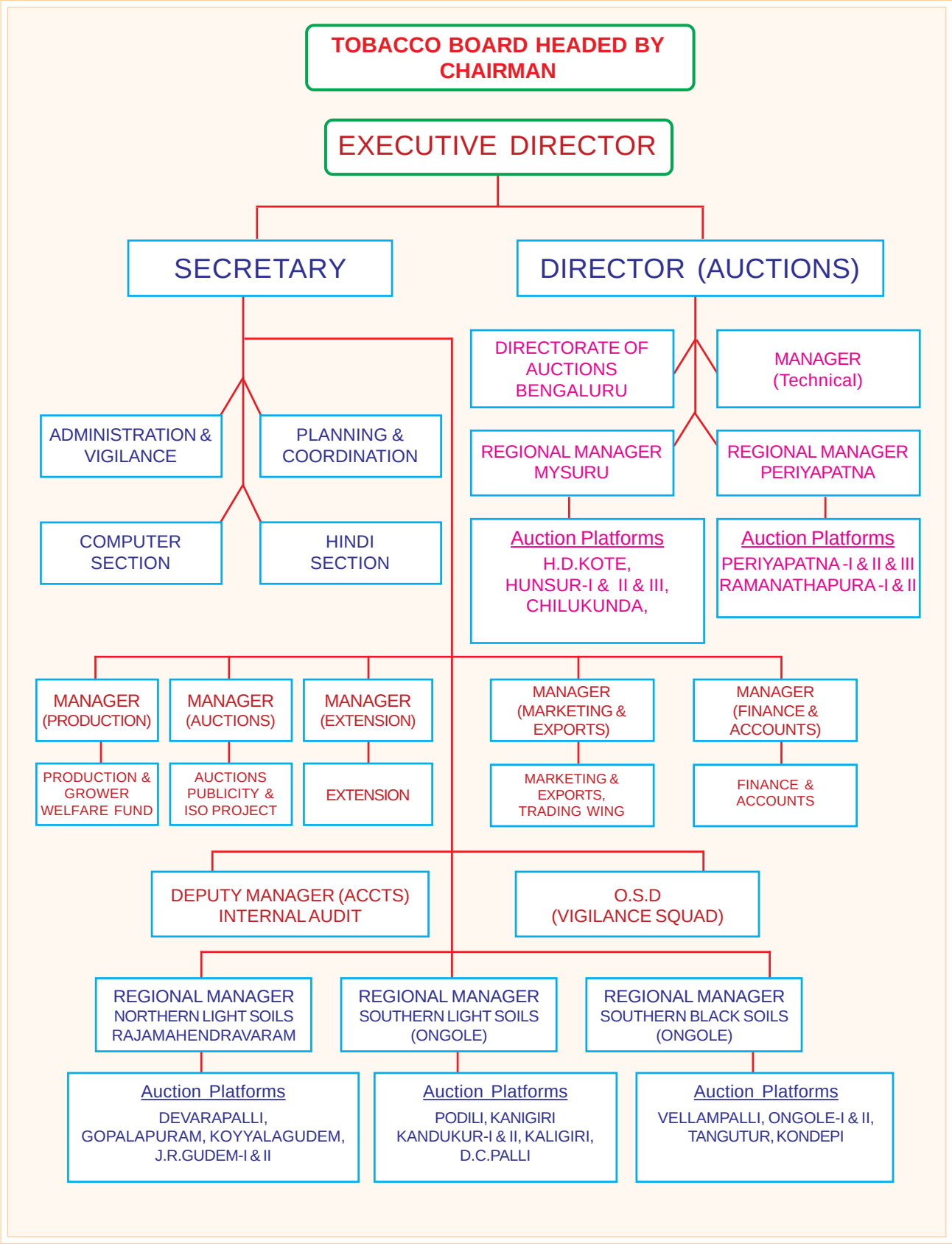


Dr. K.N. Raghavan, I.R.S, Chairman, Tobacco Board, Shri G.V.L. Narasimha Rao, Hon'ble Member of Parliament (Rajya Sabha) and Member-Tobacco Board, Dr. Sridhar Babu Addanki, I.A.S, Executive Director and Members of the Board participated in 160th Board Meeting held on 10/12/2022 at Guntur.

STATEMENT SHOWING THE SANCTIONED & EXISTING STRENGTH AS ON 31/03/2023

Sl. No.	Name of the Post	TOTAL	
		Sanctioned	Existing
GROUP-A - SENIOR LEVEL MANAGEMENT			
1	Chairman	1	0
2	Executive Director	1	1
3	Director (Auctions)	1	1
4	Secretary	1	0
5	Manager / Regional Manager	10	8
6	Deputy Manager(Accts)	1	0
7	Auction Superintendent/SGO	55	46
8	Assistant Manager(Accts)	33	11
9	Statistical Officer	1	0
10	Systems Analyst	1	0
Sub-Total		105	67
GROUP-B - MIDDLE LEVEL MANAGEMENT			
11	Programmer	1	0
12	Hindi Officer	1	0
13	P.S. to Chairman	1	0
14	Field Officer/Tech. Assistant	88	41
15	Senior Translator	1	1
16	Stenographer-Grade-I	1	1
17	Accountant	33	19
18	Senior Investigator	1	0
19	Assistant	13	0
20	Statistical Assistant	1	1
21	Care Taker	1	0
22	Stenographer Grade-II	3	1
23	Special Grade Driver	1	0
Sub Total		146	64
GROUP-C - JUNIOR LEVEL MANAGEMENT			
24	Computer Operator	27	16
25	Stenographer Grade-III	4	3
26	Upper Division Clerk (U.D.C)	43	16
27	Sr. Field Assistant	45	6
28	Field Assistant	158	36
29	Lower Division Clerk (L.D.C)	52	34
30	Hindi Typist	2	1
31	Driver	31	11
32	Gestetner Operator	1	0
33	Multi Tasking Staff	140	23
	Sub-Total	503	146
	GRAND TOTAL	754	277

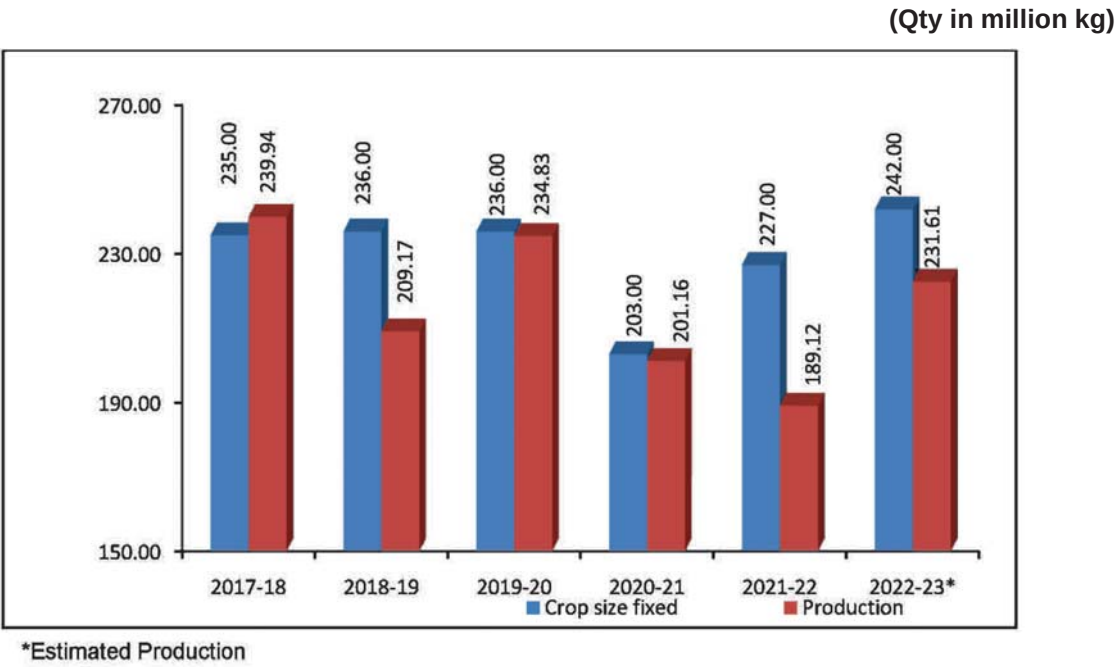
ORGANISATIONAL CHART OF TOBACCO BOARD



CROP PLANNING AND REGULATION

I) TRENDS IN PRODUCTION OF FCV TOBACCO IN INDIA

FCV tobacco production in the last six years had been fluctuating from year to year. These wide fluctuations reflect weather impacts on yield as well as market dynamics in terms of price elasticity of supply. FCV tobacco production has registered a Compound Annual Growth Rate (CAGR) of -4.65% during the last 5 years (i.e., from 2017-18 to 2021-22) and -0.59% including the year 2022-23.



II) FCV TOBACCO PRODUCTION POLICY FOR 2022-23:

During 2022-23 crop season, Board in its 157th meeting held on 18/02/2022 fixed a crop size of 100 million kgs for Karnataka as against 97 million kgs fixed during 2021-22 crop season. In Andhra Pradesh, Board in its 159th Board meeting held on 15/07/2022 fixed crop size of 142.00 million kgs for cultivation of FCV tobacco during 2022-23 crop season as against 130.00 million kgs fixed during 2021-22 crop season.

Tobacco Board had fixed a total crop size of 242 million kgs for cultivation of FCV tobacco during 2022-23 crop season as against 227.00 million kgs fixed during 2021-22 crop season. The soil region wise crop size fixed during 2022-23 crop season in comparison with 2021-22 crop season is as follows:

Soil Region	2022-23 crop season (million kg.)	2021-22 crop season (million kg.)
NLS Region	49.31	44.71
SLS Region	48.16	43.68
SBS Region	41.19	37.46
NBS Region	3.34	4.15
Sub Total	142.00	130.00
KLS Region	100.00	97.00
Grand Total	242.00	227.00

III) PRODUCTION POLICY FOR 2022-23 - HIGHLIGHTS:

The Board's policy framework for regulating production during 2022-23 crop season is as follows:

- I) The objective of the policy is to regulate the area under cultivation of FCV tobacco while concentrating on quality of product with focus on controlling excess and unauthorized cultivation of tobacco.
- II) Area under FCV tobacco cultivation shall be reduced and diverted to other alternate crop/ cropping systems.
- III) The excess production shall be dealt sternly to limit the production strictly to the crop size fixed so as to ensure fair and remunerative prices to the growers.
- IV) The FCV tobacco cultivation shall not be allowed to be taken up in saline areas, paddy fallows and unsuitable soils to avoid quality problems. These areas shall be diverted to other crops.
- V) Stringent action shall be initiated, as per the Board Act and Rules made there under, against the growers who are constructing / constructed unauthorized barns and are taking up unauthorized cultivation of tobacco.

REGISTRATION CRITERIA FOR 2022-23 - HIGHLIGHTS:

The following criteria were laid down for renewal of registration or registration of growers during 2022-23 crop season.

- All growers/barns registered with the Board in 2021-22 crop season are eligible for renewal of registration in 2022-23 subject to the condition that the growers shall possess a fit barn and suitable lands for growing Virginia tobacco on his own or taken on lease and should not have violated Tobacco Board Act or Rules made there under.
- No new growers will be permitted to take up FCV tobacco cultivation by constructing new barns and no new areas will be allowed for FCV tobacco cultivation. (Construction of new barns will not be licensed).

- Growers registered in 2021-22 but have outstanding dues / to pay penalties / involved in barn disputes / to repair unfit barns / to submit certain documents for transfer of registration shall fulfill these conditions before stipulated date for grant of renewal of registration.
- Grower applicants who are registered in 2021-22 crop season and submitted Form-II & III returns in proof of cultivation and curing of tobacco but have not sold tobacco on the auction platforms will be considered for registration subject to payment of stipulated penalties.
- Grower applicants who are registered in 2021-22 crop season but have sold less than 25% and 50% of the quota than declared quota in Form-III returns will be considered for registration subject to payment of stipulated penalties.
- Registered grower owning an unauthorized barn on his own or on the name of his family members shall have to dysfunction the unauthorized barn and submit the affidavit stating that the barn will not be renovated again in future to be eligible for grant of renewal of registration.
- Grower applicants applied without support of licensed curing facility (barns)/unauthorized barns/ barns ineligible for registration / seeking license for construction of new barns / indulged in activities which are in violation of Tobacco Board Act, Rules & Regulations are ineligible for registration during 2022-23 crop season.
- As per directions of Govt. of India vide letter No.9/11/2016-EP (Agri-III), dated 14/06/2021, Board permitted shifting of barns within same soil region in Karnataka and Andhra Pradesh during 2022-23 crop season.

IV) SOIL REGION WISE AREA AND PRODUCTION QUOTA AUTHORIZED FOR 2022-23:

The soil region wise area authorized for cultivation and quota authorized for production per barn in Andhra Pradesh and Karnataka during 2022-23 crop season are as follows:

Andhra Pradesh

The Registration Committee in its 97th meeting held on 15/07/2022 at Head Office, Guntur fixed production quota per barn soil region wise in Andhra Pradesh as follows and also decided to allot NIL planted grower quota and left over crop size to the growers of same soil region, who are registered and submitted Form-II returns, planted tobacco during 2022-23 Andhra Pradesh crop season as like 2021-22 crop season. As per the decision of Registration Committee, the nil planted grower's quota and left over crop size was distributed to the growers who have planted tobacco of same soil region. The soil region wise final quota authorized per barn during 2022-23 Andhra Pradesh crop season after distribution of Nil Planted growers quota and left over crop size are as follows:

Soil Region	Area Registered (ha)		Production Quota (Kg/Barn)		
	2022-23	2021-22	2022-23		2021-22
			Initial quota authorized per barn (kg)	Final quota after distribution of Nil Planted growers quota & left over crop size	
Northern Light Soil (NLS)	1.60	1.40	3500	3656	3439
Southern Light Soil (SLS)	2.90	2.50	3650	3821	3879
Southern Black Soil (SBS)	1.90	1.70	3550	3570	3510
Northern Black Soil (NBS)	1.30	1.40	2400	3406	3200

* N.L.S. includes ELS also

Karnataka

The Committee for Registration of Growers and Others in its 96th meeting held on 28/02/2022 at auction platform No.20, Ongole-I has laid down criteria for registration/renewal of registration as growers of Virginia tobacco and grant of license for operation of barns in Karnataka for 2022-23 crop season. The Registration committee also decided that the leftover quota arrived from the barns having break-in more than three years, shall be distributed to all the registered growers who planted tobacco. Also decided that the nil planted growers quota shall be distributed @100 kg / barn to progressive Farmers and then if any quota of nil planted growers is left, it shall be distributed to all the registered growers who planted tobacco for 2022-23 Karnataka crop season same as last year.

The Registration Committee in its 97th meeting held on 15/07/2022 has discussed on the said subject matter and noted that out of 824 progressive Farmers to whom an additional quota of 100 kg / barn was given from 'Nil' planted growers quota during 2021-22 Karnataka crop season, 19 growers have not sold any tobacco and 92 growers have sold less than 50% of the quota in 2021-22 Karnataka auctions. The committee after discussions authorized the Executive Director & Chairman of the committee to review and take appropriate decision on implementation of decision taken by Registration committee in its 96th meeting on distribution of the nil planted growers quota @100 kg / barn to progressive Farmers and then if any quota of nil planted growers is left, to distribute to all the registered growers who planted tobacco for 2022-23 Karnataka crop season same as last year. The Nil Planted growers' quota was distributed to all registered growers who have planted tobacco for 2022-23 Karnataka crop season. The final quota authorized per barn during 2022-23 Karnataka crop season after distribution of Nil Planted growers quota and leftover quota arrived from the barns having break-in registration for more than three years is as follows:

Barn	Area Registered (ha)		Production Quota (Kg/Barn)		
	2022-23	2021-22	2022-23		2021-22
			Initial quota authorized per barn (kg)	Final quota after distribution of leftover nil planted growers quota	
Simplex Barn	1.40	1.30	1715	1790	1724
Duplex Barn	2.80	2.60	3430	3580	3448

V) PRODUCTION REGULATION CAMPAIGN:

The Board had undertaken Production Regulation Campaign during 2022-23 crop season to prevent excess/unauthorized production of FCV tobacco through personal contacts, group meetings in the villages and mass contact programmes. Public communication strategies such as posters, distribution of pamphlets, playing of audio cassettes, electronic and print media were used to appeal to the growers to prevent excess/unauthorized production of FCV tobacco. 89 group meetings in Andhra Pradesh and 103 group meetings in Karnataka were conducted by field staff in villages as a part of production regulation campaign during 2022-23.

VI) PARTICULARS OF GROWERS REGISTERED DURING 2022-23:

During 2022-23 crop season, a total of 83,304 growers covering 90,731 barns were registered with the Board for cultivation of FCV tobacco. Of them, 43,097 growers covering 39,147.54 barns were registered for cultivation of tobacco in Andhra Pradesh (As on 20/03/2023) as against 43,350 growers covering 38,858 barns registered during 2021-22. An area of 81,635 ha., was authorized for production of FCV tobacco against which an area of 85,764 ha, was actually planted. In Karnataka, 40,207 growers covering 51,583 barns were registered for cultivation of tobacco. As against an area of 72,216 ha., authorized for cultivation, an area of 60,782 ha., was planted under FCV tobacco.

The auction platform wise particulars of growers, barns and area registered, quantity authorized and area planted under FCV tobacco in Karnataka and Andhra Pradesh for 2022-23 crop season and final registration particulars in Andhra Pradesh for 2021-22 crop season are furnished at Page No's 26 and 29.

Report on 2022-23 Karnataka Crop

Nursery:

The sowing of seeds in the nursery beds commenced from second week of March, 2022 and ended by second week of April 2022. The area sown under Nursery during 2022-23 in Karnataka was 594.55 ha, which is higher by 0.78% when compared to previous year (589.96 ha). Majority of the growers have taken up tray nursery to achieve better establishment and uniform growth of seedlings. The growth of the nursery was good and was free from pest and diseases.

CH3 is the major variety sown covering 367.30 ha occupying 61.78 % of the total nursery area sown followed by Kanchana and FCH-222 hybrids which were sown in an area of 217.17 ha. (36.53%) and 10.08 ha. (1.69%) respectively.

Main field

During this year, transplantations have commenced during 2nd Fortnight of April, 2022 on receipt of pre monsoon rains and majority of the area was transplanted during first week of May, 2022 in Karnataka. FCV tobacco was planted in total area of 60,782.45 ha., in Karnataka during 2022-23, which is lower by 15.44% as compared to 71,877 ha., planted during the previous year. Out of the total area planted, about 38272.36 ha (62.97%) of area planted is under CH3 variety, 21,539.79 ha. is under Kanchan (35.43%) and 970.30 ha. is under FCH-222 (1.60%).

Plantation Stage	2022-23		2021-22	
Early Plantation (Up to 31 st May)	60,747.45	99.94%	67,256.39	93.57%
Middle Plantation (Up to 15 th June)	35.00	0.06%	4,330.70	6.03%
Late Plantation (After 15 th June)	0.00	0.00	290.00	0.40%
Total:	60,782.45	100%	71,877.09	100%

The early crop was established well in the main field. FCV tobacco growing regions received heavy rainfall during second week of May, 2022 due to Asani cyclone, which resulted in stunted growth of the crop. The crop again experienced moisture stress during the first fortnight of June, 2022 due to non receipt of rains. The crop is recovered to some extent due to rains received during the second fortnight of June, 2022. Again, the crop exposed to continuous rainfall during the month of July, 2022 and due to this water logging conditions have been observed in the main field, which resulted in the drooping of leaves and reduced growth and leaf expansion. In most of the areas, poor development of roots and reduced growth and leaf expansion is observed due to asphyxiation condition. At the time of harvesting in the month of August, FCV tobacco growing regions received rainfall which caused delay in harvestings of leaves and thereby over ripening of leaves was observed. Even though the production is less this year, the quality of tobacco is good when compared to the previous crop season.

Pests and Diseases:

No major pests and diseases was noticed in the main field during 2022-23 crop season. Leaf curl infestation has been observed in some plots where early plantation was taken up. Black shank disease was observed mainly in rain affected areas.

Harvestings & Curings:

Majority of the growers have taken up 6 curings. The quantum of bright grade tobacco is more when compared to previous season. First three curings are good with more percentage of bright

grades. During 4th and 5th harvesting, there was a intermittent rains which caused delay in harvestings and leaves are over ripened resulted in production of medium and low grade tobacco in some of the areas in these curings. Cured leaves are thin bodied and lemon in colour.



Yields:

The average yield per ha., during 2022-23 is at around 987 kg/ha as compared to last year productivity of 948 kg/ha. A total crop of 59.98 million kg was marketed with a grade out turn of 34:43:23 in terms of Bright, Medium and Low grades as against 68.14 million kg marketed in 2021-22 with a grade out turn of 32:37:31.

IX. Report on 2022-23 Andhra Pradesh Crop:

Nursery sowings commenced during the Second Fortnight of August in all the regions in Andhra Pradesh during 2022-23 crop season. Total area sown under nursery during 2022-23 in Andhra Pradesh was 662.47 ha. as against 804.89 ha. sown during previous year. No major incidence of pest and disease was observed during this season. The seedling prices were around ₹800/- to ₹1200/- per bundle (6,000 seedlings) in SLS and SBS regions initially in the month of November and the cost of seedlings has been increased to ₹1,500/- to ₹2,500/- per bundle at the time of replantation during December end due to crop damage due to Mandous cyclonic rains. In NLS region, the prices were around ₹4,000 per bundle.

Varieties:

'Siri' is the major variety sown in 306.63 ha., in Southern Light Soil & Traditional Black Soil regions accounting for about 50.64% of the total Nursery area (605.51 ha) in these regions. Other varieties grown are FCR-15 and N-98. In Northern Light Soils, the other varieties are grown in an area of 44.28 ha and LV-7 in an area of 12.48 ha., of the total Nursery area sown (56.96 ha).

Main field:

A total area of 85,755.70 ha. was transplanted in Andhra Pradesh which is more by 29.41% as against 66,265.23 ha., planted during 2021-22 crop season. The area planted under Early (before 15th October), Middle (between 15th October to 15th November) and Late(after 15th November) plantation was in the ratio of 3:43:54.

In Southern Light Soil, Southern Black Soil and Northern Black Soil areas, FCR-15 was the dominant variety cultivated in an area of 38,631.40 ha. accounting for 45% of total area planted in these regions. The other varieties grown are Siri, Sulakshana and G-11 (Hema) in SLS and SBS regions. In Northern Light Soils, LV-7 Hybrid was grown in an area of 5,848.23 ha. The other varieties were grown in area of 40,910.47 ha.

Plantation Stage	2022-23		2021-22	
Early Plantation (Up to 15 th October)	2,552.00	3%	2,690.10	4%
Middle Plantation (Up to 15 th November)	37,031.65	43%	25,822.86	39%
Late Plantation (After 15 th November)	46,172.05	54%	37,752.27	57%
Total:	85,755.70	100%	66,265.23	100%

Crop growth in Andhra Pradesh:



During 2022-23 crop season in Andhra Pradesh, transplantations have commenced during second week of October, 2022 in SLS, SBS & NLS regions and first fortnight of November, 2022 in NBS Region. FCV tobacco growing regions received heavy rains during the period of 9th -12th December 2022, due to 'Mandous' cyclone and transplanted crop in an area of 25,915.90 ha., was damaged in Prakasam , Nellore, Bapatla and Palnadu Districts. Some of the farmers have gone for replantation in their fields after cyclonic rains. The total plantation is in an area of 85,755.70 ha., and there is only 29.41% increase in area planted this year when compared to last year (i.e., 66,265.23) even though the crop size was increased by 7.69% by the Board this year over the last year crop size (i.e., increased from 130.00 M.kg to 140.00 M.kg).

NORTHERN LIGHT SOILS (NLS) CROP

Total plantation in Northern Light Soil region this year was 20,997.32 ha., which is more by 19.55% when compared to 17,562.32 ha., planted in 2021-22. Majority of the crop was planted in middle and late phases during this season due to late onset of monsoon rains. The crop growth was good with good leaf spread.

SOUTHERN LIGHT SOILS (SLS) CROP

Total plantation in Southern Light Soil region this year was 37,979.10 ha., which is higher by 34.01% when compared to 28,339.90 ha., planted during 2021-22. Majority of the crop was replanted due to crop damage due to cyclonic rains. The crop growth in SLS region is good with more number of bright grades compared to last year.

TRADITIONAL BLACK SOILS (TBS) CROP

Total plantation in Southern Black Soil region this year was 25,503.45 ha., which is more by 33.05% when compared to 19,167.81 ha. planted during 2021-22. Majority of the crop was replanted due to crop damage due to cyclonic rains. The crop growth in SBS region is good with more number of bright grades compared to last year.

Total area planted in Northern Black Soils (NBS) during 2022-23 is 1,275.83 ha. which is more by 6.74% when compared to 1,195.20 ha., last year.

HARVESTINGS

8-9 curings were taken up on an average in Northern Light Soil areas. In Southern Black Soil and Southern Light Soil areas, 6-8 curings were taken up on an average. The estimated grade out turn in terms of Bright, Medium and Low grades is in the ratio of 44:33:23 in SLS region and 43:27:30 in SBS region. In NBS and NLS regions, the grade out turn is in the ratio of 60:30:10 and 52:33:15 respectively.



YIELDS:

During 2022-23 crop season, FCV tobacco production in Andhra Pradesh is estimated at 171.63 million kg., . The production in NLS is 51.87 million kg. The production in SLS and SBS regions is 60.93 and 56.04 million kg respectively. The production in NBS region is at 2.79 million kg. The average yields are 1,603 kg/ha in Southern Light Soils, 2,199 kg/ha in Southern Black Soils, 2,470 kg/ha in Northern Light soils and 2,187 kg/ha in Northern Black soils.

FCV TOBACCO CROP DAMAGE DUE TO 'MANDOUS' CYCLONIC RAINS:

During 2022-23 crop season in Andhra Pradesh, transplantations have commenced during first week of October 2022 in SLS, SBS & NLS regions and in the second week of November 2022 in NBS Region. After transplantation, MANDOUS cyclone has caused heavy rains in Andhra Pradesh during the period 9th -12th December 2022. The FCV tobacco crop grown under Southern Light Soil (SLS) and Southern Black Soil (SBS) regions of Andhra Pradesh covering Prakasam, Bapatla, Palnadu and SPSR Nellore Districts has been severely affected due to the cyclonic rains. The majority of the FCV tobacco crop under SBS and SLS regions has been severely impacted by way washing out of the crop, drowning of the standing crop, water logging and resultant wilting of the standing crop. Immediately after the cessation of rains, the Officers and Staff of Tobacco Board along with the scientists of Central Tobacco Research Institute (CTRI), Rajahmundry has commenced field visits to assess the nature and extent of damage and advise the growers on immediate damage mitigation measures to be taken up. The Executive Director, Tobacco Board personally toured the villages under Prakasam and Bapatla Districts of Andhra Pradesh along with the concerned District Collector and Revenue Divisional Officer to ascertain the damage occurred to the crop.



As per field reports, the tobacco crop in an area of 27,469.94 ha., was damaged in the above said districts out of total area of 53,498.69 ha., planted as on 19/12/2022. Some of the farmers have gone for re-plantation in their fields after cyclonic rains and incurred heavy expenditure. The growers under the SBS and SLS regions of Andhra Pradesh have requested the Board to provide immediate assistance to take up crop damage mitigation measures.

Tobacco Board has requested the concerned District administrations to provide compensation to the affected growers under State Disaster Response Fund (SDRF) upon enumeration of the crop damage. Board requested the Special Chief Secretary to Government (PFS), vide letter No.4(9)/2022-23/PDN, dated 19/12/2022 to issue directions to the State Level bankers Committee (SLBC) to recommend to the concerned crop loan disbursing banks on the following points to ease out the financial burden of FCV tobacco farmers of SBS and SLS regions.

To sanction an additional crop loan of ₹50,000/- per barn for taking up crop damage mitigation measures / re-planting.

- To provide interest subvention portion of State Government of 4% to the FCV tobacco farmers for the crop loan sanctioned amount up to ₹3.00 lakh.
- To renew the crop loans to FCV tobacco farmers subject to payment of interest portion.
- Rescheduling of crop loans sanctioned to FCV tobacco farmers.

Tobacco Board with the approval of Hon'ble Minister of Commerce has extended ₹10,000/- to each grower member whose crop was damaged due to 'Mandous' cyclonic rains from 'TBGWF' as interest free crop damage loan and an amount of ₹10.882 crore was extended to 10,882 No. of growers towards financial help to hand hold the farmers to overcome the damage inflicted due to this natural calamity.

Further, a meeting was conveyed with all officers of nationalized banks on 14/10/2022 and all the bankers have requested to enhance scale of finance per grower and decrease rate of interest on crop loans sanctioned above ₹3.00 lakh to the FCV tobacco farmers. The Assistant General Manager, State Level Bankers Committee (SLBC) was also requested to pursue with the bankers on this matter. Board also requested Secretary (F.S), Department of Financial Services, Ministry of Finance, New Delhi to recommend to the concerned crop loan disbursing banks to enhance scale of finance and decrease rate of interest on FCV tobacco crop / input loans extended to FCV tobacco growers.

X. Sale of excess/unauthorized tobacco during 2022-23:

During 2022-23 crop season in Karnataka and Andhra Pradesh, the excess tobacco produced by registered growers over and above the authorized quota and tobacco produced by unregistered growers was allowed for sale by levying normal applicable service charges as per Government Notification S.O.No. 794(E), S.O.No. 795(E) dated 21/02/2023 (Karnataka) and S.O.No. 2939(E), S.O.No. 2940(E), dated 04/07/2023 (Andhra Pradesh).

XI. Promotion of alternative crops to tobacco:

Tobacco Board is working in Co-Ordination with State Agricultural Departments of Andhra Pradesh and Karnataka to create awareness about the scheme of Crop Diversification Programme (CDP) under Rashtriya Krishi Vikas Yojana (RKVY) being implemented by the State Government of Andhra Pradesh and Karnataka among the FCV tobacco growers for shifting to alternative crops. For 2022-23 crop season, Tobacco Board conducted grower awareness meetings in collaboration with CTRI and Agricultural Departments of Andhra Pradesh & Karnataka states in key tobacco areas viz., Jangareddygudem, Koyyalagudem, Gopalapuram, Kandukur, Podili, Vinjamuru, Ongole and Kondepi in Andhra Pradesh and H.D Kote, Hunsur, Chilukunda, Kaggundi and Ramanathapura in Karnataka for promotion of alternative crops. An amount of ₹0.71 lakh was spent by Board towards conducting crop diversification programmes.

XII. Online communication programme on grant of license to the registered mobile number of the registered FCV tobacco grower

To go for paperless work in offline mode of registration of FCV tobacco growers, an online communication programme on grant of license to the registered mobile number of the registered FCV tobacco grower was developed by the Board and is being implemented for registration of growers with effect from 2022-23 Andhra Pradesh crop season. In this programme, after processing the grower application for renewal of registration by the Auction Superintendent, a message will be sent to the registered mobile number of grower informing the status of renewal of registration for the crop season along with certificate download link in text message. The grower can download the registration certificate by using OTP generated after entering TBGR Number and Mobile Number in the link communicated to the mobile Number of grower. The registration certificate will be issued to the grower in Form-2 (Registration as grower) and Form-26 (Registration as barn operator) as per Tobacco Board Rules. Form-2 include the QR code on top right corner and registration details i.e., TBGR No, Mobile Number, No of Barns, Barn No, Area Registered and Authorized Quantity will be embedded in QR code for Certificate Authenticity.

XIII. Introduction of Cashless transactions for payment of registration fees by the registered FCV tobacco growers

To encourage cashless transactions for payment of registration fees at the time of renewal of registration by the FCV tobacco growers, Board introduced QR Code method of payment to concerned bank of platform for collection of registration fees from growers with effect from 2022-23 Andhra Pradesh crop season.

XIV. An Online option for filing of application for renewal / returns by FCV tobacco growers / Nurserymen

To Minimize Regulatory Compliances by the registered FCV tobacco growers under ease of doing business, an Online option for filing of application for renewal / returns by FCV tobacco growers/

Nurserymen was introduced by the Board in respect of 3 categories of registration / licenses and for filing of 4 types of returns by the registered growers w.e.f 2021-22 crop season in Andhra Pradesh and 2022-23 crop season in Karnataka. The details are as follows:

Registration / License	Returns
Renewal of grower registration	Form-II returns
Registration of Nursery Grower	Form-III returns
License for barn construction	Form 7 returns (Nursery Grower)
	Form 8 returns (Nursery Grower)

Further, grant / renewal of registration was done by using grower and barn modules developed by M/s.Coforge Team and also crop monitoring modules were used to back up the grower data collected during 2022-23 crop season.

