TOBACCO BOARD



ANNUAL REPORT
2014-15


Healthy seedlings


Field Hygiene

तम्बाकू बोर्ड भारत
TOBACCO BOARD INDIA


IPM - Phermone traps

Mature leaf harvesting



An initiative to
GO THAT EXTRA YARD


Avoiding NTRMs


Grading to standards

Tobacco Board implements various extension and developmental schemes for improving the yield and quality of tobacco. Few of them are:

Farm Mechanisation | Yield & Quality Improvement | Timely supply of Inputs
Energy conservation in curing | Transfer of Technologies | Awards to Growers




Input Supply



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BOARD COMPOSITION

(As on 31/03/2015)

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

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

Dr. Koothati Gopal, IAS

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

Shri Lal Sinh Vadodia, Hon'ble Member of Parliament (Rajya Sabha)

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

Shri A.K.Tripathy, Director, Govt. of India dealing with Agriculture.
Shri Ajit B.Chavan, Director, Govt. of India dealing with Commerce
Shri M.C.Luther, Director, Govt. of India dealing with Finance
Shri Zakhariya Khan Yousuffjoy, Director, Govt. of India dealing with Industrial development.
Dr. D.Damodar Reddy, Director, Central Tobacco Research Institute, Rajahmundry
Dr. S.R.Chaudhary, Director of Agriculture, Govt. of Gujarat
Dr. B.K.Dharmarajan, Director of Agriculture, Govt. of Karnataka
Shri K.Madhusudana Rao, IAS, Special Chief Secretary, Deptt. of Agriculture, Govt. of A.P.

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

Shri Sudheer Kumar Goel, IAS, Secretary (Agriculture), Govt. of Maharashtra
Shri Rajesh Verma, IAS, Principal Secretary, (Agriculture), Govt. of Odisha

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

Shri A.Manju, Hon'ble Member of Legislative Assembly, Karnataka.
Shri B.N.Jayaramu
Shri Ravuri Ayyavaraiah
Shri Jasty Ramesh Kumar
Shri Tadisetti Murali Mohan
Shri G.Seshagiri Rao

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

Shri Asish Kumar Bhutani, IAS, 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;

Shri C.V.Subba Rao, IFS, Executive Director, Tobacco Board





SENIOR MANAGEMENT

(As on 31/03/2015)

Management and Senior Staff

Chairman
Dr. Koothati Gopal, IAS

Executive Director
Sri.C. V. Subba Rao, IFS

Director (Auctions)
Sri Bipin Bihari Choudhury, IOFS

Secretary (FAC) & Manager (Finance & Accounts)
Sri C.S.S.Patnaik

Manager (Extension)
Sri B.N.Mitra

Manager (Marketing & Exports)
Sri P.Manoj Reddy

Manager (Auctions)
Sri K.Ravi Kumar

Manager (Technical)
Sri K.Narasimhaiah

Regional Manager (Rajahmundry)
Sri M.Sreerama Murthy

Regional Manager (SBS Ongole)
Sri G. Bhaskara Reddy

Regional Manager (SLS Ongole)
Sri Sk.Ansar Ahmed

Regional Manager (Mysore)
Sri A.V.Siva Rudraiah

Regional Manager(Periyapatna)
Sri T.Srinath

Auction Superintendent (Production)
Sri Ch.V.Maruthi Prasad

O.S.D (Vigilance)
Sri P.Ramesh

Deputy Manager (Accts) i/c
G.APPA RAO

Personnel

Officers : 97
Employees : 529

Postal Address

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Govt. of India, Ministry of Commerce & Industry
Department of Commerce
Post Box No. 322, G.T.Road Guntur-522 004
(Andhra Pradesh)

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Fax. : 0863-2354232
E.-mail : info@indiantobacco.com
Website : www.indiantobacco.com

CORPORATE GOVERNANCE



Dr. KOOTHATI GOPAL, IAS
CHAIRMAN



C.V. SUBBA RAO, IFS
EXECUTIVE DIRECTOR



SRI BIPIN BIHARI CHOUDHURY, IOFS
DIRECTOR (AUCTIONS)



C.S.S. PATNAIAK
SECRETARY (FAC) & MANAGER (F&A)



B.N. MITRA
MANAGER (EXTENSION)



P. MANOJ REDDY
MANAGER (MKTG & EXPORTS)



K. RAVI KUMAR
MANAGER (AUCTIONS)



K. NARASIMHAIAH
MANAGER (TECHNICAL)



A.V. SIVA RUDRAIAH
Regional Manager (Mysore)



T. SRINATH
Regional Manager (Periyapatna)



G. BHASKARA REDDY
Regional Manager, SBS Ongole



Sk. ANSAR AHMED
Regional Manager, SLS Ongole



M. SREERAMA MURTHY
Regional Manager, Rajahmundry



TOBACCO BOARD'S ACTIVITIES DURING 2014-15

Tobacco Board was constituted by the Government of India, under an Act of Parliament known as the "TOBACCO BOARD ACT, 1975", to bring out all round development of the Tobacco Industry. The Board's primary role – the expressed will of Parliament – is to ensure smooth functioning of the vibrant farming system, with fair and remunerative prices to tobacco farmers and promotion of exports.

Tobacco also called "Golden Leaf" is one of the important commercial crops of India and being so it is vital to the economy. It provides employment directly and indirectly to 38 millions of people and contributed as much as ₹17,000 crore as excise duty and ₹5,613.64 crore in terms of foreign exchange to the National exchequer, during 2014-15.

India has a prominent place in the production of tobacco in the world due to varied agro-climatic conditions and different types of tobacco it produces. India produces different styles of FCV tobacco, which vary in their physical and chemical characteristics. India is able to produce different types of tobacco ranging from low nicotine and low tar tobacco to high nicotine and high tar tobacco for various end users. This diversity of product has enabled the country to export this commodity to over **117** countries across the globe. India stands second in production of tobacco and 3rd in export of tobacco in the world.

Some of the varieties of tobacco are used for filler purposes, while some are used for flavour in different blends. Thus, India has a fairly diversified base of production for exports and provides a one-stop shop for different styles, qualities and price ranges.

Presently, tobacco is being cultivated in an area of about **4.64 Lakh hectares (0.25 %)** of total arable land in the country covering different styles / types of tobacco viz., cigarette tobacco, bidi tobacco, chewing tobacco, hookah tobacco, cheroot tobacco, cigar wrapper tobacco, cigar filler tobacco, oriental tobacco, dark fire cured tobacco, etc., with a production of **800 Million Kgs (M.Kgs)**. Out of this around **300 million Kgs.** is flue-cured Virginia tobacco (FCV) which is produced in an area of **2.00 Lakh hectares** mainly in the states of Andhra Pradesh and Karnataka. Bidi and other non FCV tobacco is cultivated in an area of about 2.64 Lakh hectares, mostly in the states of Gujarat and Karnataka with an annual production of nearly 500 million Kgs.

FCV tobacco is grown in Traditional Black Soils (TBS), Northern Light Soils (NLS), Southern Light Soils (SLS), Karnataka Light Soils (KLS) and Eastern Light Soils (ELS). The tobacco produced has wide range in quality such as semi-flavorful to flavorful (NLS & ELS), quality neutral filler (KLS & SLS) and good filler (TBS) styles.

The Board has been privileged with the coveted ISO 9001:2008 certificate in recognition of its quality services to growers and traders from M/S Det Norske Veritas and the certificate is valid till 18th March 2016.

Tobacco Board incurred an amount of **₹ 247.09 lakh** towards extension and development schemes for improvement of yield and quality of tobacco.

During the year 2014-15, the Board marketed a quantity of 279.51 million kgs in its auction platforms in both Andhra Pradesh and Karnataka at an average price of ₹114.49 as against the quantity of 292.75 m.kgs at an average price of ₹118.76.

Golden Leaf Award 2014 has been presented to Tobacco Board in the category of **"Most Impressive Public Service Initiatives"** in tobacco sector in an International conference held in West Virginia, USA, recently. **Tobacco Board is the only Government Organization achieved the award** since its inception.



Dr. Koothati Gopal, I.A.S., Chairman, Tobacco Board, Guntur participated in the Global Tobacco Networking Forum (GTNF) 2014 held at West Virginia, U.S.A and received the award. The Chairman has dedicated this award to 90,000 FCV tobacco Growers and their family members involved in production of FCV tobacco in India.

MEETINGS DURING 2014-15

(From 01/04/2014 to 31/03/2015)

A) Statutory meetings:

2 Board Meetings, 3 Committee Meetings, 5 Registration Committee meetings were held during 2014-15.

Board Meetings:

1. The 138th meeting of the Board was held on25th July 2014 (Friday) at 11.00 A.M. in Hyderabad.
2. The 139th meeting of the Board was held on 24th March, 2015 (Tuesday) at 11.00 A.M. in Bengaluru.

Executive Committee Meetings:

1. The 51st Executive Committee meeting held on 23/07/2014 at 11.00 A.M in Guntur
2. The 52nd Executive Committee meeting held on 23/01/2015 at 3.00 P.M in Guntur

Registration Committee for Traders and Manufacturers:

1. The 40th meeting of the Registration Committee for Traders and Manufacturers held on 20/10/2014 at 3.00 P.M in Guntur.

Registration Committee for Growers and Others:

1. The 78th meeting of the Registration Committee for Growers and Others was held on 11/04/2014 at 3:00 P.M. at Head Office, Guntur.
2. The 79th meeting of the Registration Committee for growers and others was held on 23/07/2014 at 03.00 P.M. at Head Office, Guntur.
3. The 80th meeting of the Registration Committee for growers and others was held on 08/08/2014 at 03.00 P.M. at H.O., Guntur
4. The 81st meeting of the Registration Committee for growers and others was held on **18/02/2015** at 11.00 A.M at H.O., Guntur



Dr.Koothati Gopal, I.A.S., Chairman, Tobacco Board, Sri Lal Sinh Vadodia, Hon'ble Member of Parliament (Rajya Sabha), Sri Zakharia Yousuf joy, Director, Ministry of Commerce and Sri Bipin Bihari Choudhury, IOFS, Director (Auctions) participated in the 139th Board Meeting held at Bengaluru on 24/03/2015

B) Non Statutory meetings:

1) A meeting convened on 16/04/2014 at Tobacco Board, Head Office, Guntur with Indian Tobacco Association (ITA) and Trade representatives to review ongoing auction sales 2014 in Andhra Pradesh.
2) A meeting convened on 17/06/2014 at Tobacco Board Head Office, Guntur with Indian Tobacco Association (ITA), Trade representatives and Grower's Associations to review ongoing auction sales 2014 in Andhra Pradesh, remunerative price to the growers, date of conclusion of auction sales and to discuss on CPA and NTRM related issues.
3) A meeting convened on 22/07/2014 at Tobacco Board, Head Office, Guntur with Indian Tobacco Association (ITA) and Grower's representatives to review on commitment of ITA to liquidate the entire balance tobacco in Andhra Pradesh and discussion on the indent given by ITA for 2014-15 season.
4) A prelude meeting convened on 11/08/2014 at Tobacco Board, Head Office, Guntur with Indian Tobacco Association (ITA) and Trade representatives to review commencement of Karnataka auctions for 2014 crop season, to review on ongoing 2014 Andhra Pradesh auctions and conclusion of ongoing 2014 Andhra Pradesh auction sales.
5) A meeting convened on 05/11/2014 at Tobacco Board, Head Office, Guntur with Indian Tobacco Association (ITA) and Trade representatives to review ongoing auction sales 2014 in Karnataka.
6) A meeting convened on 21/11/2014 at Tobacco Board, Head Office, Guntur with Manufacturers to discuss ongoing auction sales for 2014 -15 crop season in Karnataka.
7) A meeting convened on 05/12/2014 at Tobacco, Board, Head Office, Guntur with Chief Executive of ITC, Vice President of VST industries and Senior Vice President of GPI companies to discuss ongoing auction sales of 2014 in Karnataka.
8) A meeting convened on 16/04/2014 at Tobacco Board, Head Office, Guntur with Indian Tobacco Association (ITA) and Trade representatives to review on plan of action for liquidation of leftover quantity in Karnataka at a reasonable price and complete the auctions by 15th March, 2015 and schedule for commencement of auctions for sale of 2014-15 Andhra Pradesh FCV tobacco and action plan to complete the auctions by end of June 2015.
9) A prelude meeting convened on 09/03/2015 at Indian Tobacco Association Hall, Guntur with the ITA and representatives of Trade along with Grower's representatives from all the Auction Platforms and Regional Managers and Auction Superintendents working in Andhra Pradesh to discuss on commencement of 2015 Andhra Pradesh auctions and reviewed on Farmers' concerns and expectations for ensuing FCV Tobacco Auctions, to review on measures to be taken up for faster marketing right from the beginning of 2015 Andhra Pradesh FCV crop auctions and also to review the concerns of the trade.
10) A meeting convened on 17/03/2015 at Tobacco Board, Head Office, Guntur with the growers representatives of NLS region to discuss on highest bid issue in ongoing 2015 Andhra Pradesh Auctions in NLS region.

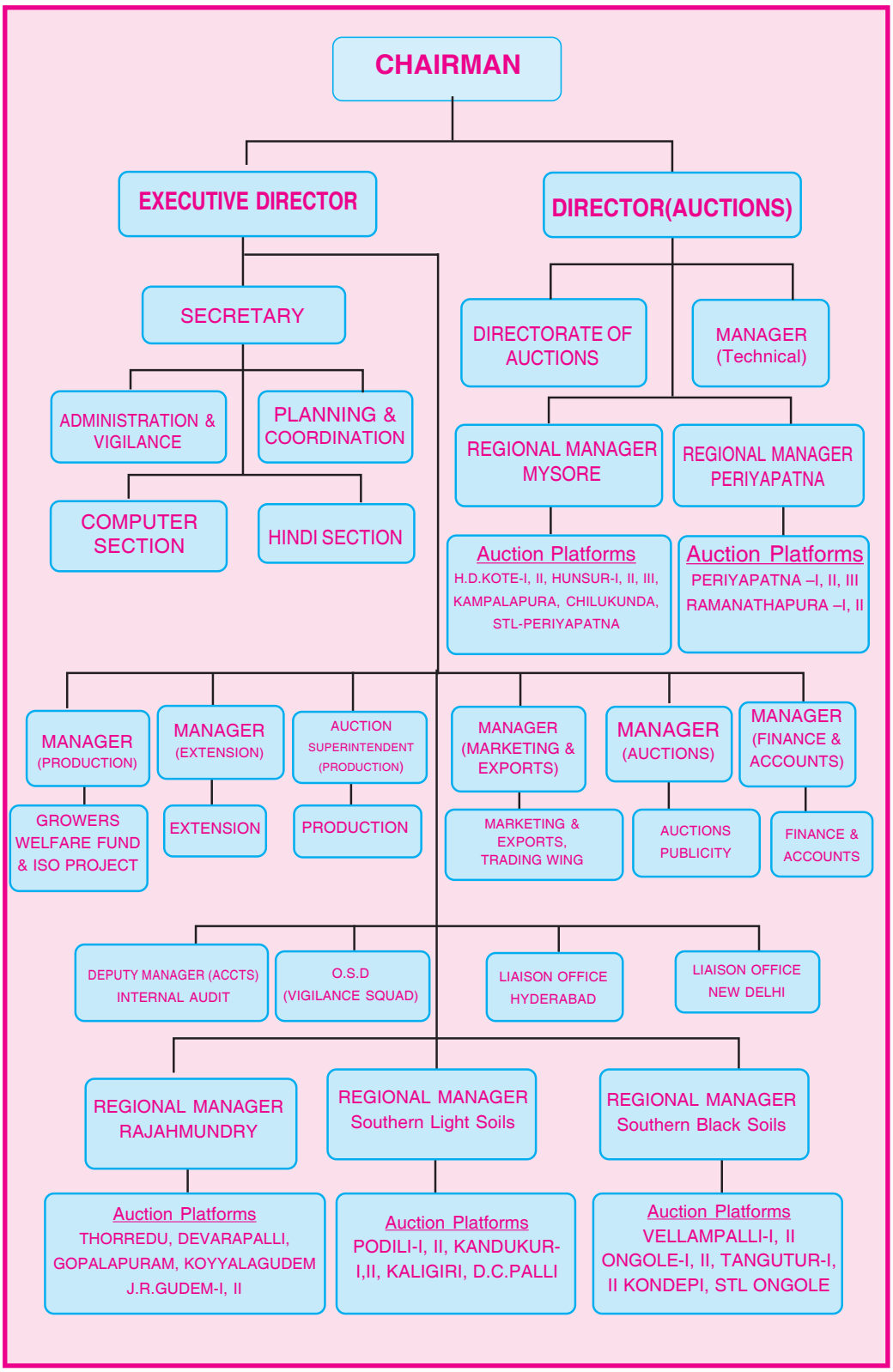




STATEMENT SHOWING THE SANCTIONED & EXISTING STRENGTH AS ON 31/03/2015

Sl. No.	Name of the Post	TOTAL	
		Sanctioned	Existing
GROUP-A			
1	Chairman	1	1
2	Executive Director	1	1
3	Director (Auctions)	1	1
4	Secretary	1	0
5	Managers/ Regional Managers	10	10
6	Deputy Manager(Accts)	1	0
7	Auction Superintendents / SGO	55	55
8	Assistant Manager (Accts.)	33	29
9	Statistical Officer	1	0
10	Systems Analyst	1	0
	Sub-Total	**105**	**97**
GROUP-B			
11	Programmer	1	1
12	Hindi Officer	1	1
13	P.S. to Chairman	1	1
14	Field Officer/Tech. Assistant	88	72
15	Senior Translator	1	1
16	Stenographer-Grade-I	1	1
17	Accountant	33	31
18	Sr. Investigator	1	0
19	Assistant	13	12
20	Statistical Assistant	1	0
21	Care Taker	1	0
22	Stenographer Grade-II	3	2
23	Special Grade Driver	1	1
	Sub Total	**146**	**123**
GROUP-C			
24	Computer Operator	27	26
25	Stenographer Grade-III	4	4
26	Upper Division Clerk	43	42
27	Senior Field Assistant	45	45
28	Field Assistant	158	139
29	Lower Division Clerk	52	36
30	Hindi Typist	2	2
31	Driver	31	21
32	Gestetner Operator	1	1
33	Multi Tasking Staff	140	90
	Sub-Total	**503**	**406**
	GRAND TOTAL	**754**	**626**