XV. Minimum Guarantee Indicative Prices (MGIP)

The Minimum Guarantee Indicative Prices (MGIP) indicated soil region wise for Bright, Medium & Low grades for 2022-23 Andhra Pradesh and Karnataka crop seasons and affective for 3 crop seasons i.e., up to 2024-25 are as follows:

Grade	Northern Light Soil/ Karnataka Light Soils price range (₹ per kg)		Traditional Price range (₹ per kg)	
Bright	165.00	175.00	160.00	170.00
Medium	135.00	145.00	125.00	135.00
Low	80.00	90.00	75.00	85.00

*Excludes "NOG" grade

These prices are subject to the following conditions.

- a) MGIP are not applicable in case of "Force majeure" events and major changes in present tax policy adverse to the trade or in case of major Currency fluctuations in competing countries.
- b) MGIP is not applicable to poor quality tobacco- Saline, CPA residue and NTRM contaminated tobacco.
- c) MGIP will be applicable for authorized crop only.
- d) MGIP will be reviewed once in 3 years.
- e) The MGIP monitoring will be at crop level, but not at individual participants' level based on consolidated overall crop averages.

AUCTION PLATFORM WISE REGISTRATION AND PLANTATION PARTICULARS FOR 2022-23 CROP SEASON **IN ANDHRA PRADESH (AS ON 20/03/2023)**

Particulars	Crop size fixed (Million Kg.)			Growers Registered			Barns registered			Area Registered (ha.)			Area planted (ha.)		
	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total
NLS Region															
Devarapalli				1683	1070	2753	1947.17	1117.50	3064.67	3115.47	1452.78	4568.25	2661.05	1275.83	3936.88
ELS	7.49	3.34	10.83	47	0	47	55.00	0.00	55.00	88.00	0.00	88.00	47.00	0.00	47.00
Total	7.49	3.34	10.83	1730	1070	2800	2002.17	1117.50	3119.67	3203.47	1452.78	4656.25	2708.05	1275.83	3983.88
J.R.Gudem-I	10.46	0.00	10.46	2426	0	2426	2952.00	0.00	2952.00	4723.20	0.00	4723.20	4790.90	0.00	4790.90
J.R.Gudem-II	10.69	0.00	10.69	2715	0	2715	2961.67	0.00	2961.67	4738.67	0.00	4738.67	4365.30	0.00	4365.30
Koyyalagudem	10.41	0.00	10.41	2612	0	2612	2980.90	0.00	2980.90	4769.44	0.00	4769.44	4885.07	0.00	4885.07
Gopalapuram	10.27	0.00	10.27	2304	0	2304	2780.50	0.00	2780.50	4448.80	0.00	4448.80	4248.00	0.00	4248.00
Sub total	49.31	3.34	52.65	11787	1070	12857	13677.24	1117.50	14794.74	21883.58	1452.78	23336.36	20997.32	1275.83	22273.15
SBS Region															
Vellampalli	3.33	5.21	8.54	1066	1512	2578	878.39	1454.13	2332.52	2546.94	2762.72	5309.66	2537.70	2853.55	5391.25
Ongole-I	2.35	7.19	9.54	1005	1976	2981	672.75	2041.63	2714.38	1810.93	3879.81	5690.74	2416.00	5005.00	7421.00
Ongole-II	0.00	8.08	8.08	0	2016	2016	0.00	2229.33	2229.33	0.00	4236.27	4236.27	0.00	4193.00	4193.00
Tangutur-I	0.00	9.97	9.97	0	2847	2847	0.00	2784.49	2784.49	0.00	5281.80	5281.80	0.00	6004.20	6004.20
Kondepi	4.50	5.48	9.98	1953	2020	3973	1203.78	1575.54	2779.32	3459.20	2972.92	6432.12	3813.00	3439.70	7252.70
Sub total	10.18	35.93	46.12	4024	10371	14395	2754.92	10085.12	12840.04	7817.07	19133.52	26950.59	8766.70	21495.45	30262.15

Particulars	Crop size fixed (Million Kg.)			Growers Registered			Barns registered			Area Registered (ha.)			Area planted (ha.)		
	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total
SLS Region															
Podili-I	9.51	0.80	10.31	4208	277	4485	2441.97	211.18	2653.15	7089.36	401.38	7490.74	7229.00	570.00	7799.00
Kanigiri	4.81	0.00	4.81	1518	0	1518	1246.94	0.00	1246.94	3615.48	0.00	3615.48	3981.00	0.00	3981.00
Kandukur-I	6.58	2.29	8.88	2551	799	3350	1837.43	658.50	2495.93	4893.10	1251.77	6144.87	5560.00	1614.00	7174.00
Kandukur-II	5.73	1.96	7.69	2118	782	2900	1558.15	555.17	2113.32	4386.84	1055.92	5442.76	4518.50	1717.00	6235.50
Kaligiri	4.78	0.21	4.99	1410	53	1463	1224.97	56.75	1281.72	3553.65	107.84	3661.49	3263.90	107.00	3370.90
D.C.Palli	6.55	0.00	6.55	2129	0	2129	1721.70	0.00	1721.70	4992.95	0.00	4992.95	4660.00	0.00	4660.00
Sub Total	37.97	5.25	43.23	13934	1911	15845	10031.16	1481.60	11512.76	28531.38	2816.91	31348.29	29212.40	4008.00	33220.40
Grand Total	97.47	44.53	142.00	29745	13352	43097	26463.32	12684.22	39147.54	58232.03	23403.21	81635.24	58976.42	26779.28	85755.70

Auction Platform wise final registration particulars for 2021-22 crop season in Andhra Pradesh

Particulars	Crop size fixed (Million Kg.)			No. of growers			No. of barns			Area registered (ha)		
	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total
NLS Region												
Devarapally	6.92	4.15	11.07	1715	1217	2932	1985	1270	3255	2779	1777	4556
ELS				46	0	46	52	0	52	73	0	73
Devarapally	6.92	4.15	11.07	1761	1217	2978	2037	1270	3307	2852	1777	4629
J.R.Gudem-I	9.32	0.00	9.32	2392	0	2392	2917	0	2917	4084	0	4084
J.R.Gudem-II	9.68	0.00	9.68	2696	0	2696	2915	0	2915	4081	0	4081
Koyyalagudem	9.38	0.00	9.38	2546	0	2546	2883	0	2883	4036	0	4036
Gopalapuram	9.41	0.00	9.41	2331	0	2331	2813	0	2813	3938	0	3938
Sub total	44.71	4.15	48.86	11726	1217	12943	13565	1270	14835	18991	1777	20768
SBS Region												
Vellampally-II	3.01	4.79	7.80	1097	1533	2630	871	1455	2327	2178	2474	4651
Ongole-I	2.12	6.52	8.64	960	1961	2921	636	1986	2622	1457	3378	4834
Ongole-II	0.00	7.40	7.40	0	2062	2062	0	2228	2228	0	3788	3788
Tangutur-I	0.00	9.04	9.04	0	2841	2841	0	2753	2753	0	4681	4681
Kondepi	4.06	4.97	9.03	1961	2010	3971	1185	1532	2717	2933	2605	5538
Sub total	9.20	32.72	41.92	4018	10407	14425	2692	9955	12647	6567	16925	23493
SLS Region												
Podili-I	8.59	0.69	9.28	4270	273	4543	2407	216	2623	6025	368	6393
Kanigiri	4.37	0.00	4.37	1498	0	1498	1228	0	1228	3070	0	3070
Kandukur-I	5.99	2.08	8.08	2548	788	3336	1784	639	2423	4036	1086	5122
Kandukur-II	5.13	1.77	6.90	2109	772	2881	1505	549	2054	3635	933	4568
Kaligiri	4.42	0.19	4.62	1511	56	1567	1255	60	1314	3138	102	3240
D.C.Palli	5.98	0.00	5.98	2157	0	2157	1735	0	1735	4337	0	4337
Sub Total	34.48	4.74	39.22	14093	1889	15982	9913	1464	11377	24241	2489	26729
Grand Total	88.39	41.61	130.00	29837	13513	43350	26170	12688	38858	49799	21192	70990

**AUCTION PLATFORM WISE GROWERS' REGISTRATION AND PLANTATION PARTICULARS
FOR 2022-23 CROP SEASON IN KARNATAKA**

S No	Auction Platform	Crop Size Fixed (Million Kg.)	Growers Registered	Barns Registered	Area Registered (ha)	Area planted (ha)
Mysore Region:						
1	H.D.Kote-1	10.17	3855	5005.00	7007.00	5765.00
2	Hunsur-2	7.68	3393	4220.00	5908.00	5379.40
3	Hunsur-3	6.98	3179	3830.00	5362.00	4681.70
4	Hunsur-64	6.01	2455	3133.00	4386.20	3910.05
6	Chilikunda-62	13.85	5688	7362.00	10306.80	9239.00
	Sub-Total:	44.68	18570	23550.00	32970.00	28975.15
Periyapatna Region:						
7	Periyapatna-4	13.12	4550	6390.00	8946.00	6550.00
8	Periyapatna-5	11.40	4827	6237.00	8731.80	7628.47
9	Periyapatna-6	11.82	4897	6269.00	8776.60	6624.80
10	Ramanathpura-7	10.13	4138	5102.00	7142.80	6266.00
11	Ramanathpura-63	8.85	3225	4035.00	5649.00	4738.00
	Sub-Total:	55.32	21637	28033.00	39246.20	31807.27
	Grand Total:	100.00	40207	51583.00	72216.20	60782.42

EXTENSION AND ADVISORY SERVICES

Tobacco Board implements various extension and developmental schemes for improvement of productivity and quality of Indian FCV Tobacco to make it competitive in the international market. Tobacco Board also extends subsidy to the registered FCV tobacco growers under its various schemes to encourage the farmers to adopt new and improved package of practices. Tobacco Board provides a comprehensive package of technical support and extension services to farmers using a wide network of qualified and trained technical field staff, in collaboration with Central Tobacco Research Institute (CTRI), Rajahmundry, National Institute of Plant Health Management (NIPHM), Hyderabad, and Research & Developmental wings of tobacco companies. The extension and developmental activities of the Board broadly include:

- Supply of critical crop inputs (seed, suckercide, fertilizer).
- Extension and Developmental Schemes taken up by Tobacco Board for sustainable tobacco production.
- Transfer of technology.

I. SUPPLY OF CRITICAL CROP INPUTS:

FCV tobacco farmers are required to use standard set of crop inputs for better quality of the crop. Tobacco Board is taking the responsibility to provide critical crop inputs seed, fertilizers and suckercide to the farmers.

(i) FCV TOBACCO SEED:

During 2022-23 crop season, Board has facilitated the supply of **8,744.75 Kg** of seed of approved varieties through ICAR-CTRI, Rajahmundry and ITC Research Division, Rajahmundry to FCV tobacco growers in the states of Andhra Pradesh and Karnataka.

(Quantity in Kg)

STATE	VARIETY									Total
	Kanchan (CTRI)	Kanchan (ITC)	CH3 (ITC)	SIRI	FCR15	FCH 222	VT 1158	Sulak-shana	N98	
Karnataka	278.00	217.00	883.00	0.00	0.00	6.00	0.00	0.00	0.00	1384.00
Andhra Pradesh	0.00	0.00	251.00	3824.40	3255.80	0.00	0.50	17.25	11.80	7360.75
Total	278.00	217.00	1,134.00	3,824.40	3,255.80	6.00	0.50	17.25	11.80	8,744.75

(ii) FERTILIZERS:

In Andhra Pradesh and Karnataka, Tobacco Board had facilitated the procurement and distribution of fertilizers through Committee of Farmers (COF). This new system of fertilizer distribution was evolved and implemented in Andhra Pradesh during 2017-18 crop season and in Karnataka during 2018-19 crop season. In the new system, registered growers are empowered to procure and distribute fertilizers by themselves. The similar mode of fertilizer distribution was implemented successfully

during 2022-23 crop season using the services of the District Cooperative Marketing Society Ltd (DCMS) Eluru in Northern soil region, Andhra Pradesh Tobacco Growers Co-operative Union Limited, Ongole, DCMS, Ongole, DCMS, Nellore in Southern region in Andhra Pradesh and Karnataka State Seed Corporation Ltd., (KSSC Ltd) in Karnataka. Tobacco Board provided hand holding support to grower committees in all aspects of fertilizer supply starting from collection of indents and advance amounts; input loan arrangement from banks; providing Tobacco Board godowns to outsourcing agencies on rent free basis. The outsourcing agencies placed orders for supply of fertilizers to the manufacturers, as per the grower indents based on the prices of fertilizers, payment terms and supply schedule agreed upon by the farmers committee. The outsourcing agencies and Farmers committee monitored the quality of fertilizers with the assistance of State Agriculture Departments.

The details of fertilizers supplied in Karnataka and Andhra Pradesh states are as under.

Karnataka (KLS region):

Fertilizer	Manufacturer	Quantity (M.T)	Price (₹/Ton)	Value (₹ in lakh)
Ammonium Sulphate	FACT	5,707.30	21,442.91	1,223.81
	GSFC	8,414.35	20,976.00	716.19
	Total	9,121.65		1,940.00
Sulphate of Potash	IPL	5,282.30	85,000.00	4,489.96
	Transworld	3,839.35	88,725.00	3,406.46
	Total	9,121.65		7,896.42
Di Ammonium Phosphate	CIL	3,040.55	26,527.50	806.58
Grand Total		21,283.85		10,643.00

Andhra Pradesh:

Fertilizer	Supplier	SLS/SBS region			NLS region			Total	
		Quantity (M.T)	Price (₹/Ton)	Value (₹ in lakhs)	Quantity (M.T)	Price (₹/Ton)	Value (₹ in lakhs)	Quantity (M.T)	Value (₹ in lakh)
Ammonium Sulphate	FACT	878.00	18950.40	166.38	3247.30	18950.40	615.38	4125.30	781.76
	GSFC	642.45	18950.20	121.75	0.00	–	0.00	642.45	121.75
	Total	1520.45		288.13	3247.30		615.38	4767.75	903.51
Di Ammonium Phosphate	IPL	693.25	26500.00	183.71	1265.10	26500.00	335.25	1958.35	518.96
Sulphate of Potash	IPL	642.80	85900.00	552.17	2276.80	85900.00	1955.77	2919.60	2507.94
	Floris	0.00	–	0.00	417.65	69000.00	288.18	417.65	288.18
	Transworld	0.00	–	0.00	266.00	85600.00	227.70	266.00	227.70
	Transworld (fertiligation mode)	0.00	–	0.00	573.30	93000.00	533.17	573.30	533.17
	Total	642.80		552.17	3533.75		3004.82	4176.55	3556.99
Calcium Nitrate	Continental	14.43	68000.00	9.81	108.55	68000.00	73.81	122.98	83.62
	Grand Total	2870.93		1033.82	8154.70		4029.26	11025.63	5063.08



(iii) SUCKERICIDE:

Tobacco Board had facilitated the supply of Suckericide to FCV tobacco growers in Karnataka and Andhra Pradesh for control of suckers after manual topping to increase the yields and quality of FCV tobacco and has arranged for recovery of costs of Suckericide from sale proceeds of growers for paying to suppliers.

The Committee of Farmers (COF) formed in NLS and KLS Regions for supply of fertilizers attended to the process of inviting quotations / finalizing vendor / price for supply of Suckericide.

During 2022-23 Karnataka crop season M/s ITC Ltd-ABD has supplied a quantity of 41,115 liters of Suckerout @₹1,200/- per 2.5 liters can to indented FCV tobacco registered growers.

In Andhra Pradesh, 1,02,510 liters of suckerout was supplied to indented growers by M/s. ITC Ltd at a price of ₹1,535/- per 2.5 liters can, M/s. Highgrow Floris Chemicals Pvt Ltd has supplied 33,125 liters of C10 suckericide at a cost of ₹1,534/- per 2.5 liter can and M/s. SRS Enterprises has supplied 6,120 liters of Deconal suckericide at a cost of ₹1,535/- per 2.5 liter can.



II. FARM MECHANIZATION - LEAF HOLDING SPIKE ROD

Board in its efforts towards exploration of interventions to reduce excess costs being incurred by FCV tobacco growers in crop production and Post harvest activities, has designed and got fabricated the GI steel leaf holding spike rod indigenously. The conventional FCV tobacco leaf tying process on bamboo stick for leaf holding in barn for curing requires labour skilled in the leaf tying and over the years, the demand for the labour skilled in leaf tying is increasing due to shortage. In such circumstances, the fabrication of leaf holding spike rod appears to be promising for dealing with labour problem and also noticed to reduce fuel wood consumption due to enhanced leaf holding capacity.

The prototype of GI steel leaf holding spiked rod and a wooden table which can serve as platform for leaf loading on spikes for operational ease was also fabricated. The performance of this spike rod in leaf curing is found to be satisfactory and was demonstrated to stake holders in training programmes at ICAR-CTRI Research Station, Kandukur on 30/11/2022; Brain storming session at CTRI, Rajahmundry on 30/12/2022 and workshop at Jeelugumilli on 02/03/2023. During demonstrations, suggestions were made by the CTRI Scientists and growers to have a comprehensive evaluation of the fabricated rods for effective usage and was decided to evaluate the technology at ICAR-CTRI farm, Katheru.



An amount of ₹30,000 was incurred during 2022-23 crop season towards fabrication of leaf holding clipping spike rod and wooden table.

III. EXTENSION AND DEVELOPMENTAL SCHEMES TAKEN UP BY TOBACCO BOARD FOR SUSTAINABLE TOBACCO PRODUCTION (STP) DURING 2022-23 CROP SEASON:

Board has implemented several Extension and Developmental schemes aimed at conservation of natural resources; reduction of cultivation costs of tobacco; improvement of yield and quality; conservation of energy in curing and Post Harvest Product Management.

(i) Production of healthy seedlings - Tray seedlings technology and installation of shade nets:

Tray nursery technique is recommended in FCV tobacco cultivation to produce healthy tobacco seedlings to overcome soil borne disease problem and to preclude transplantation shocks. Tray nursery

seedlings offer the unique advantage of ensuring crop uniformity with minimum gap fills and consequently increased cured leaf yield and quality as against the seedlings grown in conventional raised seed bed nursery. Seedlings produced in trays have the advantages of 100% establishment in main field without transplantation shock and with uniform crop growth ensuring yield improvement by 10-25%. During 2022-23 crop season, Board assisted farmer committees in both Andhra Pradesh and Karnataka States to procure pro trays of better quality and extended subsidy to growers as an encouragement. The details of expenditure incurred by Board towards provision of subsidy on the supply of trays to indented growers during 2022-23 crop season in both states of Andhra Pradesh and Karnataka are as follows:

State	No. of growers	No. of trays	Subsidy (₹ in lakh)
Karnataka	6407	1385427	63.03
Andhra Pradesh	1644	776539	23.69
Total	8051	2161966	86.72



(ii) Installation of shade nets:

In order to protect the tray seedlings from adverse climate conditions such as wind, cold, excessive rains, extreme temperatures, insect and disease incidence, the seedlings in trays have to be kept in controlled conditions and growers of Southern region are being encouraged for installing low cost temporary green house structures. In order to promote the adoption of the technology, Board extended subsidy of ₹1.58 lakh to 288 growers of SLS and SBS regions towards the supply of 299 units of shade nets.



(iii) Cocopeat:

Use of Cocopeat as a growth medium in trays for healthy seedling production would prevent incidence of soil borne diseases and also aid in moisture conservation. Tobacco Board has extended subsidy of ₹2.29 lakh on supply of Cocopeat to 308 FCV tobacco growers of Southern region in Andhra Pradesh as an encouragement and the details of supply are as follows.

State	No. of growers	Cocopeat Quantity (Kg)	Subsidy (₹ in lakh)
Andhra Pradesh	308	1,78,967	2.29

(iv) Soil Health Management - Supply of Green Manure Seeds:

The tobacco growing soils are mostly light textured and are majorly with poor organic carbon content due to continuous cultivation. Tobacco Board has promoted In-situ green manuring on an massive scale with subsidy of around ₹10/- per kg of seed and ₹200/- acre and arranged supply of Sunhemp seed during 2022-23 crop season from Government seed supplying agencies of Andhra Pradesh and Karnataka for improvement of soil health and soil fertility.

A quantity of 7,371.43 quintals of Sunhemp seed procured from Karnataka State Seeds Corporation Limited (KSSC Ltd) at a cost of ₹84/- was supplied to 23,040 growers of Karnataka and a quantity of 19,850 kg seed was supplied to 567 indented growers of Andhra Pradesh with subsidy. Some of the growers in Andhra Pradesh are purchasing green manure seed in either outside markets or procuring green manure seed at subsidized costs from Rythu Bharosa Kendras (RBKs) of State Government, for raising green manure crop in their fields. The details of Sunhemp seed supplied by Board with subsidy and area under green manure crops are as follows.

State	Soil Region	No. of growers	Sunhemp seed quantity supplied with subsidy (in Kg.)	Subsidy amount (₹)	Area under green manure crop (ha)
Karnataka	KLS Region	23,040	7,37,143	73,71,430	11,677.63
Andhra Pradesh	NLS Region	463	17,630	92,500	3,948.80
	SLS Region	66	1,160	13,100	5,844.10
	SBS Region	38	1,060	7,600	9,688.00
Andhra Pradesh Total		567	19,850	11,3200	19,480.90
Grand Total		23,607	7,56,993	74,84,630	31,158.53

Board extended subsidy of ₹74.846 lakh to 23,607 growers of Andhra Pradesh and Karnataka states towards the supply of **green manure seed**.

Due to efforts of Board, the area under green manure crop has increased exorbitantly by 14.95 times in Karnataka and 2.18 times in Andhra Pradesh during 2022-23 crop season when compared with the previous crop season.



(v) Bio Fertilizers:

Potassium (K) is the most important plant nutrient that has a key role in the growth, metabolism, and increases plant resistance to diseases, insect pests and a biotic stress. Potassium is the crucial element of quality in tobacco and significantly influences the cured leaf colour, leaf quality and burning quality of leaf.

The only recommended source of “K” in tobacco is SOP and cost of SOP is increasing year by year. Bio fertilizers utilization in agriculture is proved to be an environmental friendly measure which aids in sustainable crop production. Due to excessive costs of SOP fertilizer, some of the growers are

either reducing the application of SOP or completely avoiding the usage. In such situations, application of Potassium Releasing Bacteria (KRB) which can soluble the insoluble Potassium present in the soil to soluble forms of K for plant growth and yield improvement is commenced on a trial basis in Karnataka during 2022-23 crop season for the first time.

In the first instance, 303 litres of KRB cultures from NIPHM, Hyderabad are procured and supplied to 101 FCV tobacco growers of KLS region @3 litres of KRB culture per each grower who came forward to take up On-farm trials of FCV tobacco cultivation in Natural Farming mode during 2022-23 crop season for application in soil drenching mode in standing crop. 1,700 liters of KRB cultures were supplied to 138 growers of NLS region in Andhra Pradesh. The cost of KRB culture is ₹200/- per liter. The growers gave positive feedback that the application of KRB cultures has improved the crop quality.

In order to evaluate scientifically the impact of KRB usage in FCV tobacco, a Research project "Evaluation of Bio-Consortia for nutrient supplementation, nematode / disease control for enhancing productivity and quality of FCV tobacco" was awarded to ICAR-CTRI and proposed for extension of ₹5.00 lakh from Board for the execution of the Research project.



IV. Improving Yield & Quality of Tobacco:

(i) Integrated Pest Management Practices (IPM):

Integrated Pest Management is a concept where effective pest and disease control is achieved through a combination of all pest control methods viz., biological, cultural, mechanical in addition to chemical methods. Integrated Pest Management (IPM) implementation is intended to minimize the use of chemicals, reduce pesticide residues, protect environment and soil micro-flora and fauna. Under this scheme, Board facilitated the supply of Pheromone traps and Yellow Sticky traps for monitoring insect population in tobacco fields, arranged supply of Bio pesticide cultures from NIPHM, Hyderabad. Board has also supplied marigold seedlings from nurseries of ICAR-CTRI (Hunsur, Kandukur and Jeelugumilli), distributed Bajra/Jowar seeds of Karnataka State Seeds Corporation Limited to FCV tobacco growers and extended subsidies on these inputs for effective implementation of the IPM strategies.

Details of expenditure incurred by Board towards extending subsidy to growers for supply of Pheromone Traps and Yellow Sticky Traps during 2022-23 crop season in Andhra Pradesh and Karnataka are as follows:

a) Pheromone Traps:

State	No. of growers	Physical Achievement (No. of traps)	Financial Achievement (₹ in lakh)
Andhra Pradesh	876	19,853	3.51
Karnataka	244	1,900	0.34
Total	1,120	21,753	3.85

b) Yellow Sticky Traps:

State	No. of growers	Physical Achievement (No. of traps)	Financial Achievement (₹ in lakh)
Andhra Pradesh	902	15,107	1.06
Karnataka	246	1,840	0.12
Total	1,148	16,947	1.18

c) Bio Pesticides:

Bio pesticides such as Trichoderma harzianum and Pseudomonas fluorescens were supplied to registered FCV tobacco growers in collaboration with NIPHM, Hyderabad, so as to prevent the incidence of soil borne diseases and thereby reduce the use of pesticides. During 2022-23 crop season, 1,428 lts of Bio pesticides were supplied to 1,426 growers in Karnataka and an amount of ₹1.61 lakh was extended by Board as subsidy. In Andhra Pradesh, 5,159 lts of bio pesticides were supplied to 1,239 growers in NLS region and an amount of ₹5.80 lakh was extended as subsidy.

The Scientists of NIPHM, Hyderabad visited Auction Platforms in NLS and KLS regions and imparted training to growers on bio pesticides & Bio fertilizers mass multiplication procedures and use of bio pesticides in FCV tobacco cultivation. An amount of ₹0.64 lakh was paid to NIPHM Scientists towards visiting charges for these demonstrations. The brief particulars are as follows:

Soil region	Dates of visits of NIPHM Scientists	Duration	No. of villages
KLS Region in Karnataka	12/04/2022	2 days	11 villages
	13/04/2022		
NLS Region in Andhra Pradesh	12/09/2022	2 days	5 villages
	13/09/2022		



d) Marigold seedlings:

Marigold plants can be grown around tobacco field or within field as a trap crop since marigold flowers acts as ovipositional site and attracts *Heliothis* moths to lay eggs which aids in prevention of the tobacco crop from *Heliothis* infestation if eggs and larvae on marigold are collected and destroyed periodically. Board has procured **9,10,000 marigold seedlings** from CTRI Research stations situated at Kandukuru and Jeelugumilli at a cost of ₹0.75/-per seedling and distributed to FCV tobacco growers in all regions of Andhra Pradesh and incurred an expenditure of **₹6.83 lakh**. In Karnataka, **2,56,500 marigold seedlings** were procured from CTRI Research station, Hunsur incurring an expenditure of **₹1.92 lakh** and distributed among registered growers. The marigold seedlings were supplied to tobacco growers of both the states at free of cost.



e) Sorghum and Bajra Seeds:

Sorghum and Bajra seeds sown as border crop in 4 rows around tobacco crop acts as a guard crop from whitefly attack and acts as a refuge for beneficial parasites and predators. Board procured **1,062 kg** of Bajra seed at a cost of ₹40/- per kg and **852 kg** of Jowar seeds at a cost of ₹80/- per kg from the Karnataka State Seed Corporation, Government of Karnataka and supplied to **1300 growers** of KLS region at free of cost. Board incurred an expenditure of **₹1.11 lakh** towards the cost of Sorghum and Bajra seeds.



f) Supply of Water Soluble Fertilizers:

During 2022-23 crop season, Water Soluble Fertilizers (WSF) such as 19-19-19; 13-0-45; 0-0-50 were procured by the Committee of Farmers (COF) for supply to indented FCV tobacco growers of Black and Light Soils of Southern region and on considering the grower request, Board is deducting the cost of Water Soluble fertilizers from growers sale proceeds in auctions.

In view of Mandous cyclone rains during 2nd week of December -2022, the standing crop in both SBS and SLS regions was heavily damaged and the fertilizers applied could not be utilized by crop impairing quality and yields. Due to the impact of the cyclone, most of FCV tobacco growers incurred huge crop losses and have either resorted to re planting of crop or has took up crop relief, reclamatory measures in their damaged fields and have applied water soluble fertilizers for saving the crop quality.

Board extended 20% subsidy on 0:0:50 water soluble fertilizers costing ₹130/- per kg to eligible growers of all categories in SBS and SLS regions; so as to provide financial relief to some extent for farmers in crisis situation of Mandous cyclone. The soil region wise subsidy particulars extended by Board are as follows:

Soil Region	No. of Growers	Quantity of WSF 0:0:50 (Kg) for which subsidy is extended is extended	Subsidy amount (₹ In lakh)
SBS	3899	19102	4.97
SLS	3839	22893	5.95
Total	7738	41995	10.92

V. Improving of curing practices - Energy Conservation measures:

To sustain tobacco farmer profitability, and to make the tobacco cultivation eco friendly, it is essential to reduce the cost of curing which constitutes 30% of total cost of production. To achieve saving in curing costs and conserve wood fuel usage in tobacco curing, it is essential to adopt fuel efficient technologies like barn roof insulation with glass wool / Paddy straw and by installing turbo ventilator on the top of the barn for proper air circulation and modifying the traditional furnace with venturi furnace. Board is facilitating the FCV tobacco growers in implementation of these energy conservation methods. During 2022-23 crop season, Board has spent an amount of ₹111.55 lakh on energy conservation methods.

(i) Scheme for replacing traditional furnace with Venturi Furnace (Improved design of furnace):

An improved design of furnace system "Venturi furnace" fixation in barn facilitates better combustion of fuel and heat transfer, ensures adequate supply of oxygen on avoiding soot deposition in the flue pipes and achieves 15 - 20% saving in fuel consumption. The Board had implemented this scheme in Andhra Pradesh in collaboration with trade in **131 barns** covering **179 No. of beneficiaries** during 2022-23 crop season and replaced the old furnaces in these barns with Venturi furnace. An amount of ₹5,000/- per barn was extended towards subsidy to the grower beneficiaries by Board. The expenditure incurred by the Board on implementation of scheme during 2022-23 was **₹6.52 lakh**. Trade (M/s ITC Ltd and M/s GPI Ltd) has extended financial assistance of ₹5,000/- per barn towards the initiative.

The soil region wise details of barns fitted with Venturi furnace are as follows:

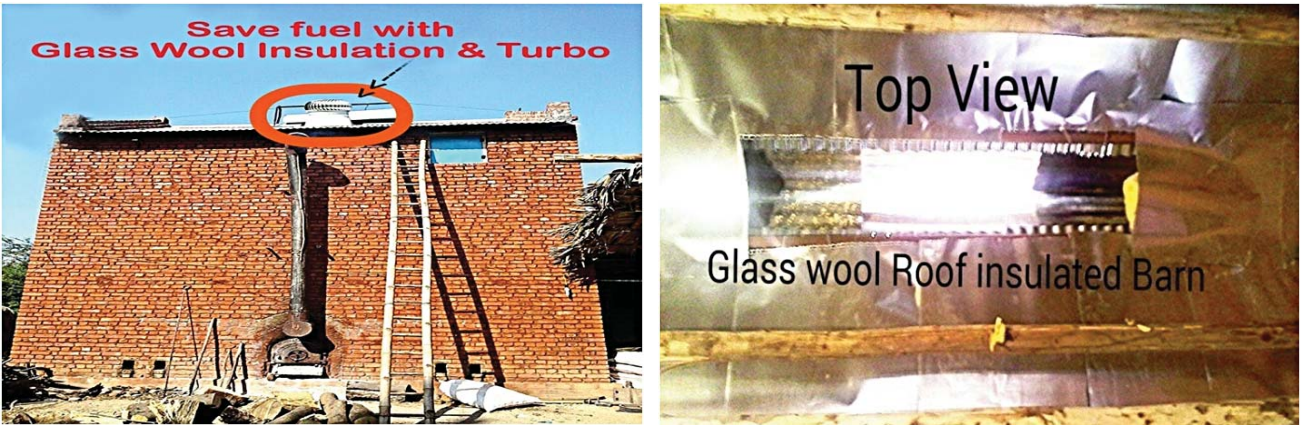
Soil region	No. of growers	No. of barns fitted with Venturi furnace	Subsidy amount (₹ In lakh)
NLS	30	29	1,45,000
SBS	37	36	1,80,000
SLS	112	66	3,27,500
Total	179	131	6,52,500

(ii) Glass wool Roof Insulation of barns and fitting with Turbo ventilator:

The objective of this scheme is to promote energy conservation in curing of FCV tobacco through glass wool insulation of roof of barns and providing Turbo Ventilator for free air circulation in barn by extending subsidy to the grower beneficiaries. The scheme envisaged fuel wood savings to the extent of 25 to 27% and thereby reduction of the cost of cultivation. In addition, these interventions in barn have resulted in minimizing heat loss from barn and also in improvement of leaf quality in curing by avoiding caramelization and leaf sponging.