ORGANISATIONL CHART OF TOBACCO BOARD



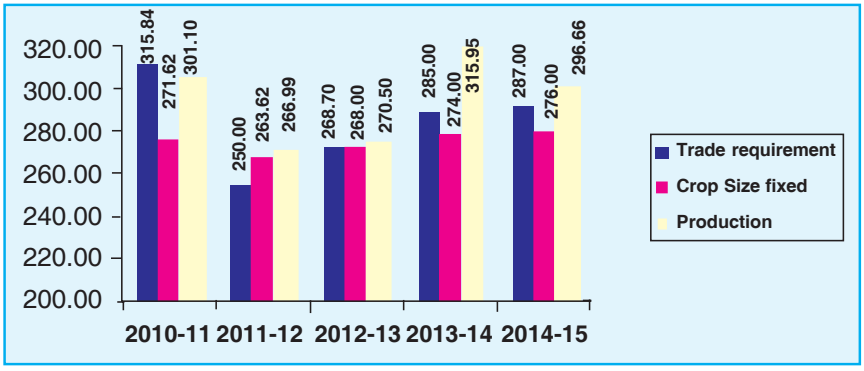
CROP PLANNING AND REGULATION



I) FCV Tobacco Production Policy for 2014-15

Tobacco Board had fixed a crop size of 276 million kgs for cultivation of FCV tobacco during 2014-15 crop season. A crop size of 104 million kgs in the state of Karnataka and 172 million kgs in the state of Andhra Pradesh (i.e. same as last year) was fixed during 2014-15 crop season after assessing the demand for flue cured virginia tobacco in India and abroad and the marketability of different types of tobaccos taking into consideration the requirements of the manufacturers and the exporters, the global supply situation and the carryover stocks lying in the market from the previous crops.

II) Trends in trade requirements, crop size fixed and production of FCV tobacco in India



III) Production Policy – Highlights

The Board while fixing the crop size had laid down broad crop regulatory framework with focus on containing the excess/ unauthorised production of tobacco which is as follows :

- Horizontal expansion of FCV tobacco cultivation shall not be permitted.
- The efforts of the Board shall be on increasing the per acre yields (vertical expansion) with focus on quality of the product.

- Expansion of FCV cultivation to new areas shall not be allowed and no new farmers shall be permitted to take up FCV tobacco cultivation.
- Construction of new barns resulting in additional curing capacity shall not be allowed as the existing barn infrastructure will be more than sufficient to produce the crop fixed.
- Registered growers possessing unauthorised barns or constructing new barns or cultivating in new areas in violation of Act shall be identified and their registration shall be cancelled.

Another significant policy decision of Board with regard to production is closure of FCV tobacco cultivation in Central Black Soils and Bhadrachalam areas from 2014-15 crop season by allowing shifting of remaining barns.

IV) Registration criteria for 2014-15 - Highlights

The trust of the policy is to regulate the area under cultivation of tobacco while concentrating on quality of product with the focus on controlling excess and unauthorised cultivation of tobacco. The Registration Committee had laid down following criteria accordingly for registration of growers during 2014-15 crop season.

- All growers/barns registered with the Board in 2013-14 are eligible for renewal of registration in 2014-15 subject to fulfillment of conditions laid down.
- No new registrations will be granted and no new barns will be licensed for construction as the existing production capacity is more than sufficient to produce the crop size fixed.
- Cultivation of tobacco in the known saline lands/Irrigated wet lands/low lying lands/new areas/ Forest areas or Agency areas is not allowed.
- Grower applicants who are registered growers in 2013-14 crop season and submitted Form-II & III returns in proof of cultivation and curing of tobacco but not sold tobacco on the auction platforms are ineligible for registration.
- Grower applicants who are registered growers in 2013-14 crop season but have sold 50% of the quota or less for two years consecutively (i.e. 2012-13 and 2013-14) as against the full quota produced by them as declared in Form-III returns are ineligible for registration.
- Registered growers owning an unauthorised barn or constructing a barn without obtaining license from the Board in violation of Tobacco Board Act and Rules are ineligible for registration.
- Grower applicants applied without support of licensed curing facility (barns)/ unauthorized barns/ barns ineligible for registration/ seeking licence for construction of new barns/indulged in activities which are in violation of Tobacco Board Act, Rules & Regulations are ineligible for registration.





V) Soil region wise area registered and production quota authorized for 2014-15

The soil region wise area registered and production quota authorized per barn in Andhra Pradesh and Karnataka during 2014-15 crop season are as follows:

Andhra Pradesh

Soil Region	Area Registered (ha)	Production Quota (Kgs/Barn)
Northern Light Soil area(NLS)	1.90	4,400
Southern Light Soil area(SLS)	4.00	4,400
Southern Black Soil area(SBS)	2.20	4,075
Northern Black Soil area(NBS)	1.90	3,400

In Southern light soil areas, villages of high productivity were identified and an area of 2.80 ha. was only authorised as against 4.00 ha. authorised this year

Karnataka

Barn	Area Registered (ha)	Production Quota (Kgs/Barn)
Simplex Barn	1.40	1,800
Duplex Barn	2.80	3,600

VI) Production Regulation Campaign

The Board had undertaken a focused **Production Regulation Campaign** to regulate production and to prevent excess/unauthorized production of FCV tobacco during 2014-15 crop season in the backdrop huge quantities of excess tobacco and unauthorised tobacco produced in 2013-14. Production regulation campaign of Board during 2014-15 is aimed at sensitizing farmers about the importance of adhering to the extent and quota for production as a way to ensuring remunerative prices to their produce.

- In the state of Andhra Pradesh all the tobacco growers were appealed to reduce the extent by at least one acre per barn than the authorized in NLS and SBS areas and by 2 acres in SLS areas voluntarily to avoid any marketing problems and low prices and not to go for excess plantation and produce excess tobacco.
- In order to control unauthorised construction of barns and unauthorised curing of tobacco in them during 2014-15 crop season in Andhra Pradesh, the Registered growers who have constructed unauthorised barns on their own or on their family

members were identified and their registrations were kept pending. The renewal was accorded to these category of growers only after dysfunctioning of their barns.

- The growers who are registered with the Board and are unofficially leasing out their barns to others are identified and their authorization cards are withheld. These growers are allowed to sell their tobacco only after submission of an undertaking that they will either cultivate tobacco on their own or lease out the barns officially in future.
- Public communication strategies such as wall writings in public places, posters, distribution of pamphlets, playing of audio cassettes, using electronic and print media to deliver right messages, small group discussions informal meetings etc., are effectively used to appeal to the growers.
- Around 180 grower meetings in Andhra Pradesh and 158 in Karnataka are organized by Board as a part of production regulation campaign during 2014-15.

VII) Particulars of growers and barns registered during 2014-15

During 2014-15 crop season 45,768 growers covering 39872 barns are registered for cultivation of tobacco in Andhra Pradesh and Odisha. An area of 1,04,832.70 ha. was registered and a crop of 170.20 million kgs was authorised. In Karnataka, 42,362 growers covering 56,818 barns are registered for cultivation of tobacco. An area of 79,545.20 ha. was registered and a crop of 102.27 million kgs was authorised.

The auction platform wise particulars of registered growers and barn operators in Karnataka and Andhra Pradesh for 2014-15 crop season are placed at Page Nos. 23, 24 & 25.

VIII) Sale of excess/unauthorised tobacco during 2014-15

In Karnataka about 6.30 million kgs of excess tobacco was produced by registered growers and 8.10 million kgs of tobacco was produced by unregistered growers during 2014-15 crop season. In Andhra Pradesh, the excess/unauthorised tobacco during 2014-15 is estimated at about 22 million kgs. The sale of excess tobacco produced by registered growers over and above the quota authorized and unauthorised tobacco produced without registration (unauthorised growers) is being allowed on levy of additional charges as notified by Government of India every year. During 2014-15 crop season in Karnataka, the excess tobacco produced by registered growers up to the extent of 15% of quota authorised is allowed by levying an extra fee of ₹ 2/- per kg., and additional charges @ 7.5% of the sale proceeds. The tobacco produced by the registered growers above the limit of 15% of the quota authorised and the tobacco produced by unregistered growers (unauthorised tobacco) is allowed by levying an extra fee of ₹ 2/- per kg., and additional





charges @ 15% of the sale proceeds. This has helped the Board to control readjustment of quotas and avoid sale of unauthorised tobacco as excess tobacco on the names of registered growers. The levies for 2014-15 crop season in comparison with earlier years are as follows:

Year	Karnataka		Andhra Pradesh	
	Extra fee (₹ per Kg)	Additional Charges (% of sale proceeds)	Extra fee (₹ per Kg)	Additional Charges (% of sale proceeds)
Sale of Excess tobacco				
2011-12	2.00	15.00	2.00	7.50
2012-13	2.00	7.50	2.00	7.50
2013-14	2.00	7.50	2.00	7.50
2014-15			*	*
a) Up to 15% of quota authorised				
2.00	7.50			
b) More than 15% of quota authorised				
2.00	15.00			
Sale of Unauthorised tobacco				
2011-12	2.00	22.50	2.00	15.00
2012-13	2.00	15.00	2.00	15.00
2013-14	2.00	15.00	2.00	15.00
2014-15	2.00	15.00	*	*

***Not yet notified**

IX) REPORT ON 2014-15 KARNATAKA CROP

Nursery

Area sown under Nursery during 2014-15 in Karnataka is 937.65 ha. The area under nursery had declined by 18% when compared to last year nursery area of 1,146.45 ha. Seedlings were in good supply during this season. Nearly 80% and in some platforms 90% of growers have adopted tray nurseries, which helped in supply of healthy, disease free, uniform seedlings which in turn resulted in good crop stand and uniformity of the crop. Major Pest and disease incidence was not reported. Incidence of leaf eating caterpillar was reported in Ramanathpura area.

Varieties

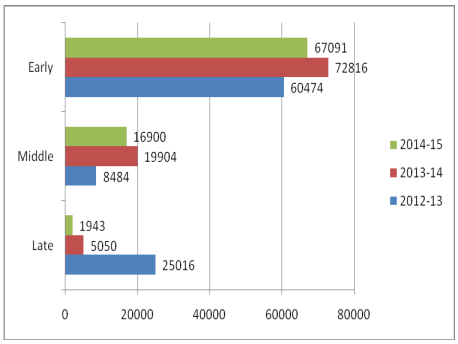
- Kanchan is the major variety sown in 831.28 ha. as against 1055.91 ha of nursery sown last year.
- CH3 and FCV 222 hybrids occupied 106.37 ha. Vs. 90.54 ha. last year

Main field

During 2014-15, majority of growers have grown seedlings in trays and transplantation was done at right time due to receipt of timely rains. In fact all the growers were advised to go for early plantation because of deficit rain fall forecasted due to of 'el-Niño' factors. A total of 85,934 ha. was planted in Karnataka under FCV tobacco as against 97,770 ha. planted last year. The area under FCV plantation during 2014-15 crop season is 12% less than the previous season.

88% of area transplanted is under Kanchan variety and remaining 12% is under CH3 and other varieties. The area under CH3 hybrid had increased by about 7% this year. Of the total area planted, 67,091 ha. (78%) was planted early i.e., before 31st of May. About 20% of area was planted in the first week of June (middle plantation).

Early	67,091 ha. (Vs. 72,816 ha. last year)	78%
Middle	16,900 ha. (Vs. 19,904 ha. last year)	20%
Late	1,943 ha. (Vs. 5,050 ha. last year)	2%



Crop Growth in Karnataka

Timely rains received in the month of May helped the crop to establish well with less number of gap fills (2% or below). 98% of total area was transplanted by 1st week of June and later the FCV tobacco crop experienced drought situation. There was no rain continuously for about 40 days and dry conditions prevailed in almost all tobacco growing areas. Unusual high temperatures prevailed with drastic reduction in number of rainy days affecting the vegetative growth of FCV tobacco crop. H.D.Kote, Hunsur, some parts of Periyapatna and Ramanathpura areas were affected severely, while intermittent showers were reported in Kampalapura and high rainfall zones at Periyapatna. Especially very early and early crop suffered due to moisture stress during grand growth period and symptoms of yellowing in lower leaves were observed. Farmers gave life saving irrigation where even possible and irrigated crop recovered to some extent. The tobacco growing areas started receiving rains starting from 8th/9th July and later on there were heavy rains which continued in the harvesting season also. Cloudy weather with intermittent rainfall prevailed throughout July and August months.







The early crop had recovered to some extent due to receipt of rains in the month of July. The middle crop growth is satisfactory with better leaf development. The late crop received timely rains and the yields are good when compared to last year. Only 70–80% of total planted crop was topped this year. Non availability of sucker control chemical and heavy rains limited the scope for more topping and desuckering. Very early and early crop yielded 20-22 leaves per plant and middle crop has yielded 18-20 leaves per plant where as late crop yielded 16–18 leaves per plant. The abnormal weather conditions initial drought followed by continuous rains had affected the quality and yields during 2014-15 crop season.

Pests & diseases



No major incidence of pests & diseases are reported during crop growth period. Sporadic incidence of fusarium wilt and black shank was reported in few pockets of Mysore Region. Minor incidence of stem borer was reported in Periyapatna region. Karnataka growers have installed yellow sticky traps to control white fly and phermone traps to control helicoverpa and spodoptera pests in a big way for the first time.

Harvestings



One or two curings of early and middle planted crop were affected with more of medium and low grades due to prolonged continuous rains in the months of August and September. These rains and high external moisture over leaf lead to 'Sponginess' and 'Spotting' during curing affecting the quality of leaf. Percentage of medium grades is higher than the bright and low grades in Periyapatna region. In Mysore region, percentage of bright grades is slightly higher than the medium grades. Dark perished leaf production during the season is low when compared to last year. On an average 6–7 curings were taken up per barn. The estimated grade out turn in general was 45:45:20 in terms of bright, medium and low grade.

Yields

The quality of 2014 Karnataka crop is rated as 'average' in view of more of 'J' styles production because of unfavourable weather during crop growth i.e., drought followed by heavy rains during vegetative phase of crop. The leaching of fertilizers resulted in more of 'J' styles. The life saving irrigations given for saving

the crop resulted in production of more of saline tobacco as water quality was not good. The average yield during 2014-15 crop season is 1178 kg./ha. A crop of 103.40 million kgs was marketed with grade out turn of 16:50:34 in terms of bright, medium and low grades respectively.