Board had implemented this scheme in a focused mode in Andhra Pradesh in collaboration with trade (M/s ITC Ltd, M/S GPI Ltd) by extending a financial assistance of ₹9,308.43/- per barn for 16x20 size barns in SLS/SBS region. The trade had contributed ₹12,287.13/- per barn as financial assistance and the remaining cost of insulation was borne by the grower beneficiary. The total cost of Glass Wool Roof Insulation and fitting of turbo ventilator is ₹37,234/- per barn of size 16x20 approximately.

During 2022-23, 310 barns of 380 registered growers in Andhra Pradesh were covered and Board had incurred an expenditure of ₹28.86 lakh towards grower subsidy under this scheme.



(iii) Paddy straw roof Insulation with turbo ventilator:

The Objective of this scheme is to promote energy conservation in curing of FCV tobacco through paddy straw insulation of barns and providing Turbo Ventilator for free air circulation in barn by extending subsidy to grower beneficiaries. The total cost of paddy straw insulation approximately will be ₹15,000/- barn.

The Board implemented this scheme in collaboration with trade (M/s ITC and M/s GPI Ltd) by extending subsidy of ₹5,000/- barn in Karnataka. This technology gave on an average a fuel saving of 30%.

No. of grower beneficiaries	No. of barns	Subsidy (₹ in lakh)
1,446	1,484	74.20

(iv) Loose Leaf Barn Technology:

In an attempt towards mechanization for reducing labour utilization in FCV tobacco cultivation and curing, Loose Leaf Barn technology emerged as promising technology in reducing wood fuel consumption and labor utilization. The Loose Leaf Barn has double the curing capacity in comparison with conventional barns and hence beneficial in reducing the overall production costs of FCV tobacco.

CTRI has recommended for testing of technology with recording of the data in detail at different locations of FCV tobacco growing regions to overcome the short comings. In this context, Tobacco Board has proposed for installation / construction of four loose leaf barns in different soil regions of

Andhra Pradesh on trial basis to evaluate the cost economics and efficacy of technology in reduction of manual labour employment and wood fuel consumption. Tobacco Board has taken up the installation of 4 Loose Leaf Barns in collaboration with trade (M/s ITC Ltd) by extending financial assistance of ₹12.00 lakh to 4 growers @₹3.00 lakh per barn during 2020-21 and 2021-22 crop seasons.

For scientific evaluation of Loose Leaf Barn technology for its efficacy in curing FCV tobacco, Tobacco Board has entered into MOU with CTRI, Rajahmundry on 03/12/2021 and as a part of the project, one Loose Leaf Barn (LLB) was installed in Kandukur Research Station of CTRI in second week of February, 2022.

As per the financial arrangement of the project, 10% of the barn construction cost has to be borne by Board and also has to provide ₹1.00 lakh towards engaging the contractual services and other operational expenses for evaluation. Accordingly payment of ₹96,610/- was made towards 10% construction cost of Loose Leaf Barn and an amount of ₹1.00 lakh was remitted by Board to ICAR-CTRI towards cost of evaluation of Loose Leaf Barn. CTRI has informed that four curings were completed during 2022-23 crop season in this barn and the project report from Institute is awaited.



VI. Post Harvest Product Management - Measures For Product Integrity

(i) Elimination of Non Tobacco Related Materials (NTRMs) - Supply of Canvas Tarpaulins:

Non Tobacco Related Materials (NTRM's) admixture is a critical concern to the tobacco industry. Comprehensive approaches to NTRM source elimination, NTRM detection and removal at all levels of the tobacco supply chain are necessary to protect product integrity. Prevention and elimination of NTRM sources at farm level is cost effective and successful strategy to achieve positive results. Strong partnerships with farmers / farming community and continuous education of farmers are key elements for farm level elimination of NTRMs. Efforts to avoid NTRMs at harvesting, transport, curing and storage by implementing clean handling practices by growers would aid in maintaining the product integrity. To ensure cleanliness of the product at farmer level, Board has supplied **1,698 canvas tarpaulins** to **1,698 growers** in Andhra Pradesh at subsidized cost to help growers to cleanly handle the tobacco during harvesting, transporting, curing, storage and grading for avoiding NTRMs. An expenditure of **₹17.46 lakh** was incurred towards extension of subsidy to the licensed growers under

this scheme. An amount of ₹1,000/- tarpaulin/grower for Other category growers and ₹1,400/- tarpaulin/grower for SC/ST growers was extended as subsidy.

(ii) Construction of Bulking sheds/Model Storage Facilities:

Creation of On-Farm Storage facility / infrastructure is necessary to hold tobacco in good condition from the time it has completed curing, grading, baling until it is ready to be marketed. Better on farm storage facilities will help the farmers in preventing the NTRM's admixture in tobacco and ensure "Cleanliness of the product". Keeping this in view, Board is encouraging growers towards construction of bulking sheds/storage facilities by extending financial assistance and arranging necessary credit through commercial banks.

In Andhra Pradesh, during 2022-23 crop season, Tobacco Board had proposed for extension of financial assistance @₹6,500/- to ₹16,000/- per unit towards construction of bulk sheds depending up on the size. The total expenditure incurred by Board is **₹1.97 lakh** on account of extending financial assistance towards construction of **14 Bulk sheds**.

(iii) Monitoring and control of CPA (Crop Protection Agents) residues in leaf tobacco:

The indiscriminate use of pesticides i.e., use of pesticides more number of times than required, use of higher doses than recommended, use of pesticide mixtures (mixing more than one insecticide), use of banned pesticides on tobacco or pesticides not recommended for tobacco is leading to CPA residues problem in leaf tobacco. The problem of CPA residues in cured tobacco leaf is assuming serious proportions impacting the export prospects of tobacco, as tobacco importing countries are imposing stringent conditions that CPA residues in leaf tobacco shall be below statutory Maximum Residue Limits (MRLs). Indian tobacco though is known for low CPA residues, in order to strategize and develop action plan for tackling future problems of CPA residues, Tobacco Board has been implementing several measures proactively.

Tobacco Board is undertaking CPA residue testing of tobacco leaf in farmer level samples in order to identify the problematic villages which are CPA hotspots. Based on the analysis results, hot spot specific focused interventions are being taken up to restrict reoccurrence of the CPA residues above GRL. Board has carried out analysis of **201 tobacco leaf samples** from all soil regions of Andhra Pradesh (2021-22 crop season) and **100 tobacco leaf samples** from Karnataka crop of 2022-23 season at NIPHM, Hyderabad and specifically **91 samples** of NLS region were analyzed at M/s. Eurofins Analytical Services India Ltd., Bengaluru to detect CPA residue levels and to take corrective action accordingly. An amount of **₹33.37 lakh** was incurred towards the analysis charges in all the soil regions.

Crop season	State	No. of samples Analysed	Amount incurred (₹ in Lakh) (including GST+TDS)	Analysed at
2021-22	Andhra Pradesh	110	12.98	NIPHM, Hyderabad
		91	8.59	Eurofins, Bengaluru
2022-23	Karnataka	100	11.80	NIPHM, Hyderabad
Total		301	33.37	

(iv) Leaf chemistry analysis of leaf tobacco for nicotine, sugars and chlorides:

Tobacco Board undertakes the analysis of leaf tobacco in every crop season for determining chemical parameters such as Nicotine, Sugars and Chlorides so as to determine the quality of leaf grown during the particular season and establish the crop chemistry. During 2022-23, Tobacco Board had got analyzed **113 leaf samples (100 leaf samples + 13 rabi crop leaf samples)** collected from all auction platforms of Karnataka at CTRI, Rajahmundry for determining chemical constituents in leaf tobacco. The total expenditure incurred on this account was ₹ **2.6 Lakh**.

Crop season	State	No. of samples Analysed	Amount incurred (₹ in Lakh) (including GST)	Analysed at
2022-23	Karnataka	100	2.30	CTRI, Rajahmundry
2022-23 for rabi crop	Karnataka	13	0.30	
Total		113	2.60	

VII. TRANSFER OF TECHNOLOGY:

Tobacco Board is helping farmers to grow tobacco efficiently by extending timely advices on latest technology through Personal contacts, Group meetings, Farmer trainings, Exposure visits cum Study tours, Workshops, On-farm trials / Result demonstrations and Model project area schemes.

(i) Training programmes to farmers and Technical staff:

Farmers' training is one of the most important elements of extension design and planning for imparting knowledge and skills to the farming community. It has immense potential in transfer and utilization of latest technical knowhow, leadership development and attitudinal changes. Training is thus a crucial and continuous requirement for human resource development. Training makes the farmers proficient in implementing Good Agricultural Practices (GAP's) in tobacco cultivation, thereby ensuring sustainability. Training of extension staff is highly essential for providing latest technical knowhow and also for inculcating competence, professionalism and service morale.

In view of this, as was done during previous crop seasons, Tobacco Board had conducted training programmes to growers involving Scientists from CTRI and trade representatives, at different crop growth stages starting from seed bed preparation to post harvest product management during 2022-23 crop season. Trainings to field staff were also organized.

- The Board had organized 156 training programmes in 2022-23 to the farmers in all soil regions in the States of Andhra Pradesh and Karnataka, at different stages of crop growth from Nursery Management to Crop harvesting; curing and on farm storage to create awareness on Good Agricultural Practices. Around **7,759 participants (growers/staff)** have participated in these training programmes. An amount of **₹5.05 lakh** was spent towards conducting grower training programmes in both States.
- Intensive training programmes (3 No's) on mass multiplication procedure of Bio-pesticides and Bio-fertilizers and Integrated Pest Management (IPM) to Field staff were conducted in all soil regions of Andhra Pradesh and Karnataka. Scientists from NIPHM (National Institute of Plant Health Management), Hyderabad were invited as faculty for all the programmes. The staff during these trainings were educated by Scientists of NIPHM and Senior Managers of Board on theory of the concepts on first day and on second day of the programme the Pest and disease infestation symptoms were shown in the fields and the Pest control measures in integrated mode were elucidated to all the trainees. The particulars of the training programmes conducted to field staff with support of NIPHM faculty are as follows:

State and Soil Region	No. of field staff attended the training	Duration	Expenditure incurred along with GST (₹)
Karnataka, KLS Region	23	2 days (12/07/2022 & 13/07/2022)	74,310
Rajahmundry, NLS Region	32	2 days (17/11/2022 & 18/11/2022)	93,170
Ongole, SLS & SBS Regions	71	2 days (27/12/2022 & 28/12/2022)	1,55,415
Total	126		3,22,895

An expenditure of ₹3.23/- lakh was incurred towards the staff training programmes on Integrated Pest Management (IPM), conducted with support of NIPHM.

- Outsourcing technical field staff of Tobacco Board (164 Nos.) working in all soil regions of both Andhra Pradesh and Karnataka states were trained on the **"Basics of Package of Practices in FCV tobacco production from nursery management to Post Harvest Product Management (PHPM)"** in the month of August, 2022. The details of the programmes and the expenditure particulars are as follows:

S. No	Date of training	Details of faculty	Participant(s)	Training place	Expenditure along with GST (₹)
1	02/08/2022	Scientist from ICAR- CTRI, R.S. Hunsur, Representatives from Trade, Regional Managers and Auction Superintendents of Hunsur-II and Periyapatna-I in Karnataka	91 No's of Outsourcing Field Assistants working in Karnataka	ICAR-CTRI R.S, Hunsur	34,576
2	10/08/2022	Scientist , ICAR-CTRI-RS, Kandukur, Managers, (Production, Extension & Auctions), Regional Manager, Ongole (SBS) & Auction Superintendents (Kondepi & D.C.Palli)	50 No's of Outsourcing Field Assistants working in Southern Soil Regions of Andhra Pradesh	Regional Office, Ongole	30,715
3	18/08/2022	Scientist , ICAR-CTRI, Rajahmundry, Managers, (Production, & Auctions), Regional Manager, Rajahmundry) & Auction Superintendents (Gopalapuram & Koyyalagudem)	23 No's of Outsourcing Field Assistants working in Northern Soil Region of Andhra Pradesh	Office of the Auction Superintendent, Koyyalagudem	14,062
				Total	79,353

An amount of ₹0.79/- lakh was incurred towards the 3 training programmes.

Extension programmes undertaken towards control of CPA residues in NLS region - Action plan implemented:

- Board conducted meetings with all its stake holders in industry i.e. members of trade, growers and Scientists, CTRI, Rajahmundry at frequent intervals to address the pesticide residue problem in tobacco.
- A meeting was held on 16.02.2023 with all stake holders of tobacco industry at Head Office, Guntur for devising an plan over action to be implemented for control of CPA residue problem in FCV tobacco in NLS region for 2022-23 crop season. CTRI Scientists, Managers in Head Office, Regional Manager, NLS region, representatives from trade, grower representatives, Tobacco Board Officials and staff participated in the meeting.
- Auction Superintendents convened awareness meetings at village level focusing on CPA issues.
- Hand bills depicting the information on ill effects of pesticide residues in tobacco along with recommended pesticides and their dosages for control of different pest and diseases, were prepared and distributed to growers.

- An appeal was made to growers through print media to avoid the use of un-recommended pesticides in tobacco and also refrain from the use of Carbendazim, Dithiocarbamate and Pendimethalin.
- Flexis appealing the growers not to use Carbendazim, Dithiocarbamates and Pendimethalin were displayed in Auction floors and 90 hot spot villages identified with higher pesticide application.
- Posters/Pamphlets on CPA residue management highlighting economic threshold level of pest and period of pre-harvest interval were given to growers.
- Pest control measures were displayed on black boards at grower gathering places.
- Widely publicized the information of pesticides with dosages and pest control measures recommended by CTRI among the FCV tobacco growers.
- Constantly monitored pesticide sales to tobacco growers and displayed information on recommended pesticides in pesticide shops. Awareness meetings / trainings to pesticide dealers were conducted.
- Testing of the leaf tobacco for CPA residues was done, by following scientific sampling procedure, so as to establish traceability of the produce and thereby identification of high risk villages for taking up further steps for alleviating the CPA residue problem in FCV tobacco of NLS region.
- Educated growers on measures such as need based application of recommended pesticides in recommended doses; avoiding pesticide sprays for false maturity control; restricting the use of nitrogen fertilizers over and above recommended quantities; avoiding use of herbicides for weed control; application of concoctions with natural ingredients for pest control.

ii. **Workshops:**

- Tobacco Board had organized 2 workshops for growers in Karnataka and 2 workshops for growers in soil regions of Andhra Pradesh during 2022-23 crop season for deliberating with the Scientists of CTRI, trade executives and growers regarding prevalent problems in nursery and in crop cultivation, curing, Post Harvest Product Management and offer plausible solutions to growers.
- Workshops on Good Agricultural Practices (GAP) for FCV tobacco growers and technical staff of Karnataka was conducted on 07/06/2022 and 13/06/2022 at Rythu Bhavan, Kaggundi and at CTRI, Hunsur on the midcourse corrections to be taken up in fields affected due to incessant rainfall, production of quality tobacco by adopting Good Agricultural Practices (GAPs), Nutrient Management, cultural operations, Integrated Pest Management, CPA residue control, importance of topping and descukering operations and Post Harvest Product Management (PHPM) aspects. Regional Managers of Mysuru and Periyapatna, Head, CTRI Research Station, Hunsur, Scientist from CTRI, Hunsur and Senior Managers from major companies such as M/s. ITC Ltd and M/s. GPI participated in the programme.

- A one day workshop on "Latest Good Agricultural Practices" in FCV tobacco cultivation was conducted on 11/07/2022 at ICAR-CTRI Research Station, Kandukur. Hon'ble Executive Director, Tobacco Board, Director of ICAR-CTRI, Scientists from CTRI Research Stations, Managers from Head Office and Regional Managers, SBS and SLS regions, Board Members and Senior Managers from major companies, technical staff and growers from all the Auction platforms under SBS and SLS regions have participated in the workshop. CTRI Scientists and Managers from Board explained in detail regarding Extension and Developmental activities being taken up by Board, package of practices for improvement of crop quality and quantity, supply of bio fertilizers and bio pesticides, mechanization in FCV tobacco cultivation, nursery management, Orobancha parasite management, agronomic practices to be followed at the time of drought and excess rainfall conditions.



- Workshop to discuss regarding Good Agricultural Practices (GAPs) and problems in FCV tobacco cultivation was held in Northern Light Soils (NLS) region of Andhra Pradesh on 02/03/2023. The Managers from Head Office, Regional Manager, Rajahmundry, Head, ICAR-CTRI Research Station, Jeelugumilli, Principal Scientist, CTRI, Senior Managers from M/s ITC Ltd and M/s GPI Ltd have educated the growers regarding the new varieties such as FCJ-11 variety of CTRI, pros and cons of plastic mulching, judicious use of manures and fertilizers, Integrated Pest Management in FCV tobacco, NTRM removal, technology improvement, robotics in farming and international market situation.
- Growers have expressed their opinions and some growers shared their success stories about adoption of Integrated Pest Management practices, pest and disease management, cost cutting measures.

An amount of ₹1.98 lakh was incurred towards conducting the 4 workshops.

State	Soil region	Expenditure (₹ in Lakh)
KK	Mysuru	0.25
	Periyapatna	0.30
AP	SLS & SBS	0.87
	NLS	0.56
	Total	1.98

iii. Study tour to growers of Andhra Pradesh:

Tobacco Board had organized study tour to 276 farmers from all the 16 Auction platforms under Andhra Pradesh jurisdiction to visit Ag-Tech 2022 exhibition (Agri Expo) at Acharya N.G.Ranga Agricultural University (ANGRAU), Lam, Guntur during 3rd & 4th December-2022 for the benefit of tobacco growers covering all the latest technologies (through exhibition and conference). The FCV tobacco growers of all soil regions in Andhra Pradesh were taken for the programme and growers visited stalls exhibiting latest farming technologies, Agriculture machinery & tools; Aqua culture; Artificial intelligence utilization for precision farming; Agri Nano Technology; Irrigation automation; Food processing machinery; Organic agriculture; warehousing and cold storage equipment; Rural innovations; vertical farming & Hydroponics; supply chain logistics, Integrated Pest Management concepts etc. and also participated in conference on latest technologies in agriculture. The growers also visited stalls of ICAR-CTRI and were apprised the Good Agricultural Practices in FCV tobacco cultivation.

The details of expenditure incurred towards Study tour from all soil regions of Andhra Pradesh are as furnished below:

Soil region	Date of tour	Expenditure (₹ in Lakh)
NLS	03/12/2022	0.73
SBS	04/12/2022	1.07
SLS	04/12/2022	1.13
	Total	2.93



iv. Publicity Material:

During 2022-23 crop season, an amount of ₹18,400/- was incurred towards printing of 8,600 pamphlets on Good Agricultural Practices in FCV tobacco cultivation for distribution to growers and an amount of ₹2,500/- was incurred towards preparation of flexis depicting the benefits of green manure crops and seed availability.

v. Field Friends' Teams:

Tobacco Board has constituted Field Friends teams with Scientists from CTRI, field executives of major companies such as M/s. ITC, GPI, AOI, PSS and Board's Technical Officers to extend timely advises and suggestions to FCV tobacco growers on different aspects of tobacco cultivation. The potential extension providers in tobacco industry are identified and made partners in the Field Friend Team programme. Field friends' teams during their visits to fields observed the general crop condition in the areas and advised the extension staff of Board and growers on specific interventions to be taken up in fields for improving the crop condition. 5 Field Friend teams were constituted in all the soil regions during 2022-23 crop season in Andhra Pradesh and Karnataka states. The teams toured as per the schedule and an expenditure of ₹0.79 lakh was incurred.



VIII. On Farm tests and experimental trials:

An On-Farm Trial aims at testing a new technology, innovation or a novel intervention in farmers fields, under farmers management in comparison with farmers standard practices as control. During 2022-23 crop season, Tobacco Board has implemented "On Farm Tests and Experimental Trials" on impact of Natural Farming mode of FCV tobacco cultivation, varietal trials to test the efficacy of new varieties in comparison with existing varieties and for evaluation of the impact of KRB (Potassium Releasing Bacteria) application on crop quality and yield. In natural farming mode of FCV tobacco cultivation, chemical fertilizers and pesticides are not used and natural inputs are only utilized.

The particulars of growers who took up trials and the area under trials in both states of Andhra Pradesh and Karnataka during 2022-23 crop season are as follows:

Objective of the trial	State	No. of growers	Area under trials	
			(in ha.)	(in acres)
Natural Farming	Karnataka	101	40.4	101
	Total:	101	40.4	101
Natural Farming	Andhra Pradesh	16	19.51	48.775
Varietal trials	Andhra Pradesh (SLS and SBS Regions)	11	14.90	37.25
Evaluation of impact of KRB application on crop quality and yield.	Andhra Pradesh (NLS Region)	5	8.21	20.525
	Total:	32	42.62	106.55
	Grand Total:	133	83.02	207.55

Board incurred an expenditure of ₹11.11 lakh for Karnataka and ₹3.70 lakh in Andhra Pradesh towards the financial incentives, extended to these growers as an encouragement for conducting the on farm trials in their fields and also for organizing field day programmes. A total of 880 growers in Andhra Pradesh and 579 growers in Karnataka States attended to field day programmes and were educated on the benefits of natural farming concept, KRB utilization and new variety trials.



IX. Model Project Area:

Board has implemented Model Project Area scheme in 19 villages in Andhra Pradesh and 10 villages in Karnataka to encourage farmers in these areas to adopt Good Agricultural Practices to enhance productivity and quality of tobacco in a focused manner. M/s. ITC Ltd, M/s Godfrey Phillips India Ltd, M/s Deccan Tobacco Company and Alliance One India Ltd were also involved in developmental activities in MPA villages. An expenditure of ₹10.00 lakh was incurred towards execution of the scheme.

X. Research Projects taken up by Tobacco Board in co-ordination with trade and Central Government Research Institutes.

- Tobacco Board with support of trade has extended financial support to ICAR-CTRI for execution of the Research Project "Development and Evaluation of Solar Thermal Energy based FCV tobacco curing systems". CTRI has apprised in their interim reports that the integration of Solar thermal interventions viz., polycarbonate roof chamber, solar hot air circulation, solar hot water circulation resulted in reducing the fuel wood consumption upto 33% and polycarbonate roof chamber erected over the existing barn as a solar thermal energy collector will be able to reduce the fuel wood consumption by 21% in NLS tobacco. Final project report is yet to be submitted by the Institute.
- Tobacco Board executed MOU of the project "Development and evaluation of FCV tobacco leaves stringing machine" with ICAR-CTRI (Central Tobacco Research Institute) and ICAR-CIAE (Central Institute of Agricultural Engineering), on 09/11/2021. The proposed project cost of ₹11.055 lakh is being borne by Tobacco Board with the support of trade. An amount of ₹0.22 lakh was extended as Boards share in the 1st year and the remaining amount of ₹5.305 lakh was paid by Board to the Institutes as per projects terms and conditions during 2nd year in the month of December, 2022.



- Tobacco Board has awarded a new Research project for "Evaluation of Bio-consortia for nutrient supplementation; nematode/ disease control; for enhancing productivity and quality of FCV tobacco in KLS region" to ICAR-CTRI during 2022-23 crop season. Tobacco Board has entered into MOU with CTRI on 11/07/2022 and experimental trials under project were commenced at CTRI Research station, Hunsur.

- Tobacco Board has entered into MOU with CTRI, Rajahmundry on 03/12/2021 for the execution of the project "Scientific evaluation of Loose Leaf Barn for its efficacy in curing FCV tobacco" and as a part of the project, one Loose Leaf Barn was constructed in Kandukur Research Station of ICAR-CTRI.

As per the financial arrangement made in the MOU an amount of ₹1.00lakh towards financial assistance was extended towards engaging contractual services and other operational expenses for evaluation of Loose Leaf Barn technology and payment of ₹0.966 lakh was made by Board towards the construction of Loose Leaf Barn at ICAR-CTRI Research Station, Kandukur.

EXPENDITURE ON IMPLEMENTATION OF EXTENSION AND DEVELOPMENTAL SCHEMES IN 2022-23

Tobacco Board had incurred a total expenditure of **₹411.64 Lakh** during 2022-23 for implementing various Extension and Developmental schemes.

Extension Schemes	Expenditure (₹ in Lakh)
Farm mechanization	0.30
Improving Yield & Quality of Tobacco	234.62
Improvement of Curing Practices	111.55
Elimination of NTRMs and Product Integrity	17.46
Post Harvest Product Management	1.97
Programmes for training of farmers and technical staff	15.62
On Farm Tests & Experimental Trials	14.81
Model Project Area	10.00
Research Project, CIAE, Bhopal	5.31
Total:	411.64

The scheme wise Physical/Financial targets and achievements are given at page No's. **56 to 60.**

**2022-23 CROP SEASON - EXTENSION AND DEVELOPMENTAL SCHEMES -
PHYSICAL AND FINANCIAL ACHIEVEMENTS**

Sl. No.	Name of the Scheme	No.of beneficiaries			Physical Achievement (No's/Kg's/Ltr's)			Financial Achievement (₹ in lakh)		
		A.P	KK	Total	A.P	KK	Total	A.P	KK	Total
1	Farm Mechanization									
a	Leaf holding spike rod							0.30		0.30
	Sub Total:							0.30		0.30
2	Improving yield and quality of FCV Tobacco									
a	Green manure seed	567	23,040	23,607	19,850	7,37,143	7,56,993	1.13	73.71	74.84
b	Analysis of leaf for pesticide and chemical constituents				201	213	414	21.57	14.40	35.97
	Integrated Pest Management Practices									
c	Pheromone Traps	876	244	1120	19,853	1900	21,753	3.51	0.34	3.85
d	Yellow Sticky Traps	902	246	1148	15,107	1840	16,947	1.06	0.12	1.18
e	Supply of Trays and Cocopeat	1,644	6,407	8,051	7,76,539	1385427	21,61,966	23.69	63.03	86.72
f	Supply of Cocopeat	308		308	1,78,967		1,78,967	2.29		2.29
g	Supply of Bio Pesticides	1,239	1,426	2,665	5,159	1,428	6,587	5.80	1.61	7.41
h	Erection of green houses/ poly houses for raising nurseries	288		288	299		299	1.58		1.58
i	Supply of mari gold seedlings	3,813	2,311	6,124	9,10,000	2,56,500	11,66,500	6.83	1.92	8.75
j	Supply of Bajra & Jowar seeds		1,300	1,300		1,914	1,914		1.11	1.11
k	Supply of Water Soluble Fertilizers	7,738		7,738	41,995		41,995	10.92		10.92
	Sub Total:	17,375	34,974	52,349				78.38	156.24	234.62
3	Improving of curing practices									
	Energy conservation measures									
a	Glass wool roof insulation/ Paddy Straw Roof Insulation	380	1,446	1,826	310	1,484	1,794	28.86	74.20	103.06
b	Installation of loose leaf barn				1 barn at CTRI-RS			1.97		1.97
c	Installation of venturi furnace	179		179	131		131	6.52		6.52
	Sub Total:	559	1,446	2,005				37.35	74.20	111.55
4	Elimination of NTRM and Product Integrity through supply of tarpaulins (Canvas)	1,698		1,698	1,698		1,698	17.46		17.46

**2022-23 CROP SEASON - EXTENSION AND DEVELOPMENTAL SCHEMES -
PHYSICAL AND FINANCIAL ACHIEVEMENTS**

Sl. No.	Name of the Scheme	No.of beneficiaries			Physical Achievement (No's/Kg's/Ltr's)			Financial Achievement (₹ in lakh)		
		A.P	KK	Total	A.P	KK	Total	A.P	KK	Total
5	PHPM Measures Construction of Bulking Sheds/Model Storage facilities	14		14	14		14	1.97		1.97
6	Other Extension Programmes									
	Training to farmers & staff									
a	Work shops	384	151	535	2	2	4	1.43	0.55	1.98
b	Training programs by AuctionSuperintendents to growers	4,682	3,077	7,759	96	60	156	3.01	2.04	5.05
c	Training programs to Officers/Staff/Growers at NIPHM/CTRI				4	2	6	3.25	1.41	4.66
d	Publicity & Extension Literature				8,600 pamphlets & 16 flexis			0.21		0.21
e	Study Tours	312		312	16		16	2.93		2.93
f	Field Friend Teams				6	2	8	0.58	0.21	0.79
	Sub Total:	5,378	3,228	8,606				11.41	4.21	15.62
7	On Farm Tests & Experimental Trials	30	101	131	32	101	133	2.96	10.62	13.58
a	Field day training programme	880	579	1,459	16	10	26	0.74	0.49	1.23
8	Model Project Area	876	654	1,530	19	10	29	5.80	4.20	10.00
9	Research project, CIAE, Bhopal							5.31		5.31
	Grand Total:	26,810	40,982	67,792				161.68	249.96	411.64

COVERAGE OF SC/ST/WOMEN & OTHER GROWERS UNDER EXTENSION AND DEVELOPMENTAL SCHEMES DURING 2022-23

Sl. No	Name of the scheme	Achievements																
		Beneficiaries					Physical Achievement (No's/Kg's/Ltr's)					Financial (subsidy in ₹)						
		S.C	S.T	Women	Others	Total	S.C	S.T	Women	Others	Total	S.C	S.T	Women	Others	Total		
1	Farm Mechanization																	
a	Leaf holding spike rod																	30000
2	Improving yield and quality of FCV Tobacco																	
a	Green Manure seed	1340	777	5053	16437	23607	43665	27600	166210	519518	756993	435550	269500	1640100	5139480	7484630		
b	Analysis of leaf for pesticide and chemical constituents										414						3597053	
	Integrated pest management practices																	
c	Pheromone Traps	17	29	223	851	1120	422	792	4414	16125	21753	7471	14039	78214	285917	385641		
d	Yellow Sticky Traps	21	27	250	850	1148	348	449	3790	12360	16947	2433	3116	26384	85789	117722		
e	Supply of Trays and Cocopeat	447	244	1844	5516	8051	103247	64316	545243	1449160	2161966	641576	392048	2053481	5584703	8671808		
f	Supply of Cocopeat	4		80	224	308	1800		45630	131537	178967	3214		58185	167729	229128		
g	Supply of Bio Pesticides	108	43	652	1862	2665	209	85	1763	4530	6587	23375	9600	198100	509450	740525		
h	Erection of greenhouses/ poly houses	3		72	213	288	3		75	221	299	1590		39750	117130	158470		
i	Supply of marigold seedlings	519	60	1479	4066	6124	102262	9000	776780	279458	1166500	76697	6750.00	582585	208844	874875		
j	Supply of Bajra & Jowar seeds	104	28	306	862	1300	125	39	444.7	1305.3	1914	7880	2280	75424	25056	110640		
K	Supply of Water soluble fertilizers	138	1	1855	5744	7738	615	5	10359	31016	41995	15948	124	269287	806423	1091782		
	Sub Total:	2701	1209	11814	36625	52349						1215734	697457	5021510	12930521	23462274		

COVERAGE OF SC/ST/WOMEN & OTHER GROWERS UNDER EXTENSION AND DEVELOPMENTAL SCHEMES DURING 2022-23

Sl. No	Name of the scheme	Achievements														
		Beneficiaries				Physical Achievement (No's/Kg's/Ltr's)						Financial (subsidy in ₹)				
		S.C	S.T	Women	Others	Total	S.C	S.T	Women	Others	Total	S.C	S.T	Women	Others	Total
3	Improvement of Curing Practices															
	Energy conservation measures															
a	Glass wool roof insulation / Paddy Straw Roof Insulation	64	47	413	1302	1826	59.25	48	410.59	1276.16	1794	327485	240000	2417432	7320807	10305724
b	Installation of loose leaf barn (1 barn at CTRI-RS)															196610
c	Installation of venturi furnace	6	4	43	126	179	3	2	34	92	131	12500	10000	168000	462000	652500
	Sub Total:	70	51	456	1428	2005						339985	250000	2585432	7782807	11154834
4	Elimination of NTRM and Product Integrity through supply of tarpaulins (Canvas)	93	26	370	1209	1698	93	26	370	1209	1698	130200	36400	370000	1209000	1745600
5	PPHM Measures Construction of Bulking Sheds/Model Storage facilities			1	13	14			1	13	14			15000	181500	196500
6	Other Extension Programmes															
	Training to farmers & staff															
a	Work shops					535					4					198025
b	Training programs by Auction Superintendents to growers					7759					156					505314

COVERAGE OF SC/ST/WOMEN & OTHER GROWERS UNDER EXTENSION AND DEVELOPMENTAL SCHEMES DURING 2022-23

Sl. No		Name of the scheme	Achievements																										
			Beneficiaries					Physical Achievement (No's/Kg's/Ltr's)					Financial (subsidy in ₹)																
			S.C	S.T	Women	Others	Total	S.C	S.T	Women	Others	Total	S.C	S.T	Women	Others	Total												
c		Training programs to Officers/Staff/Growers at NIPHM/CTRI														6													466248
d		Publicity & Extension Literature (8600 pamphlets & 16 flexies)																											20900
e		Study Tours								312											16								293108
f		Field Friend Teams																		8								78766	
		Sub Total :								8606																		1562361	
7		On Farm Tests & Experimental Trials								131										133									1357931
a		Field day training programme								1459										26									123763
8		Model Project Area (Ha.)								1530										29									1000197
9		Research Project CIAE, Bhopal																											530500
		Grand Total:	2864	1286	12641	39275	67792														1685919	983857	7991942	22103828					41163960

CAPACITY BUILDING (TRAINING) PROGRAMMES FOR
TOBACCO BOARD OFFICIALS AND STAFF

- i) India Institute of Secretariat Training and Development (IISTD), New Delhi has conducted in-house training programme on "Office Systems & Office procedures, E-Governance, Noting & Drafting, Records Management, Office Automation, Personnel Department's duties in relation to social equity Stress and its impact on work and methods of managing stress" to 47 Officials for 2 days at Head Office, Guntur on 13/06/2022 and 14/06/2022



An amount of ₹2,49,570/- (along with GST) was paid to IISTD, New Delhi towards the training expenses.