X) REPORT ON 2014-15 ANDHRA PRADESH CROP

Nursery

Area sown under Nursery during 2014-15 in Andhra Pradesh is 850.44 ha as against 965.74 ha sown last year i.e., down by 12%. Some early sown nurseries in Podili failed due to severe drought conditions prevailed. In NLS, partial damage of seedlings i.e., yellowing of leaves were observed due to continuous rains in the 2nd fortnight of October, 2014. Excepting this, nursery growth this year was satisfactory without any major adversaries. Majority of the growers (70%) in NLS have adopted tray nurseries, which resulted in good establishment of transplants, 100% crop stand and uniformity. In NLS, majority of the nurseries are domestic nurseries, while in Southern Region majority of growers are dependent on commercial nurseries for supply of seedlings for transplantation. In SLS, farmers started showing interest in tray nurseries and there is good demand for trays. Board had made all efforts to popularise tray nurseries this year. Incidence of major pests and diseases were not noticed. Minor incidence of Spodoptera and damping off was noticed.

Seedlings were in good supply during this season and nursery prices were well under control in all regions compared to last year. The prices which were around ₹800 per bundle have gone upto ₹1,200 to ₹1,500 per bundle in peak season in South. In NLS, the prices were around ₹2,000/- per bundle of 6,000 plants initially and have gone up to ₹3,000 – ₹3,500 in peak season. Tray seedlings were sold at about ₹1/- per plant.

Varieties

Siri is the major variety sown in SLS and Black soil regions (404.66ha.) accounting for about 70% of the total area under nursery followed by G-11 (Hema), VT-1158 and N-98 varieties. In NLS, LV-7 variety (hybrid) accounted for 68% of the total nursery area (165.43 ha.). The area under LV-6 (hybrid) and K-326 this year has decreased to 56% (78.14 ha.) of total area sown.

Main field

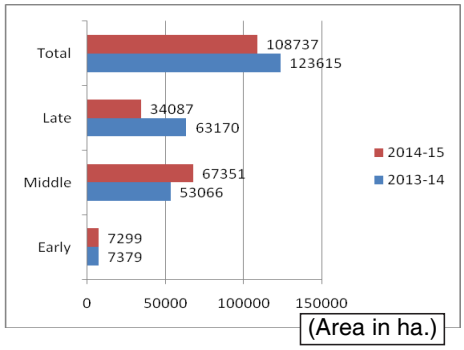
During 2014-15, a total of 1,08,736.81 ha. was planted in Andhra Pradesh under FCV tobacco as against 1,23,615.23 ha. planted last year. The decline in area is about 12%.



In SLS and Black Soil Areas, Siri is the major variety grown accounting for 58% of area planted under FCV tobacco. And the rest of area is under G-11 (Hema), VT-1158 and N-98 varieties. In NLS areas, LV-7, LV-6 Hybrid varieties and K-326 occupied 83% and 15% of the area respectively. The establishment of seedlings in field is good with gap fills of 5-6% on an average.

Early planted crop during 2014-15 is small and constituted only 7% of total area and 62% of crop is planted between 15th October and 15th November (middle plantation) and 31% of crop is late planted i.e., 2nd fortnight of November as against 51% late crop planted last year.

Early	7,298.90 ha. (Vs. 7,379 ha. last year)	7%
Middle	67,351 ha. (Vs. 53,066 ha. last year)	62%
Late	34,086.91 ha. (Vs. 63,170 ha. last year)	31%



Crop growth in Andhra Pradesh

Southern Light Soils (SLS) Crop



Total plantation under FCV tobacco in SLS region this year is 49,035.96 ha. which is less by 16% when compared to 58,235.55 ha. planted in 2013-14. The establishment of crop in the main field is good. In Podili area, the early crop was a failure due to dry spell in the first fortnight of October. Early and middle planted crops received a boost because of rains received in the month of December (11th & 12th) in Kandukur area. The areas under Podili-II platforms were affected by prolonged drought conditions. The plant growth was stunted and the yields were drastically reduced. The crop in Kaligiri and D.C.Palli was average and yielded less. The crop in Kandukur which received good rains in December fared well and quality of the crop was also rated as 'good'.

Severe infestation of orabanche was noticed in all platforms of SLS areas. Some of the farmers have completely left their fields because of severe orabanche infestation. Early and middle crop growth is suffered due to infestation of orabanche in the initial stages and false maturity was noticed. Overall there was reduction in yields and quality of crop due to orabanche infestation.

In Kandukur, Kaligiri and D.C.Palli areas farmers were encouraged to go for topping and desuckering to improve yields and quality. Board had supplied suckerout in SLS area on subsidy basis and made all efforts to popularise this practice in SLS areas.

Early crop yielded 24 to 26 leaves per plant and middle crop 20 to 22 leaves per plant. Late crop suffered from moisture stress and growth is stunted and average. Farmers have given irrigation wherever possible and irrigated crop is good. Late crop yielded 18 to 20 leaves per plant.

Northern Light Soils (NLS) Crop

Total plantation under FCV tobacco in NLS region this year is 28,850 ha. which is less by 5% when compared to 30,318.50 ha. planted in 2013-14. Early plantation constituted 14% of total planted area and majority of area i.e., 69% is middle planted. 83% of total area is under hybrid cultivation (LV-7). The growth of early and middle crop is good. In early crop 23 to 24 leaves per plant and middle crop 20 to 22 leaves per plant are observed. The late crop growth is an average



with 18 to 20 leaves per plant. The growth of the NLS crop is slightly affected due to viral diseases in the initial stages but the crop had recovered. Only few isolated cases of false maturity and yellowing are reported. Overall the quality of NLS crop this year is rated as 'good' this year.

Traditional Black Soils (TBS) Crop

Total planted area in TBS during 2014-15 is 30,852 ha. compared to 32,740 ha. planted last year in this region, there is a decline of 6%. Most of the transplanted area is under middle (46%) and late (54%) plantations this year. In Southern Black Soils (SBS) also the early and middle planted crops growth were benefited by the rains received on 11th & 12th of December. However, the severe setback to crop is heavy infestation of orabanche in the initial stages. False maturity was observed in isolated areas in early and middle crops due



to infestation of orabanche. The orabanche infestation had resulted in yield and quality losses in black soil areas. Due to prolonged dry spell in the month of January and February, late crop suffered from moisture stress and farmers had gone for irrigation wherever possible. In Northern Black Soils (NBS) there are no major growth problems.



Pests and Diseases

Incidence of Spodoptera, Heliothis and Aphids was reported in all the regions. In NLS, incidence of viral diseases like Leaf curl and CMV disease was noticed in most of the farmers' fields. In the initial stages of growth, leaf spot diseases were reported from NLS and Light Soil areas of South and farmers sprayed fungicides to control these diseases. Plant parasite Orabanche infestation was noticed in all the regions. Severe infestation of Orabanche was noticed in SLS and SBS Regions. Some farmers have completely left their fields because of severe Orabanche infestation in SLS and SBS regions. The yields, grade out turn and quality of leaf were affected on account of this. Brown spot incidence was reported in Kandukur areas. Overall pest and disease incidence during 2014-15 is minimal and farmers have not gone for any prophylactic sprayings of pesticides.



The noteworthy feature this year is the change in the approach of growers towards control of pests and diseases. Tobacco farmers had gone for alternative methods of pest control and Tobacco Board supported all the growers in this aspect. Farmers have taken up border/trap crops of marigold and castor. They installed pheromone traps and yellow-sticky traps in the field for monitoring and preventing pest attack. Light trap developed by NIPHM was popularized by Board and many farmers in NLS installed light traps in their fields. Farmers were also trained and educated on usage of bio-pesticides by Board with the help of NIPHM. Especially in NLS areas, Tobacco Board had made all efforts to prevent indiscriminate use of pesticides on tobacco crop. The growers, following the advice of extension staff have gone for judicious use of recommended pesticides, basing on economic threshold levels of pests to minimize residues of pesticides in the leaf. Field demonstrations on soil application of *Trichoderma Harzianum* and *Pseudomaonas Fluorescence* were conducted in NLS areas to prevent tobacco diseases.

Harvestings

In SLS and SBS, the quality of the curings are average. Initial 2 to 3 curings were affected in early and middle crop due to receipt of heavy rains in the month of December and uptake of fertilizer by plant heavily. Low grades and perished leaf were produced in first 2 – 3 curings. Later on, the curing improved. The curing were also affected by severe infestation of Orabanche. More of low grades (20%) were produced during this



year when compared to last year (5%). In NLS, the quality of cured leaf was rated as 'good' this year. Due to incidence of viral diseases and heavy rains in the month of December, there were some poor curings. The leaf out turn in terms of bright, medium and low grades in different regions is as follows:

Region	Bright	Medium	Low
N.L.S.	44	35	21
S.L.S.	40	30	30
S.B.S.	41	32	27
N.B.S.	20	20	60
Overall	**42**	**32**	**26**

Yields

The estimated average yields in SLS are 1395 kg/ha., in NLS are 2355 kg/ha., in SBS are 1857 kg/ha and in NBS are 1982 kg/ha.

Alternative crops to tobacco

Tobacco Board had encouraged all farmers to divert some of their land holdings to alternative crops this year. The farmers were specifically advised to divert 25-30% of their area from tobacco. Oil palm, eucalyptus, sugarcane are the major alternative crops taken up in NLS areas. Light Soil farmers have gone for redgram to a limited extent, while Southern Black Soil farmers have mostly gone for social forestry, cotton and bengalgram. Wherever there is irrigation the farmers have gone for maize and chillies.

XI) PRODUCTION RELATED SERVICES TO FARMERS

A. Soil and Water Analysis

Board organizes collection and analysis of soil and water samples of registered FCV growers free of cost on regular basis. Basing on analysis results, Board advises growers on suitability of soil for cultivating FCV tobacco and on usage of correct doses of fertilizers for improving quality and yields. During 2014-15 about 6041 soil samples and 592 water samples are analysed and results communicated to concerned growers.

State	Soil Samples	Water Samples
Andhra Pradesh	2191	592
Karnataka	3850	—
Total	**6041**	**592**



B. Barn and stock insurance for FCV tobacco growers

The Board is facilitating insurance coverage of barns, stocks and allied structures associated with curing and storage during the crop season through Standard Fire and Allied Perils Policy since 2003. Registered tobacco growers are also being covered under Group Personal Accident Policy (GPA) every year. During 2014-15 crop season, The Oriental Insurance Company Limited, Guntur provided a cover of ₹.2,659 crore for 42,811 growers and 36,809 barns in Andhra Pradesh.

C. Credit facilities to growers

Tobacco Board facilitated the advance of following loans by commercial banks to FCV tobacco growers during 2014-15

Type of Loan	Andhra Pradesh		Karnataka	
	Beneficiaries	Amount (₹crore)	Beneficiaries	Amount (₹crore)
Crop Loans	40,598	1,418.57	39,301	561.49
Barn Repair Loans	3,453	58.58	10,281	83.98

AUCTION PLATFORM WISE REGISTRATION AND PLANTATION PARTICULARS FOR 2014-15 CROP SEASON (AS ON 27/03/2015) IN ANDHRA PRADESH & ODISHA

Name of the APF	No. of growers			No. of barns			Area registered (ha.)			Quantity authorised (m.kgs)			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
Devarapally	1986	0	1986	2271.00	0.00	2271.00	4314.90	0.00	4314.90	9.992	0.000	9.992	4530.00	0.00	4425.00
J.R.Gudem-I	2743	0	2743	3137.50	0.00	3137.50	5961.25	0.00	5961.25	13.805	0.000	13.805	6344.00	0.00	6344.00
J.R.Gudem-II	3143	0	3143	3179.50	0.00	3179.50	6041.17	0.00	6041.17	13.990	0.000	13.990	7372.70	0.00	7372.70
Koyyalagudem	2634	0	2634	2943.33	0.00	2943.33	5592.56	0.00	5592.56	12.949	0.000	12.949	5997.40	0.00	5997.40
Gopalapuram	1971	0	1971	2385.00	0.00	2385.00	4531.50	0.00	4531.50	10.494	0.000	10.494	4605.90	0.00	4605.90
Vellampally-I	1182	636	1818	863.75	544.25	1408.00	3455.00	1197.42	4652.42	3.800	2.218	6.018	3315.40	1415.80	4731.20
Vellampally-II	68	1056	1124	68.50	1003.17	1071.67	274.00	2207.03	2481.03	0.301	4.089	4.390	203.40	2531.30	2734.70
Ongole-I	995	1689	2684	614.46	1691.75	2306.21	2136.67	3722.00	5858.67	2.703	6.894	9.597	2365.50	4560.00	6925.50
Ongole-II	0	2385	2385	0.00	2422.50	2422.50	0.00	5329.60	5329.60	0.000	9.872	9.872	0.00	5661.64	5661.64
Tangutur-I	0	1987	1987	0.00	1760.03	1760.03	0.00	3872.21	3872.21	0.000	7.172	7.172	0.00	4102.00	4102.00
Tangutur-II	0	1664	1664	0.00	1526.00	1526.00	0.00	3357.30	3357.30	0.000	6.218	6.218	0.00	3964.00	3964.00
Kondepi	1909	1570	3479	1097.04	1105.11	2202.15	4330.34	2431.39	6761.73	4.828	4.504	9.332	4683.50	3017.90	7701.40
Podili-I	4603	0	4603	2421.75	0.00	2421.75	9687.00	0.00	9687.00	10.656	0.000	10.656	9075.00	0.00	9075.00
Podili-II	1965	310	2275	1549.79	233.76	1783.55	6199.16	514.34	6713.50	6.819	0.953	7.772	6291.64	652.49	6944.13
Kandukur-I	2296	822	3118	1669.30	587.75	2257.05	5696.02	1293.13	6989.15	7.345	2.395	9.740	5642.14	1531.10	7173.24





Name of the APF	No. of growers			No. of barns			Area registered (ha.)			Quantity authorised (m.kgs)			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
Kandukur-II	2130	782	2912	1480.80	534.50	2015.30	5666.69	1176.14	6842.83	6.516	2.178	8.694	5191.20	1221.60	6412.80
Kaligiri	1583	57	1640	1403.23	60.00	1463.23	5612.92	132.01	5744.93	6.174	0.245	6.419	5076.80	134.20	5211.00
D.C.Palli	2195	0	2195	1807.75	0.00	1807.75	7231.00	0.00	7231.00	7.954	0.000	7.954	7190.00	0.00	7190.00
Thorredu	0	1407	1407	0.00	1510.50	1510.50	0.00	2869.95	2869.95	0.000	5.136	5.136	0.00	2060.20	2060.20
Grand Total	**31403**	**14365**	**45768**	**26892.70**	**12979.32**	**39872.02**	**76730.18**	**28102.52**	**104832.70**	**118.326**	**51.874**	**170.200**	**77884.58**	**30852.23**	**108736.81**

ABSTRACT

Region	Growers	Barns	Area Registered (ha)	Quantity Authorised (m.kgs)	Area planted (ha)
NLS	12477	13916.33	26441.38	61.230	28850.00
SLS	18926	12976.37	50288.80	57.096	49034.58
SBS	12958	11468.82	25232.57	46.738	28792.03
NBS	1407	1510.50	2869.95	5.136	2060.20
	45768	**39872.02**	**104832.70**	**170.200**	**108736.81**

AUCTION PLATFORM WISE REGISTRATION AND PLANTATION PARTICULARS FOR 2014-15 CROP SEASON IN KARNATAKA

S. No	Name of the APF	Growers	No. of Barns	Area Registered (ha)	Crop Authorised (m.kgs)	Area planted (ha)
Mysore Region						
1	H.D.Kote-I	1827	2500.00	3500.00	4.500	3638.00
2	H.D.Kote-II	1986	2700.00	3780.00	4.860	3588.00
3	Hunsur-I	2960	3932.00	5504.80	7.078	6671.00
4	Hunsur-II	3112	3948.00	5527.20	7.106	5395.00
5	Hunsur-III	2588	3433.00	4806.20	6.179	6271.80
6	Kampalapura	3206	4201.00	5881.40	7.562	8182.00
7	Chilukunda	4415	5991.00	8387.40	10.784	7914.00
	Total:	**20094**	**26705.00**	**37387.00**	**48.069**	**41659.80**
Periyapatna Region						
8	Periyapatna-I	4743	7014.00	9819.60	12.625	9200.00
9	Periyapatna-II	4616	6208.00	8691.20	11.174	9189.00
10	Periyapatna-III	4331	5864.00	8209.60	10.555	8552.00
11	Ramanathpura-I	4800	6075.00	8505.00	10.935	9109.00
12	Ramanathpura-II	3778	4952.00	6932.80	8.914	8224.00
	Total:	**22268**	**30113.00**	**42158.20**	**54.203**	**44274.00**
	Grand Total:	**42362**	**56818.00**	**79545.20**	**102.272**	**85933.80**





EXTENSION & ADVISORY SERVICES
To Improve Yeild, Quality & Integrity of Tobacco

The Tobacco Board provides a comprehensive package of support and extension services to farmers through:

- Supply of inputs at competitive prices.
- Provide technical advice during crop growth season.
- Organize crop and input loans to growers at competitive rate of interest.

THE SCHEMES AND THEIR COVERAGE

1. Improving Yield and Quality of Tobacco

1.1 Seed

The Board organized timely supply of **3877.39 Kgs** of certified seed to farmers through its Auction Platforms in Andhra Pradesh & Karnataka. Variety wise seed supplied is given below:

(Quantity in Kgs)

STATE	NAME OF THE VARIETY								
	Kanchan	CH1(LV6)	CH3(LV7)	G11	VT1158	SIRI	N98	FCH222	Total
Andhra Pradesh	214.10	16.86	722.00	216.50	271.00	627.00	150.00	0.00	2217.46
Karnataka	1432.52	0.00	224.66	0.00	0.00	0.00	0.00	2.750	1659.93
Total	**1646.62**	**16.86**	**946.66**	**216.50**	**271.00**	**627**	**150**	**2.75**	**3877.39**

1.2 Tray Nurseries

Tobacco Board had supplied **6.48 lakh trays in Karnataka** and **1.40 Lakh trays in Andhra Pradesh** on subsidy basis during 2014-15 season for production of healthy, sturdy, and disease free transplants for gap fills as well as main field crop. Overall **3157 farmers** were covered who had successfully raised tray nurseries and convinced of the advantages of the tray seedlings.

With the result of sincere efforts made by Board technical staff in Co ordination with CTRI & ITC ILTD(ABD), the farmers produced for the first time healthy tray seedlings and proved the tray nursery seedlings established very well (95 %) with uniform growth compared to conventional seedlings exhibiting 70 to 80 % establishment. The tray seedlings had also withstood the drought conditions prevailed after plantations. The main benefits realized by the tray nursery concept are

a. Reduction of Labour cost
b. Saving of Water & Chemicals usage
c. With standing to water & climatic chemical usage.

In SLS area 308 growers covering 466 ha. main field adopted this technology for the first time in Andhra Pradesh.





2. Integrated Nutrient Management (INM)

2.1 Green Manuring

With the concept to produce good quality tobacco and benefit the farming community the Board had encouraged the growers to take up green manuring with crops like Sun hemp, Diancha, Pillipesara etc.

An area of **13,245 hectares** was grown with green manure crops and incorporated into the soil to improve the soil fertility status and to reduce the farmers dependence on chemical fertilizers.




2.1 Fertilizers

The Board had procured various fertilizers at competitive prices directly from manufacturing companies during 2014-15 and supplied to growers in Andhra Pradesh and Karnataka. The details of various fertilizers supplied is given below in a graphical presentation:

(Quantity in Tons)



Name of the fertilizer	Quantity Supplied(M.T)	
	Andhra Pradesh	Karnataka
AS	14233.40	17661.00
SSP	12998.20	15522.20
SOP	9357.95	11819.85
DAP	2174.30	0.00
20:20:0:13	1775.60	0.00
Total	**40539.45**	**45003.05**

3. Farm Mechanization

The tobacco farmers in Andhra Pradesh and Karnataka were supplied with the following farm implements to help the farmers to come out from labour shortages in certain areas of operation.

Sl. No	Name of the item	Quantity supplied on subsidy basis (Nos.)
1	PVC Pipes	20618
2	Backpack Sprayers	18
3	Weighing Scales	579
4	Ridgers	81
5	Tyne Cultivators	795
6	Curometers	3999

4. Integrated Pest Management (IPM)

4.1 Under the scheme, a combination of all pest control methods i.e., biological, cultural, mechanical and botanical in addition to chemical methods were implemented for pest control.

4.2 Concept of Bio Pesticides





Board is arranging supplying bio pesticides to growers as a part of Integrated Pest Management for control of soil borne diseases in collaboration with NIPHM, Hyderabad by extending subsidy.

Use of bio pesticides moved to be a forward step in control of application of CPA's and reduction in pesticide residual levels and thereby improving brand image of Indian Tobacco in the International Market.

The Tobacco Board in collaboration with NIPHM has conducted field demonstration on use of microbial pesticides viz. Trichoderma harzianum and Pseudomonas fluorescence to Tobacco farmers and staff of Tobacco Board in NLS area on 20th and 21st August-2014 and enlightened the benefits due to application of said Bio pesticides in control of soil born diseases.

An area of **484.20 ha** in Andhra Pradesh and **440 ha** in KK was taken up with Bio pesticides viz., Trichoderma harzianum and Pseudomonas fluorescence and there is a clear indication in the reduction of soil borne diseases in the fields where bio pesticide application was taken up.

5. Topping and Desuckering





In order to ensure farmers take up timely topping and desuckering for achieving better yields and good quality tobacco. Board facilitated supply of Suckericides at competitive rates to tobacco farmers of SLS and KLS growers in MPA. **4,250 lts** of Suckericides supplied to growers at subsidized cost.

6. Energy Conservation Measures

Firewood is the major input and the Board is making efforts to reduce consumption of fuel wood through implementing the following scheme.

6.1 Venturi Furnace - An improvised design of furnace



Venturi furnace is an improved furnace system, which facilitates better combustion of fuel and heat transfer ensuring adequate supply of oxygen avoiding soot deposition in the fluepipes and giving a 15% saving in fuel consumption. The Board had implemented this scheme in **254 barns** covering **203 beneficiaries**.

6.1 Glass Wool Roof Insulation of barns





Board first time in Andhra Pradesh has taken up "Glass Wool Roof Insulation of Barns" in NLs region during 2014-15 crop season to popularize the practices for achieving Energy Conservation. The Board successfully implemented this technology in 13 barns covering 13 beneficiaries in NLS area.

7. Elimination of NTRM







The Board with a view to help farmers deliver clean product to the auction floors had supplied **6,217 Silpaulin tarpaulins** at subsidized cost covering **5,915 growers.**

8. Bulking sheds



The cured tobacco is hygroscopic in nature and tends to deteriorate unless proper care is taken in bulking & storing the product. Therefore, the Board is encouraging growers construct bulking sheds by extending financial assistance of ₹10,000/- to ₹16,000/- per unit subject to plinth area starting from 350sq.ft to a maximum of 600 sq.ft and arranging medium term loans at a competitive rate of interest. **46 units** in Andhra Pradesh were constructed by growers.

9. Control and monitoring of agro-chemical residues



In an effort to reduce and further eliminate agro-chemical residues in leaf tobacco, the Board carried out analysis of **305 leaf samples** for determining the levels of agro-chemical residues in leaf tobacco and **188 leaf samples** for determining the chemical constituents and addressed the concerned to take corrective action accordingly.

10. Input Loans

The Board held negotiations with the banks and organized input loans to the growers at an interest rate of **0% in Andhra Pradesh and 4% in Karnataka** (subject to subvention by the government).

The details of input loans arranged during 2014-15 season are as follows.

Sl. No.	State	Loan Amount (₹ in crore)
Input Loan		
1.	Andhra Pradesh	107.78
2.	Karnataka	94.46

11. Other Extension Programmes - Transfer of Technology

11.1 Training to field staff and farmers - Awareness Programmes

The Board had organized a total No. of 381 programmes to the farmers at following stages of crop growth to create awareness on good agricultural practices across all the soil regions(Andhra Pradesh and Karnataka).

- Seed bed preparation, Nursery Management, Pest and Disease control in seed beds
- Transplantation and gap fillings, Fertilizer application, Intercultural operations, IPM and Irrigation
- Exclusively on management of CPA residues
- Topping and desuckering
- Harvesting and curing Grading, PHPM







11.2 Study Tours

The Board conducted **32 Study tours** for farmers to Threshing plants. Farmers from different auction platforms took part in the study tours to the Threshing plants, to get acquaint with elimination of NTRM's in tobacco and maintain product integrity.

11.3 Awards to growers

To encourage the efforts of growers in attaining good quality and yield of Tobacco the Board has felicitated one grower from each Auction Platform of Karnataka and Andhra Pradesh for 2013-14 crop season. 30 growers have been felicitated on the eve of formation day celebrations on 9th January'2015 with a citation of appreciation and cash award of ₹ 5000/- each.







11.4 Publicity and Extension Literature





The Board had brought out leaflets and some booklets on Green Manuring, Good Agricultural Practices, IPM, Tray Nurseries, Elimination of NTRMs and Best curing practices. Awareness programmes were organized on NTRM's & CPA's to grower community at all platforms.

11.5 Field Friends





The Tobacco Board has implemented “Field Friends” by constituting teams consisting of scientists from CTRI, Field executives of M/s. ITC Ltd & M/s. GPI Ltd and Board’s technical officers. These Field teams visited the tobacco growers villages in the APF’s assigned to them and advised growers on improved package of practices on crop production & protection, harvesting, curing, reduction of usage of pesticides, topping & desuckering, elimination of NTRMs, Post Harvest Product Management, etc.

12. On Farm Tests & Experimental Trials

Board conducted 30 On-farm trials to study various aspects of crop developmental activities in Andhra Pradesh and Karnataka. In SLS/SBS region of Andhra Pradesh On Farm Trials were conducted in the interested farm fields to know the performance of pipe line variety(TBST 2) with the established varieties such as Siri and VT 1158 and in NLS / KLS regions with hybrid varieties LV7/CH3 with the established varieties K 326(NLS) and Kanchan (KLS) in terms of yield and quality. “Field day” programmes were also conducted at these plots by mobilizing farmers, so as to help them to know about the performance of the crop in these plots, the results of these trials and the latest technological developments from the scientists.





13. Model Project Area

To enhance the productivity, quality integrity and sustainability of Tobacco, Board has implemented Model Project in an area of 1100 ha in Karnataka and 1200 ha in Andhra Pradesh. There are 12 Model Project Aeas in Andhra Pradesh, 5 in NLS area and 7 in SLS area and 11 MPA villages in Karnataka where best practices are implemented to enhance the productivity, Quality/Integrity and Sustainability of Tobacco in selected low yield areas.

M/s. ITC Ltd., - ABD – LTD, M/s. Godfrey Philips India Limited, M/s. Deccan Tobacco Enterprises are involved in developmental activities in MPA area fields by adopting MPA Village.





14. Activities taken up by Board for control of CPA residues





- Board addressed a special interaction session at **CTRI, Rajahmundry** on control of CPA residues in leaf Tobacco with all stake holders on **challenges and solutions** in producing FCV Tobacco keeping in view the global scenario in the month of August'2014.

- The Board in collaboration with NIPHM has trained growers/Auction Superintendents from Andhra Pradesh on **"On Farm Production of bio control agents and Microbial Bio-pesticides to promote AESA based plant Health Management in conjunction with Ecological Engineering for pest Management"** at NIPHM, Hyderabad from 29th to 31st October'2014.
- Cluster wise grower meetings with Technical staff of Board have been organized by the Board to give a personal touch to the growers on the need to create awareness on control of Crop Protection Agents at farmers level.
- Meetings were organized with local pesticide dealers advising to sell only recommended pesticides.
- Meetings/Field visits were organized to address the growers with the scientists from CTRI/NIPHM and Trade representative.
- Hot spot areas were identified and special monitoring to grower fields for every fort night were taken up.

- As a part of Integrated Extension Communication the Board has brought out a pamphlet for distribution to the growers on the recommended practices for control of CPA's in addition to erecting of flexi boards at Auction Platforms.

15. **Expenditure in 2014 -15:** An amount of ₹ **249.57 Lakh** was incurred for all Extension & Developmental schemes.

16. **Targets & Achievements -** The scheme wise Physical / Financial targets and achievements and coverage of SC/ST /Women and other growers under various Extension and Development Schemes during 2014-15 are given at page Nos. **36 to 44**

TOBACCO BOARD'S GROWER WELFARE INITIATIVES

Tobacco Board's Grower's Welfare Schemes

The scheme is an initiative aimed at welfare of the registered tobacco growers and their dependent family members. Under this scheme, Tobacco Board has created a Tobacco Board's Growers Welfare Fund" in 2009-10 as approved by Department of Commerce, Ministry of Commerce and Industry, Government of India vide their letter No.6/5/2007-EP (Agri-VI) dtd:30.11.2009.

The welfare scheme provides for financial assistance in the form of grants / loans to meet the educational, social and health needs of the growers and their family members in addition to assistance in times of natural calamities.

The Welfare Fund was established with a corpus of ₹ 2500 lakh with contribution in the ratio of 1:2 by the tobacco growers (₹1000/- each) and the Tobacco Board (₹ 2000/- for each grower) to implement various welfare schemes. Tobacco Board had so far contributed ₹ 2079.42 lakh to the fund. By the end of 2014-15, a total amount of ₹ 4335.32 lakh was available in Tobacco Board's Growers Welfare Fund.

The schemes in operation are

1. Providing financial relief in the form of grant to the dependent family in the event of death of the grower member of the scheme (₹25000/- for natural death and ₹50000/- for accidental death).
2. Providing financial relief in the form of interest free loan for treatment for major illness requiring surgery for the grower member and /or his family members (₹25000/- interest free loan).
3. Providing financial assistance in advance in the form of interest free loan for the marriage(s) of daughter(s) of the grower member (₹25000/- interest free loan).
4. Providing financial relief in the form of interest bearing loan for education to the dependent children of the grower member (₹25000/- loan @4% interest). Providing financial relief in the form of interest free loan for repairing of the barns damaged due to natural calamities (₹25000/- per barn in the event of full damage and ₹10000/- per barn in the event of partial damage).





2014-15 CROP SEASON - TARGETS & ACHIEVEMENTS - EXTENSION & DEVELOPMENTAL SCHEMES

Sl. No.	Name of the Scheme	Physical Target			No. of beneficiaries			Physical Achievement			Financial Outlay (₹ in lakh)	Financial Achievement ₹		
		A.P	KK	Total	A.P	KK	Total	A.P	KK	Total		A.P	KK	Total
1	**Farm Mechanization**													
i)	PVC Pipes	20613	0	20613	1387	0	1387	20229	0	20229	50.00	4921487.00	0.00	4921487.00
ii)	Backpack Sprayers	15	0	15	15	0	15	15	0	15	1.65	136125.00	0.00	136125.00
iii)	Weighing Scales	547	0	547	547	0	547	547	0	547	4.61	399695.00	0.00	399695.00
iv)	Ridgers	0	112	112	0	74	74	0	74	74	0.65	0.00	60639.00	60639.00
v)	Tyne Cultivators	0	990	990	0	767	767	0	767	767	4.94	0.00	477825.00	477825.00
vi)	Curometers	0	3093	3093	0	3031	3031	0	3092	3092	5.15	0.00	398249.60	398249.60
vii)	Mechanical Transplanter + Vibro Cultivator	0	0	0	0	0	0	1	1	2	0.00	265000.00	265000.00	530000.00
	Sub Total:				**1949**	**3872**	5821				**67.00**	**5722307.00**	**1201713.60**	6924020.60
2	**Improving Yield & Quality of Tobacco**													
a	Water Harvesting Structures(Farm Ponds)	0	0	0	0	0	0	0	0	0	5.00	0	0	0
b	Integrated Pest Management Practices													
b.1	Pheromone traps	65500	9819	75319	2318	413	2731	61912	8309	70221		565337.00	87870.00	653207.00
b.2	Yellow Sticky traps	30800	6600	37400	1612	336	1948	28282	4311	32593	**10.00**	147009.00	22142.00	169151.00
b.3	Light Traps	440	0	440	369	0	369	422	0	422		232100.00	0.00	232100.00
c	Leaf/Pesticide Analysis													
c.1	Analysis of leaf for chemical constituents	128	94	222	209	96	305	209	96	305		1526042.00	701126.00	2227168.00
c.2	Analysis of leaf for Pesticide residues	128	94	222	96	92	188	96	92	188	35.00	134832.00	129214.00	264046.00