- ii) Two Accountants working in Head Office, Guntur, were deputed to Srinagar for attending training programmes organized by National Institute of Secretariat Training and Development (NISTD), New Delhi for 3 days (18/06/2022 to 20/06/2022). The details of training topics are as follows:

S.No	Subject/ Topic of the Training Programme	Participant (s)
1.	Roster writing and reservation in services in Government policy for SCs, STs, OBCs and physically handicapped & recruitment rules, "stress & stress management" under capacity building in Government Departments Autonomous & PSUs	Mr. M.Rohit Raj Accountant
2.	"Amendment to CCS (Pension) Rules, pensionary benefits under the old pension scheme and new pensions scheme in wake of VI th pay commission report & grant of financial up gradation, under MACP" under capacity building in Government Departments Autonomous & PSUs	Mr P. Ravi Sankar Accountant



An amount of ₹1,17,268.40/- (along with GST) was paid to NISTD, New Delhi towards the training expenses.

- iii) Training to the Computer Operators and Accounts Section Staff were given in Virtual mode by the experienced staff of the Accounts Section working in Head Office and by an Organization M/s. Coforge Limited associated with the Board in Electronic Auctioning Process and Digitalization Operations. The brief details of such programmes conducted in virtual mode from Tobacco Board Head Office, Guntur are as follows:

S.No	Subject/ topic of the training programme	Training duration	Name of the training organization	Participant(s)
1.	Computer Modules	6 th - 11 th June -2022 (6 days)	M/s Coforge Limited	All the Computer Operators and 8 No's of LDC's working in Head Office
2.	Accounts related topics	Commenced on 11.07. 2022, 8 days during July month and 4 days in August & September months	Officials of the Accounts Section, Head Office, Tobacco Board.	Technical and Accounts staff working in Auction platforms of Andhra Pradesh and Karnataka
3.	TA, LTC, Medical, Children Education allowances etc.	29/08/2022	Officials of the Accounts Section, Head Office, Tobacco Board	All the AS/SGO's, Accountants, Assistants, UDC's and LDC's working in Auction platforms of Andhra Pradesh & Karnataka.

- iv. An in-house training programme on "Administrative Vigilance Role of Inquiry Officers/Presenting Officers (IO's/PO's) was conducted for 30 No. of Group - A & B Officers of Tobacco Board from 26th-28th October, 2022 at Tobacco Board's Head Office, Guntur by faculty from Institute of Secretariat Training and Management (ISTM), New Delhi.



An expenditure of ₹3,72,000/- was paid to the Institute of Secretariat Training and Management (ISTM), New Delhi towards Course fees for 30 officials charged @₹12,400/- per each participant and an amount of ₹2,599/- was paid to local transport fee claims of faculty members of ISTM, New Delhi.

A total expenditure of ₹7,41,437.40/- was incurred under Capacity building (training) programmes for officials and staff during 2022-23 crop season.

GROWER'S WELFARE INITIATIVES

I) Tobacco Board Growers Welfare Fund:

Tobacco Board is undertaking various welfare measures, to ensure overall welfare of around 78,000 Tobacco Growers and their families in the states of Andhra Pradesh, Karnataka, Telangana & Odisha by establishing "Tobacco Board's Growers' Welfare Schemes" in 2009-10 with the approval of Department of Commerce, Ministry of Commerce & Industry, Government of India.

The Welfare Scheme provides financial assistance in the form of Death Grants to deceased members for natural and accidental deaths and interest Free Loans to perform Daughter's Marriage, Education of members Children, Treatment for major illness/Accident cases which requires surgery and Repairs to barns damaged due to Natural Calamities/Fire Accidents. Since the inception of the scheme, Tobacco Board had provided financial relief of ₹69.73 Crore to 19,159 members in terms of Grants and Loans so far (Grants of ₹57.21 Crore to 14,475 members and Interest free loans of ₹12.52 Crore to 4,684 growers) upto 31/03/2022.

During 2022-23, an amount of ₹5.81 crore was disbursed in the form of Grants and ₹0.88 Crore in the form of Interest Free Loans, totaling to ₹6.69 Crore and ₹10.882 crore was sanctioned as Special Interest Free Crop Damage Loan to 10882 growers members of Ongole region (SBS & SLS) in Andhra Pradesh.

By the end of 2022-23, a total amount of ₹66.32 crore was available in Tobacco Board's Growers' Welfare Fund. The details of Grants/Interest Free Loans extended scheme wise during 2022-23 are placed at Page No.66.

II Production related services to farmers

A SOIL AND WATER ANALYSIS

Every year, Tobacco Board organizes collection and analysis of soil and water samples of registered tobacco growers at free of cost. Basing on analysis results, Board advises growers on suitability of soil and irrigation water for tobacco cultivation and on usage of correct dose of fertilizers for improving quality and yields. During 2022-23 crop season, 2,300 soil samples and 625 water samples in Andhra Pradesh state were analyzed by utilizing the services of KVK, Darsi and IPL, Tirupathi.

In Karnataka State 4,200 soil samples for both macro and micro nutrients were analyzed utilizing the services of RCF Limited, Gowdahally, Kolar District. The results were communicated to the concerned growers.

State	Soil Samples for Macro & Micro Nutrients	Water Samples
Andhra Pradesh	2,300	625
Karnataka	4,200	---
Total	6,500	625

B. BARN AND STOCK INSURANCE FOR FCV TOBACCO GROWERS:

The Board is facilitating insurance coverage of barns and tobacco stocks during curing and storage through Standard Fire and Allied Perils Policy since 2003 in Andhra Pradesh and from 2019-20 crop season onwards in Karnataka. Registered tobacco growers are also being covered under Group Personal Accident Policy (GPA) every year. During 2022-23 crop season, Oriental Insurance Company Limited provided insurance coverage to 32,274 growers and 33,496.92 barns in Andhra Pradesh and an amount of ₹2.804 crore was remitted as premium to the insurance company. In Karnataka, the United India Insurance Company Limited provided insurance coverage to 31,711 growers and 40,795.10 barns and paid an amount of ₹1.944 crore was remitted as premium to the Insurance Company.

**STATEMENT SHOWING THE FINANCIAL RELIEF IN THE FORM OF GRANTS / INTEREST FREE LOANS SANCTIONED
FROM INCEPTION OF THE SCHEME TO 31/03/2023**

Category of the scheme	Since inception of the scheme upto 31/03/2023				During 2022-23 (01/04/2022 to 31/03/2023)							
	Andhra Pradesh		Karnataka		TOTAL		Andhra Pradesh		Karnataka		TOTAL	
	No. of Beneficiaries	Amount (₹) In. Lakh	No. of Beneficiaries	Amount (₹) In. Lakh	No. of Beneficiaries	Amount (₹) In. Lakh	No. of Beneficiaries	Amount (₹) In. Lakh	No. of Beneficiaries	Amount (₹) In. Lakh	No. of Beneficiaries	Amount (₹) In. Lakh
DEATH GRANTS												
Natural death	9396	3040.75	4615	2330.62	14011	5371.37	456	227.75	646	323.00	1102	550.75
Accidental death	347	233.50	117	116.50	464	350.00	12	11.50	19	19.00	31	30.50
Total Grants (A)	9743	3274.25	4732	2447.12	14475	5721.37	468	239.25	665	342.00	1133	581.25

DEATH GRANTS

INTEREST FREE LOANS

a) Daughter Marriage	588	153.75	1089	536.75	1677	690.50	0	0.00	105	52.50	105	52.50
b) Major Illness	94	29.65	19	9.24	113	38.89	1	0.50	1	0.50	2	1.00
c) Barn Loan	2222	260.45	272	127.21	2494	387.66	2	0.40	48	21.30	50	21.70
d) Education Loan	286	79.24	114	55.85	400	135.09	1	0.50	24	12.00	25	12.50
Total Loans (B)	3190	523.09	1494	729.04	4684	1252.14	4	1.40	178	86.30	182	87.70
Grand Total (A + B)	12933	3797.34	6226	3176.16	19159	6973.51	472	240.65	843	428.30	1315	668.95

SPECIAL INTEREST FREE CROP DAMAGE LOAN TO ONGOLE REGION (SBS & SLS)

Ongole(SBS & SLS) Regions (C)	10882	1088.20	0	0.00	10882	1088.20	10882	1088.20	0	0.00	10882	1088.20
Grand Total (A + B+C)	23815	4885.54	6226	3176.16	30041	8061.71	11354	1328.85	843	428.30	12197	1757.15

AUCTIONEERING SERVICES

The Tobacco Board has introduced auction system for sale of FCV tobacco during 1984 in Karnataka and during 1985 in Andhra Pradesh by establishing auction platforms inter-alia to ensure fair and remunerative prices to the tobacco growers by creating an element of competition among the buyers, to ensure prompt payment to the growers and correct weighment of tobacco. Since then, the Board has been implementing the auction system for sale of FCV tobacco successfully.



E-auctioning of FCV tobacco

I. AUCTIONS FOR SALE OF 2021-22 FCV TOBACCO IN ANDHRA PRADESH:

a) Crop size fixed and estimated production:

Tobacco Board has fixed a crop size of 130 mkg for Andhra Pradesh during 2021-22 crop season. As against this, a crop of 111.45 mkg was estimated to be produced.

This year, transplantations delayed all over the state due to continuous rain during normal planting time. The delayed transplantations led to low productivity. Excessive rains during early stages damaged the crop in some parts of SLS & SBS Regions. However, the quality of crop was very good.

b) Commencement of Auction sales:

The auctions were commenced in two phases. In 1st Phase, auctions commenced on 14/03/2022 at 3 Auction Platforms in SBS and at 4 auction platforms in SLS Regions and in 2nd phase, auctions commenced on 28/03/2022 at remaining all 9 Auction Platforms in SLS, SBS & NLS Regions.

c) Grade Out-turn:

The grade outturn recorded in terms of Bright, Medium and Low-grade percentages were 52%:26%:22% vis-à-vis 53%:29%:18% during previous year.

The soil region wise bright, medium and low-grade percentages vis-à-vis previous year are given below:

Region	2021-22 Season			2020-21 Season		
	Bright %	Medium %	Low %	Bright %	Medium %	Low %
SBS	48	20	32	55	20	25
SLS	45	33	22	44	35	21
NLS	61	28	11	59	32	9
OVER ALL	52	26	22	53	29	18

d) Volume and Prices:

The auctions for sale of 2021-22 FCV tobacco crop in Andhra Pradesh commenced in the financial year 2021-22 on 14/03/2022 and concluded in the financial year 2022-23 on 28/07/2022. A total quantity of 120.99 million kg of tobacco was marketed at an average price of ₹179.17 per kg at the end of the auction season, out of which, a quantity of 113.46 million kg of tobacco was marketed at an average price of ₹178.88 per kg during the period from 01/04/2022 to 28/07/2022 i.e., during 2022-23 financial year. Auction platform wise quantity marketed and average price realized during 01/04/2022 to 28/07/2022 are given at page No.78.

e) Market trends:

Auctions for sale of 2021-22 Andhra Pradesh FCV tobacco crop commenced on 14th March 2022 and concluded on 28/07/2022 in 112 auction days. A total quantity of 120.99 million kg of 2021-22 crop was marketed as against the crop size fixed i.e., 130 million kg, at an average price of ₹179.17 per kg. The average price realized ₹179.17 per kg during 2021-22 season was higher by ₹31.87 per kg over the previous year's average price. The average price recorded for FCV tobacco auctions ₹179.17 per kg during 2021-22 season was the record high in the history of FCV tobacco auctions in India. The highest bid recorded during 2021-22 season was ₹245/- per kg as against ₹193/- per kg during previous auction season in Andhra Pradesh. Overall, it took 112 auction days during 2021-22 auction season to complete the auctions as against 137 days in previous year.

The soil region wise average prices realised during current auctions in comparison with previous year are given hereunder:

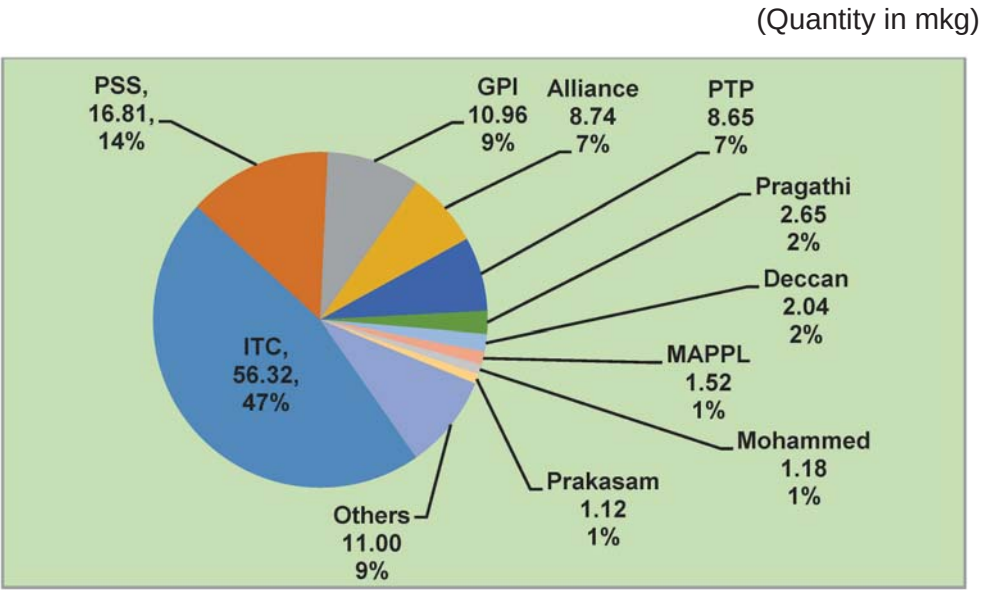
Soil Region	Grade	2021-22 Auctions (Final)		2020-21 Auctions (Final)		Diff. in Avg. Price of 2021-22 over 2020-21 Auctions
		Qty. Mktd. (mkg)	Avg. Pri. (₹/kg)	Qty. Mktd. (mkg)	Avg. Pri. (₹/kg)	
SBS (Southern Black Soils)	Bright	20.39	184.10	21.49	166.18	+17.92
	Medium	8.34	177.01	7.67	140.77	+36.24
	Low	13.81	152.39	9.98	79.53	+72.86
	Total	42.54	172.41	39.14	139.10	+33.31
SBS (Southern Light Soils)	Bright	15.31	184.00	14.12	168.15	+15.85
	Medium	11.07	177.28	11.49	144.25	+33.03
	Low	7.64	142.96	6.94	81.81	+61.15
	Total	34.02	172.60	32.55	141.31	+31.29
NLS (Northern Light Soils)	Bright	27.00	205.39	24.36	176.19	+29.20
	Medium	12.55	179.32	12.94	153.50	+25.82
	Low	4.88	138.35	3.75	75.72	+62.63
	Total	44.43	190.67	41.05	159.86	+30.81
All Regions	Bright	62.70	193.24	59.97	170.71	+22.53
	Medium	31.96	178.01	32.10	147.15	+30.86
	Low	26.33	147.06	20.67	79.61	+67.45
	Total	120.99	179.17	112.74	147.30	+31.87

f) Buyers' Performance:

A total of 41 buyers have participated in 2021-22 Andhra Pradesh auctions as against 49 buyers previous year. The quantities of tobacco purchased and average prices paid by Manufacturers, Exporters and Dealers compared to their previous year purchases are given hereunder:

Sl. No.	Category	2021-22 Auctions			2020-21 Auctions		
		Quantity (mkg)	% share	Avg. Pri. (₹/kg)	Quantity (mkg)	% share	Avg. Pri. (₹/kg)
1	Manufacturers	67.28	55.61	180.06	77.06	68.36	157.10
2	Exporters	45.14	37.31	178.97	30.04	26.64	133.40
3	Dealers	8.57	7.08	173.22	5.64	5.00	87.34
	Total	120.99	100.00	179.17	112.74	100.00	147.30

The purchases of major buyers during 2021-22 Andhra Pradesh FCV Tobacco auctions are given hereunder:



g) Total marketed value:

The total value of the tobacco crop that was realized by the growers was ₹2,167.78 crore during 2021-22 crop season.

h) No. of growers participated in auctions :

Sl. No.	Category of the growers	Season	No. of growers	Qty. marketed (kg)	Avg. Price (₹/kg)
1.	Registered growers	During the crop season	39574	12,09,84,955.2	179.17
2.	Un-registered growers	During the crop season	2	2519.9	179.26

II. AUCTIONS FOR SALE OF 2022-23 FCV TOBACCO IN KARNATAKA:

a) Crop size fixed and estimated production:

Tobacco Board has fixed a crop size of 100 million kg for Karnataka for 2022-23 crop season. This year, farmers taken-up early transplantations with the receipt of good amount of rainfall during the month of May, 2022. The crop growth affected due to incessant rains during 2nd fortnight of May and 2nd fortnight of July. This led to stunted growth and yield was affected adversely. However, the crop quality was good and it was estimated a production of 59.78 million kg.

b) Grade Out-turn:

The grade out-turn recorded in terms of Bright, Medium and Low-grade percentages for the 2022-23 crop were 34%:43%:23% vis-à-vis 32%:37%:31% during previous year.

c) Commencement of Auction sales:

Auctions have commenced on 10/10/2022 at all the 10 auction platforms in Karnataka for sale of 2022-23 FCV tobacco.

d) Market trends:

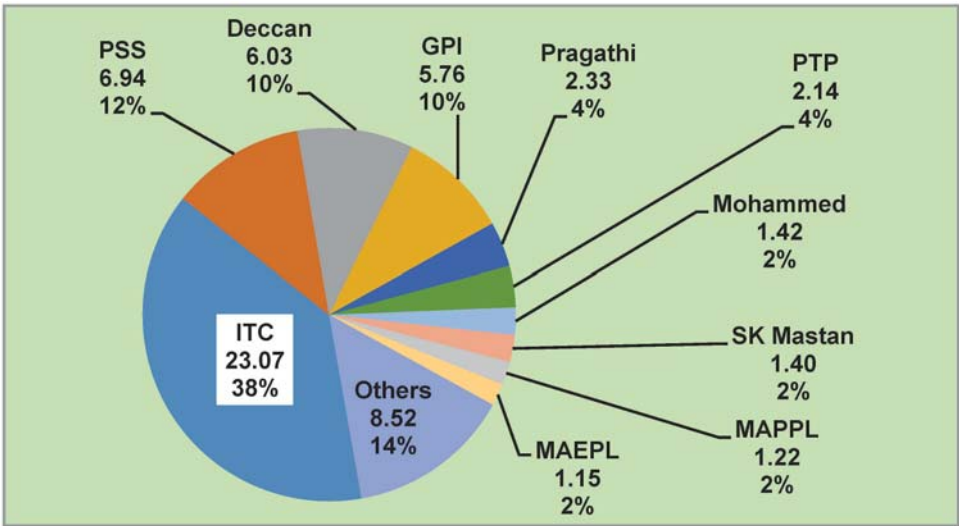
A total quantity of 59.98 mkg was marketed and the average price realized by the farmers was ₹228.01 per kg. The average price realised ₹228.01 per kg during the 2022-23 crop season was higher by ₹64.90 per kg over the previous year's average price. The average price of ₹228.01 per kg recorded for FCV tobacco in Karnataka was the record high in the history of FCV tobacco auctions in India. The highest bid recorded for FCV tobacco during 2022-23 season ₹271/- was also a record high in the history of FCV tobacco auctions in India.

Quantity of tobacco marketed and average price realised during the 2022-23 auction season, for Bright, Medium & Low-grade tobaccos compared the previous year average prices are given hereunder:

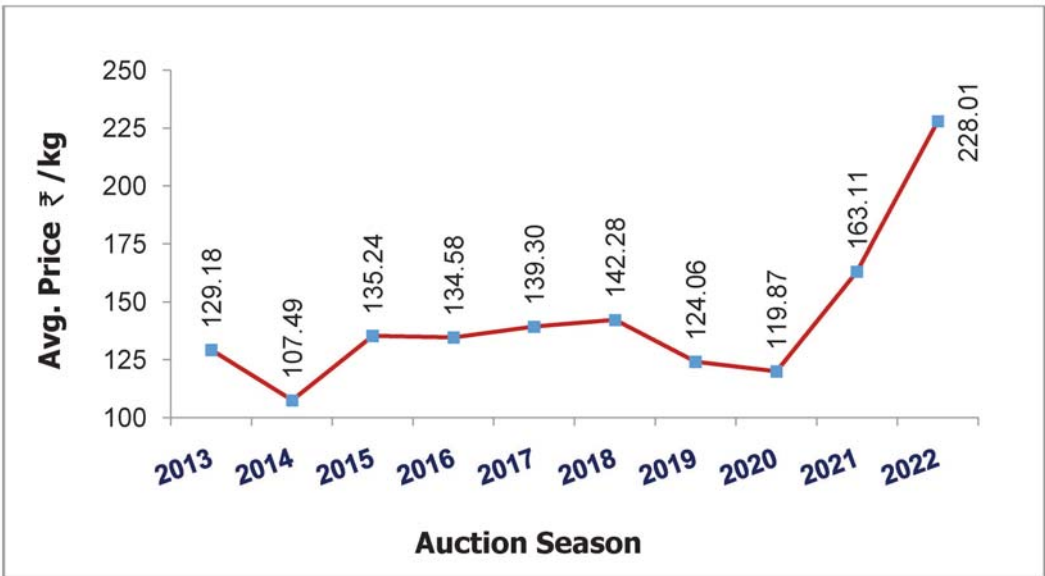
Grade	2022-23 Auctions (Final)		2021-22 Auctions (Final)		Diff. in Avg. Price of 2022-23 over 2021-22 Auctions
	Qty. Mktd. (mkg)	Avg. Pri. (₹/kg)	Qty. Mktd. (mkg)	Avg. Pri. (₹/kg)	
Bright	20.32	234.10	21.84	189.41	+ 44.69
Medium	25.58	232.38	25.08	170.07	+ 62.31
Low	14.08	211.28	21.22	127.84	+ 83.44
Total	59.98	228.01	68.14	163.11	+ 64.90

The purchases of major buyers during 2022-23 Karnataka FCV tobacco auctions were given hereunder

(Quantity in mkg)



e) Average prices realized by growers in Karnataka auctions for the last 10 years:



Auction sales were concluded on 27/03/2023 in 128 auction days as against 138 days during previous year and the auctions completed smoothly with the buoyancy in the market throughout the auction season.

f) Buyers' Performance:

The purchases made by the Manufacturers, Exporters and Dealers during the current auction season are as given hereunder:

Sl. No.	Category	Qty. purchased (mkg)	% Share	Avg. Price (₹/kg)
1	Manufacturers	28.83	48.07	233.06
2	Exporters	26.67	44.46	223.25
3	Dealers	4.48	7.47	223.77
	Total	59.98	100.00	228.01

A statement showing auction platform wise quantities of tobacco marketed, average prices realized and highest bids were recorded during 2022-23 Karnataka auctions was placed at Annexure-III.

g) No. of growers participated in auctions:

Sl. No.	Category of the growers	No. of growers	Qty. marketed	Avg. Price (₹/kg)
1.	Registered growers	37958	55897388.8	229.43
2.	Un-registered growers	8313	4084221.9	208.52

III. AUCTIONS FOR SALE OF 2022-23 FCV TOBACCO IN ANDHRA PRADESH:

a) Crop size fixed and estimated production:

Tobacco Board has fixed a crop size of 142 million kg for Andhra Pradesh during 2022-23 crop season.

An area of 23,000 ha of plantations was affected due to 'Mandous' Cyclone in SLS & SBS regions and some of the farmers had taken-up total re-plantations. The crop that withstood the cyclone experienced false ripening and low grade tobacco production. Due to occurrence of fast ripening, farmers were forced to hire additional barns for curing by incurring additional expenditure. However, the crop quality was good and it was estimated a production of 162.48 million kg.

Soil region wise crop targeted and estimated production during 2022-23 season was as follows:

Sl. No.	Soil Region	Targeted Crop (mkg)	Estimated Production (mkg)
1	SBS Region	46.12	57.11
2	SLS Region	43.23	50.04
3	NLS Region	52.65	55.33
	Grand Total	142.00	162.48

The soil region wise estimated production in terms of bright, medium and low grades in 2022-23 vis-à-vis 2021-22 crop are given hereunder:

Region	2022-23 Season (Estimated)			2021-22 Season		
	Bright %	Medium %	Low %	Bright %	Medium %	Low %
SBS	49	28	23	48	20	32
SLS	51	28	21	45	33	22
NLS	56	29	15	61	28	11
Total	52	29	19	52	26	22

b) Commencement of Auction sales:

Auctions for sale of 2022-23 Andhra Pradesh FCV tobacco crop at 16 auction platforms have commenced in 3 phases on 24/02/2023 (4 APFs); 09/03/2023 (7 APFs) and on 23/03/2023 (5 APFs).

c) Volume and Prices:

Auctions at all the auction platforms have commenced on a positive note. As on 31/03/2023 a quantity of 20.29 mkg was marketed at an average price of ₹196.60 per kg. The average price realised ₹196.60 per kg during 2022-23 auctions was higher by ₹15.03 per kg over the previous year's average price for the corresponding volume marketed.

Soil Region wise average prices realized as on 31/03/2023 in comparison with the corresponding volumes marketed previous year are given hereunder:

Soil Region	Qty. mktd. (mkg) 2022-23	Avg. price realised (₹/kg)		Diff. in Avg. Price over previous 2021-22 year (₹/kg)
		2022-23	2021-22	
SBS	10.29	195.82	176.39	+ 19.43
SLS	8.01	197.16	183.23	+ 13.93
NLS	1.99	198.39	181.91	+ 16.48
TOTAL	20.29	196.60	181.57	+ 15.03

d) Average prices realized by growers in AP auctions for the last 10 years:



- e) **Average prices realized for Bright, Medium and low grades as on 31/03/2023 in comparison with the corresponding volumes marketed previous year were as follows:**

Grade	Qty. mkted. (mkg) 2022-23	Avg. price realised (₹/kg)		Diff. in Avg. Price over previous year (₹/kg)
		2022-23	2021-22	
Bright	16.00	197.79	183.42	+ 14.37
Medium	4.00	193.50	173.54	+ 19.96
Low	0.29	173.39	132.98	+ 40.41
TOTAL	20.29	196.60	181.57	+ 15.03

A statement showing auction platform wise quantities of tobacco marketed, average prices realized and highest bids recorded as on 31/03/2023 are placed at page No. 76 & 77.

IV) Total quantity of tobacco marketed during financial year 2022-23:

The total quantity of tobacco marketed during the period 01/04/2022 to 31/03/2023 at all the auction platforms both in Andhra Pradesh and Karnataka was 193.73 million kg. and the average price realized was ₹195.95 per kg. The particulars are placed at Page No. 78 & 79.

The details of quantity of tobacco purchased, percentage share and average prices paid by manufacturers, exporters and dealers both in Andhra Pradesh and Karnataka during the period 01/04/2022 to 31/03/2023 are placed at Page No. 80 & 81.