d	Supply of Trays and Cocopeat for quality Seedlings (Trays in lakh)	92900	846115	**939015**	203	2728	**2931**	92900	620270	**713170**	50.00	465500.00	2809155.00	**3274655.00**
e	Erection of Green houses/Poly houses	0	0	**0**	0	0	**0**	0	0	**0**	25.00	0.00	0.00	**0.00**
f	**Supply of BioPesticides**													
f.1	Trichoderma harzianum	0	0	**0**	93	0	**93**	856	0	**856**	**15.00**	42294.00	0.00	**42294.00**
f.2	Pseudomonas fluorscens	0	0	**0**	97	0	**97**	912	0	**912**		55034.00	0.00	**55034.00**
	Sub Total:				**4997**	**3665**	**8662**				**140**	**3168148.00**	**3749507.00**	**6917655.00**
3	**Improvement of Curing Practices**													
a	Improved design of furnace in barns(VF and GWR)	304	110	**414**	265	0	**265**	213	0	**213**	15.00	1091625.00	0.00	**1091625.00**
b	Use of Briquettes as fuel for curing (Phy. Target. Qty. in M.Ton)	6	0	**6**	0	0	**0**	0	0	**0**	10.00	0.00	0.00	**0.00**
c	Raising of fuel for curing of Tobacco	0	0	**0**	0	0	**0**	0	0	**0**	**3.00**	0.00	0.00	**0.00**
	Sub Total:				**265**	**0**	**265**				**28.00**	**1091625.00**	**0.00**	**1091625.00**
4	**Elimination of NTRMs & Product Integrity**													
	Tarpaulins (Non MPA & NTRM Free)	4000	2038	**6038**	3928	1811	**5739**	3961	1907	**5868**	**48.00**	3131265.00	1427938.00	**4559203.00**
5	**Post Harvest Product Management**													
	Construction of Bulking Sheds	168	0	**168**	46	0	**46**	46	0	**46**	**20.00**	632500.00	0.00	**632500.00**
6	**Other Extension Programmes**													
a	**Training to farmers & staff**													
	i). Work shops	2	2	**4**	179	51	**230**	1	1	**2**		61990.00	52536.00	**114526.00**
	ii). Trng. Progs by Regional Managers	57	0	**57**	1342	0	**1342**	28	0	**28**	20.00	48506.00	0.00	**48506.00**
	iii). Trng. progs by A.Ss	304	99	**403**	11923	5111	**17034**	253	98	**351**		496183.00	214282.00	**710465.00**
	iv) Training to staff at NIPHM	0	0	**0**				0	0	**0**		225750.00	0	**225750.00**





b	Publicity & Extension Literature	0	0	**0**	0	0	**0**	0	0	**0**	5.00	0.00	0.00	**0.00**
c	Study Tours	38	22	**60**	469	347	**816**	19	13	**32**	8.00	187633.00	137338.00	**324971.00**
d	Awards to growers	19	11	**30**	19	11	**30**	19	11	**30**	5.00	95000.00	55000.00	**150000.00**
e	Field Friend Teams	6	4	**10**	0	0	**0**	6	4	**10**	4.00	268249.00	71110.00	**339359.00**
	Sub Total:				**13932**	**5520**	**19452**				**42.00**	**1383311.00**	**530266.00**	**1913577.00**
7	**On Farm Tests & Experimental Trials**	19	11	**30**	1267	982	**2249**	19	11	**30**	**6.50**	232183.00	253160.00	**485343.00**
8	**Model Project Area (Ha.)**	1200	1100	**2300**				1200	1100	**2300**				
i)	PVC Pipes	2400	0	**2400**	28	0	**28**	389	0	**389**		90541.00	0.00	**90541.00**
ii)	Backpack Sprayers	10	0	**10**	3	0	**3**	3	0	**3**		27225.00	0.00	**27225.00**
iii)	Weighing Scales	32	0	**32**	32	0	**32**	32	0	**32**		22730.00	0.00	**22730.00**
iv)	Ridgers	0	110	**110**	0	7	**7**	0	7	**7**		0.00	5509.00	**5509.00**
v)	Tyne Cultivators	0	110	**110**	0	28	**28**	0	28	**28**		0.00	16100.00	**16100.00**
vi)	Curometers	0	907	**907**	0	894	**894**	0	907	**907**		0.00	116821.60	**116821.60**
vii	Pheromone traps	12000	12181	**24181**	481	467	**948**	14560	12181	**26741**		132925.00	129266.00	**262191.00**
viii	Yellow Sticky traps	7200	6600	**13800**	447	460	**907**	8197	6739	**14936**		43049.00	34541.00	**77590.00**
ix	Light Traps	60	0	**60**	73	0	**73**	75	0	**75**		41250.00	0.00	**41250.00**
x	**Bio Pesticides**										**30.00**			
a	Trichoderma harzianum	2000	3190	**5190**	110	0	**110**	1038	0	**1038**		50132.00	0.00	**50132.00**
b	Pseudomonas fluorescence	2000	3190	**5190**	110	0	**110**	1086	0	**1086**		63862.00	0.00	**63862.00**
xi	Trays & Cocopeat	47890	53885	**101775**	105	121	**226**	47890	27360	**75250**		241950.00	232560.00	**474510.00**
xii	Suckericides(lts)	1500	2750	**4250**	0	173	**173**	0	740	**740**		0.00	94575.00	**94575.00**
xiii	Improved design of furnace (VF, GWR)	76	0	**76**	3	0	**3**	3	0	**3**		20000.00	0.00	**20000.00**
xiv	Use of Briquettes as fuel for curing (Phy.Target. Qty. in M.Tons)	0	0	**0**	4	0	**4**	17.51	0	**17.51**		88250.00	0.00	**88250.00**

xv	Bulking Sheds	12	0	**12**	0	0	**0**	0	0	**0**		0.00	0.00	**0.00**
xvi	Tarpaulins	300	162	**462**	176	121	**297**	187	162	**349**		148664.00	114130.00	**262794.00**
xvii	**Training & other Expenditure**													
a).	**Extension workers/Consultants/ Field Men Wages**	0	0	**0**	0	0	**0**	0	0	**0**		378556.00	276757.00	**655313.00**
b).	**Appointment of Master Curer / Training Programs / Meetings**	0	0	**0**	0	0	**0**	0	0	**0**		13000.00	50900.00	**63900.00**
c)	**Miscellaneous expenditure**	0	0	**0**	0	0	**0**	0	0	**0**		0.00	0.00	**0.00**
	Sub Total:				**1572**	**2271**	**3843**				**30**	**1362134.00**	**1071159.60**	**2433293.60**
	Grand Total:				**27956**	**18121.00**	**46077**				**381.50**	**16723473.00**	**8233744.20**	**24957217.20**





COVERAGE OF SC/ST/WOMEN & OTHER GROWERS UNDER VARIOUS EXTENSION AND DEVELOPMENTAL SCHEMES DURING 2014-15

Sl. No	Name of the scheme	Achievements													
		Beneficiaries					Physical (units)					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**															
i)	PVC Pipes	83	0	205	1099	**1387**	928	0	3210	16091	**20229**	312416.00	0.00	767588.00	3841483.00	**4921487.00**
ii)	Backpack Sprayers	0	0	0	15	**15**	0	0	0	15	**15**	0.00	0.00	0.00	136125.00	**136125.00**
iii)	Weighing Scales	29	7	62	449	**547**	29	7	62	449	**547**	29435.00	7105.00	44057.00	319098.00	**399695.00**
iv)	Ridgers	2	1	21	50	**74**	2	1	21	50	**74**	3150.00	1575.00	16540.00	39374.00	**60639.00**
v)	Tyne Cultivators	51	13	109	594	**767**	51	13	109	594	**767**	58650.00	14950.00	62675.00	341550.00	**477825.00**
vi)	Curometers	199	102	477	2253	**3031**	200	104	483	2305	**3092**	25760.00	13395.20	62210.40	296884.00	**398249.60**
vii)	Transplanter/															
	Vibrocultivator	0	0	0	0	**0**	0	0	0	0	**0**	0.00	0.00	0.00	0.00	**530000.00**
	Sub Total:	**364**	**123**	**874**	**4460**	**5821**						**429411.00**	**37025.20**	**953070.40**	**4974514.00**	**6924020.60**
2	Improving Yield & Quality of Tobacco															
a	Water Harvesting															
	Structures(Farm Ponds)	0	0	0	0	**0.00**	0	0	0	0	**0.00**	0.00	0.00	0.00	0.00	**0.00**
b	**Integrated Pest Management Practices**															
b1	Pheromone traps	69	30	403	2229	**2731**	1312	779	10381	57749	70221	12515.00	7371.00	96554.00	536767.00	653207.00

b.2	Yello w Sticky traps	44	18	306	1580	**1948**	581	371	5497	26144	**32593**	3033.00	1941.00	28794.00	135383.00	**169151.00**
b.3	Light Traps	2	9	47	311	**369**	2	9	54	357	**422**	1100.00	4950.00	29700.00	196350.00	**232100.00**
c	Leaf/Pesticide Analysis															
c.1	Analysis of leaf for chemical\ constituents	0	0	0	0	**305**	0	0	0	0	**0**	0.00	0.00	0.00	0.00	**227168.00**
c.2	Analysis of leaf for Pesticide Residuals	0	0	0	0	**188**	0	0	0	0	**0**	0.00	0.00	0.00	0.00	**264046.00**
d	Supply of Trays and Cocopeat for quality Seedlings	304	140	519	1968	**2931**	70010	32190	124430	486540	**713170**	417092.00	191537.00	535974.00	2130052.00	**3274655.00**
e	Green Houses/Poly Houses material for raising nurseries	0	0	0	0	**0**	0	0	0	0	**0**	0.00	0.00	0.00	0.00	**0.00**
f	**Supply of Bio Pesticides:**															
f.1	Trichoderma harzianum	6	0	18	69	**93**	30	0	157	669	**856**	2412.00	0.00	7579.00	32303.00	**42294.00**
f.2	Pseudomonas fluorescence	6	0	18	73	**97**	36	0	186	690	**912**	3528.00	0.00	10936.00	40570.00	**55034.00**
	Sub Total:	**431**	**197**	**1311**	**6230**	**8662**						**439680.00**	**205799.00**	**709537.00**	**3071425.00**	**6917655.00**
3	**Improvement of Curing Practices**															
a	Improved design of furnace (VG,GWR))	17	8	58	182	**265**	9.75	8	49.32	145.93	**213**	63375.00	52000.00	246600.00	729650.00	**1091625.00**
b	Use of Briquettes as fuel for curing	0	0	0	0	**0**	0	0	0	0	**0**	0.00	0.00	0.00	0.00	**0.00**





c	Raising of fuel for curing Tobacco	0	0	0	0	**0**	0	0	0	0	**0**	0.00	0.00	0.00	0.00	**0.00**
	Sub Total:	**17**	**8**	**58**	**182**	**265**						**63375.00**	**52000.00**	**246600.00**	**729650.00**	**1091625.00**
4	**Elimination of NTRMs & Product Integrity**															
	Tarpaulins	330	149	899	4361	**5739**	334	151	924	4459	**5868**	351989.00	158461.00	694076.00	3354677.00	**4559203.00**
5	**Post Harvest Product Management**															
	Construction of Bulking Sheds	3	0	7	36	**46**	3	0	7	36	**46**	36500.00	0.00	96500.00	499500.00	**632500**
6	**Other Extension Programmes**															
a	**Training to farmers & staff (By A.S's, R.M's, Workshops)**	0	0	0	0	**18606**	0	0	0	0	**381**	0.00	0.00	0.00	0.00	**1099247.00**
b	**Publicity & Extension Literature**	0	0	0	0	**0**	0	0	0	0	**0**	0.00	0.00	0.00	0.00	**0.00**
c	**Study Tours**	0	0	0	0	**816**	0	0	0	0	**32**	0.00	0.00	0.00	0.00	**324971.00**
d	**Awards to growers**	0	0	0	0	**30**	0	0	0	0	**30**	0.00	0.00	0.00	0.00	**150000.00**
e	**Field Friend Teams**	0	0	0	0	**0**	0	0	0	0	**10**	0.00	0.00	0.00	0.00	**339359.00**
	Sub Total :	**0**	**0**	**0**	**0**	**19452**						**0**	**0**	**0**	**0**	**1913577.00**

7	**On Farm Tests & Experimental Trials**	0	0	0	0	**2249**	0	0	0	0	**0**	0.00	0.00	0.00	0.00	**485343.00**
8	**Model Project Area (Ha.)**															
i)	PVC Pipes	0	0	2	26	**28**	0	0	40	349	**389**	0.00	0.00	9310.00	81231.00	**90541**
ii)	Backpack Sprayers	0	0	0	3	**3**	0	0	0	3	**3**	0.00	0.00	0.00	27225.00	**27225**
iii)	Weighing Scales	0	0	2	30	**32**	0	0	2	30	**32**	0.00	0.00	1421.00	21309.00	**22730**
iv)	Ridgers	0	0	1	6	**7**	0	0	1	6	**7**	0.00	0.00	787.00	4722.00	**5509**
v)	Tyne Cultivators	0	0	4	24	**28**	0	0	4	24	**28**	0.00	0.00	2300.00	13800.00	**16100**
vi)	Curometers	12	0	164	718	**894**	14	0	165	728	**907**	1803.20	0.00	21252.00	93766.40	**116821.6**
vii)	Pheromone traps	28	2	155	763	**948**	910	56	4383	21392	**26741**	8709.00	596.00	43613.00	209273.00	**262191**
viii)	Yellow Sticky traps	26	0	123	758	**907**	437	0	2128	12371	**14936**	2278.00	0.00	11062.00	64250.00	**77590**
ix)	Light Traps	0	0	7	66	**73**	0	0	7	68	**75**	0.00	0.00	3850.00	37400.00	**41250**
x	**Bio Pesticides**	0	0	46	174	**220**	0	0	428	1696	**2124**	0.00	0.00	23005.00	90989.00	**113994**
xi	Trays & Cocopeat	5	0	39	182	**226**	1730	0	13030	60490	**75250**	12830.00	0.00	84155.00	377525.00	**474510**
xii	Suckericides (lts)	0	0	28	145	**173**	0	0	122	618	**740**	0.00	0.00	15590.00	78985.00	**94575**
xiii	Improved design of furnace (Venturi Furnace)	0	0	2	1	**3**	0	0	1	1	**2**	0.00	0.00	15000.00	5000.00	**20000.00**
xiv	Use of Briquettes as fuel for curing	0	0	0	0	**4**	0	0	0	0	**17.51**	0.00	0.00	0.00	0.00	**88250**





xv	Bulking Sheds	0	0	0	0	**0**	0	0	0	0	**0**	0.00	0.00	0.00	0.00	**0.00**
xvi	Tarpaulins	14	0	37	246	**297**	14	0	42	293	**349**	15347.00	0.00	30864.00	216583.00	**262794**
xvii	**Training & Other Expenditure**															
a	**Extension Workers / Consultants / Field Men Wages**	0	0	0	0	**0**	0	0	0	0	**0**	0.00	0.00	0.00	0.00	**655313.00**
b	**Appointment of Master Curer / Training Programs / Meetings**	0	0	0	0	**0**	0	0	0	0	**0**	0.00	0.00	0.00	0.00	**63900.00**
c	**Miscellaneous Expenditure**	0	0	0	0	**0**	0	0	0	0	**0**	0.00	0.00	0.00	0.00	**0.00**
	Sub Total:	**85**	**2**	**610**	**3142**	**3843**						**40967.2**	**596**	**262209**	**1322058.4**	**2433293.60**
	Grand Total:	**1230**	**479**	**3759**	**18411**	**46077**						**1361922.20**	**453881.20**	**2961992.40**	**13951824.40**	**24957217.20**

AUCTIONING SERVICES AT PLATFORMS

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 to ensure fair and remunerative prices to the tobacco growers by creating an element of competition among the buyers, inter-alia to ensure prompt payment to the growers and correct weighment of tobacco. Since then, the Board has been implementing the auction system for the sale of FCV tobacco successfully.



Dr. Koothati Gopal, IAS, Chairman and Sri C.V.Subba Rao, IFS, Executive Director, Tobacco Board observing the auction process

1 AUCTIONS DURING 2013-14 IN ANDHRA PRADESH

1.1 Volume and Prices

The FCV tobacco auctions in Andhra Pradesh, spreads over 2 financial years. The auctions for sale of 2013-14 FCV crop also spreads in the Financial Year 2013-14 (17/02/2014 to 31/03/2014) and the Financial Year 2014-15 (01/04/2014 to 23/09/2014). During the financial year 2013-14, as on 31/03/2014, a quantity of 20.07 million kg of tobacco was marketed at an average price of ₹121.65 per kilogram and the balance tobacco was marketed during 2014-15 financial year.