**2022-23 AP Auctions - Auction platform wise particulars of
FCV tobacco auctioned as on 31/03/2023**

Sl. No.	Name of the Auction Platform	APF No.	Targeted Quantity (mkg)	Estimated Quantity (mkg)	Date of commencement	No. of bales sold	Highest bid recorded (₹/kg)	Quantity marketed (kg)	Value of tobacco marketed (₹)	Avg. price (₹/kg)
1	Ongole - I	20	9.54	13.90	24/02/2023	18911	200.00	2445146.5	477879431.96	195.44
2	Ongole - II	23	8.08	8.70	09/03/2023	10500	201.00	1396907.4	273346840.03	195.68
3	Tangutur-I	24	9.98	11.89	09/03/2023	13140	200.00	1723521.7	338430721.01	196.36
4	Kondepi	25	9.98	11.61	24/02/2023	20017	200.00	2574611.7	509077971.44	197.73
5	Vellampally - II	31	8.54	11.01	24/02/2023	16429	200.00	2150378.9	416313355.04	193.60
TOTAL (SBS)			46.12	57.11		78997	201.00	10290566.2	2015048319.49	195.82
6	Podili - I	22	10.31	10.79	24/02/2023	11249	200.00	1462210.3	288157783.82	197.07
7	Kandukur - I	26	8.88	11.40	09/03/2023	11144	200.00	1474302.2	291381086.81	197.64
8	Kandukur - II	27	7.69	10.00	09/03/2023	12105	200.00	1595357.4	314987365.06	197.44
9	Kaligiri	28	4.99	5.25	09/03/2023	9073	201.00	1191595.9	234220090.10	196.56
10	D.C. Palli	29	6.55	7.10	09/03/2023	11309	201.00	1516936	300049940.80	197.80
11	Kanigiri	35	4.81	5.50	09/03/2023	5745	200.00	765646.2	149645549.79	195.45
TOTAL (SLS)			43.23	50.04		60625	201.00	8006048.0	1578441816.38	197.16
12	Devarapalli	17	10.83	9.54	23/03/2023	2896	210.00	388647.2	76139872.95	195.91
13	J.R. Gudem - I	18	10.46	12.53	23/03/2023	3575	210.00	454129.3	90626043.11	199.56
14	Koyyalagudem	30	10.40	12.31	23/03/2023	3957	210.00	492263.4	97394313.69	197.85
15	J.R. Gudem - II	32	10.69	11.05	23/03/2023	3006	210.00	382675.3	76286321.06	199.35
16	Gopalapuram	33	10.27	9.90	23/03/2023	2146	210.00	275740.0	55026674.40	199.56
TOTAL(NLS)			52.65	55.33		15580	210.00	1993455.2	395473225.21	198.39
GRAND TOTAL			142.00	162.48		155202	210.00	20290069.4	3988963361.07	196.60

2022-23 Karnataka Auctions - Auction platform wise particulars of FCV tobacco auctioned as on 31/03/2023

Sl. No.	Name of the Auction Platform	APF No.	Targetted Quantity (mkg)	Estimated Quantity (mkg)	Date of commencement	No. of bales sold	Highest bid recorded (₹ kg)	Quantity marketed (kg)	Value of tobacco marketed (₹)	Avg. price (₹/kg)
1	H.D. Kote	1	10.17	5.63	10/10/2022	55188	270.00	5408349.3	1267068074.00	234.28
2	Hunsur - I	2	7.68	5.51	10/10/2022	56901	270.00	5308204.2	1193549714.37	224.85
3	Hunsur - II	3	6.98	4.51	10/10/2022	48789	270.00	4644923.6	1068611123.42	230.06
4	Periyapatna - I	4	13.12	6.82	10/10/2022	65890	270.00	6554870.8	1494248347.57	227.96
5	Periyapatna - II	5	11.40	7.90	10/10/2022	79161	271.00	7970209.1	1797361854.14	225.51
6	Periyapatna - III	6	11.82	6.61	10/10/2022	71551	270.00	7008047.9	1577231260.37	225.06
7	Ramanathapura-I	7	10.13	5.89	10/10/2022	62290	270.00	5902907.0	1356192883.25	229.75
8	Chilkunda	62	13.84	8.78	10/10/2022	94455	270.00	9116521.7	2060607399.85	226.03
9	Ramanathapura-II	63	8.85	4.32	10/10/2022	46368	270.00	4430032.1	1023337415.10	231.00
10	Hunsur - III	64	6.01	3.81	10/10/2022	37314	271.00	3637545.0	837944866.20	230.36
Grand Total			100.00	59.78		617907	271.00	59981610.7	13676152938.27	228.01

**Auction Platform wise quantity of tobacco marketed in auctions in
Andhra Pradesh and Karnataka during the period 01/04/2022 to 31/03/2023**

Sl. No.	Name of the Auction Platform	2021-22 AP Auctions Quantity marketed during the period 01/04/2022 to 28/07/2022		2022-23 AP Auctions Quantity marketed during the period 24/02/2023 to 31/03/2023		Total Quantity marketed during the period 01/04/2022 to 31/03/2023	
		Qty. Mktd. (kg)	Avg. Pri. (₹/kg)	Qty. Mktd. (kg)	Avg. Pri. (₹/kg)	Qty. Mktd. (kg)	Avg. Pri. (₹/kg)
I. ANDHRA PRADESH							
1	Ongole - I	8867555.3	169.06	2445146.5	195.44	11312701.8	174.76
2	Ongole - II	7276983.9	172.21	1396907.4	195.68	8673891.3	175.99
3	Tangutur-I	8926971.2	174.36	1723521.7	196.36	10650492.9	177.92
4	Kondepi	7897455.7	171.56	2574611.7	197.73	10472067.4	177.99
5	Vellampalli-II	6640434.6	171.00	2150378.9	193.60	8790813.5	176.53
TOTAL (SBS)		39609400.7	171.66	10290566.2	195.82	49899966.9	176.64
6	Podili - I	5798362.5	164.51	1462210.3	197.07	7260572.8	171.07
7	Kandukur - I	7399036.5	176.04	1474302.2	197.64	8873338.7	179.63
8	Kandukur - II	6071699.4	176.43	1595357.4	197.44	7667056.8	180.80
9	Kaligiri	3012851.6	171.65	1191595.9	196.56	4204447.5	178.71
10	D.C. Palli	3795404.1	168.00	1516936.0	197.80	5312340.1	176.51
11	Kanigiri	3784630.6	165.19	765646.2	195.45	4550276.8	170.28
TOTAL (SLS)		29861984.7	171.04	8006048.0	197.16	37868032.7	176.56
12	Devarapalli	7296745.0	187.47	388647.2	195.91	7685392.2	187.90
13	J.R.Gudem - I	9754055.2	191.47	454129.3	199.56	10208184.5	191.83
14	Koyyalagudem	9349501.1	190.42	492263.4	197.85	9841764.5	190.79
15	J.R.Gudem - II	9555774.5	191.54	382675.3	199.35	9938449.8	191.84
16	Gopalapuram	8034835.5	192.11	275740.0	199.56	8310575.5	192.36
TOTAL (NLS)		43990911.3	190.72	1993455.2	198.39	45984366.5	191.05
SUB TOTAL		113462296.7	178.88	20290069.4	196.60	133752366.1	181.57

**Auction Platform wise quantity of tobacco marketed in auctions in
Andhra Pradesh and Karnataka during the period 01/04/2022 to 31/03/2023**

Sl. No.	Name of the Auction Platform	2021-22 Karnataka Auctions Quantity marketed during the period 01/04/2022 to 31/03/2023		2022-23 Karnataka Auctions Quantity marketed during the period 10/10/2022 to 27/03/2023		Total Quantity marketed. during the period 01/04/2022 to 31/03/2023	
		Qty. Mktd. (kg)	Avg. Pri. (₹/kg)	Qty. Mktd. (kg)	Avg. Pri. (₹/kg)	Qty. Mktd. (kg)	Avg. Pri. (₹/kg)
II. KARNATAKA							
1	H.D.Kote-I	0.0	0.00	5408349.3	234.28	5408349.3	234.28
2	Hunsur-I	0.0	0.00	5308204.2	224.85	5308204.2	224.85
3	Hunsur-II	0.0	0.00	4644923.6	230.06	4644923.6	230.06
4	Periyapatna-I	0.0	0.00	6554870.8	227.96	6554870.8	227.96
5	Periyapatna-II	0.0	0.00	7970209.1	225.51	7970209.1	225.51
6	Periyapatna-III	0.0	0.00	7008047.9	225.06	7008047.9	225.06
7	Ramanathapura-I	0.0	0.00	5902907.0	229.75	5902907.0	229.75
8	Chilkunda	0.0	0.00	9116521.7	226.03	9116521.7	226.03
9	Ramanathapura-II	0.0	0.00	4430032.1	231.00	4430032.1	231.00
10	Hunsur-III	0.0	0.00	3637545.0	230.36	3637545.0	230.36
SUB TOTAL		0.0	0.00	59981610.7	228.01	59981610.7	228.01
GRAND TOTAL (AP & KK)		113462296.7	178.88	80271680.1	220.07	193733976.8	195.95

**COMPANY WISE FCV TOBACCO PURCHASES IN AUCTIONS IN ANDHRA PRADESH AND
KARNATAKA DURING THE PERIOD 01/04/2022 TO 31/03/2023**

Sl. No.	NAME OF THE BUYER M/S.	2021-22 AP CROP			2022-23 AP CROP			2022-23 KARNATAKA CROP			TOTAL (From 01/04/2022 to 31/03/2023)		
		From 01/04/2022 To 28/07/2022			From 24/02/2023 To 31/03/2023			From 10/10/2022 To 27/03/2022					
		Qty. in kg	Avg. price (₹/kg)	% share	Qty. in kg	Avg. price (₹/kg)	% share	Qty. in kg	Avg. price (₹/kg)	% share			
MANUFACTURERS													
1	ITC Limited	52038335.1	180.30	45.86	12856088.1	196.04	63.36	23073802.8	233.71	38.47	87968226.0	196.61	45.41
2	Godfrey Phillips India Limited	9961008.1	177.34	8.78	1511557.6	197.98	7.45	5761175.3	230.46	9.60	17233741.0	196.91	8.90
	Sub- Total	61999343.2	179.82	54.64	14367645.7	196.24	70.81	28834978.1	233.06	48.07	105201967.0	196.66	54.30
EXPORTERS													
3	Polisetty Somasundaram	16061700.4	177.07	14.16	1781056.5	198.64	8.78	6940783.1	223.97	11.57	24783540.0	191.75	12.79
4	Deccan Tobacco Company	2036744.9	179.12	1.80	262896.6	193.80	1.30	6028027.6	232.73	10.05	8327669.1	218.39	4.30
5	Alliance One Industries Ltd. India Pvt.	8150209.3	182.62	7.18	1209378.2	196.89	5.96	853451.6	228.53	1.42	10213039.1	188.15	5.27
6	Premier Tobacco Packers Pvt. Ltd.	8144173.0	181.88	7.18	884312.5	199.06	4.36	2133847.6	230.45	3.56	11162333.1	192.53	5.76
7	Mittapalli Agro Products Pvt. Ltd.	1518660.8	143.14	1.34				1215279.5	190.19	2.03	2733940.3	164.05	1.41
8	Pragathi Tobacco Traders India Pvt. Ltd.	2605775.9	186.25	2.30	824488.9	195.64	4.06	2333461.7	211.58	3.89	5763726.5	197.85	2.98
9	Mohammed Enterprises Pvt. Ltd.	1092752.2	176.65	0.96	7709.7	205.81	0.04	1422369.5	226.56	2.37	2522831.4	204.88	1.30
10	Mittapalli Audinarayana Ent. Pvt. Ltd.	400269.0	134.32	0.35	5886.2	194.50	0.03	1153635.1	193.14	1.92	1559790.3	178.05	0.81
11	Shaik Masthan Saheb Tobacco Ent.	16545.6	97.20	0.01	59756.6	193.65	0.29	1398107.6	215.52	2.33	1474409.8	213.31	0.76
12	K.S. Subbiah Pillai & Co. (India) Pvt. Ltd.	458591.0	212.05	0.40	59208.4	199.58	0.29	591814.0	253.53	0.99	1109613.4	233.51	0.57

COMPANY WISE FCV TOBACCO PURCHASES IN AUCTIONS IN ANDHRA PRADESH AND
KARNATAKA DURING THE PERIOD 01/04/2022 TO 31/03/2023

Sl. No.	NAME OF THE BUYER M/S.	2021-22 AP CROP			2022-23 AP CROP			2022-23 KARNATAKA CROP				TOTAL		
		From 01/04/2022 To 28/07/2022			From 24/02/2023 To 31/03/2023			From 10/10/2022 To 27/03/2023				(From 01/04/2022 To 31/03/2023)		
		Qty. in kg	Avg. price (₹/kg)	% share	Qty. in kg	Avg. price (₹/kg)	% share	Qty. in kg	Avg. price (₹/kg)	% share	Qty. in kg	Avg. price (₹/kg)	% share	
13	Yarlagadda Exports Pvt. Ltd.	486288.0	166.00	0.43				413271.8	237.49	0.69	899559.8	198.84	0.46	
14	Maddi Lakshmaiah & Co. Pvt. Ltd.	439455.4	177.23	0.39	404387.9	199.25	1.99				843843.3	187.78	0.44	
15	Vani Tobaccos				1514.0	199.90	0.01	205198.0	245.17	0.34	206712.0	244.84	0.11	
16	Ali Enterprises				22409.6	190.10	0.11				22409.6	190.10	0.01	
17	Avinash Tobaccos	136082.6	170.73	0.12				75948.2	233.24	0.13	212030.8	193.12	0.11	
18	Cartel Tobaccos							147875.1	234.33	0.25	147875.1	234.33	0.08	
19	Panchajanya Tobacco Exports							218885.3	217.12	0.36	218885.3	217.12	0.11	
20	Prapalsha Agros Limited	60793.0	154.86	0.05	49802.9	186.79	0.25	65957.5	224.29	0.11	176553.4	189.80	0.09	
21	Prakasam Enterprises	1112383.0	185.47	0.98				939145.3	213.88	1.57	2051528.3	198.48	1.06	
22	K.K. Mohan Enterprises	362746.4	203.65	0.32				204895.2	235.52	0.34	567641.6	215.15	0.29	
23	Sri Hanuma Enterprises							59277.9	220.37	0.10	59277.9	220.37	0.03	
24	Elite Leaf Tobacco Company							82690.2	220.35	0.14	82690.2	220.35	0.04	
25	Venkata Sai Tobacco Pvt. Ltd.							182250.6	246.61	0.30	182250.6	246.61	0.09	
	Sub-Total	43083170.5	178.69	37.97	5572808.0	197.52	27.47	26666172.4	223.28	44.46	75322150.9	195.87	38.88	
	OTHERS (Dealers)	8379783.0	172.89	7.39	349615.7	196.54	1.72	4480460.2	223.67	7.47	13209858.9	190.74	6.82	
	GRAND TOTAL	113462296.7	178.88	100.00	20290069.4	196.60	100.00	59981610.7	228.01	100.00	193733976.8	195.95	100.00	

TRADING WING

The Government of India had created Trading Wing in 1984 with margin money of ₹1.25 crore for its operations. The margin money available with the Board as on 31/03/2023 was 28.48 crore. The objective of Trading Wing is to purchase Virginia tobacco from growers on the Auction Platforms at prices fixed by the Government when it is expedient and dispose of the same in India or abroad as per Section 20-A of Tobacco Board Act, 1975. Trading Wing of Tobacco Board had not taken up any price support operations during 2022-2023, as the market was buoyant and the growers received better prices.

REGISTRATION AS PROCESSOR/MANUFACTURER/COMMERCIAL GRADERS OF VIRGINIA TOBACCO/ EXPORTER OF TOBACCO AND TOBACCO PRODUCTS/ PACKERS/DEALERS IN TOBACCO:

Under Sections 11A, 11B (i) and 12 of Tobacco Board Act, 1975, no person shall process Virginia Tobacco, Manufacture Virginia Tobacco Products, take up grading work relating to Virginia tobacco for commercial purposes, export tobacco or any tobacco products, function as a packer, auctioneer, or dealer in tobacco, unless he registers himself with the Board in accordance with the rules made under this Act. Individuals, firms or companies have to obtain Registration/Renewal of registration from the Tobacco Board for each category separately for carrying out the above business operations. The registration or renewal of registration granted by Tobacco Board is valid for one calendar year.

The particulars of Registration / Renewal of registration granted to different categories of traders for the year 2022 and for the year 2023 (as on 31/03/2023) are as follows:

Sl. No.	Category	No. of Companies Registered	
		2022	2023 *
1	Processor of Virginia Tobacco	13	13
2	Manufacturer of Virginia Tobacco	35	27
3	Exporter of Tobacco	181	170
4	Exporter of Tobacco Products	543	450
5	Dealer in Tobacco	377	328
6	Packer of Tobacco	21	17
7	Commercial Grader of Virginia tobacco	22	13
Total		1192	1018

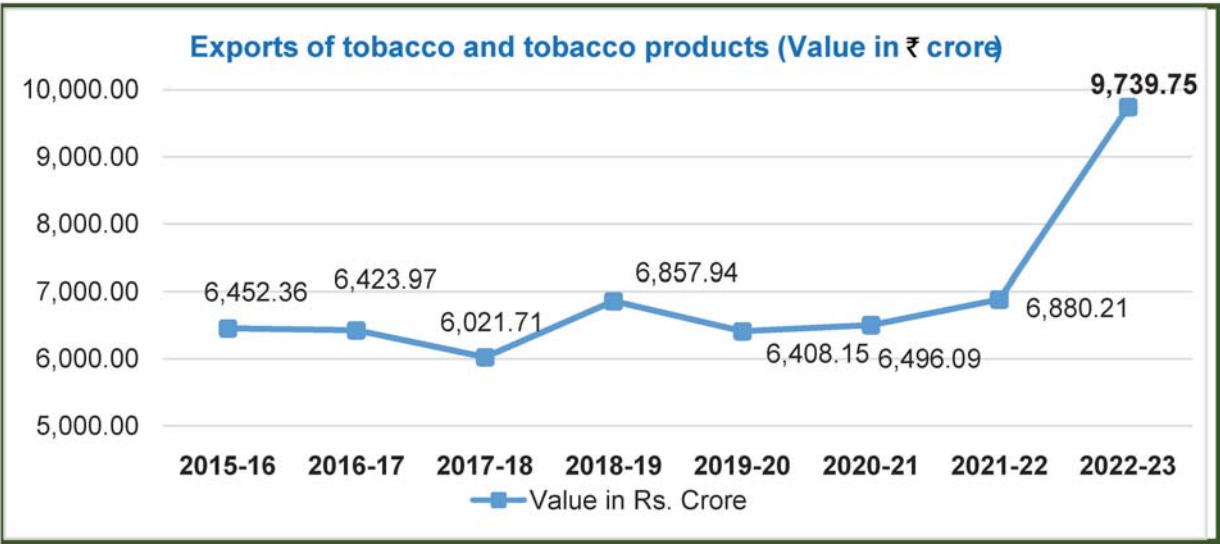
*As on 31/03/2023

In line with the Government of India's initiative on "Digital India", Tobacco Board had introduced online system for e-filing of applications for grant of registration / renewal of registration under various categories of traders to provide a transparent and integrated electronic services to the tobacco trade. E-filing of applications has been made mandatory for obtaining registration/renewal of registration by all categories of traders through Tobacco Board portal www.tobaccoboard.in

Tobacco Board has on-boarded to National Single Window System on 22/09/2021 for fresh investors / traders. The NSWS portal is accessible to investors for registration with Tobacco Board under various categories.

EXPORTS OF TOBACCO AND TOBACO PRODUCTS FROM INDIA

Indian exports of unmanufactured tobacco and tobacco products have registered the highest ever exports of ₹9,739.75 crore (1,213.37 million USD) during 2022-23. India is the 2nd largest producer and 4th largest exporter of unmanufactured tobacco in the world. (Source: FAO Stat Data, ITC TRADEMAP, 2021). Indian exports of tobacco and tobacco products comprise of unmanufactured tobacco and tobacco refuse (HS code: 2401- constituting 67.77% of total value of exports) consisting of Flue Cured Virginia (FCV) tobacco and Non-FCV tobaccos viz., Burley, HDBRG, Sun Cured Country (Natu) (SCC), Lal Chopadia, Rustica, Dark Fire Cured tobacco, Oriental etc; Cigars, Cheeroots, Cigarillos and Cigarettes, of Tobacco or of Tobacco Substitutes (HS Code : 2402 - constituting 7.99% of total value of exports), Other Manufactured Tobacco and Manufactured Tobacco Substitutes; Homogenised or Reconstituted Tobacco, Tobacco Extracts and Essences (HS Code : 2403 - constituting 24.21% of total value of exports) viz., Chewing tobacco, Cut tobacco, Hookah Tobacco Paste, Snuff and Bidis, etc., Products Containing Tobacco, Reconstituted Tobacco, Nicotine or Tobacco or Nicotine Substitutes, Intended for Inhalation without Combustion; Other Nicotine Containing Products Intended for the Intake of Nicotine into the Human Body (HS Code 2404 - constituting 0.03% of total value of exports) i.e., products intended for inhalation without combustion. The exports of tobacco and tobacco products from India ranged from ₹6,452.36 crore in 2015-16 to all time high of ₹9,739.75 crore in 2022-23



Data Source: DGCIS, Kolkata

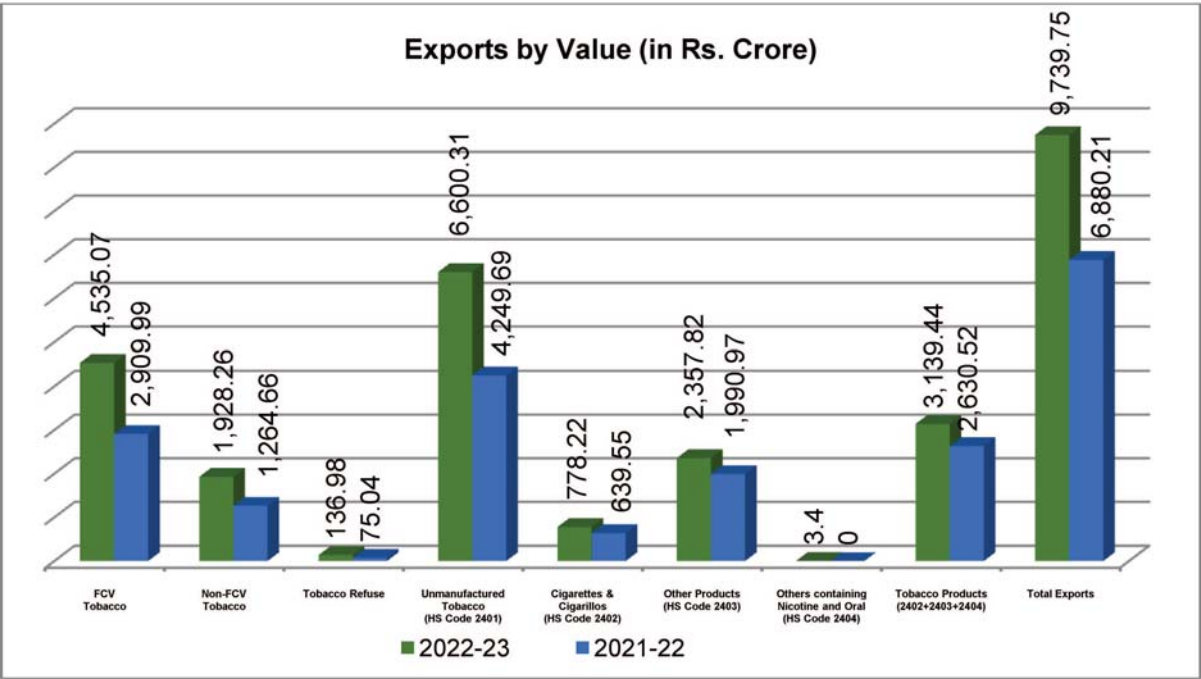
1. Indian Tobacco and tobacco products trade analysis

1.1 Overall export performance of tobacco and tobacco products from India:

Indian exports of tobacco and tobacco products during 2022-23 were in the order of 2,91,181.74 M.Tons valued at ₹9,739.75 crore (US\$ 1,213.37 million). During 2022-23, the exports have registered a positive growth of 29%, 42% and 31% respectively in terms of quantity, value in rupees and in US dollars as compared to the exports made during 2021-22.

S. No	Categories	April 2022 - March 2023			April 2021 - March 2022			% Change in Value (Million US \$)
		Qty. in Metric Tons	Value in ₹ Crore	Value in Million US\$.	Qty. in Metric Tons	Value in ₹ Crore	Value in Million US\$.	
I	Unmanufactured Tobacco; Tobacco Refuse (HS Code: 2401)							
a	FCV Tobacco	1,34,891.54	4,535.07	565.27	1,05,209.58	2,909.99	390.51	44.75
b	Non FCV Tobacco	91,749.91	1,928.26	239.94	72,002.83	1,264.66	169.79	41.32
c	Tobacco Refuse	29,551.40	136.98	17.01	19,009.20	75.05	10.08	68.75
	Total	2,56,192.84	6,600.32	822.23	1,96,221.61	4,249.69	570.37	44.15
II	Tobacco Products (HS Code: 2402, 2403 & 2404)							
a	Cigarettes, Cheeroots, Cigarillos and Cigarettes, of Tobacco or of Tobacco Substitutes (HS Code: 2402)	10,188.66	778.22	96.98	6,952.13	639.55	85.88	12.93
b	Other Manufactured Tobacco and Manufactured Tobacco Substitutes Homogenised or Reconstituted Tobacco, Tobacco Extracts and Essences (HS Code: 2403)	24,790.35	2,357.82	293.75	21,781.32	1,990.97	267.14	9.96
c	Products Containing Tobacco, Reconstituted Tobacco, Nicotine or Tobacco or Nicotine Substitutes Intended for Inhalation without Combustion; Other Nicotine Containing Products Intended for the Intake of Nicotine into the Human Body (HS Code: 2404)	9.88	3.40	0.42	0.00	0.00	0.00	--
	Total Products (HS Code: 2402+2403+2404)	34,989	3,139.44	391.15	28,733	2,630.52	353.02	10.80
	Grand Total (HS Code: 2401+ 2402+2403+2404)	2,91,181.74	9,739.75	1,213.37	2,24,955.06	6,880.21	923.40	31.40
	% Change over 2021-22 (+/-)	29	42	31	2	6	5	

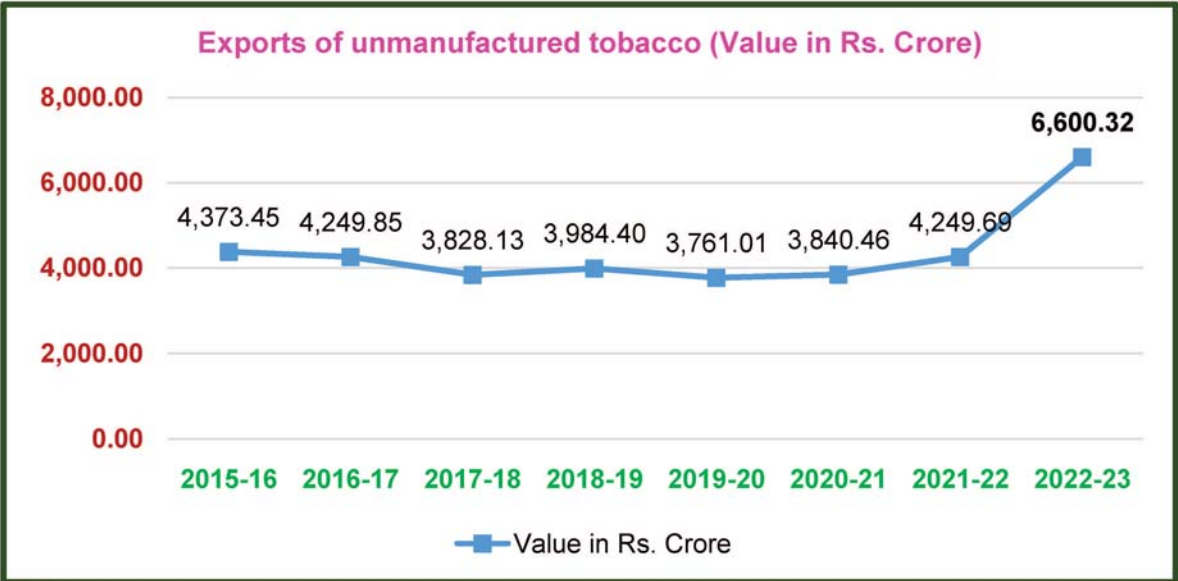
Source: DGCIS, Kolkata



Data Source: DGCIS, Kolkata

1.2 Unmanufactured tobacco exports (HS Code 2401):

Exports of unmanufactured tobacco during 2022-23 have increased by 31% in quantity terms to 2,56,192.84 tons, by 55% in terms of rupees to ₹6,600.32 crore and by 44% in dollar terms to 822.23 million USD. This is against 1,96,221.61 tons of unmanufactured tobacco exported during 2021-22, valued at ₹4,249.69 crore or 570.37 million USD.



Data Source: DGCIS, Kolkata

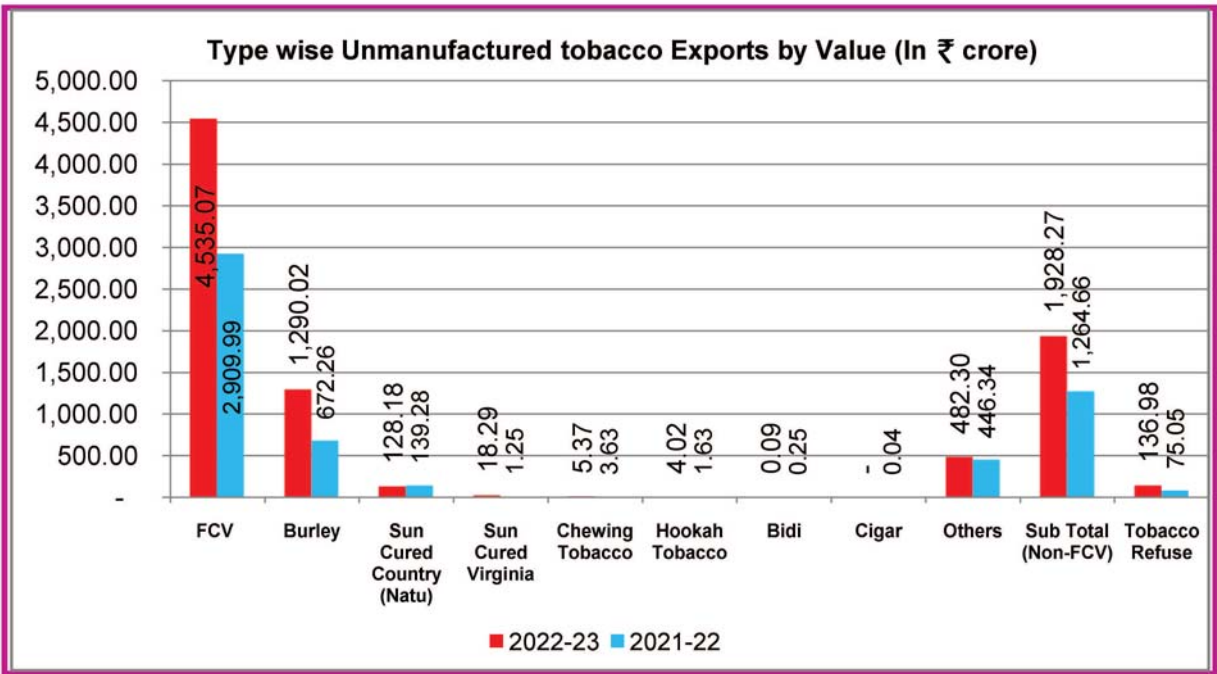
1.2.1 Type wise exports of unmanufactured tobacco; Tobacco Refuse (HS Code: 2401):

Of the total exports of Indian unmanufactured tobacco during the year 2022-23, FCV tobacco, constituted 52.65% share while Non-FCV tobaccos accounted for 35.81% share and tobacco refuse accounted for 11.54% share in terms of volume. Among the Non-FCV tobaccos, Burley accounted for the major share of 22.68% followed by Sun Cured Country (Natu) (2.26%), Sun Cured Virginia (0.33%), Chewing Tobacco (0.17%) and Hookah Tobacco (0.04%). In value terms, FCV tobacco exports constituted 68.71% of the total unmanufactured tobacco exports while Non-FCV tobacco exports accounted for 29.21% and tobacco refuse accounted for 2.08%.

(Quantity in Metric Tons, Value in ₹ Crore)

Tobacco Type	2022-23				2021-22	
	Quantity	% change Y-o-Y	Value	% change Y-o-Y	Quantity	Value
Flue Cured Virginia (FCV) tobacco	1,34,891.54	28.21	4,535.07	55.84	1,05,209.58	2,909.99
Non-FCV Tobaccos						
Burley	58,115.47	64.28	1,290.02	91.89	35,375.11	672.26
Sun Cured Country (Natu)	5,798.28	-29.42	128.18	-7.97	8,215.48	139.28
Sun Cured Virginia	842.81	990.87	18.29	1,363.20	77.26	1.25
Chewing Tobacco	443.94	18.40	5.37	48.15	374.94	3.63
Hookah Tobacco	110.11	111.26	4.02	147.28	52.12	1.63
Bidis	5.93	-92.32	0.09	-61.50	77.30	0.25
Cigars	-	-100.00	-	-100.00	4.57	0.04
others	26,433.37	-5.00	482.30	8.06	27,826.06	446.34
Sub Total (Non-FCV)	91,749.91	27.43	1,928.26	52.47	72,002.83	1,264.66
Tobacco Refuse	29,551.40	55.46	136.98	82.54	19,009.20	75.05
Total	2,56,192.84	30.56	6,600.32	55.31	1,96,221.61	4,249.69

Source: DGCIS, Kolkata



Data Source: DGCIS, Kolkata

FCV tobacco exports during 2022-23 were in the order of 1,34,891.54 M.Tons valued at ₹4,535.07 crore (565.27 million USD) as against the exports of 1,05,209.58 M.Tons during 2021-22 valued at ₹2,909.99 crore (390.51 million USD). Exports of FCV tobacco during 2022-23 have increased by 28%, 56% and 45% respectively in terms of quantity, value in rupees and value in US dollars when compared with the exports made during the corresponding period of last year.

Year	Exports of FCV tobacco			% Change in Value (₹ Crore) Y-o-Y
	Quantity in Metric Tons	Value in ₹ Crore	Value in Million US\$	
2018-19	1,01,850	2,799.49	401.77	-2
2019-20	92,026	2,538.89	353.83	-9
2020-21	93,457	2,619.63	352.85	3
2021-22	1,05,210	2,909.99	390.51	11
2022-23	1,34,892	4,535.07	565.27	56

Source: DGCIS, Kolkata

From 2018-19 to 2022-23, FCV tobacco exports have increased by 32.44%, 62.00% and 40.69% respectively in terms of quantity, value in rupees and dollar terms.