The auctions for sale of 2013-14 crop in Andhra Pradesh concluded on 23/09/2014. A total quantity of 213.93 million kg of tobacco was marketed at an average price of ₹116.06 per kg at the end of the auction season, out of which a quantity of 193.85 mkg of tobacco was marketed at an average price of ₹115.49 per kg during the period from 01/04/2014 to 23/09/2014. A statement showing auction platform wise quantity of tobacco of 2013-14 crop marketed during the period from 01/04/2014 to 23/09/2014 is placed at **Page No. 59&60.**



1.2 Buyers' Participation

A total number of 97 buyers have participated in 2014 Andhra Pradesh auctions as against 125 buyers last year.

1.3 Permission to growers to sell excess and unauthorized crop

Government of India vide Notification Nos.S.O.1592 (E) & S.O.1593 (E) dated 24th June, 2014 permitted the sale of excess quantity of tobacco produced by the registered growers and un-authorised tobacco produced by unregistered growers in Andhra Pradesh, Odisha, and Maharashtra subject to payment of 7.5% service charges and extra fee of ₹2.00 per kg for sale of excess tobacco produced by registered growers and 15% services charges and extra fee of ₹2.00 per kg for sale of un-authorised tobacco produced by un-registered growers.

The particulars of quantity of excess tobacco sold by the registered growers and unauthorized tobacco sold by the unregistered growers in Andhra Pradesh, are as follows:

Sl. No.	Category of the growers	No. of growers	Qty. marketed (million kg)	Avg. Price (₹/kg)
1.	Registered growers	42390	43.12	102.28
2.	Un-registered growers	2006	4.95	98.33

1.4 Minimum Guaranteed Prices

There was no Minimum Guaranteed Price for 2013-14 Andhra Pradesh FCV Tobacco crop.

1.5 Payment by buyers

During 2014 Andhra Pradesh auctions, the buyers paid the value of tobacco purchased including service charges @1% on the value of the tobacco purchased. The total value of the tobacco of 2013-14 Andhra Pradesh crop purchased is ₹2,482.95 crore.

1.6 Payment to growers

During 2014 auctions in Andhra Pradesh the Board made payment of ₹2,482.95 crore to the growers towards their sale proceeds of tobacco by crediting the amount directly through the bank accounts maintained in various banks.

1.7 Tobacco Cess

During 2014 Andhra Pradesh auctions, an amount of ₹21,69,754.00 was collected from the growers at the auction platforms towards 'Tobacco Cess' @ one paise per kg on the quantity of 21,69,75,434 kg of tobacco sold at the auction platforms

including Scrap & Bits of tobacco from Northern Light Soil region, when compared to ₹17,90,553.00 collected last year on the quantity of 17,90,55,300 kg of tobacco sold. The amount was credited to Consolidated Fund of India.

1.8 Service Charges

An amount of ₹78.83 crore was collected from the growers as well as buyers towards service charges including additional service charges and extra fee of ₹2/- per kg on the quantity of excess tobacco sold by the registered growers and unauthorized tobacco produced by the unregistered growers for 2013-14 Andhra Pradesh crop as against ₹48.16 crore collected for 2012-13 Andhra Pradesh crop.

1.9 Buyers' Performance

The quantities of tobacco purchased and average prices paid by Manufacturers, Exporters and Dealers compared to their purchases last year are as follows:

Sl. No.	Category of Buyers	2013 Andhra Pradesh Auctions			2014 Andhra Pradesh Auctions		
		Quantity (million kg)	% Share	Average Price (₹/kg)	Qty. (million kg)	% Share	Average Price (₹/kg)
1.	Manufacturers	96.18	54.45	121.78	122.66	57.34	120.59
2.	Exporters	67.28	38.09	110.80	78.39	36.64	110.25
3.	Others(Dealers)	13.19	7.46	70.87	12.88	6.02	108.33
Total		**176.65**	**100.00**	**113.80**	**213.93**	**100.00**	**116.06**

1.10 High Lights of 2014 Andhra Pradesh Auction Sales

- Marketed historical record high quantity of 213.93 million kilograms at record high price of ₹116.06 per kg for AP FCV tobacco.
- Implemented the increased minimum bid increment price of ₹1.00 per kg from ₹0.20 paise per kg in e-auction system.
- Illegal transactions of FCV tobacco out-side the auction platforms have almost brought down to negligible level.
- Introduced dress code for various groups of people working at auction platform such as mutta labour, seasonal staff of Tobacco Board, supporting staff of buyers to make ease of monitoring and to maintain discipline.
- The soil region wise highest prices recorded compared with past few years are given hereunder:





Sl. No.	Soil region	2014 auctions	2013 auctions	2012 auctions	2011 auctions	2010 auctions
1	NLS	176.00	199.60	153.00	144.00	140.00
2	SLS	141.00	155.80	111.20	124.00	120.00
3	SBS	142.00	160.80	115.00	124.00	120.00
4	NBS	168.00	196.40	145.00	124.00	120.00

- As could be seen from the above table, across the regions the highest bids were at peak in 2013 season and corrected a little bit in 2014 season.
- Grade out-turn of tobacco marketed and average price realized compared to the average prices realized during the last year is given hereunder:

Sl. No.	Grade	2014 Auctions			2013 Auctions			Price variation over 2013 (+/-, ₹/kg)
		Qty. Mktd (million kg)	% Share	Avg. Price (₹/kg)	Qty. Mktd (million kg)	% Share	Avg. Price (₹/kg)	
1	BRIGHT	100.51	46.98	124.82	73.88	41.82	137.49	-12.67
2	MEDIUM	76.35	35.69	119.81	58.06	32.87	124.21	- 4.40
3	LOW	37.07	17.33	84.61	44.71	25.31	61.12	23.49
	Total :	**213.93**	**100.00**	**116.06**	**176.65**	**100.00**	**113.80**	**+ 2.26**

a) As could be seen from the above table, the highest price advantage is noticed for low grade tobacco by ₹23.49 per kg. Whereas as the trend is reversal in case of medium and bright grade tobaccos for which prices are down by ₹4.40 & ₹12.67 per kg respectively over 2013 auctions.

b) The grade outturn recorded during 2014 for Bright, Medium and Low grades is ₹46.98, ₹35.69 and ₹17.33 respectively. The lower production of low grades compared to last year fetched to attain higher average over last year and the reverse is true in case of medium and high grades.

c) With the constant persuasion of the Board, trade has purchased the entire record volumes of tobacco i.e., 213.93 million kg and was marketed in 162 days of auction.

d) The auction for sale of 2013-14 AP FCV tobacco was concluded on 23/09/2014.

2 AUCTIONS DURING 2014-15 IN KARNATAKA

2.1 Crop size fixed and production estimations

The production is estimated at 103.5 million kg against the target crop size of 104 mkg fixed by the Board. The estimated percentage grade out turn of the crop in terms of Bright, Medium & Low grades is 39:40:21 as against 25:41:34 during 2013-14 crop season.

2.2 Commencement of auction sales

Auction sales commenced on 15-09-2014 at 12 auction platforms against 11 last year to market 2014-2015 Karnataka FCV tobacco. The auction sales of 2014-15 Karnataka FCV tobacco were spread into two financial years, i.e. 2014-15 and 2015-16.

2.3 Market trends

The Market was started at a highest price of ₹151.00 per kg for the good quality tobacco which is higher by ₹0.80 per kg over last year starting day highest price. By the end of financial year 2013-14 i.e. by 31/03/2014 at 149th day of auction 83.95 mkg of tobacco was marketed at an average price of ₹112.05 per kg.

The highest price recorded during the season is ₹180.00 per kg is higher by ₹3.20 per kg over last year highest price. The highest bid recorded is ever high in the history of Karnataka tobacco auctions.

Even though, the highest bid recorded during the season is record high, the average price realised ₹112.05 per kg is lower by ₹20.50 per kg over last year average price realized.

There was a continuous rally in market price for FCV tobacco in auctions since 2011 auctions in Karnataka and there is a break to the rally in 2014 auctions and correction took place to the average price realisation to the extent of 15.47% over last year average price realised for the same period.

At the beginning of auctions, farmers are at greater hopes that their produce may fetch better price as that of the previous year, as the crop produced is well in line of authorized crop.

The market has started on a rough note and the same was continued till the end of the Financial Year.





The market has lack its sheen right for the beginning indicating piling up of inventory in international market thereby less demand. The hopes of the farmers gradually dried up with the market prices.

With great reluctance the farmers offered tobacco to the market since beginning hoping that the market may improve in due course with the confirmation of the export orders to the buyers, but in vain.

The market did not show any resilience and showed continuous weakness during week on week. The average price realised during 1st week is ₹130.27 per kg continues fall throughout the auctions season and it ended with ₹109.82 per kg on the final week of the Financial Year.

The buyers are not active even in picking up of the quantities and which leads to lot of rejections out of the bales offered for sale on each day. The rejections percentage during the season has touched non-tolerable limited i.e. upto 49%. At the end the rejection percentage over the quantity handled is 31%.

Majority of the rejections are consisting of off-style tobacco and the low grade tobacco. The off-style tobacco rejections are mainly of farmer rejections due to non-willingness of the farmers to let of their tobacco at the prices what buyers are offering. Whereas, the low grade rejections are mainly “NO BIDs” as the bales have not been picked up by the buyers at the minimum bid.

Farmers disappointed very much with the market and started agitations. Grower leaders and elected representatives started expressing their grouse.

Taking the situation into cognizance, the Board has called major manufacturers and discussed in depth about the market position and impressed upon them to take measures to improve the market for sustenance of the tobacco production in Karnataka for the years to come.

With the constant persuasion and efforts of the Board the price for quality tobacco has improved to some extent and could able to liquidate the entire tobacco produced by the growers.

The price drop over the last year is mainly due to production of higher quantities of off-styles and lack of demand for such tobaccos.

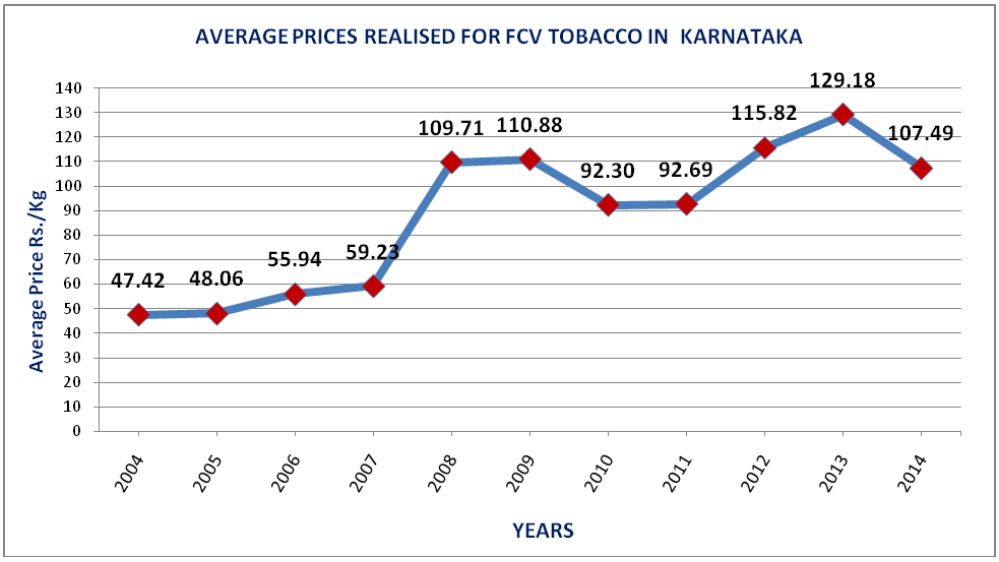
The tobacco marketed in terms of BML is 17.74%, 52.90% and 29.36% compared to last year 24.67%, 41.47% and 33.86%. This indicates that production of higher percentage of Medium and Low grades and lower percentage of Bright grade leading to lower average prices.

Quality of tobacco marketed and average price realised during 2014 Karnataka as on 31/03/2015 for BML grade compared to the last year are given hereunder:

Sl. No.	Grade	2014 Auctions (up to 31/03/2015)		Average Price Realised last year (up to 31/03/2014) (₹/kg)	Price difference over last year (2013) (₹/kg)
		Quantity Marketed (million kg)	Average price (₹/kg)		
1	Bright	14.89	152.60	163.05	-10.45
2	Medium	44.41	120.12	145.38	-25.26
3	Low	24.65	73.01	84.65	-11.64
	Total	**83.85**	**112.05**	**129.18**	**-17.13**

Auction platform wise quantity of tobacco sold and average price realised for sale of 2014-15 Karnataka FCV tobacco is placed at **page No. 61.**

Graph depicting average prices realized in Karnataka auctions since 2004 is given below:



2.4 Permission to growers to sell excess crop and unauthorized crop

Government of India vide notifications No.S.O.798 (E) & S.O.799 (E), dated 18th March, 2015 permitted the sale of excess quantity of tobacco produced by the registered growers and unauthorized tobacco produced by the unregistered growers in Karnataka subject to payment of 7.5% service charges and extra fee of ₹2.00 per kg for sale of excess tobacco produced by registered growers up to 15% of excess production over authorized quantity and 15% of service charges and extra fee of ₹2.00 per kg for sale of excess tobacco over and above 15% of authorized quantity and sale of un-authorized tobacco produced by the un-registered growers.

2.5 Buyers' Participation

A total number of 42 buyers participated during 2014-15 Karnataka FCV tobacco auctions as against 59 buyers participated in 2013-14 auction season for the same period.



2.6 Buyers' Performance

The details of quantity of tobacco purchased, percentage share and average prices paid by the manufacturers, exporters and dealers (others) during 2014-15 Karnataka auctions in comparison with previous year are as follows:

Sl. No.	Category of Buyer	2014-15 Karnataka auctions (as on 31/03/2015)			2013-14 Karnataka auctions (as on 31/03/2014)		
		Quantity (mkg)	% share	Average price (₹/kg)	Quantity (mkg)	% share	Average price (₹/kg)
1	Manufacturers	46.14	54.96	118.77	54.76	53.67	137.63
2	Exporters	34.82	41.47	103.88	42.23	41.40	120.28
3	Others (Dealers)	2.99	3.57	103.55	5.03	4.93	111.86
	Total	**83.95**	**100.00**	**112.05**	**102.02**	**100.00**	**129.18**

2.7 Tobacco Cess

An amount of ₹7,91,239.69 was collected from the growers at the auction platforms towards 'Tobacco Cess' @ one paisa per kg. on the quantity of tobacco sold at the auction platforms. The amount was credited to the Consolidated Fund of India.

2.8 Service Charges

An amount of ₹17.89 crore was collected from the growers as well as buyers towards service charges which includes an extra fee of ₹2.00 per kg. and 7.5% & 15% service charges collected from the registered growers for sale in excess of authorised tobacco and the extra fee of ₹ 2.00 per kg and 15% service charges from the un-registered growers for sale of un-authorised tobacco during 2014-15 Karnataka FCV tobacco auctions as on 31/03/2015 as against ₹46.70 crore collected last year.

Values of the tobacco sold by the growers in Karnataka during 2014 auctions as on 31/03/2015 is ₹940.67 crore.

3 AUCTIONS DURING 2014-15 IN ANDHRA PRADESH

3.1 Crop size fixed and estimated production

The production is estimated at 193.27 mkg at the beginning of the season as against the target crop size of 172 mkg fixed by the Board. The estimated percentage grade out turn of the crop in terms of Bright, Medium and Low grades is 42:32:26 as against 57:29:14 during 2013-14 crop season.

3.2 Commencement of auction sales

Auctions for sale of 2014-15 Andhra Pradesh FCV tobacco crop commenced in three phases at 19 auction platforms starting with 11/03/2015.

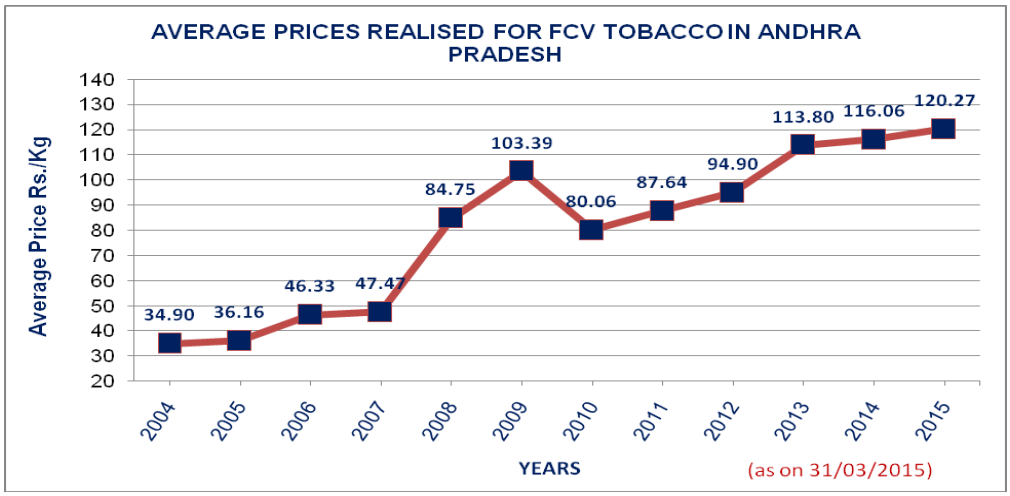
3.3 Soil region wise Highest Bids recorded are given below

Sl. No.	Soil Region	Highest Bid (Rs/kg)			
		2015 Auctions		2014 Auctions	
		Starting day	As on 31/03/2015	Starting day	During the season
1.	NLS	141.00	141.00	150.00	176.00
2.	SLS	125.00	127.00	125.00	141.00
3.	SBS	126.00	128.00	125.00	142.00
4.	NBS	Auction sales scheduled to commence on 06/04/2015		112.00	168.00

3.4 Volume and Prices

A total quantity of 1.70 Mkg of tobacco was marketed at an average price of ₹120.27 per kg by the end of March, 2015.

Graph depicting average prices realized in Andhra Pradesh auctions since 2004 is given below



Note: Information furnished is as on 31/03/2015.

The average prices realized for Bright, Medium and low grades as on 31/03/2015 are as follows

Grade	Quantity (million kg)	% Share	Average Price (₹/kg.)
Bright	1.26	73.96	122.86
Medium	0.44	25.95	122.64
Low	1577.5kg	0.09	97.20
Total	**1.70**	**100.00**	**120.27**

A statement showing auction platform wise quantity of tobacco marketed and average price realized as on 31/03/2015 is at **Page No. 59 & 60.**



3.5 Market Trends

- Though the market on the first day in SLS and SBS regions have started with the highest bid of last year's starting day i.e. ₹125/-, it is not so in case of NLS region, where the highest bid on starting day is only ₹141/- against ₹150 last year, indicating the weakness in the market and the certainty of price correction.
- As the days are going on, the market fall is clearly visible and the price realized as on 31/03/2015 by 16th day i.e. ₹120.27 is lower by ₹2.88 per kg for the same period of auction last year.
- The market is dull and not picked up.
- Buyers are not active stating that the export orders are not yet confirmed.
- Growers are in worry that the delay in market would cause deterioration of quality of tobacco thereby lower realization to their produce.

3.6 Total Quantity of Tobacco Marketed

The total quantity of tobacco marketed during the period 01/04/2014 to 31/03/2015, at all the auction platforms both in Andhra Pradesh and Karnataka is 279.51 mkg and the average price realized is ₹114.49 per kg. The particulars are at **Page No. 59, 60, 61.**

3.7 Buyers' Performance

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 01/04/2014 to 31/03/2015 are given at **Page No.65 & 66.**

4 IMPROVEMENT OF INFRASTRUCTURE FACILITIES

To augment the infrastructural requirement for smooth conduct of FCV tobacco auction sales, Board is continually initiating steps to additions / modifying the requisite civil / electrical equipment at its auction platforms. In this direction, the Board with the prior approval of the Government of India, taken up the following additional auction facilities at Kanigiri in Andhra Pradesh, Chilkunda and H.D.Kote in Karnataka State. The details of the work out-lays are given hereunder.

Sl. No.	Name of the auction platform	Work outlay (Rs)	Amounts paid in previous years (2013-14)(Rs)	Amount paid during 2014-15 (Rs)	Liability (Rs)
1	Kanigiri	9,76,09,209	2,00,00,000	6,46,68,209	1,29,41,000
2	H.D. Kote	9,00,31,913	5,47,10,531	2,50,00,000	1,03,21,382
3	Chilkunda	14,79,45,100	13,30,00,000	1,44,71,800	4,73,300
	Total	**33,55,86,222**	**20,77,10,531**	**10,41,40,009**	**2,37,35,682**

The Board also had taken up some other additional structures / electrical works at the existing auction platforms.

5 INAUGURATION OF ADDITIONAL AUCTION PLATFORM AT H.D.KOTE, KARNATAKA

Tobacco Board has developed its own infrastructure facility to operate additional auction platform at H.D.Kote, so as to facilitate to market the tobacco produced by the farmers in a short period of time thereby minimizing / avoiding the deterioration of quality of tobacco.

This new infrastructure developed as 12th auction platform of Tobacco Board in Karnataka State.

The new auction platform has been constructed at H.D.Kote with the State of the Art Technology at a cost of ₹9 crore in the premises of Tobacco Board, where already another auction platform is existed.

The new auction platform caters the needs of around 2000 growers covering 90 villages in H.D.Kote, Hunsur and Nanjangud taluqs of Mysore district in Karnataka.

The new auction platform was inaugurated on 08/09/2014 by Sri V. Srinivasa Prasad, Hon'ble Minister for Revenue, Government of Karnataka & District in-charge Minister for Mysore district. Sri R. Dhruvanarayana, Hon'ble Member of Parliament, Chamarajanagar was the chief guest to the function besides other dignitaries present.





Inauguration of H.D.Kote-II Auction Platform on 08/09/2014

6 INAUGURATION OF BOARD'S OWN AUCTION PLATFORM AT CHILKUNDA

Tobacco Board operating two of its auction platforms in the premises taken on lease at Kampalapura since 2003. Board has acquired 10 acres of land from the Govt. of Karnataka in Survey No.171 at Chilkunda, Mysore district at a cost of ₹6,19,267/-. Board has pursued the construction of new auction platform building complex through CPWD at a cost of ₹14.79 crore.

The auction platform has been named as APF No.62, Chilkunda and inaugurated on 01/03/2015 on the hands of Sri V. Srinivasa Prasad, Hon'ble Minister for Revenue, Govt. of Karnataka & District In-Charge Minister, Mysore District in the presence of Sri H.P. Manjunath, MLA, Sri Prathap Simha, MP, Sri K. Venkatesh, MLA, Sri S.R. Mahesh, MLA, Sri A. Manju, MLA, MLCs, Dr. Koothati Gopal, IAS, Chairman, Tobacco Board and others.

This auction platform caters the needs of 7,300 no. of growers covering 51 villages under Hunsur, Periyapatna and K.R. Nagar Taluqs of Mysore District, in marketing their tobacco.



Inauguration of Chilkunda Auction Platform on 01/03/2015

7 SUPPLY OF STANDARDIZED BALE PACKING MATERIAL TO THE FARMERS

Regulation 7 of the Tobacco Board (Auction) Regulations, 1984, envisages use of standardized bale packing material by all growers for packing their tobacco brought for auction sales. According to Regulation 7(7) of the Tobacco Board (Auction) Regulation, the packing material along with the string used for packing a bale shall not weigh more than 1 kg.

Accordingly, Board has standardized the packing material and arranged to supply to the growers, through the Indian Tobacco Association at free of cost. The ITA supplied 10,72,747 units of bale packing material to tobacco growers of Karnataka and 16,02,727 units to the growers of Andhra Pradesh for 2014-15 crop at free of cost. The Board arranged for distribution of bale packing material to the growers and on recovery of the cost from the traders and remitting of the same to the ITA.

8 FCV Tobacco Leaf Sample Exhibition - *A new initiative*:



Dr. Koothati Gopal, IAS, Chairman, Tobacco Board inaugurating the exhibition



An overview of exhibition



Dr. Koothati Gopal, IAS, Chairman, Tobacco Board and others at inaugural speech



Indian & Foreign tobacco merchants observing the leaf samples displayed

First time in the history of Tobacco Board, an Exhibition has conducted a week days before the start of auctions to provide firsthand information to the buyers on the quality of tobacco and participate in the auctions with a clear perception on the entire tobaccos produced in different soils.

Tobacco Board conducted FCV Tobacco Exhibition from 9th to 11th March, 2015. The 3 day exhibition at The Indian Tobacco Association (ITA) hall at Guntur, Andhra Pradesh attracted a lot of interest from growers and traders.

Different grades of FCV tobacco produced in SLS (Southern light soils), SBS (Southern Black soils), NLS (Northern light soils) areas of Andhra Pradesh, 2014-15 crop season were displayed.

The exhibition was an opportunity for the Global Merchants, Manufacturers, Exporters and Dealers of FCV Tobacco to examine all FCV samples of current 2014-15 A.P. crop based on soil type, variety and grade under one roof. About 225 samples of the FCV tobacco from 19 auction platforms across the State were displayed at the exhibition.

It is believed that the exercise will play important role in improving the export orders for Indian FCV tobacco.

During the exhibition, efforts of the Board were displayed in educating the growers in implementing the GAP (Good Agricultural Practices) for producing the clean tobacco have also been displayed through literature i.e. hand outs, news letter, brochures etc., along with power point presentation for brining confidence in traders on the quality of tobacco.

Auction Platform wise quantity of tobacco marketed in Andhra Pradesh and Karnataka during the period 01/04/2014 to 31/03/2015

Sl. No.	Name of the Auction Platform	2014 Andhra Pradesh auctions Quantity marketed during the period 01/04/2014 to 23/09/2014		2015 Andhra Pradesh auctions quantity marketed during the period 11/03/2015 to 31/03/2015		Total Qty. marketed during the period 01/04/2014 to 31/03/2015	
		Qty. Mktd. (kg)	Avg.Pri. (₹/kg)	Qty. Mktd. (kg)	Avg.Pri. (₹/kg)	Qty. Mktd. (kg)	Avg.Pri. (₹/kg)
I. ANDHRA PRADESH							
1	Thorredu	3912840.2	106.91			3912840.2	106.91
	TOTAL (NBS)	**3912840.2**	**106.91**			3912840.2	106.91
3	Vellampally -I	6597248.6	109.73	72552.8	119.03	6669801.4	109.83
4	Vellampally-II	5330917.2	109.32	80412.4	116.71	5411329.6	109.43
5	Ongole – I	13869127.2	107.33	102978.7	119.40	13972105.9	107.42
6	Ongole - II	12817470.3	109.57	88782.7	119.84	12906253.0	109.64
7	Tangutur-I	9367966.3	109.36	46999.5	119.35	9414965.8	109.41
8	Tangutur-II	8208097.8	108.66	54724.5	120.80	8262822.3	108.74
9	Kondepi	12540275.9	107.74	78635.3	114.48	12618911.2	107.78
	TOTAL (SBS)	**68731103.3**	**108.64**	**525085.9**	**118.41**	**69256189.2**	**108.71**





Sl. No.	Name of the Auction Platform	2014 Andhra Pradesh auctions Quantity marketed during the period 01/04/2014 to 23/09/2014		2015 Andhra Pradesh auctions quantity marketed during the period 11/03/2015 to 31/03/2015		Total Qty. marketed during the period 01/04/2014 to 31/03/2015	
		Qty. Mktd. (kg)	Avg.Pri. (₹/kg)	Qty. Mktd. (kg)	Avg.Pri. (₹/kg)	Qty. Mktd. (kg)	Avg.Pri. (₹/kg)
10	Podili - I	12993105.7	106.45	106498.6	115.30	13099604.3	106.52
11	Podili –II	8227540.4	107.19	103052.8	112.77	8330593.2	107.26
12	Kandukur - I	12004746.5	108.81	157229.2	116.55	12161975.7	108.91
13	Kandukur - II	9161090.9	109.97	156883.1	115.13	9317974.0	110.06
14	Kaligiri	5615537.7	110.92	203070.2	117.45	5818607.9	111.15
15	D.C.Palli	7080861.5	112.60	104235.5	116.75	7185097.0	112.66
	TOTAL (SLS)	**55082882.7**	**108.91**	**830969.4**	**115.90**	55913852.1	109.01
16	Devar apalli-I	10749583.8	132.92	47993.2	133.82	10797577.0	132.92
17	J.R.Gudem - I	14568285.6	126.76	70873.8	132.86	14639159.4	126.79
18	J.R.Gudem - II	15017060.3	127.37	81505.2	135.03	15098565.5	127.41
19	Koyyalagudem	13986446.6	126.70	49493.0	130.51	14035939.6	126.71
20	Gopalapuram	11806511.7	130.68	94412.1	134.68	11900923.8	130.71
	TOTAL (NLS)	**66127888.0**	**128.59**	**344277.3**	**133.67**	**66472165.3**	**128.62**
	SUB TOTAL	**193854714.2**	**115.49**	**1700332.6**	**120.27**	**195555046.8**	**115.53**

Auction Platform wise quantity of tobacco marketed in Karnataka during the period 01/04/2014 to 31/03/2015

Sl. No.	Name of the Auction Platform	2013 Karnataka auctions Quantity marketed during the period		2014 Karnataka auctions Quantity marketed during the period 15/09/2014 to 31/03/15		Total Qty. marketed during the period 01/04/2014 to 31/03/2015	
		Qty. Mktd. (kg)	Avg.Pri. (₹/kg)	Qty. Mktd. (kg)	Avg.Pri. (₹/kg)	Qty. Mktd. (kg)	Avg.Pri. (₹/kg)
II. KARNATAKA							
1	H.D.Kote-II			3713304.8	110.33	3713304.8	110.33
2	H.D.Kote-I			3810708.0	110.41	3810708.0	110.41
3	Hunsur-I			6320911.1	114.05	6320911.1	114.05
4	Hunsur-II			6173234.8	109.19	6173234.8	109.19
5	Hunsur-III			5597566.1	116.81	5597566.1	116.81
6	Kampalapura			6773270.8	115.02	6773270.8	115.02
7	Chilukunda			8394227.2	114.11	8394227.2	114.11
8	Periyapatna-I			9540269.6	115.55	9540269.6	115.55
9	Periyapatna-II			9571843.3	116.79	9571843.3	116.79
10	Periyapatna-III			8983056.2	115.09	8983056.2	115.09
11	Ramanathapura-I			8307866.3	102.88	8307866.3	102.88
12	Ramanathapura-II			6764565.0	100.76	6764565.0	100.76
	SUB TOTAL			**83950823.2**	**112.05**	**83950823.2**	**112.05**
	GRAND TOTAL	**193854714.2**	**115.49**	**85651155.8**	**112.21**	**279505870.0**	**114.49**





2014 KARNATAKA AUCTIONS :: AUCTION PLATFORMWISE SALES PARTICULARS (As on 31/03/2015)

Sl. No	Name of the Platform	APF No	Opening date	No. ofbales sold	Quantity sold (kg)	Value (₹)	Avg.Price (₹ /kg)	Highest bid (₹ /kg)	Lowest bid (₹ /kg)	Avg.bale weight In kg
1	H.D. Kote-I	1	15.09.14	36979	3713304.8	409688918.58	110.33	174.00	39.00	100.42
2	H.D. Kote-II	65	15.09.14	38040	3810708.0	420740270.28	110.41	172.00	45.00	100.18
3	Hunsur - I	2	15.09.14	60349	6320911.1	720899910.96	114.05	175.00	40.00	104.74
4	Hunsur - II	3	15.09.14	60650	6173234.8	674055507.81	109.19	176.00	45.00	101.78
5	Hunsur - III	64	15.09.14	54170	5597566.1	653851696.14	116.81	177.00	45.00	103.33
6	Kampalapura	61	15.09.14	65573	6773270.8	779061607.42	115.02	175.00	40.00	103.29
7	Chilukunda	62	15.09.14	80710	8394227.2	957865265.79	114.11	175.00	40.00	104.00
8	Periyapatna - I	4	15.09.14	93096	9540269.6	1102378152.28	115.55	176.00	40.00	102.48
9	Periyapatna - II	5	15.09.14	91059	9571843.3	1117895579.01	116.79	180.00	39.00	105.12
10	Periyapatna - III	6	15.09.14	87102	8983056.2	1033859938.06	115.09	177.00	40.00	103.13
11	Ramanathapura-I	7	15.09.14	82302	8307866.3	854713284.94	102.88	172.00	40.00	100.94
12	Ramanathapura-II	63	15.09.14	67082	6764565.0	681597569.40	100.76	169.00	40.00	100.84
	Grand Total		15.09.14	**817112**	**83950823.2**	**9406689739.56**	**112.05**	180.00	39.00	**102.74**