Non-FCV tobacco exports during 2022-23 were in the order of 91,749.91 metric tons valued at ₹1,928.26 crore (239.94 million USD) as against the exports of 72,002.83 metric tons valued at ₹1,264.66 crore (169.79 million USD). Non-FCV tobacco exports during 2022-23 have increased by 27%, 52% and 41% respectively in terms of quantity, value in rupees and in US dollars respectively when compared to 2021-22.

1.2.2 Region wise exports of unmanufactured tobacco; Tobacco Refuse (HS Code: 2401):

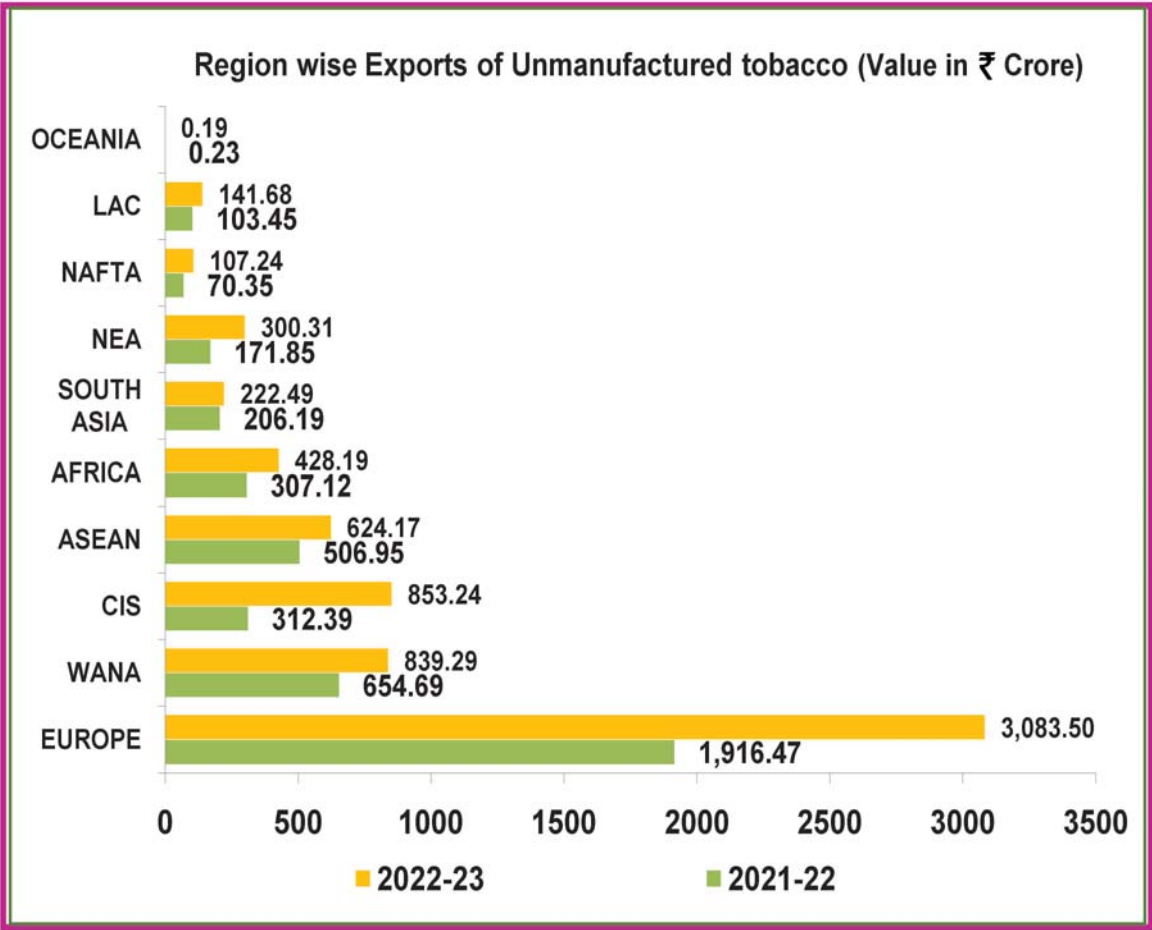
All the regions have registered a positive growth during 2022-23 except Oceania region when compared with the exports made during 2021-22.

Europe continues to be the major destination for Indian unmanufactured tobaccos with a share of about 46.72% in total exports in value terms. Exports to this region have increased by 60.89% over last year. CIS, NEA, NAFTA, AFRICA, LAC, WANA, ASEAN and SOUTH ASIA have registered an increase of 173.13%, 74.75%, 52.43%, 39.42%, 36.95%, 28.20%, 23.12% and 7.91% respectively during 2022-23 when compared with the exports made during 2021-22. However, a decline was noticed in the Oceania region (14.87%). Exports to Oceania region are insignificant.

(Quantity in Metric Tons, Value in ₹ Crore)

REGION	2022-23				2021-22				% Change Value
	Quantity	% share	Value	% share	Quantity	% share	Value	% share	
EUROPE	1,09,901.36	42.90	3,083.50	46.72	79,939.74	40.74	1,916.47	45.10	60.89
WANA	42,338.74	16.53	839.29	12.72	41,539.04	21.17	654.69	15.41	28.20
CIS	29,690.38	11.59	853.24	12.93	12,228.33	6.23	312.39	7.35	173.13
ASEAN	25,430.14	9.93	624.17	9.46	21,906.88	11.16	506.95	11.93	23.12
AFRICA	13,005.65	5.08	428.19	6.49	10,248.70	5.22	307.12	7.23	39.42
SOUTH ASIA	10,536.06	4.11	222.49	3.37	10,068.07	5.13	206.19	4.85	7.91
NEA	9,773.27	3.81	300.31	4.55	6,699.27	3.41	171.85	4.04	74.75
NAFTA	8,335.61	3.25	107.24	1.62	6,661.97	3.40	70.35	1.66	52.43
LAC	7,175.88	2.80	141.68	2.15	6,922.38	3.53	103.45	2.43	36.95
OCEANIA	5.75	0.00	0.19	0.00	7.22	0.00	0.23	0.01	-14.87
Total	2,56,192.84	100.00	6,600.32	100.00	1,96,221.61	100.00	4,249.69	100.00	55.31

Data Source: DGCIS, Kolkata



1.2.3 Country wise Exports of unmanufactured tobacco; Tobacco Refuse (HS Code: 2401)
(Top 10 markets)

(Quantity in Metric Tons, Value in ₹ Crore)

S. No.	NAME OF THE COUNTRY	APRIL-2022 TO MARCH-2023		APRIL-2021 TO MARCH-2022		% Change in Value (₹ Crore)
		QTY	VALUE	QTY	VALUE	
1	BELGIUM	66582.39	1948.90	50557.63	1228.73	58.61
2	U A E	24807.04	1414.57	20392.22	1004.48	40.83
3	RUSSIA	18499.11	555.36	4646.05	122.78	352.30
4	PHILIPPINES	14504.44	319.60	12041.83	252.59	26.53
5	EGYPT A RP	12503.67	178.96	18390.69	262.82	-31.91
6	KOREA RP	9629.87	298.99	6203.39	159.98	86.89
7	NIGERIA	9318.12	322.33	7428.55	236.95	36.03
8	NEPAL	9294.11	231.37	8769.12	213.43	8.41
9	TURKEY	8772.96	226.91	2667.58	56.99	298.13
10	U S A	8737.22	309.64	7121.06	236.12	31.14

Data Source: DGCIS, Kolkata

Exports to Belgium, the top importer, has shown 58.61% increase in value in rupee terms during 2022-23. Other major export markets which showed considerable increase are Russia (352.30%), Turkey (298.13%), Korea (86.89%), UAE (40.83%), Nigeria (36.03%), USA (31.14%), Philippines (26.53%) and Nepal (8.41%). Among the major export markets which showed a decline is Egypt (-31.91%).

1.3 Exports of Tobacco Products (HS Code: 2402, 2403 & 2404):

During 2022-2023, the exports of Cigarettes and Cigars (HS Code: 2402) were in the order of 10,188.66 Metric tons valued at ₹778.22 crore (US\$ 96.98 million) reflecting a positive growth of 47%, 22% and 13% respectively in terms of quantity, value in rupees and dollar terms as against the exports of 6,952.13 Metric Tons valued at ₹639.55 crore (US\$ 85.88) during 2021-22.

The exports of other tobacco products (HS Code: 2403) during 2022-23 were in the order of 24,790.35 Metric Tons valued at ₹2,357.82 Crore (US\$ 293.75) as against 21,781.32 Metric Tons valued at ₹1,990.97 crore (US\$ 267.14) exported during 2021-22. The exports of other tobacco products (HS 2403) registered a positive growth of 14%, 18% and 10% respectively in quantity terms, value in rupees and dollar terms.

The exports of other products containing tobacco or nicotine substitutes intended for inhalation without combustion; other nicotine containing products intended for the intake of nicotine into the human body (HS Code: 2404) were in the order of 9.88 metric tons valued at ₹3.40 crore (US\$ 0.42 million) during 2022-23.

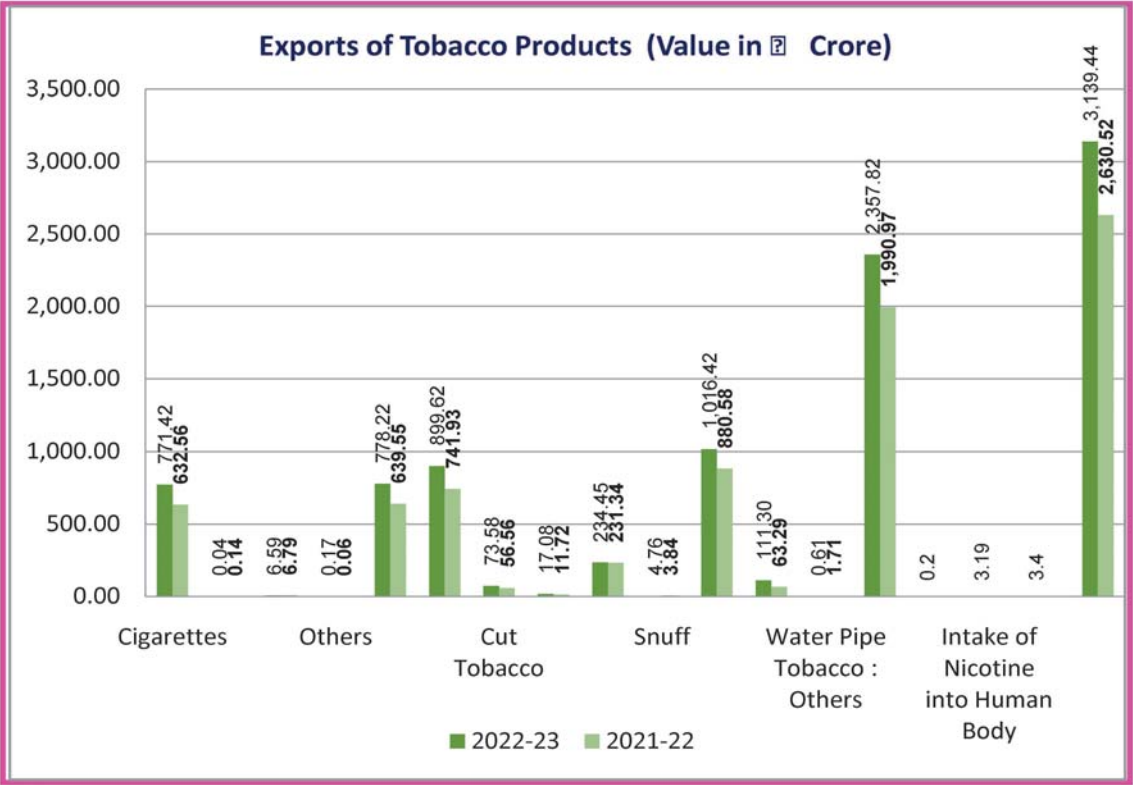
The total tobacco product exports (HS Code: 2402, 2403 and 2404) during 2022-23 have increased by 22%, 19% and 11% respectively in quantity terms, value in rupees and dollar terms when compared with exports made during 2021-22.

(Quantity in Metric Tons, Value in ₹ Crore)

S. No.	Product Segment	2022-23				2021-22	
		Quantity	% change Y-o-Y	Value	% change Y-o-Y	Quantity	Value
A	Cigarettes, Cheeroots, Cigarillos and Cigarettes, of Tobacco or of Tobacco Substitutes (HS Code: 2402)						
1	CIGARETTES CONTAINING TOBACCO	10,075.10	45.71	771.42	21.95	6,914.63	632.56
2	CIGARETTES/CIGARILLOS OF TOBACCO SUBSTITUTES	0.13	-59.38	0.04	-71.43	0.32	0.14
3	CIGARS, CHEROOTS AND CIGARILLOS	112.09	205.84	6.59	-2.95	36.65	6.79
4	OTHER TOBACCO PRODUCTS	1.34	157.69	0.17	183.33	0.52	0.06
	Sub Total	10,188.66	46.55	778.22	21.68	6,952.13	639.55
B	Other Manufactured Tobacco and Manufactured Tobacco Substitutes Homogenised or Reconstituted Tobacco, Tobacco Extracts and Essences (HS Code: 2403)						

S. No.	Product Segment	2022-23				2021-22	
		Quantity	% change Y-o-Y	Value	% change Y-o-Y	Quantity	Value
1	CHEWING TOBACCO	11,177.45	29.85	899.62	21.25	8,608.05	741.93
2	CUT TOBACCO	2,989.47	27.08	73.58	30.09	2,352.52	56.56
3	RECONSTITUTED TOBACCO	980.03	16.61	17.08	45.73	840.46	11.72
4	SMOKING TOBACCO	441.54	-58.38	234.45	1.34	1,060.89	231.34
5	SNUFF TOBACCO	155.08	-11.70	4.76	23.96	175.62	3.84
6	TOBACCO EXTRACT AND ESSENCES	6,824.35	-3.75	1,016.42	15.43	7,089.94	880.58
7	WATER PIPE TOBACCO :: HOOKAH	2,200.11	39.94	111.30	75.86	1,572.17	63.29
8	WATER PIPE TOBACCO :: OTHERS	22.34	-72.65	0.61	-64.33	81.68	1.71
	Sub Total	24,790.36	13.81	2,357.82	18.43	21,781.32	1,990.97
C	Products Containing Tobacco, Reconstituted Tobacco, Nicotine or Tobacco or Nicotine Substitutes Intended for Inhalation without Combustion; Other Nicotine Containing Products Intended for the Intake of Nicotine into the Human Body (HS Code: 2404)						
1	INHALATION WITHOUT COMBUSTION	0.34	-	0.2	-	-	-
2	INTAKE OF NICOTINE INTO HUMAN BODY	9.54	-	3.19	-	-	-
	Sub Total	9.88		3.4			
	Grand Total	34,988.90	21.77	3,139.44	19.35	28,733.45	2,630.52

Source: DGCIS, Kolkata



2. EXPORT PROMOTION ACTIVITIES

2.1 Participation in Tobacco Trade Fairs and Exhibitions :

Tobacco Board is participating in exclusive International tobacco trade fairs/exhibitions for promoting the exports of Indian unmanufactured tobacco and tobacco products every year. During 2022-23, Tobacco Board had participated in four exclusive tobacco international exhibitions.

S.No.	Name of the Event	Place & Period	Stall Size	Officers deputed
1	World Tobacco Europe 2022	Sofia, Bulgaria, 18 th -19 th May 2022	18m ²	Dr. A. Sridhar Babu, I.A.S., Executive Director Shri. G. Bulli Subba Rao, AS/SGO, OSD (Vigilance). Ms. Nidhi Sharma, Under Secretary, Department of Commerce has also participated representing Ministry of Commerce & Industry, Government of India.
2	World Tobacco Asia 2022	Surabaya, Indonesia 7 th - 8 th September 2022	15m ²	Dr. A. Sridhar Babu, I.A.S., Executive Director Sri. A. Jeevan Kumar, Field Officer, Marketing and Exports Section
3	Intertabac / Intersupply 2022	Dortmund, Germany 15 th -17 th September 2022	18m ²	Ms. Ashwini Naidu, IFS Director (Auctions), Bangalore Shri. G. Bulli Subba Rao, AS/SGO, OSD (Vigilance Squad)
4	World Tobacco Middle East 2022	Dubai, UAE 15 th - 16 th November 2022	15m ²	Dr. A. Sridhar Babu, I.A.S., Executive Director Sri. A. Jeevan Kumar, Field Officer, Marketing and Exports Section

Glimpses of Tobacco Board's Stall at International tobacco trade fairs/exhibitions



TOBACCO BOARD'S STALL AT WORLD TOBACCO EUROPE 2022



TOBACCO BOARD'S STALL AT WORLD TOBACCO ASIA 2022



TOBACCO BOARD'S STALL AT INTERTABAC/INTERSUPPLY 2022



TOBACCO BOARD'S STALL AT WORLD TOBACCO MIDDLE EAST 2022

2.2 Visit of tobacco trade delegations :

During 2022-23, no trade delegations have been taken up by Tobacco Board.

Tobacco Board Annual Report - 2022-2023

IMPLEMENTATION OF OFFICIAL LANGUAGE

HINDI IMPLEMENTATION:

During the period under report every effort have been made to accelerate the implementation of the Official Language Act.

MEASURES TAKEN FOR IMPLEMENTATION OF OFFICIAL LANGUAGE ACT:

- ★ Letters received in Hindi were replied in Hindi.
- ★ General orders were issued bilingually
- ★ Correspondence with the offices situated in Region "A" was made in Hindi. Some of the letters were issued bilingual to offices located in Regions 'B' & 'C'.
- ★ Administrative and other reports of the Board, which are to be placed before Parliament were prepared and submitted both in Hindi and English.
- ★ The forms and applications of different sections of Board were printed in bilingual.
- ★ Standard stationery is printed bilingually e.g., Envelops, File folders, Letter heads etc.
- ★ All rubber stamps were made bilingual and all name plates were made trilingual/bilingual.
- ★ Addresses on envelopes which were sent to the Ministry and other offices situated in Region 'A' were printed in Hindi and in Region 'C' were printed in bilingual.

PROGRAMME OF HINDI TEACHING SCHEME:

Eligible employees of the Board were nominated to the On-line Classes of Hindi Teaching Scheme. During Jan-May, 2023 session Prabodh (08), Pragya (12) and Parangath (02) employees were nominated for on-line classes conducted by Hindi Teaching Scheme, Secundrabad.

PROPOGATION OF HINDI SCHEME OF LEARN A WORD A DAY:

Every day a Hindi word with its English meaning is being displayed at presto sign board at the entrance of the office. Hindi quotations of Great men were displayed at some important eye-catching places.

HINDI WEEK:

Hindi Week was celebrated from 14th Sep to 20th September, 2022 in the Tobacco Board. As a part of celebrations, Four Table Hindi workshops (Four Sections) were conducted on 14th & 15th Sep, 2022 to improve the working efficiency of Hindi trained employees and Three competitions on Hindi Memory, Hindi Noting & Drafting were conducted during this Hindi Week

HINDI PERIODICALS AND LIBRARY:

One Hindi daily "Hindi Milap" news paper was made available in the Board at present along with

some Hindi Periodicals. Some Hindi Books, Novels, Epics like Ramayana, Mahabharat etc., short story books, different dictionaries, Glossaries, etc., were also made available in the Library.

HINDI ON COMPUTERS:

Hindi Software has been loaded in all computers and they are being used.

WORKSHOP IN HINDI:

Four Table Hindi Workshops (02 Days- Each day 02 Sections) were conducted during Hindi Week i.e., from 14th Sep, 2022 & 15th Sep, 2022. It is an innovative idea of the Hindi Department of the Tobacco Board, where in Hindi Staff goes to the employees table and clarify their doubts, so that the work in Hindi is implemented effectively.

Tobacco Board has achieved the targets fixed in implementing the Official Language Policy, during the year under report.

FINANCE AND ACCOUNTS

The Central Government has to provide funds to the Tobacco Board by way of grants or loans for utilization for the purposes of the Act as per section 16 of the Tobacco Board Act, 1975. However, the Tobacco Board did not draw any grant or loan against the budgeted expenditure and schemes from the Central Government since 1991-92. The internal resources generated by the Tobacco Board are sufficient to meet its expenditure for carrying out its activities as per the Act and for meeting the salaries, allowances and other remuneration of the officers and other employees of the Board.

I) INTERNAL RESOURCES:

As per the provision under Section 14A of the Tobacco Board Act 1975, the Tobacco Board levies fees in the form of "Service charges" for the services rendered on its auction platforms @ 2% on the value of tobacco marketed. The service charges so levied are equally collected from the grower and buyer @ 1% each on the value of tobacco sold by the grower and purchased by the buyer. Further, as per regulation 13(2) of Tobacco Board (General) Regulations 1984 the Board collects "Authorization fee" from the buyers who participate in the auctions. Apart from the above, the Board collects registration fees from the growers, barn operators, nurserymen, dealers, exporters, packers, processors and manufacturers.

The Board levied contributions on the excess tobacco produced by the registered growers and the tobacco produced by the unregistered growers as fixed by the Government every year through gazette notification. During 2022 Andhra Pradesh auctions, the contributions @ ₹1/- per Kg and 5% (including normal service charges 1%) of sale proceeds are levied for the sale of excess tobacco produced by registered growers and unauthorized tobacco produced by the unregistered growers in Andhra Pradesh as per the orders of the Gazette Notification issued by the Central Government. During 2022 Karnataka auctions, the Board is not levied any contributions for the sale proceeds excess tobacco produced by registered growers and unauthorized tobacco produced by the unregistered growers in Karnataka.

II) BUDGET ESTIMATES:

As per the provision under rule 21 of the Tobacco Board Rules 1976, the Board shall in each year, prepare Budget Estimates for the ensuing year and Revised Estimates for the current year and shall submit them for the sanction of Central Government on or before such dates as may be fixed by the Government.

The budgeted receipts i.e., internal resources of Board are service charges, buyer authorization fee, registration fee from traders & growers, interest on fixed deposits and misc. receipts of demurrage charges, interest on delayed payments etc.

The Budgeted expenditure incurs as capital expenditure for providing infrastructural facilities in the auction platforms and as revenue expenditure on establishment and administrative for conducting auctions and welfare schemes of Extension & Developmental schemes, Production schemes and Trading Wing schemes in Andhra Pradesh and Karnataka.

Accordingly, the budget proposals for the year 2022-23 have been prepared and submitted to the Government for its approval. The Budget Estimates and Revised Estimates for Receipts of ₹8,290.00 lakh and 11,052.70 lakh and expenditure of ₹18,642.00 lakh and ₹15,624.00 lakh respectively.

An amount of ₹12,490.21 lakh has been realized as internal resources against the budget provision of ₹11,052.70 lakh and an amount of ₹10,468.38 lakh has been incurred as expenditure as against the budgeted outlay of ₹15,624.00 lakh during the financial year 2022-23.

Statement showing the actual funds flow under Plan and Non-Plan since 2011-12 to 2022-23 is placed at Page **135**.

The financial statements of the Balance Sheet, Income & Expenditure account and Receipts & Payments Statement to the accounts of Tobacco Fund of the Tobacco Board for year 2022-23 which includes the earmarked fund accounts of Margin Money for Commercial Operations (Grant-in-aid to Trading Wing), Tobacco Board Employees General Provident Fund, Tobacco Board Employees Pension Fund, Tobacco Board Employees New Pension Scheme(Tier-I), Tobacco Board Growers Welfare Fund along with the Notes on accounts are incorporated in the Annual Report for the year 2022-23.

**SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
ON THE ACCOUNTS OF THE TOBACCO BOARD, GUNTUR
FOR THE YEAR ENDED 31 MARCH 2023**

We have audited the attached Balance Sheet of Tobacco Board, Guntur as at 31 March 2023 and the Income & Expenditure Account / Receipts & Payments Account for the year ended as on that date under Section 19(2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 19(2) of the Tobacco Board Act, 1975. These financial statements include the accounts of all Auction Platforms, Liaison and Regional Offices and the Directorate of Auctions, Bangalore. These financial statements are the responsibility of the Tobacco Board's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. This separate Audit Report contains the comments of the Comptroller and Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules and Regulations (propriety and regularity) and efficiency–cum–performance aspects etc., if any, are reported through inspection Reports / CAG's Audit Report separately.
3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amount and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.
4. Based on our audit, we report that:
 - i) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - ii) The Balance Sheet and Income & Expenditure Account / Receipts & Payments Account dealt with by this report have been drawn up in the format prescribed by the Ministry of Finance.
 - iii) In our opinion, proper books of accounts and other relevant records have been maintained by the Tobacco Board as required under Section 19(1) of the Tobacco Board Act, 1975 read with Rule 22 of the Tobacco Board Rules, 1976 in so far as it appears from our examination of such books.
 - iv) We further report that:

A) General**A. Delay in submission of Accounts**

The Committee on Papers Laid on the Table of the House (COPLOT) recommended in its First Report (5th Lok Sabha) 1975-76 that after the close of the accounting year, every autonomous body should complete its accounts within a period of three months and make them available for audit and that the audited accounts should be laid before Parliament within nine months of the close of accounting year. These were reiterated by the Ministry of Finance vide its Office Memorandum No.8(II)/E. II-(A)/09, dated 17 November 2009.

The Board did adhere to the above stipulations of the COPLOT and approved its accounts for the year 2022-23 on 18 July 2023. The same was communicated to Audit on 4 August 2023. The Board -approved copy of accounts was made available to Audit on 17 August 2023.

Further, the financial statements do not bear the date as to when the authorized signatory has signed the documents. Despite audit observation in the previous year, the Management has not ensured compliance to the same.

B. Management Letter

Deficiencies which have not been included in the Audit Report have been brought to the notice of the Chairman, Tobacco Board, Guntur through a Management Letter issued separately for remedial / corrective action.

- v. Subject to our observations in the preceding paragraphs, we report that the Balance sheet and Income & Expenditure Account / Receipts & Payments Account dealt with by this report are in agreement with the books of accounts.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and Notes on Accounts, and subject to the significant matters stated above and other matters mentioned in Annexure to this Separate Audit Report, give a true and fair view in conformity with accounting principles generally accepted in India:
 - a. Insofar as it relates to the Balance Sheet, of the state of affairs of the Tobacco Board as at 31 March 2023, and
 - b. In so far as it relates to Income & Expenditure Account, of the surplus for the year ended as on that date.

For and on the behalf of the
Comptroller and Auditor General of India
Sd/-xx xx xx
24/11/2023
(M.S.Subrahmanyam)
Director General of Commercial Audit
Hyderabad

Place: Hyderabad

Date: 24 November 2023.

ANNEXURE

1. Adequacy of Internal Audit System

There is no separate sanctioned strength for Internal Audit Wing in the Tobacco Board. However, Tobacco Board has constituted the Internal Audit Wing with office staff headed by Assistant Manager (Accounts). The Board has 33 offices (26 Auction Platforms located in Andhra Pradesh and Karnataka, 5 Regional Offices at Ongole-1, Ongole-2, Rajahmundry, Mysuru and Periyapatna, one Directorate Office at Bengaluru and Head Office at Guntur). Internal Audit was conducted for all the Auction Platforms and Regional Offices for the year 2022-23. Thus, the existing Internal Audit System Internal Audit System is not adequate and is not commensurate with the size and nature of business of the Board.

2. Adequacy of Internal Control System

Internal Control system of the Tobacco Board is adequate and commensurate in relation to the size of the organization and nature of business.

3. System of Physical Verification of Fixed Assets

Physical Verification of assets is being conducted regularly by the respective controlling authorities of offices and also by the Head Office by forming special teams. Physical Verification of Fixed Assets for the year 2022-23 is under progress. As such, the system of Physical Verification of Fixed Assets is reasonable and adequate in relation to the size of the organization and nature of business.

4. System of Physical Verification of Inventory

The Tobacco Board does not have any inventory, but stationery and consumable items were treated as inventory. The Board valued closing stock of stationery on cost basis at the end of each balance sheet date. As such, system of physical verification of inventory of the Tobacco Board is reasonable and adequate in relation to the size of the organization and nature of business.

5. Regularity in payment of statutory dues

The Board has remitted the statutory dues within the stipulated date.

Sd/-xx xx xx
24/11/2023
(M.S.Subrahmanyam)
Director General

TOBACCO BOARD

MINISTRY OF COMMERCE & INDUSTRY, DEPARTMENT OF COMMERCE, GOVERNMENT OF INDIA, GUNTUR

TOBACCO FUND ACCOUNT - FINANCIAL STATEMENTS

BALANCE SHEET AS AT 31/03/2023

(₹ In Lakh)

Particulars	Schedule	Current Year	Previous Year
CORPUS / CAPITAL FUND AND LIABILITIES			
1. Corpus/Capital Fund	1	70,019	66,001
2. Reserves and Surplus	2		
3. Earmarked/Endowment Funds:	3		
a) Margin money for Comm. Operations (Grant-in-aid to Trading Wing)		2,987	2,821
b) Tobacco Board Employees General Provident Fund		1,206	1,520
c) Tobacco Board Employees Pension Fund		10,470	13,466
d) Tobacco Board Employees New Pension Scheme		22	27
e) Tobacco Growers Welfare Fund Scheme		6,632	6,417
4. Secured Loans and Borrowings	4	0	0
5. Unsecured Loans and Borrowings	5	0	0
6. Differed Credit Liabilities	6	0	0
7. Current Liabilities and Provisions	7	12,050	11,825
TOTAL		1,03,386	1,02,077
ASSETS			
1. Fixed Assets	8	11,170	11,156
2. Investments from Earmarked/Endowment Funds	9		
a) Margin money for Comm. Operations (Grant-in-aid to Trading Wing)		2,987	2,821
b) Tobacco Board Employees General Provident Fund		1206	1520
c) Tobacco Board Employees Pension Fund		10,470	13,466
d) Tobacco Board Employees New Pension Scheme		22	27
e) Tobacco Growers Welfare Fund Scheme		6,632	6,417
3. Investments: Others	10	0	0
4. Current Assets, Loans and Advances etc.	11	70,899	66,670
5. Miscellaneous Expenditure		0	0
TOTAL		1,03,386	1,02,077
Significant Accounting Policies	24	Placed at Schedules	
Contingent Liabilities and Notes on Accounts	25	Placed at Schedules	

Sd/- xx xx xx
(D.VENUGOPAL)
SECRETARY I/C

Sd/- xx xx xx
(ADDANKI SRIDHAR BABU)
EXECUTIVE DIRECTOR

TOBACCO BOARD,
MINISTRY OF COMMERCE & INDUSTRY, DEPARTMENT OF COMMERCE,
GOVERNMENT OF INDIA, GUNTUR

TOBACCO FUND ACCOUNT - FINANCIAL STATEMENTS
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31/03/2023
(₹ In Lakh)

Particulars		Sche- dule	Current Year	Previous Year
1.	INCOME			
	I. Income from Sales/Services	12	7,678	5,648
	II. Grants/Subsidies	13	0	0
	III. Fees/Subscriptions	14	774	409
	IV. Income from Investments (From earmarked/ endowment funds transferred to Funds)	15	17	14
	V. Income from Royalty and Publications	16	5	4
	VI. Interest earned	17	3,270	3,122
	VII. Other Income	18	1,036	1,826
	VIII. Increase / (Decrease) in stock of Finished Goods and Works in Progress	19	0	0
	Total		12,780	11,023
2.	EXPENDITURE			
	I. Establishment Expenses	20	6,241	8,245
	II. Other Administrative Expenses	21	2,041	1,999
	III. Expenditure on Grants, Subsidies	22	0	0
	IV. Interest	23	0	0
	V. Depreciation (Net Total at the year end - Corresponding to Schedule 8)	8	481	480
	Total		8,763	10,724
3.	Balance being Excess of Income over Expenditure (1-2)		4,017	299
	I. Transfer of Special Reserve (Specify each)		0	0
	II. Transfer of General Reserve		0	0
	III. Previous Years payments		0	0
4.	Balance being surplus/deficit carried to Corpus/ Capital Fund		4,017	299
5.	SIGNIFICANT ACCOUNTING POLICIES	24	Placed at schedules	
6.	CONTINGENT LIBAILITIES AND NOTES ON ACCOUNTS	25	Placed at schedules	

Sd/- xx xx xx
(D.VENUGOPAL)
SECRETARY I/C

Sd/- xx xx xx
(ADDANKI SRIDHAR BABU)
EXECUTIVE DIRECTOR

FUND BALANCES OF EARMARKED FUNDS (BALANCESHEET)

1. Margin Money for Commercial Operations (Grant-in-aid to Trading Wing) account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance	2,820.88	2,676.30
B	Additions to the Fund account:		
	a) Income from investments (Interest on Fixed Deposits & SB a/c)	166.05	144.58
	b) Grants received	0.00	0.00
	c) Other Receipts	0.00	0.00
	Less:		
	a) Withdrawals	0.00	0.00
	b) Other payments	0.00	0.00
	Total Receipts (A+B)	2,986.93	2,820.88
C	Utilisation / Expenditure towards objective of Fund		
	a) Capital Expenditure	0.00	0.00
	b) Revenue Expenditure	0.00	0.00
	Total Payments (C)	0.00	0.00
	Total Payments (A+B-C)	2,986.93	2,820.88

2 Tobacco Board Employees General Provident Fund Account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance	1,519.63	1,913.46
B	Additions to the Fund account:		
	a) Income from investments (Interest on Fixed Deposits & SB a/c)	77.25	73.66
	b) Subscriptions	366.22	443.96
	c) Recovery of GPF advance		
	Less:		
	a) Withdrawals	-756.72	-911.44
	b) Advances paid	0.00	0.00
	Total (A+B)	1,206.38	1,519.63
C	Utilisation / Expenditure towards objective of Fund		
	a) Capital Expenditure	0.00	0.00
	b) Revenue Expenditure	0.00	0.00
	Total (C)	0.00	0.00
	Net Balance at the year end (A+B-C)	1,206.38	1,519.63

3 Tobacco Board Employees Pension Fund Account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance	13,466.00	16,529.63
B	Additions to the Fund account:		
a)	Income from investments (Interest on Deposit with LIC & SB a/c)	831.95	1152.98
b)	Pension Fund Contributions	1,840.00	2,500.00
	Less:		
a)	Pension Annuities purchased by LIC of India	-5667.62	-6717.03
b)	Other payments	0.00	0.00
	Total Receipts (A+B)	10,470.33	13,465.58
C	Utilisation/Expenditure towards objective of Fund		
i)	Capital Expenditure	0.00	0.00
ii)	Revenue Expenditure	0.00	0.00
	Total (C)	0.00	0.00
	Net Balance at the yearend (A+B-C)	10,470.33	13,465.58

4 Tobacco Board Employees New Pension Scheme Account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance	27.16	30.11
B.	Additions to the Fund account:		
a)	Income from investments (Interest on Fixed Deposits & SB a/c)	1.12	1.39
b)	Pension Fund Contributions	229.36	225.55
	Less:		
a)	Pension Contribution remitted NSDL Mumbai (Pension contributions)	-235.69	-229.89
b)	Other payments (Bank Charges)	0.00	0.00
	Total Receipts (A+B)	21.95	27.16
C	Utilisation/Expenditure towards objective of Fund		
i)	Capital Expenditure	0.00	0.00
ii)	Revenue Expenditure	0.00	0.00
	Total (C)	0.00	0.00
	Net Balance at the yearend (A+B-C)	21.95	27.16

(₹ in Lakh)

**(M.RATNA BAYAMMA)
MANAGER (F&A) I/C**

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31 st MARCH, 2023					(₹ in Lakh)
Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
I. Opening Balances:			I. Establishment Expenses		
A) Bank Balances			1. Salaries & Wages	4271.52	4466.58
1) Current Accounts	4571.30	2873.32	2. Allowances & Bonus	29.22	19.19
2) Deposit Accounts	59531.40	60111.11	3. Contribution to Provident Fund	0.00	0.00
3) Savings Accounts	0.00	0.00	4. Contribution to Pension Fund	1840.00	2500.00
B) Earmarked/Endowment Funds			5. Contribution to Pension Fund (NPS)	137.34	145.70
1) Current Accounts:			6. Staff Welfare Expenses	0.00	0.00
i) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	0.10	0.10	7. Retirement & Terminal Benefits	1378.83	1819.13
2) Deposit Accounts	0.00	0.00	8.Others:		
3) Savings Accounts			a) Leave Salary & Pension Contribution	3.52	2.44
i) Tobacco Board Employees General Provident Fund	21.84	3.87	b) Medical Claims (Officers & Staff)	44.23	48.42
ii) Tobacco Board Employees Pension Fund	5.03	4.90	c) LTC Claims	4.74	8.69
iii) Tobacco Board Employees New Pension Scheme	3.57	7.67	d) Uniform to Staff	1.85	2.13
iv) Tobacco Growers Welfare Fund Scheme	206.00	205.33	II. Other Administrative Expenses		
II. Grants Received			1. O.T. A. to Staff	0.00	0.00
III. Investments and Deposits made			2. T.A. to Officers & Staff	155.62	158.79
a) Earmarked/Endow.Funds:(FDRs)			3. T.A. to Board Members	5.81	7.10
			4. Maint of Admn Buildings/ Qtrs/ APFs	64.38	38.04
			5. Rent of Buildings	83.41	91.54
			6. Printing & Stationery(incl Computer Stationery)	69.81	29.61
			7. Electricity Charges	110.23	117.12
			8. Postage & Telephone Charges	42.11	58.00

TOBACCO BOARD, MINISTRY OF COMMERCE & INDUSTRY, DEPARTMENT OF COMMERCE, GOVERNMENT OF INDIA, GUNTUR
TOBACCO FUND ACCOUNT - FINANCIAL STATEMENTS

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31st MARCH, 2023 (₹ in Lakh)					
Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
i) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	2744.52	2601.66	9. Expenditure on Meetings	10.84	3.74
ii) Tobacco Board Employees General Provident Fund	1454.90	1858.61	10. Miscellaneous Expenditure	100.76	82.80
iii) Tobacco Board Employees Pension Fund	13460.55	16524.73	11. Entertainment Charges	9.52	6.60
iv) Tobacco Board Employees New Pension Scheme	23.53	22.39	12. Subscription to Journals	3.07	3.54
v) Tobacco Growers Welfare Fund Scheme	5808.01	5841.32	13. Repairs to Furniture & other assets	21.65	6.28
b) Own Funds	0.00	0.00	14. Conveyance Charges	4.54	3.30
IV. Income on Investments			15. Workshops & Seminars	0.00	0.00
a) Earmarked/Endowment Funds			16. Rates & Taxes	16.89	22.39
i) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	103.99	142.86	17. Bank charges	0.34	0.27
ii) Tobacco Board Employees General Provident Fund	428.43	525.70	18. Legal charges	1.38	8.37
iii) Tobacco Board Employees Pension Fund	2671.95	3652.98	19. Hiring of Vehicles	107.72	111.58
iv) Tobacco Board Employees New Pension Scheme	230.48	226.93	20. Maintenance of Vehicles	38.71	30.68
v) Tobacco Growers Welfare Fund Scheme	934.59	947.61	21. Insurance	10.92	11.76
			22. Audit Fee	15.98	15.76
			23. Interest Contribution to GPF	0.00	0.00
			24. Membership with other organisations	0.00	0.00
			25. Loan Recovery Expenditure	0.00	0.00
			26. Library Books	0.06	0.05
			27. Maintenance of Computers	15.13	22.33
			28. Service charges for weighing scales	20.91	13.25
			29. Mutta labour charges	343.79	339.55
			30. Construction of temporary structures	0.00	0.00
			31. Human Resource Development	7.03	1.35

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31 st MARCH, 2023					(₹ in Lakh)
Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
b) Own Funds	0.00	0.00	32. Implementation of e-auction system	328.78	338.10
c) Rents			33. Automation of Office(MIS) online	2.87	2.48
i) Rents on Premises lease	16.42	14.11	34. Swachch Bharat Expenditure	3.84	12.47
V. Interest Received			35. Written Of Losses	0.00	0.02
1) On Bank Deposits	3079.34	3167.44	36. Regulation & Develop.of FCV tobacco	2.6	6.86
2) Loans & Advances (Officials)	0.10	0.64	37. Scientific, Tech & Economic Research	25.00	25.48
VI. Other Income			38. Imp. & Maint. of MKTG facilities	0.43	0.10
1. Growers Registration Fee			39. Financial Relief to growers	0.00	0.00
(Area, Barn Operator & Nurserymen)	691.07	336.38	(Crop/Barn damages)		
2. Exporters Registration Fee	16.35	13.42	40. Farmers Study Tours :Abroad	0.00	0.00
3. Products Registration Fee	34.22	34.33	41. Market Survey	0.00	0.00
4. Dealers Registration Fee	10.44	9.61	Export Promotion		
5. Packers Registration Fee	0.66	0.53	42.Trade Delegation:Abroad)	0	0.00
6. Processors Registration Fee	3.63	1.53	43. Fairs & Exhibitions(Abroad)	37.64	0.00
7. Commercial Graders Regn. Fee	0.28	0.70	Others		
8. Manufacturers Registration Fee	9.93	8.55	44. Publicity & Propaganda	4.74	4.92
9. Sale of Priced Publications(TGPBS)	4.61	3.64	45. Farm Mechanization	0.3	0.00
10. Misc. Income	365.93	424.91	46. Improving Yield & Quality of FCV Tob.	228.33	147.27
11. Service charges on FCV tobacco	7566.27	5598.87	47. Improving of Curing Practices	111.55	109.79
12. Contribution @4% from regd. Growers	602.43	718.78	48. Elimination of NTRMs & Product Integrity	17.46	16.76
			49. PHPM Measures - Bulking sheds/ Model Storage facilities	1.97	0.77

TOBACCO BOARD, MINISTRY OF COMMERCE & INDUSTRY, DEPARTMENT OF COMMERCE, GOVERNMENT OF INDIA, GUNTUR
TOBACCO FUND ACCOUNT - FINANCIAL STATEMENTS

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31st MARCH, 2023					(₹ in Lakh)	
Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year	
13. Contribution @ 9% from Regd. & Unregd. Growers	0.00	405.14	50. Other Extension Programmes	15.41	9.59	
14. Contribution @ ₹2/- per Kg. from Regd. & Unregd. Growers	0.00	198.33	51. On-farm Tests & Experimental Trials	14.92	20.03	
15. Contribution @ ₹1/- per Kg. from Regd. & Unregd. Growers			52. Model Project Area	10.00	9.69	
16. Buyers Authorisation Fee	80.58	77.32	53. Tobacco Growers Welfare Fund (Board's Share)	69.66	63.41	
17. Loans & Advances to staff	6.22	4.40	54. Commercial Tax Penalties & Interest	0.00	0.00	
18. Loans & Advances to Cultivators	1.71	11.19	55. Service Tax Penalties & Interest	13.6	2.95	
VII. Amount Borrowed	0.00	0.00	III. Payments Made against Funds for various Projects	0.00	0.00	
VIII. Any Other Receipts		0.00	III. Expenditure on Grants and Subsidies	0.00	0.00	
1. Other Liabilities	2613.32	1655.62	IV. Investments and Deposits made			
2. Deposits with ACTO & Others	9.80	16.39	1. Earmarked/Endowment Funds:			
			a) Fixed Deposits			
			i) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	2848.51	2744.52	
			ii) Tobacco Board Employees General Provident Fund	1142.88	1454.90	
			iii) Tobacco Board Employees Pension Fund	10464.71	13460.55	
			iv) Tobacco Board Employees New Pension Scheme	21.62	23.53	
			v) Tobacco Growers Welfare Fund Scheme	5072.67	5808.01	

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31 st MARCH, 2023					(₹ in Lakh)
Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
			b) Other Payments		
			i) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	0.00	0.00
			ii) Tobacco Board Employees General Provident Fund	756.72	911.44
			iii) Tobacco Board Employees Pension Fund	5667.62	6717.03
			iv) Tobacco Board Employees New Pension Scheme	235.69	229.89
			v) Tobacco Growers Welfare Fund Scheme	1737.8	980.25
			2. Own Funds	0.00	0.00
			V. Expenditure on Fixed Assets & Capital Works in Progress		
			1. Purchase of Fixed Assets	14.64	7.71
			2. Advances to:		0.00
			a) CPWD	606.24	474.71
			b) RITES	0.00	0.00
			3. Expdr. On Capital Works in Progress	0.00	0.00
			VI. Refund of Surplus money/Loans	0.00	0.00
			VII. Finance Charges (Interest)	0.00	0.00
			VIII. Other Payments:		
			1) Loans and Advances to Staff	0.14	3.00

TOBACCO BOARD, MINISTRY OF COMMERCE & INDUSTRY, DEPARTMENT OF COMMERCE, GOVERNMENT OF INDIA, GUNTUR
TOBACCO FUND ACCOUNT - FINANCIAL STATEMENTS

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31st MARCH, 2023					(₹ in Lakh)
Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
			2) Loans & Advances to Cultivators	0.00	0.00
			3) Other Liabilities	836.45	120.14
			4) Deposits with ACTO & Others	88.6	11.22
			IX. Closing Balances		
			A) Bank Balances		
			1. Current Accounts	6341.85	4571.30
			2. Deposit Accounts	61467.13	59531.40
			3. Savings Accounts	0.00	0.00
			B) Earmarked/Endowment Funds:		
			1. Current Accounts:	0.00	0.00
			i) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	0.10	0.10
			2. Deposit Accounts	0.00	0.00
			3. Savings Accounts	0.00	0.00
			i) Tobacco Board Employees General Provident Fund	5.57	21.84
			ii) Tobacco Board Employees Pension Fund	5.20	5.03
			iii) Tobacco Board Employees New Pension Scheme	0.27	3.57
			iv) Tobacco Growers Welfare Fund Scheme	138.13	206.00
Total	107313.50	108252.93	Total	107313.50	108252.93

Sd/- xx xx xx
 (D.VENUGOPAL)
 SECRETARY I/C

Sd/- xx xx xx
 (ADDANKI SRIDHAR BABU)
 EXECUTIVE DIRECTOR

1. Margin Money for Commercial Operations (Grant-in-aid to Trading Wing) account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance		
a)	Cash at Bank (Current account) (SBI Guntur)	0.10	0.10
b)	Investments (Fixed Deposits)	2,744.52	2,601.66
B	Receipts:		
a)	Income from investments (Interest on Fixed Deposits & SB a/c)	103.99	142.86
b)	Grants received	0.00	0.00
c)	Other Receipts	0.00	0.00
	Total Receipts (A+B)	2,848.61	2,744.62
C	Payments of Fund		
a)	Capital Expenditure	0.00	0.00
b)	Revenue Expenditure	0.00	0.00
D	Closing Balance		
a)	Investments (Fixed Deposits)	2,848.51	2,744.52
b)	Cash at Bank (Current account) (SBI Guntur)	0.10	0.10
	Total Payments (C+D)	2,848.61	2,744.62

2 Tobacco Board Employees General Provident Fund Account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance		
a)	Cash at Bank (Savings account) (SBI Guntur)	21.84	3.87
b)	Investments (Fixed Deposits)	1,454.90	1,858.61
B	Receipts:		
a)	Income from investments (Interest on Fixed Deposits & SB a/c)	62.21	81.74
b)	Subscriptions	366.22	443.96
c)	Recovery of GPF advance	0.00	0.00
	Total Receipts (A+B)	1,905.17	2,388.18
C	Payments		
a)	Withdrawals	756.72	911.44
b)	Advances Paid	0.00	0.00
D	Closing Balance		
a)	Investments (Fixed Deposits)	1,142.88	1,454.90
b)	Cash at Bank (Savings account) (SBI Guntur)	5.57	21.84
	Total Payments (C+D)	1,905.17	2,388.18

3 Tobacco Board Employees Pension Fund Account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance		
	a) Cash at Bank (Savings account) (SBI Guntur)	5.03	4.90
	b) Investments (Fixed Deposits)	13,460.55	16,524.73
B	Receipts:		
	a) Income from investments (Interest on Deposit with LIC & SB a/c)	831.95	1152.98
	b) Pension Fund Contributions	1,840.00	2,500.00
	Total Receipts (A+B)	16,137.53	20,182.61
C	Payments		
	a) Pension Annuities purchased by LIC	5,667.62	6,717.03
	b) Bank Charges	0.00	0.00
D	Closing Balance		
	a) Investments (Fixed Deposits)	10,464.71	13,460.55
	b) Cash at Bank(Savings account) (SBI Guntur)	5.20	5.03
	Total Payments (C+D)	16,137.53	20,182.61

4 Tobacco Board Employees New Pension Scheme Account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance		
	a) Cash at Bank (Savings account) (SBI Guntur)	3.57	7.67
	b) Investments (Fixed Deposits)	23.53	22.39
B	Receipts:		
	a) Income from investments (Interest on Fixed Deposits & SB a/c)	1.12	1.38
	b) Pension Fund Contributions	229.36	225.55
	Total Receipts (A+B)	257.58	256.99
C	Payments		
	a) Amount remitted to NSDL Mumbai (Pension contributions)	235.69	229.89
	b) Other Payments(Refunds to NPS Officials)	0.00	0.00
D	Closing Balance		
	a) Investments (Fixed Deposits)	21.62	23.53
	b) Cash at Bank(Savings account) (SBI Guntur)	0.27	3.57
	Total Payments (C+D)	257.58	256.99

5 Tobacco Growers Welfare Fund Scheme account:

S. No.	Particulars	(₹ in lakhs)				
		Current Year (₹)		Previous Year (₹)		Total
		Andhra Pradesh	Karnataka	Andhra Pradesh	Karnataka	
A	Opening Balance					
	a) Cash at Bank (Savings account) (SBI Guntur) (SBM B'Lore)	28.03	177.97	31.49	173.84	205.33
	b) Investments (Fixed Deposits)	3816.67	1991.34	3743.08	2098.24	5841.32
	B Receipts:					
	a) Income from investments (Interest on Fixed Deposits & SB a/c)	195.17	104.96	189.65	113.65	303.30
	b) Growers Contribution	17.56	17.27	12.33	12.19	24.52
	c) Tobacco Board's Contribution	35.12	34.54	21.61	41.80	63.41
	d) Renewal of Membership Fee	175.14	202.15	182.62	206.52	389.14
	e) Growers Share of Sweepings	25.25	8.70	14.06	9.64	23.70
	f) Penalties	0.13	0.01	0.34	0.00	0.34
	g) Interest on Loans	0.00	0.00	0.00	0.00	0.00
	h) Misc. Receipts	0.03	2.76	0.11	2.02	2.13
	i) Grower contribution(Break in Regn.)	5.47	6.37	4.06	4.37	8.43
	j) Marriage Loan	2.25	90.17	2.65	86.48	89.13
	j) Education Loan	3.16	5.75	4.09	8.45	12.54
	k) Major Illness Loan	1.50	0.70	0.90	1.30	2.20
	l) Barn Damaged Loan	0.00	0.43	0.00	28.76	28.76
	Total Receipts (A+B)	4305.48	2643.12	4207.00	2787.26	6994.26
C	Payments					
	a) Death Relief to Growers	238.65	343.05	356.80	498.35	855.15
	b) Marriage Loan	0.00	54.00	1.50	92.50	94.00
	c) Education Loan	0.50	12.00	1.50	7.00	8.50
	d) Major Illness Loan	0.50	0.50	2.50	1.00	3.50
	e) Barn Damaged Loan	0.40	0.00	0.00	19.10	19.10
	f) Special Interest Free Crop Loan	1088.20	0.00	0.00	0.00	0.00
	D Closing Balance					
	a) Investments (Fixed Deposits)	2946.52	2126.15	3816.67	1991.34	5808.01
	b) Cash at Bank(Savings account) (SBI Guntur) (SBM B'Lore)	30.70	107.43	28.03	177.97	206.00
	Total Payments (C+D)	4305.47	2643.13	4207.00	2787.26	6994.26

SCHEDULE-24:**SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDING 31ST MARCH 2023****1. ACCOUNTING CONVENTION:**

As per rule 22 of Tobacco Board Rules 1976, the accounts of the Board are as under:

1. The Board shall maintain accounts of all receipts and expenditure relating to each year.
2. The expenditure incurred in a particular year shall be shown under separate heads and sub-heads.
3. The opening balance, if any shall be stated as such separately.
4. The closing balance of the year shall be shown at the foot of the accounts on the expenditure side. (Shown in Receipts & Payments statement on the expenditure side).
5. An annual proforma account on accrual basis shall also be prepared for bringing out assets and liabilities as well as the details of reserves and investments.

2. Inventory Valuation:

The stores of stationery and consumable items available at the end of the current year are valued at actual purchase price of the item and shown the same under closing Stock account in the Balance Sheet. The value of stationery and consumable items is shown as the opening balance for the ensuing year.

3. Investments:

As per the provision of rule 23 of the Tobacco Board Rules 1976 -

1. Money required for the current expenditure of the Board with the exception of the petty cash and surplus moneys shall be kept in the Personal Ledger Account in the District Treasury or Sub-Treasury or in current account with the State Bank of India * (or any other Nationalized Bank) or any of its subsidiaries.
2. Any funds not required for current expenditure may be placed in deposit account with the Central Government in the public account or in the fixed deposits in the State Bank of India or any other Nationalized Bank of any of its subsidiaries.

Provided that the funds in the Board's pension fund or provident fund not required for current expenditure may be invested in Trustee Securities or Ten Year Treasury Savings Deposit Certificates or National Defense Certificates to the extent permissible or in fixed deposit with the State Bank of India or any other Nationalized Bank or any of its subsidiaries.

(Explanation: for the purposes of sub-rule (1) and this sub rule, Nationalized Bank means a corresponding new bank as defined in the Banking Companies (Acquisition and transfer of undertakings) Act, 1970 (5 of 1970).

3. Payment by or on behalf of the Board shall be made in cash or by cheque drawn against the current account of the Board.

4. **Excise Duty: Nil**

5. **Fixed Assets:**

The Tobacco Board acquires land & buildings and purchase of other assets like furniture & fixtures, office equipment, electrical equipment, motor vehicles, weighing scales, trolleys, computers and cycles etc., as per provisions of General Financial Rules of the Central Government and are being taken on cost basis. The value of the unserviceable assets is being deleted from the assets on its disposal/sale.

The constructions of civil and electrical works of the Tobacco Board are being carried out through the Government agencies of CPWD and RITES. On receipt of the estimates from the agencies for our proposal for construction of works, the Board releases funds as per the norms in phased manner till its completion of work. On receipt of the expenditure statement for the works completed or works in progress in Form-65, the same is being capitalized as assets of the Board.

6. **Depreciation:**

The method of depreciation on the assets have been adopted under SLM method and as per the rates prescribed in the Companies Act 2013. The depreciation is calculated on the gross value of the asset and provided depreciation up to 95% of the asset by keeping 5% of asset value as residual value till its disposal/sale except the assets of leasehold land and buildings, Trolleys, Fire Extinguishers and Copier Machine. The depreciation on the lease hold land and lease hold buildings have been taken based on the lease period and in the case of trolleys, Fire Extinguishers and Copier Machine on usage of the asset and period. In the case of construction works, the depreciation of previous year is also taken into account. The rates of depreciation on each asset are mentioned under schedule-8 of the fixed assets statement.

7. **Miscellaneous Expenditure:**

No deferred revenue expenditure is in the Tobacco Board to write off over a period of 5 years. The expenditure incurred on recurring nature under different heads of accounts of Maintenance of Generators, Purchase of Water, Electrical Repairs & Replacement of tubes & lights etc. and consumable items of twine, marking ink, towels, and buckets etc. which are not covered regular heads of accounts have been taken under Misc. Expenditure.

8. **Accounting for Sales:**

a) **Sales:**

There are no sales operations directly taken place in Tobacco Board. The Tobacco Board conducts auctions for sale of FCV tobacco brought by the tobacco growers and purchased by the traders on the established auction platforms in Andhra Pradesh and Karnataka as per the provisions of the Tobacco Board Act 1975.

b) Services:

Power to levy fees as per the provisions of the Tobacco Board Act 1975 is as under:

- a) Under Section 14A(1)- Where Virginia tobacco is sold at any auction platform established by the Board under this Act, it shall be competent for the Board or for any officer of the Board authorize by it in this behalf to levy fees, for the services rendered by the Board in relation to such sale, at such rate not exceeding two percent of the value of such tobacco as the Central Government may from time to time, by notification in the official gazette, specify;
- b) Under Section 14(2) - The fees levied under sub section (1) shall be collected by the Board or such officer, equally from the seller of the Virginia tobacco and the purchaser of such tobacco, in such manner as may be prescribed.

Fees liveable on the seller under section 14A:

Rule 42 of Tobacco Board Rules 1976, the fee leviable by the Board under section 14A of the Act on a seller shall be on one percent of the value of the tobacco sold by him at auction platform

Mode of recovery of fees from seller:

Rule 43 of Tobacco Board Rules 1976, the Board or any officer of the Board authorized by it in this behalf, may recover the fees under section 14A by deducting the same from the sale proceeds of the tobacco.

Fees leviable on purchaser under section 14A:

Rule 44 of Tobacco Board Rules 1976, the fee leviable by the Board under section 14A of the Act on a purchaser shall be on one percent of the value of the tobacco purchased by him at auction platform

Mode of recovery of fees from purchaser:

Rule 45 of Tobacco Board Rules 1976, the Board or any officer of the Board authorized by it in this behalf, may recover the fees under section 14A by adding the same to the price of the tobacco purchased by him.

In view of the above, the Board is collecting service charges equally from the grower and buyer @ 1% each on the value of tobacco sold by the grower and purchased by the buyer. The service charges realized is taken in Receipts & Payments Statement as per realization date and accrual basis under schedule 12 of the Income and Expenditure account.

Further, the Board is collecting registration fee from growers to accord registration/renewal of registration as grower, barn operator, nurserymen and from traders to accord registration as Exporter of Tobacco, Exporter of Tobacco or Tobacco Products, Dealer in tobacco, Packer of Tobacco, Processor in Tobacco, Manufacturer of Tobacco and Commercial Grader in Tobacco and Buyer Authorization fee to participate in the auctions as per the provisions of Rules/Regulations

of the Tobacco Board Act, 1975. The same is projected under the schedule 14 of the Income and Expenditure account as income of Fees/Subscriptions.

The interest earned on fixed deposits which were invested as per rule 23 of the Tobacco Board Rules 1976 is projected under schedule 17 of the Income and Expenditure account as income of Interest Earned.

The contributions of sale proceeds for the sale of excess/unauthorized tobacco from the registered/unregistered growers as per Gazette Notification issued by the Central Government from time to time is taken as other Income. The Misc. receipts, demurrage charges etc. are also taken as other income of the Board. These details are taken as other income under schedule 18 of the Income and Expenditure account.

The contributions @ ₹1/- per Kg and 5% (including normal service charges of 1%) of the sale proceeds for the excess tobacco produced by registered growers up to the extent of 10% of quota authorized was allowed. The tobacco produced by the registered growers beyond the limit of 10% of the quota authorized and the tobacco produced by the unregistered was allowed for sale by levying contribution of sale proceeds at ₹1/- per Kg. and 5% (including normal service charges of 1%) during 2021 auction season in Karnataka and during 2022 auction season in Andhra Pradesh.

During 2022 auctions in Karnataka, the Tobacco Board has levied only 1% normal service charges and not levied any contributions for the sale of excess/un-authorized tobacco produced by registered/unregistered growers.

The Tobacco Board's major expenditure covers Establishment and Administrative accounts to meet the functions as outlined under section 8 of the Tobacco Board Act 1975 including the sale of FCV tobacco through auctions on the established auction platforms in Andhra Pradesh and Karnataka. This expenditure is taken under the schedules of 20 and 21 of the Income and Expenditure account as expenditure on Establishment and other Administrative expenses.

The capital expenditure is being incurred to provide infrastructure facilities to the existing premises of the Board for smooth conducting of auctions. The expenditure on implementation of various schemes under Extension & Developmental Schemes to improve the quality & yield tobacco, to save fuel, curing cost & time and adoption of various technical implements/material in cultivation of tobacco etc. are taken as revenue expenditure.

The expenditure incurred under Extension & Developmental Schemes both in Andhra Pradesh and Karnataka are shown separately even though the expenditure is incurred at Head Office Guntur

9. Government Grants/Subsidies:

The Tobacco Board receives/draws grants and loans from the Central Government as per the

provisions under section 16 of the Tobacco Board Act 1975 - The Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Board by way of grants or loans such sums of money as the Central Government may think fit for being utilized for the purposes of this act.

10. Foreign Currency Transactions:

As per Rule 24(4) of Tobacco Board Rules 1976, the Board shall not incur expenditure outside India in excess of fifteen thousand rupees on any single item without the previous sanction of the Central Government.

The expenditure incurred on foreign currency transactions involved towards advertisement charges in foreign magazines under brand publicity and travelling & boarding expenses for participating in the Fairs & Exhibitions in Abroad & in India, Trade Delegations to Abroad to boost up the exports of Indian Tobacco and Tobacco Products with the prior approval of Government of India.

11. Lease:

The Board hires the premises/office buildings on lease for field level activities and conducting auctions for sale of FCV tobacco by following the usual procedures as per GFR both in Andhra Pradesh and Karnataka.

12. Retirement Benefits:

As per Section 5 of the Tobacco Board Act 1975, the Chairman shall be entitled to such salary and allowances and such conditions of service in respect of leave, pension, provident fund and other matters as may from time to time fixed by the Central Government.

As per section 6(3) of the Tobacco Board Act 1975, the Executive Director and the Secretary shall be entitled to such salaries and allowances and such conditions of service in respect of leave pension, provident fund and other matters as may from time to time be fixed by the Central Government.

As per section 6(4) of the Tobacco Board Act 1975, Subject to such control, restrictions and conditions (including conditions as to appointment of the officers and other employees of the Tobacco Export Promotion Council, in the events of the said Council being wound up) as may be prescribed, the Board may appoint such officers and employees as may be necessary for the efficient performance of its functions.

Condition of service of officers and employees of the Tobacco Board:

As per regulation 13(1) of the Tobacco Board (General) Regulations 1984, the pay and allowances, leave, pension and retirement benefits, provident fund, disciplinary proceedings and imposition of penalty and other conditions of the service including age of superannuation etc. as like in respect of officers employed in or appointed by the Board shall if no provision is made in this regulation

separately, be regulated in accordance with such rules and regulations which are for the time being applicable to the officers and employees of the Central Government of the corresponding grades or status stationed at these places.

SCHEDULE 25: CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDING 31ST MARCH 2023.

1. Contingent Liabilities:

1.1 Claims against the Entity not acknowledged as debts Nil (Previous year Nil).

1.2 In respect of:

- Bank guarantees given by / on behalf of the Entity - ₹ Nil (Previous year ₹ 5,27,137.00)
- Letters of Credit opened by Bank on behalf of the Entity - ₹ Nil (Previous year ₹ Nil)
- Bills discounted with banks ₹ Nil (Previous year ₹ Nil)

1.3 Disputed demands in respect of:

Income tax ₹ Nil (Previous year ₹ Nil)

Sales-tax ₹ Nil (Previous year ₹ Nil)

Municipal taxes ₹ Nil (Previous year ₹ Nil)

In respect of property taxes for the buildings owned in rural areas, the concerned gram panchayat authorities issued notices for payment of property taxes in Andhra Pradesh and Karnataka. In this connection, the letters were addressed to Commissioner, Panchayat Raj & Rural Development, State Government of Andhra Pradesh Vijayawada and Chief Executive Officers, Zilla Panchayats concerned in Karnataka regarding exemption from payment of property tax in respect of Tobacco Board's Establishments. The reply in this regard is awaited for its settlement of the issue.

Now, accumulated amount of property tax is taken as contingent liability instead of outstanding liability and it is to be quantified for all the buildings on receipt of the information to mention the amount in the notes on accounts and hence the same will be given in the annual accounts for the year 2023-24. The reversal entry is passed for the amount available outstanding expenses account in the financial statements for the year 2022-23.

1.4 In respect of claims from parties for non-execution of orders, but contested by the Entity for the current and previous year as under:

- a) An appeal was filed by the Petitioner Sri ValavalaVenkata Sridhar, Rajahmundry in the Hon'ble High Court of Andhra Pradesh against the Tobacco Board for non-eviction of premises by the Tobacco Board which was on lease to operate Gopalapuram auction platform seeking claim and damages to the tune of ₹1,10,66,618.00. The case is yet to be listed.
- b) An appeal was filed in the Hon'ble District Judge Court, Ongole against the Board by Sri K.V.Srimannarayana, Manduvavaripalem. The Petitioner claiming the rents for early evicting

of his premises taken on lease by the Board against the agreement time. The damages claimed are ₹13,37,776.00 and 18% interest on it from 31/12/2015 and other legal costs.

- c) M/s. Stesalit Systems Ltd had approached the West Bengal State Micro & Small Enterprises Facilitation Council for termination of conciliation process as per section 18(2) of MSMED Act 2006 & intimation of arbitration proceedings as per section 18(3) of MSMED Act and seeking a claim of ₹1,38,36,400.50. Since no consensus was arrived, the conciliation process was cancelled and initiated arbitration proceedings vide case No.128 of 2018 at WBSMCSE and it is pending.
- d) The Additional Director General, Directorate General of GST Intelligence (DGGI), Chennai Zonal Unit, Chennai has issued Show Cause Notice No.20/2019 vide their letter No.F.No.INV/DGGSTI/ CZU/ST/31/2018, dated 19/04/2019 to Tobacco Board for non-payment of service tax for ₹24,86,69,972/- on the taxable value of additional service charges/penalties for ₹183,83,73,622/- and service tax for ₹129,98,928/- on taxable value of penalties on vigilance cases shown under misc. receipts for ₹9,98,83,002/- for the period from 2013-14 to 2017-18 as per the provisions of Finance Act 1994.

In this connection, the Board had filed an appeal before the Commissioner (Appeals), Goods and Services Tax Guntur for non-applicability of service tax on the additional service charges/penalties collected from the growers as per the provisions/rules of Finance Act/Service Tax Act. The same was disposed off by the Commissioner, Central Tax, Guntur and issued Order-in-Original No.GUN-EXCUS-000-CUM-026/19-20-S.Tax dated 13/12/2019 by confirming the tax demand and penalty of ₹26.17 crore as imposed in the show cause notice.

Further, the Board had filed an appeal with a pre-deposit of ₹1,96,25,168/- as stated in OIO before Hon'ble Central Tax Appellate Tribunal, Regional Branch of Hyderabad against Order-in-Original to admit appeal by CESTAT Hyderabad. Further, the Commissioner (Appeals) has filed an appeal before CESTAT for early disposal of the case during the month April 2023 i.e., on 27/04/2023 and the hearing appeal was disposed by CESTAT to take up the issue in a later date

No further contingent liability is made in the books of accounts for the period from 2018-19 to 2022-23 due to no liability to Tobacco Board on the contributions of sale proceeds voluntarily made by the growers for the sale of excess/unauthorized tobacco produced by the registered/unregistered growers as per gazette notifications issued by the Central Government from time to time. Any receipt of contribution will not attract service tax and there is no service provided by the Tobacco Board to collect the service tax from the growers.

Now, the Deputy Assistant Commissioner (ST) Guntur has issued initial notice dated 05/10/2020 calling records and data on tax payments for the financial years 2017-18, 2018-19 and 2019-20. They

have assessed all the records/data as furnished and issued intimation to make payment of GST on certain receipts of the Board. We have informed to the GST Department for non-applicability taxes as raised. Later, the show Cause Notices dated 09/11/2022 for the said three years issued and in this we have filed replies vide letters dated 04/01/2023. Then they have issued orders vide letters dated 30/01/2023 for payment of tax with penalties along with interest for a total amount of ₹23.38 crore. In this regard, an appeal was filed under Form GST APL-2 on 27/04/2023 through Tax Consultant M/s. Vangala & Associates Guntur and obtained acknowledgment dated 30/05/2023 for its admission of the appeal. Now, the case is under sub-judice.

2. Capital Commitment: NIL.

3. Lease Obligations:

The auction platforms of Ongole-II & Kondepi, Regional Manager Office of Rajamahendravaram in Andhra Pradesh and Directorate of Auctions Office of Bengaluru & Regional Manager Office of Periyapatna in Karnataka have been taken on lease by the Tobacco Board.

4. Current Assets, Loans and Advances:

The details of current assets, loans and advances held by the Board are given under schedule No.11 of the Balance Sheet.

5. Taxation:

Tobacco Board has been exempted from payment of Income Tax as per section 10(29A)(d) of the Income Tax Act, 1961.

NOTES ON ACCOUNTS:

A) FORMATION:

The Tobacco Board was constituted by an act of Parliament in 1975 with the headquarters at Guntur, Andhra Pradesh.

B) OBJECTIVE:

It is hereby declared that it is expedient in the public interest that the Union should take under its control the tobacco industry.

The Trading Wing was created by the Government of India in the year 1984 with a Margin Money of ₹1.25 Crore for MSP operations. The objective of Trading Wing is to mop up the unsold Tobacco on auction platforms at Minimum Support Price (MSP) fixed by the Government and to stabilize the market thereby protecting the interests of growers.

C) COMPOSITION OF THE BOARD:

Under section 4(4) of the Tobacco Board Act 1975 the Board shall consist of the following members namely:

- a) a Chairman to be appointed by the Central Government.
 - b) three members of Parliament of whom two shall be elected by the House of the People and one by the Council of States.
 - c) eight members to be appointed by the Central Government to represent respectively:
 - i) The Ministry of the Central Government dealing with Agriculture;
 - ii) The Ministry of the Central Government dealing with Commerce;
 - iii) The Ministry of the Central Government dealing with Finance;
 - iv) The Ministry of the Central Government dealing with Industrial Development;
 - v) The Indian Council of Agricultural Research;
 - vi) The Government of Andhra Pradesh
 - vii) The Government of Karnataka;
 - viii) The Government of Gujarat
 - d) two members to be appointed by the Central Government by rotation in the alphabetical order, to represent the Governments of tobacco growing States other than the States of Andhra Pradesh, Gujarat and Karnataka.
 - e) not more than + ten members to be appointed by the Central Government from amongst Growers, Dealers and Exporters (including Packers) of tobacco and tobacco products, manufacturers of tobacco products and from amongst persons who in the opinion of the Central Government are experts in tobacco marketing or agricultural economics.
- *+ Provided that the number of members appointed under this clause from amongst the growers of tobacco shall not exceed six.
- f) + the Agricultural Marketing Advisor to the Government of India, Department of Rural Development, ex-officio;
 - g) + the Executive Director, ex-officio;

D) FUNCTIONS:

The Tobacco Board discharges its functions as per the provisions under section 8 of the Tobacco Board Act 1975.

E) FINANCE, ACCOUNTS AND AUDIT:

As per Section 16 of the Tobacco Board Act 1975, the Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Board by way of grants or loans

such sums of money as the Central Government may think fit for being utilized for the purposes of this act.

As per section 17(1) of the Tobacco Board Act 1975, there shall be formed a Fund to be called Tobacco Fund and there shall be credited there to:

- a) the fees levied and collected under this Act or the rules made there under;
- b) any sums of money paid or any loans granted by the Central Government for the purposes of this act;
- c) any grants or loans that may be made by any person for the purposes of this act;
- d) the sums, if any, realized by the Board in carrying out the measures referred to in section 8;

As per Section 17(2) of the Tobacco Board Act 1975, the fund shall be applied:

- a) for meeting the cost of the measures referred to in section 8;
- b) for meeting the salaries, allowances and other remuneration of the officers and other employees of the Board;
- c) for meeting the other administrative expenses of the Board;
- d) for repayment of any loans.

As per section 19 of the Tobacco Board Act 1975, the Board shall maintain proper accounts and other relevant records and prepares annual statement of accounts as -

- (1) The Tobacco Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, including the Income & Expenditure account and the Balance Sheet in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor General of India.
- (2) The accounts in Tobacco Board shall be audited by the Comptroller and Auditor General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Board to the Comptroller and Auditor General of India.
- (3) The Comptroller and Auditor General of India and any person appointed by him in connection with the audit of the accounts of the Board shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor General has in connection with the audit of Government accounts and in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Board.
- (4) The accounts of the Board as certified by the Comptroller and Auditor General of India or any other person appointed by him in this behalf together with the audit report thereon shall be

forwarded annually to the Central Government and the Government shall cause the same to be laid before each House of Parliament.

F) FINANCIAL TRANSACTIONS IN GENERAL:

Under rule 27 of the Tobacco Board Rules, 1976 - Except as otherwise provided in these rules, the provisions of the Central Treasury Rules, the Delegation of Financial Power Rules 1958 and the General Financial Rules 1962 of the Central Government, for the time being in force, shall subject to such modifications or adaptations as may be made by the Board therein with the previous approval of the Central government apply to all financial transactions of the Board.

G) MAJOR ISSUES ON ASSETS AND LIABILITIES:

1. The Board has adopted the accounting figures rounded off to ₹ in lakh in Balance Sheet, Income & Expenditure account and Receipts and Payments Statement including in schedules as suggested by the audit.
2. All the Known liabilities are brought under Current Liabilities and all the provisional liabilities are Provisions as per Uniform Format of Accounts. An amount of ₹1,032.80 lakh is total outstanding liabilities amount for the year ending 31/03/2023.
3. The details of freehold and lease hold lands are indicated in the fixed assets statements of annexure-I to III (Schedule-8) of the Balance Sheet of the Board.
4. The stationery and consumable items for the year ending 31/03/2023 valued at ₹16.75 lakh have been shown under closing stock account by taking into consideration of the actual purchase price of the items.
5. The total investments of Tobacco Fund are with the nationalized banks in Andhra Pradesh and Karnataka for the year ending 2022-23 was ₹6,1467.13 lakh. As suggested by the audit, the fixed deposits amount is exhibited under the balance sheet schedule-11 of current assets, loans & advances: with scheduled banks-on Deposit Accounts (FDRs). All the fixed deposit receipts have been physically verified and found correct.

The fixed deposits available with the Board have been prepared in a statement and made available in the booklet of financial statements of the Tobacco Board.

6. The depreciation on fixed assets has been calculated on pro-rata monthly basis. The rates of depreciation on different assets adopted by the Board are as under:
 1. Land - Leasehold : 360 months period
 2. Buildings - On lease hold lands: 276 months period
 3. Freehold Buildings : 1.58% (RCC Roof) & 3.17% Non-RCC
 4. Furniture & Fittings, Electrical Equipment : 9.50%

Cycles, Library Books, Misc. Equipment, Tarpaulins: 9.50%

Trolleys, Weighing Scales & Cubicles: 9.50%

5. Office Equipment, Demonstration Equipment: 19%

Scientific Equipment, Copier Machine: 19%

6. Fire Extinguishers : 19%

7. Computers: 31.67%

The depreciation on Trolleys, there is no specific percentage available in the Companies Act. The usage of trolleys is very rough by the mutta labour. The wear and tear for the trolleys is very high and it will become unserviceable. Hence, the rate of depreciation on trolleys is fixed at 9.50%.

The rate of depreciation on Fire Extinguishers is fixed at 19% as the material used in the cylinders became obsolete after 5 years unless the cylinder is properly placed. Once it is break opened for use at the time of fire accident, it is required to refill with the material by the authorized agency which results cost expensive.

Similarly, the rate of depreciation on Copier Machine is fixed at 19% based on the life span on usage of Xeroxing papers from the copier machine which is 5,00,000 copies. On expiry of 5,00,000 copies Xeroxing, the cost of usage is expensive which involves huge expenditure on maintenance.

An amount of ₹480.51 lakh was depreciated on the fixed assets of Tobacco Board as on 31/03/2023 along with previous year depreciation on the assets.

7. The assets have been capitalized/ adjusted during the financial year ending 31st March 2023 as against the advances released to the executing agencies of CPWD and RITES and amount of outstanding liabilities (Capital) accounts. During the financial year 2022-23, an amount of ₹832.69 lakh was adjusted as expenditure against advances to CPWD/RITES (₹485.89 lakh) and capital works in progress (₹346.80 lakh) for the completed works covered under civil, electrical and maintenance nature. An amount of ₹15.82 lakh was refunded by CPWD on its completion of works against advances released.
8. An amount of ₹99.95 lakh was incurred on account of Misc. Expenditure account for the year ending 31st March 2023 which consists of maintenance of generators, purchase of water, electrical repairs & replacements and expenditure on vigilance operations etc.

An amount of ₹271.94 lakh was realized on account of Misc. Receipts account for the year ending 31st March 2023 which consists of penalties on vigilance operations, sale of GSP certificates, sale of newspapers, difference cost of bale pattas from growers, surplus interest under input loan account and sale of tender forms etc.

9. An amount of ₹7,677.52 lakh was realized on account of Service Charges on FCV tobacco @ 1% each from buyer and growers for the year ending 31st March 2023.
10. The Tobacco Board did not draw any grant-in-aid from the Government during the financial year 2022-23.
11. An amount of ₹37.64 lakh was incurred on account of Fairs & Exhibitions: Abroad and Trade Delegations to Abroad for the year ending 31st March 2023.
12. An amount of ₹742.53 lakh was paid towards retirement benefits such as gratuity, leave encashment and commutation of pension to the officials who retired on attaining the age of superannuation/death/VR cases during the year 2022-23.
13. An amount of ₹70,898.41 lakh was available under Current assets, loans and advances account as per schedule-11 of the Balance Sheet as on 31/03/2023.
14. An amount of ₹16.02 lakh was due from the principal borrowers (farmers) pertaining to 1977 cyclone loan account. General suits and EPs have been filed before the respective Hon'ble Courts in the platform jurisdictions and they are subjudice. The Board has made vigorous efforts to recover the loan amounts by giving various concessions viz. 50% in interest and waiver of legal charges for recovery of outstanding dues under one time settlement, as the recovery of dues was very poor.

Almost all the borrowers were dead even any few members alive also become very old i.e. 85 to 90 years and not growing tobacco and untraceable. In spite of all efforts made by the Board, the recovery of the due amount is a remote possibility and there is no mortgaged property to proceed legally for its recovery. In certain cases, where the Board has approached the courts, the legal expenditure exceeds the due amounts of outstanding loan cases.

The issue was placed before the Board in its 122nd meeting held on 28/07/2007 at Hyderabad and resolved that to send the proposals to the Government for writing off losses in respect of 1977 cyclone loans granted to the farmers as the Government is the competent authority to write off losses as per Rule 24(2) of Tobacco Board Rules 1976. In this regard, the Board addressed a letter and reminded the same to the Ministry. The approval of the Government is awaited.

15. The fund accounts of Margin Money for Commercial Operations (Grant-in-aid to Trading Wing), Tobacco Board Employees General Provident Fund, Tobacco Board Employees Pension Fund, Tobacco Board Employees New Pension Scheme (Tier-I) and Tobacco Board Growers Welfare Fund are exhibited under schedule-3 of Earmarked/Endowment funds as suggested by the Audit. The opening balances of bank balances, investments in fixed deposits and income on investments, other receipts and closing balances of investments, bank balances and other payments for all the earmarked funds of the Tobacco Board have been projected under the respective schedules of the Balance Sheet and Receipts & Payments Statement for the year 2022-23.

16. Funds under Margin Money for Commercial Operations (Grant-in-aid to Trading Wing) account, an amount of ₹2,986.92 lakh was available as per the books of accounts. The Trading Wing was created by the Government of India in the year 1984 with a Margin Money of ₹125.00 lakh for MSP operations. Further, the Board earned profit of ₹91.40 lakh while on MSP operations taken during 1987 & 2000 and ₹2,770.52 lakh realized towards interest on fixed deposits as on 31/03/2023.
17. Funds under Tobacco Board Employees General Provident Fund account, an amount of ₹1206.38 lakh was available as per the books of accounts. The amounts payable to officials is ₹1,192.47 lakh as per GPF BROADSHEET (which includes interest on subscriptions). By the end of the financial year 2022-23, there was a surplus of ₹13.91 lakh under GPF account. The surplus comes under the fund account by way of interest on fixed deposits as the interest on deposits realized is more than the interest payable to official's contributions as on date.
18. Funds under Tobacco Board Employees Pension Fund account, an amount of ₹10,469.91 lakh was available in the books of accounts. An amount of ₹10,464.71 lakh was available as deposit with the LIC of India and ₹5.20 lakh as bank balance as per cash book. The Tobacco Board has submitted the existing employees data to LIC of India and the LIC of India has calculated the pension liability by actuarial valuation as ₹11,504.00 lakh as on 31/03/2023. After taking into consideration the deposit with LIC of India of ₹10,464.00 lakh against the pension liability, an amount of ₹1,040.00 lakh is to be paid to LIC of India and the same is taken as liability to the Board in the books of accounts as on 31/03/2023.
19. Funds under Tobacco Board Employees New Pension Scheme account, an amount of ₹21.96 lakh was available in the books of accounts. The contributions of employees and employer (Tobacco Board) to the officials covered under NPS are remitting every month to NSDL Mumbai as per existing rules. The said amount includes surplus under the fund account along with refundable amounts to NPS officials/balance remittances to NSDL for want of PRAN by newly recruited/exit officials of the Tobacco Board as on 31/03/2023.
20. Funds under Tobacco Growers Welfare Fund scheme account, an amount of ₹6,632.01 lakh was available in the books of accounts (Andhra Pradesh: ₹4,143.32 lakh + Karnataka: ₹2,488.69 lakh)

Government of India vide its letter No.6/5/2007-EP (Agri. VI), dated 28/07/2008 conveyed the approval for creation of Tobacco Board Growers Welfare Fund during 2009-10 with the contribution in the ratio of 1:2 among the Tobacco Farmers and the Tobacco Board from the penalties collected on the sale of unauthorized tobacco and excess tobacco by the growers.

21. The proposal for creation of fund account for Gratuity and Leave Encashment was sent to the Ministry and the approval from the Government is yet to be received. On receipt of the approval from the Government, the exact calculation amount of gratuity, leave salary and half

pay will be worked out and provided the actual liability after making actual payments to the fund account.

In this connection, a liability of ₹30.00 crore has been provided towards payment of Leave Salary, Gratuity and half pay leave for the years 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19.

The issue for creation of this fund account is placed before the Board for approval. The Board resolved to study the proposal in detail and evaluate for creation of fund account. The study on proposal for creation of fund account is under process.

Further, it is to submit that the Tobacco Board has submitted existing employee's data for calculation of liability by actuarial valuation on account of gratuity and leave encashment accounts. The LIC has given the proposal with liability of ₹4,150.69 lakh as on 31/03/2021 (Gratuity ₹2,506.86 lakh and Leave Encashment: ₹1,643.83 lakh by taking into consideration of mortality rate, withdrawal rate, discount rate and salary escalation etc. No amount is invested with LIC under this fund account to get discount and earn interest on deposit etc.

The liability for payment of gratuity, leave salary and Half Pay leave account is calculated as per CCS (Pension) Rules 1972 by taking into consideration of services rendered by the existing employees and provided the same as liability in the books of accounts as the LIC of India calculated liability by actuarial valuation with the assumptions of mortality rate, withdrawal rate, discount, interest rate on investment and investments are taken to arrive liability and hence this is not projected in the books of accounts.

The actual liability of gratuity and leave encashment for the existing employees as on 31/03/2023 was calculated as per CCS (Pension) Rules 1972 and accounted for the same in the books of accounts for ₹3,554.93 lakh (Gratuity ₹2,034.61 lakh + Leave Encashment : ₹1,520.32 lakh) as on 31/03/2023.

22. The service tax payable amounts to Service Tax Department on the taxable services taken as auctioneer services (Buyer Authorization fee, Demurrage Charges & Bale Pattas), Legal consultancy services (Legal Charges) and Rent-a-Cab Operators Service (Hiring of Vehicles) have been taken as provisional liability for ₹178.44 lakh as the cases are under pending with CESTAT, Hyderabad. Further, the amounts due from companies for ₹4.96 lakh shown as current assets in the books of accounts.
23. The amounts payable towards retirement benefits, property tax, Tobacco Board Growers Welfare Fund (Board's Share) along with other heads of accounts and amounts payable to CPWD and RITES have also been provided as outstanding liabilities in the books of accounts as on 31/03/2023.
24. The Tobacco Board has filed Income Tax Returns for the financial year 2021-22 and

assessment year 2022-23 as per the recent changes in rules of the Income Tax Act 1961 after completion of tax audit on the accounts of the Board by the Chartered Accountants of M/s. Umamaheswara Rao & Company Guntur even though there is exemption from payment of income tax under section 10(29)(A)(d) of the Income Tax Act 1961.

25. The Tobacco Board has filed the monthly returns of GSTR-3B, GSTR-1, GSTR-7 and annual return of GSTR-9, GSTR-9C for the financial year 2021-22 by discharging tax liabilities from time to time to the GST Department after completion of tax audit as per GST norms by the Chartered Accountants M/s. Vangala & Associates Guntur.
26. Tobacco Board is procuring and distributing the chemical fertilizers to the indented registered FCV tobacco growers. Up to 2008-09, the Board had engaged the services of Spices Trading Corporation of India Ltd. (STCL) for distribution of fertilizers to the growers. During 2009-10, Board had taken up the distribution of fertilizers to the growers due to non-availability of services of M/s. STCL. For these operations, the Deputy Commissioner, Commercial Taxes, Mysore vide his assessment order dated 27/05/2011 issued to the Board to pay the tax amount of ₹2,34,27,445/- and penalty on tax of ₹70,28,233/- for distribution of fertilizers to growers as it is deferred payment without obtaining dealer license under KVAT Act 2003.

In this connection, the Board made all its efforts with the State Government of Karnataka and through the appeals with the Commissioner of Commercial Taxes Bangalore and through Hon'ble High Court of Karnataka. The writ petition filed by the Board was dismissed by the Hon'ble Court.

Further, the Board filed appeal before the Karnataka State Sales Tax Appellate Tribunal, Bangalore on 07/12/2013. The Tribunal admitted the case on deposit of 30% amount of tax amount of ₹91,36,703/- with DCCT(VAT), Audit-I Mysore on 31/12/2013. Further, an amount of ₹2,13,18,975.00 kept in the form of BG in favour of Dy. Commissioner of Commercial Taxes VAT Audit-I Mysore. The appeals filed by the Board were dismissed vide orders dated 31/08/2016 by the Tribunal. Hence, entire tax + penalty amount was paid to the Deputy Commissioner of Commercial Taxes Mysore by cancelling the B.G. on 25/11/2016. On receipt of tax amount of ₹3,04,55,678/- by the DCCT VAT(Audit-I) Mysore and they have issued another demand notice dated 09/12/2016 for ₹3,26,98,056/- towards interest on the above said tax for the period from 21/05/2009 to 25/11/2016. In this connection, the Board filed a writ petition on 02/01/2017 before the Hon'ble High Court of Karnataka Bangalore challenging the orders of KVAT and demand notice dated 09/12/2016.

The Hon'ble High Court given an interim stay of further proceedings pursuant to the assessment orders dated 27/05/2011 subject to the petitioner to deposit ₹32,69,805.00 with the respondent (DCCT VAT Karnataka). In the meanwhile, The Government of Karnataka

introduced the Karasamadhana scheme-2017 for waiver of penalty and interest from VAT, CST and KET where the amount is not paid up to 15/03/2017 for the taxation period from 01/04/2005 to 31/03/2016 and case is pending towards payment of interest and penalty are eligible by paying only 10% of the amount of interest and penalty.

Keeping in view the status of above case, the Board paid an amount of ₹32,69,805/- through e-payment on 30/05/2017 vide CTD Ref No.1789617671 and filed an online application to get the benefit interest exemption under Karasamadhana scheme 2017 and filed a memo in the Hon'ble High Court of Karnataka at Bangalore to dismiss appeal of the Board due to availing onetime benefit scheme which declared by the Government of Karnataka. The Board has paid 10% of the demand notice amount of ₹32,69,805/- to DCCT VAT(Audit) Mysore by availing the benefit of Kara SamadhanaYojana Scheme and the Hon'ble High Court of Karnataka disposed the case on 30/05/2017 due to its settlement of the issue on payment of the said amount. The clearance certificate from the DCCT VAT Department is yet to be received and necessary steps will be taken during the year 2023-24 as the said is not cleared due to administrative grounds.

27. Income tax - There are no dues to be paid to Income Tax Department by the Tobacco Board during the financial year 2022-23.
28. Sales Tax - There are no dues to be paid towards sales tax by the Tobacco Board during the financial year 2022-23.
29. Municipal Taxes - The property tax has been paid on receipt of the demand notice from the concerned authorities Municipal authorities and corporations. The dues payable towards property tax in respect of gram panchayats has taken as contingent liability in the books of accounts for want of reply from the concerned State Governments of Andhra Pradesh and Karnataka.
30. The issue for bank guarantee for firefighting equipment in the auction platform Kanigiri will be taken up for clearing during the financial year 2023-24 as the period of guarantee was lapsed and a letter in this regard was addressed to the Bank for its clearance.
31. During the current financial year 2022-23, the tobacco purchases value from buyers received through electronic fund transfer to the respective auction platform account on 8th day of auction and e-payment of sale proceeds to the individual accounts of the growers on 9th day of auction by utilizing the services of SBI FAST CMP Internal Portal account in all the auction platforms in Andhra Pradesh and Karnataka.
32. The service charges and goods & services tax receivable from the realization to auction date from buyers and growers in the auction platforms in Andhra Pradesh and Karnataka has been taken in the Income and Expenditure account for the financial year 2022-23 as suggested

by the audit.

33. The breakup details on the provision of short term and long term liability pertaining to Gratuity and Leave encashment accounts are projected in the liabilities side of the Balance Sheet during the financial year 2022-23 as suggested by the Audit.
34. The break up details of advance payments to CPWD/RITES for capital and revenue natures as against advances to CPWD and RITES shown in the Assets side of the Balance Sheet for the financial year 2022-23 as suggested by the Audit.
35. Budgeted Receipt and Expenditure-The Tobacco Board has realized internal resources (Receipts) of ₹12,490.21 lakh and incurred expenditure of ₹10,468.38 lakh during the financial year 2022-23.
36. With reference to the D.O. letter No.DGCA/A/csDesk/2021-22/1.42/640, dated 28/03/2023 of Director General, O/o the Director General of Commercial Audit and Ex-Officio Member Audit Board, Hyderabad for remedial action on the points raised in the Management Letter on the accounts of the Tobacco Board for the year 2021-22. The modifications as suggested by the audit have been taken up in the financial statements of the Tobacco Board for the year 2022-23 as detailed below:
 - a) The registration of additional land of 1000 sq. yards alienated to Tobacco Board by the Combined State of Andhra Pradesh and Telangana and the alienation of land means a Government Property is handed over to another Government Department and there is no such registration like property transfers of private parties and hence the registration of land was not done as intimated by the Director State Government of Andhra Pradesh.
 - b) The details of freehold and leasehold land along with location of land, land in terms of admeasuring area, title and possession of property in the favour of Board etc held at different locations in Andhra Pradesh and Karnataka are projected in the financial statements of the Tobacco Board for the year 2022-23.
 - c) A note on the condemned assets disposed off during the year 2022-23 has been given in the Notes on accounts in the financial statements for the year 2022-23.
 - d) The bifurcation of accrued income with the separate head of accounts for (i) income accrued on fixed deposits and service charges has been be projected in the financial statements for the year 2022-23.
 - e) The expenditure on works against adjustment of advances with CPWD and RITES have taken into books of accounts in respect of repairs & maintenance works by treating as revenue expenditure under the head of account Maintenance of auction platforms and expenditure on additions & renovation works to the existing buildings as capital expenditure. The depreciation has been provided in the books of accounts from the date of completion of each work with

reference to the expenditure statement given by CPWD and RITES. The existing buildings have completed a life of 15 to 30 years and hence renovation and other capital works are required for smooth functioning of auctions as usage of existing buildings needs frequent repairs and modifications for marketing of tobacco for a period of 7 to 10 months in a year due to the movement of heavy load lorries, bullock carts, tractors etc. in the premises are carried out for unloading of tobacco brought by the growers and loading of tobacco purchased by the trade on day-to-day basis. As suggested by the audit, the depreciation on the assets as per the useful life of the main assets and it will be taken up while preparing the financial statements of the Tobacco Board for the year 2023-24 as the said works involved laborious work with no. of man-hours for its completion. Now the said work is under progress and it will be completed by 08/2023.

- f) The Board addressed letters to the Commissioners of State Governments of Andhra Pradesh and Karnataka regarding exemption for payment of property tax in respect of Government Buildings and no reply is received in this regard. Hence, the expenditure on Rates & taxes shown as outstanding liabilities will be taken as reversal entry in the books accounts. Further, the property tax payable amount to the premises of the Tobacco Board in Andhra Pradesh and Karnataka will be taken as contingent liability in the Notes on Accounts while preparing the financial statements for the year 2022-23.
- g) The Board follows guidelines as per COPLOT of MOF. The signed financial statements to the Indian Audit and Accounts Department Hyderabad for audit within the scheduled date till 2018-19 and delayed for the years 2019-20 and 2020-21 as most of the officials of Board were affected by COVID and compilation of annual accounts data involving with 35 offices in Andhra Pradesh and Karnataka. For the year 2021-22, the Board has submitted the signed financial statements to audit within the due date with the approval of the Executive Director and intimated the approval of the Board after the due date due to the Board Meetings are being conducted twice in a year to fix the crop size for the next crop seasons in Andhra Pradesh during July/August and Karnataka during March/April to study market conditions etc. after completions auctions in the months of February to August in Andhra Pradesh and September to March in Karnataka.

(M. RATNA BAYAMMA)
MANAGER (F&A) I/C

STATEMENT SHOWING THE FUNDS FLOWS POSITION UNDER NON-PLAN AND PLAN FROM 2011-12 TO 2022-23

S.No	Particulars	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
1	Opening Balance (Plan & Non-Plan)	25868.35	34406.37	36542.81	41384.66	47696.18	51899.06	54701.21	55788.64	58886.19	61493.09	60638.28	60215.90
2	Receipts												
	a) Non-Plan	15650.73	11541.65	15083.54	16581.13	15387.68	14399.60	14477.23	15395.93	15558.10	12777.00	11029.31	12490.21
	b) Plan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Grant-in-aid												
	a) Non-Plan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	b) Plan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Total IEBR (1 to 3)	41519.08	45948.02	51626.35	57965.79	63083.86	66298.66	69178.44	71184.57	74444.29	74270.09	71667.59	72706.11
5	Expenditure												
	a) Non-Plan	1565.04	2054.13	2061.98	1728.82	634.50	748.37	13389.80	12298.38	12951.20	13631.81	11451.69	10468.38
	b) Plan	5547.67	7351.08	8179.71	8540.79	10550.30	10849.08	0.00	0.00	0.00	0.00	0.00	0.00
	Total Expenditure (5)	7112.71	9405.21	10241.69	10269.61	11184.80	11597.45	13389.80	12298.38	12951.20	12951.20	11451.69	10468.38
6	Closing balance (4-5)	34406.37	36542.81	41384.66	47696.18	51899.06	54701.21	55788.64	58886.19	61493.09	60638.28	60215.90	62237.73

ABBREVIATIONS

A.P./AP	Andhra Pradesh
APF/A.P.F	Auction Plat Form
Avg.Pr.	Average Price
BAT	British American Tobacco
BG	Bank Guarantee
CACP	Commission for Agricultural Costs and Prices
CBS	Central Black Soils
CMO	Common Market Organization
CPWD	Central Public Works Department
CPA'S	Crop Protection Agents
CTRI	Central Tobacco Research Institute
ELS	Eastern Light Soils
EU	European Union
FCV	Flue Cured Virginia
GI	Galvanized Iron
GRL	Guidance Residual Levels
GSP	Generalized System of Preferences
Ha./ha	.Hectare
ILTD	Indian Leaf Tobacco Division
IPM	Integrated Pest Management
ISO	International Organization for Standards
ITA	Indian Tobacco Association
ITC	Indian Tobacco Company
ITDA	Indian Tobacco Dealers Association
KK/K.K.	Karnataka
KLS	Karnataka Light Soils
LSI	Letter of standing instructions
M.Kgs/mkg	Million Kilo Grams
MEP	Minimum Export Price
MGP	Minimum Guarantee Price
Mktd.	Marketed
MPA	Moel Project Area
MSP	Minimum Support Price
NBS	Northern Black Soils
NIPHM	National Institute of Plant Health Management
NLS	Northern Light Soils
NPV	Nuclear Poly-hedrosis Virus
NTRM	Non Tobacco Related Material
OFTS	On Farm Tests
OLIC	Official Language Implementation Committee
PHPM	Post Harvest Production Management
Qty.	Quantity
RCMC	Registration cum Membership Certificate
RITES	Rail India Technical and Economic Services
SLS /SBS	Southern Light Soils / Southern Black Soils
STL	Soil Testing Laboratory
TBS	Traditional Black Soils
TOLIC	Town Official Language Implementation Committee
TQC	Tobacco Quality circle
UAE	United Arab Emirates
UK	United Kingdom
US	United States

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