2015 Andhra Pradesh Auctions - Auction Platform wise Quantity of tobacco marketed, Average Price realized, Highest and Lowest Bids recorded as on 31/03/2015

Sl. No.	Name of the Auction platform	APF. No.	Quantity - (mkg)		Date of commencement	No. of bales sold	Highest bid (₹/Kg)	Lowest bid (₹/Kg)	Quantity marketed (Kg)	Value of tobacco (₹)	Avg. price (₹/Kg)	Avg. bale weight (Kg)
			Authorised	Estimated								
1	Thorredu	15	5.14	4.00	06.04.2015	Auction sales yet to be commenced						
	TOTAL(NBS)		**5.14**	**4.00**								
3	Vellampally - I	19	6.02	7.21	16.03.2015	530	126.00	80.00	72552.8	8635959.78	119.03	136.89
4	Vellampally - II	31	4.39	5.3	16.03.2015	601	126.00	95.00	80412.4	9384931.20	116.71	133.80
5	Ongole - I	20	9.60	12.50	16.03.2015	746	127.00	101.00	102978.7	12295656.78	119.40	138.04
6	Ongole - II	23	9.89	12.70	16.03.2015	684	127.00	86.00	88782.7	10639718.77	119.84	129.80
7	Tangutur-I	24	7.19	8.64	16.03.2015	349	127.00	104.00	46999.5	5609390.33	119.35	134.67
8	Tangutur-II	34	6.29	8.00	16.03.2015	426	128.00	100.00	54724.5	6610719.60	120.80	128.46
9	Kondepi	25	9.38	12.18	16.03.2015	563	125.00	95.00	78635.3	9002169.14	114.48	139.67
	TOTAL (SBS)		**52.76**	**66.53**		**3899**	**128.00**	**80.00**	**525085.9**	**62178545.61**	**118.42**	
10	Podili - I	22	10.67	11.00	11.03.2015	758	126.00	95.00	106498.6	12279288.58	115.30	140.50
11	Podili - II	21	7.83	8.85	11.03.2015	760	127.00	88.00	103052.8	11621264.26	112.77	135.60
12	Kandukur - I	26	9.74	12.00	11.03.2015	1172	127.00	95.00	157229.2	18325063.26	116.55	134.15
13	Kandukur - II	27	8.70	9.97	11.03.2015	1176	126.00	90.00	156883.1	18061951.30	115.13	133.40





Sl. No.	Name of the Auction platform	APF. No.	Quantity - (mkg)		Date of commencement	No. of bales sold	Highest bid (₹/Kg)	Lowest bid (₹/Kg)	Quantity marketed (Kg)	Value of tobacco (₹)	Avg. price (₹/Kg)	Avg. bale weight (Kg)
			Authorised	Estimated								
14	Kaligiri	28	6.43	7.92	11.03.2015	1561	126.00	86.00	203070.2	23850594.99	117.45	130.09
15	D.C. Palli	29	7.96	8.70	11.03.2015	714	126.00	95.00	104235.5	12169494.63	116.75	145.99
	TOTAL (SLS)		**51.33**	**58.44**		**6141**	**127.00**	**86.00**	**830969.4**	**96307657.0**	**115.90**	**135.31**
16	Devarapalli	17	9.99	10.50	16.03.2015	349	141.00	81.00	47993.2	6422450.02	133.82	137.52
17	J.R. Gudem - I	18	13.81	14.20	16.03.2015	518	140.00	90.00	70873.8	9416293.07	132.86	136.82
18	J.R. Gudem - II	32	13.99	15.10	16.03.2015	600	140.00	97.00	81505.2	11005647.16	135.03	135.84
19	Koyyalagudem	30	12.96	13.50	16.03.2015	370	140.00	100.00	49493	6459331.43	130.51	133.76
20	Gopalapuram	33	10.53	11.00	16.03.2015	699	141.00	83.00	94412.1	12715421.63	134.68	135.07
	TOTAL(NLS)		**61.28**	**64.30**		**2536**	**141.00**	**81.00**	**344277.3**	**46019143.31**	**133.67**	**135.76**
GRAND TOTAL			**170.51**	**193.27**		**12576**	**141.00**	**81.00**	**1700332.6**	**204505345.9**	**120.27**	**135.20**

Buyer wise Purchases both In Andhra Pradesh and Karnataka during the period 01/04/2014 to 31/03/2015

Sl. No.	Name of the Buyer	2013-14 - AP CROP FROM 01/04/2014 TO 23/09/2014			2014-15 - AP CROP FROM 11/03/2015 TO 31/03/2015		
		Quantity in kg	Average price (Rs/kg)	% share	Quantity in kg	Average price (Rs/kg)	% share
MANUFACTURERS							
1	ITC LTD	89001087.6	121.10	45.91	1251322.60	119.81	73.59
2	GPI LTD	21538147.8	117.64	11.11	63167.50	125.23	3.72
	Sub-Total	**110539235.4**	**120.42**	**57.02**	**1314490.10**	**120.07**	**77.31**
EXPORTERS							
1	Polisetty Somasundaram	12272166.4	123.65	6.33	40641.20	119.55	2.39
2	Alliance One Industries Ind. Ltd.	14193349.7	109.43	7.32	40133.80	120.91	2.36
3	ITT Group	4653061.7	118.16	2.41	42940.70	123.05	2.53
4	Premier Tob. Packers Pvt.Ltd.	7001437.2	104.87	3.61	73222.30	124.2	4.31
5	Anjaneya Enterprises	488444.6	79.17	0.25			
6	M.L. & Co. group	5588936.8	116.03	2.88			
7	Mittapalli Adinarayana Ent.Pvt.Ltd.	2225282.1	113.42	1.15			
8	Yarlagadda Exports	907611.1	112.76	0.47			
9	Bommidala Ventures Pvt. Ltd.	607438.9	111.68	0.31			
10	Mittapalli Agro Products Pvt. Ltd.(R)	2637554.6	88.10	1.36	4962.50	111.29	0.29
11	Bommidala Purnaiah Holdings Pvt.Ltd	1113922.9	125.14	0.57			
12	Prapalsha Agros Ltd.	422093.6	75.90	0.22			
13	Chaitanya Tobacco Co.	39319.1	111.80	0.02			
14	Avinash Tobaccos	217123.8	93.57	0.11			
15	K.R. & Co.	139515.0	59.29	0.07			
16	Mohammed Enterprises Pvt.Ltd.	1926788.0	100.21	0.99			
17	Green Leaf Tobacco Threshers Pvt.Ltd.	166389.1	101.81	0.09			
18	Ethnic Group	6837620.1	87.61	3.53	71192.40	117.81	4.19
19	Deccan Tobacco Company	10160995.1	111.12	5.24	77285.10	120.45	4.55
20	Venkata Sai Tobacco Co.	30556.0	21.75	0.02			
21	Bitcorp Pvt. Ltd.	529231.9	103.70	0.27	7243.50	120.13	0.43
22	Vani Tobaccos						
	Sub-Total	**72158837.7**	**109.41**	**37.22**	**357621.50**	**120.82**	**21.03**
	OTHERS (Dealers)	**11156641.1**	**105.91**	**5.76**	**28221.00**	**123.08**	**1.66**
	GRAND TOTAL	**193854714.2**	**115.49**	**100.00**	**1700332.60**	**120.27**	**100.00**



Buyer wise Purchases both In Andhra Pradesh and Karnataka during the period 01/04/2014 to 31/03/2015

Sl. No.	Name of the Buyer	2014-15 - KARNATAKA CROP FROM 11/03/2015 TO 31/03/2015			TOTAL		
		Quantity in kg	Average price (Rs/kg)	% share	Quantity in kg	Average price (Rs/kg)	% share
MANUFACTURERS							
1	ITC LTD	36990200.5	117.79	44.06	127242610.7	120.13	45.52
2	GPI LTD	9151900.0	122.73	10.90	30753215.3	119.17	11.00
	Sub-Total	**46142100.5**	**118.77**	**54.96**	**157995826.0**	**119.94**	56.53
EXPORTERS							
1	Polisetty Somasundaram	5408485.7	111.58	6.44	17721293.3	119.96	6.34
2	Alliance One Industries Ind. Ltd.	7745172.1	113.24	9.23	21978655.6	110.79	7.86
3	ITT Group	3533220.3	121.54	4.21	8229222.7	119.64	2.94
4	Premier Tob. Packers Pvt.Ltd.	957382.5	96.07	1.14	8032042.0	104.00	2.87
5	Anjaneya Enterprises				488444.6	79.17	0.17
6	M.L. & Co. group	439072.5	130.38	0.52	6028009.3	117.08	2.16
7	Mittapalli Adinarayana Ent.Pvt.Ltd.	580497.5	127.78	0.69	2805779.6	116.39	1.00
8	Yarlagadda Exports	132197.2	80.41	0.16	1039808.3	108.65	0.37
9	Bommidala Ventures Pvt. Ltd.				607438.9	111.68	0.22
10	Mittapalli Agro Products Pvt. Ltd.(R)	734935.3	64.40	0.88	3377452.4	82.98	1.21
11	Bommidala Purnaiah Holdings Pvt.Ltd	121497.1	135.10	0.14	1235420.0	126.12	0.44
12	Prapalsha Agros Ltd.	214844.3	75.46	0.26	636937.9	75.75	0.23
13	Chaitanya Tobacco Co.	123163.3	71.28	0.15	162482.4	81.09	0.06
14	Avinash Tobaccos	138085.6	88.48	0.16	355209.4	91.59	0.13
15	K.R. & Co.				139515.0	59.29	0.05
16	Mohammed Enterprises Pvt.Ltd.	1225102.2	107.79	1.46	3151890.2	103.16	1.13
17	Green Leaf Tobacco Threshers Pvt.Ltd.	168650.9	157.56	0.20	335040.0	129.87	0.12
18	Ethnic Group	4297943.0	73.45	5.12	11206755.5	82.37	4.01
19	Deccan Tobacco Company	8279036.8	101.00	9.86	18517317.0	106.63	6.63
20	Venkata Sai Tobacco Co.				30556.0	21.75	0.01
21	Bitcorp Pvt. Ltd.	134127.4	145.13	0.16	670602.8	112.16	0.24
22	Vani Tobaccos	582935.4	71.49	0.69	582935.4	71.49	0.21
	Sub-Total	**34816349.1**	**103.88**	**41.47**	**107332808.3**	**107.65**	**38.40**
	OTHERS (Dealers)	**2992373.5**	**103.55**	**3.56**	**14177235.6**	**105.45**	**5.07**
	GRAND TOTAL	**83950823.1**	**112.05**	**100.00**	**279505869.9**	**114.49**	**100.00**

REGISTRATION OF TRADERS ACTIVITEIS

The Government of India has created Trading Wing in 1984 with margin money of ₹1.25 crore for its operations. The objective of Trading Wing is to mop up the unsold tobacco on the Auction Platforms at prices fixed by the Government with a view to stabilize the market and thereby protecting the interest of growers.

PRICE SUPPORT OPERATIONS :

There were no price support operations by the Trading Wing during 2014-15, as the market was buoyant and the growers received better price.

The margin money available with the Board, including the profit made by trading in the earlier years and interest accrued, accumulated as on 31/03/2015 to ₹16.50 crore.

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 carry out the above operations only after obtaining Registration / Renewal of registration from the Tobacco Board for each category separately. The registration or renewal of registration granted is valid for Calendar year. The Registration / Renewal of registration granted to different categories of traders for the year 2014 and for the year 2015 (as on 31/03/2015) is as detailed below:

Sl. No	Category	No. of Companies Registered	
		2014	2015 (As on 31/03/2015)
1	Processor of Virginia Tobacco	14	13
2	Manufacturer of Virginia Tobacco	27	17
3	Exporter of Tobacco	162	124
4	Exporter of Tobacco Products	271	202
5	Dealer in Tobacco	686	563
6	Packer of Tobacco	28	27
7	Commercial Grader of Virginia tobacco	52	39
Total:		**1240**	**985**

The Board had levied and collected the following penalties in 2014 as resolved by the Board.

1.	For Non/Late submission of Statutory Returns	₹13,09,500.00
2.	For late submission of information called for and rectification of defects in the applications beyond the stipulated period/late fee for latesubmission of applications / old dues & Vigilance penalty	₹13,76,602.00
TOTAL :		**₹26,86,102.00**

MARKETING & EXPORTS OF TOBACCO AND TOBACCO PRODUCTS

EXPORTS OF UNMANUFACTURED TOBACCO AND TOBACCO PRODUCTS FROM INDIA IN 2014-15 – A REVIEW

The Indian FCV tobacco exports have decreased when compared to last year and Non-FCV unmanufactured tobacco and tobacco products have surpassed the earlier record of tobacco product exports made in 2013-14. In total the exports of FCV and Non-FCV unmanufactured tobacco and tobacco products for the year 2014-15 have decreased when compared to last year. A quantity of 2,49,150 M.tons of tobacco and tobacco products valued at ₹5,652.17 crores and in Dollar terms 924.311Million US$ has been exported.

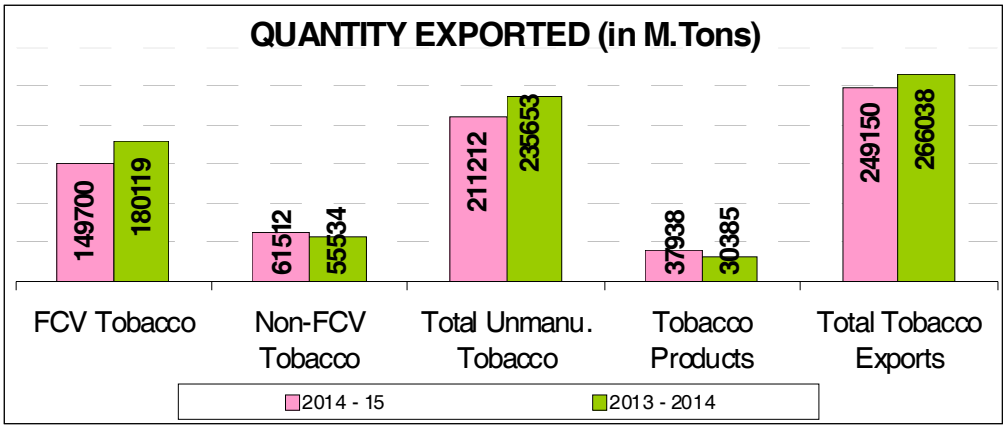
1. TOBACCO EXPORTS FROM INDIA

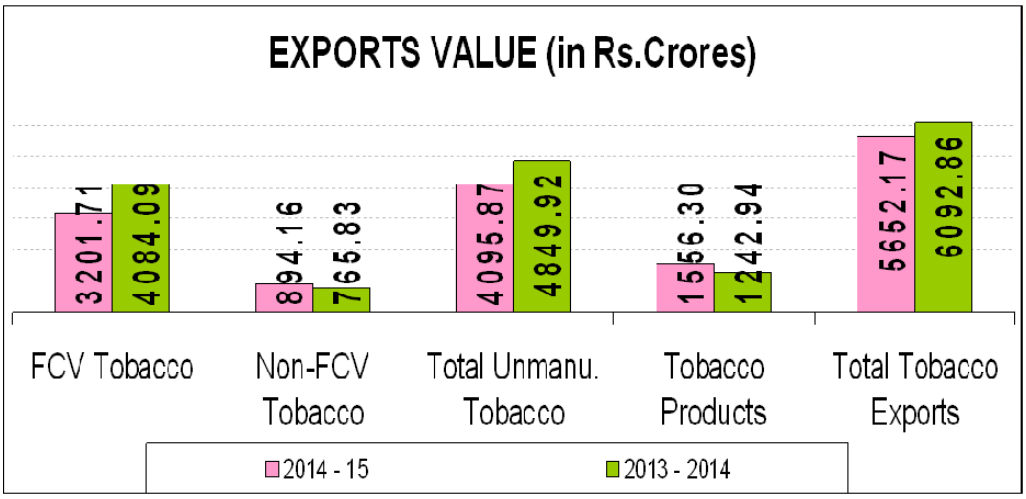
(i) Overall performance

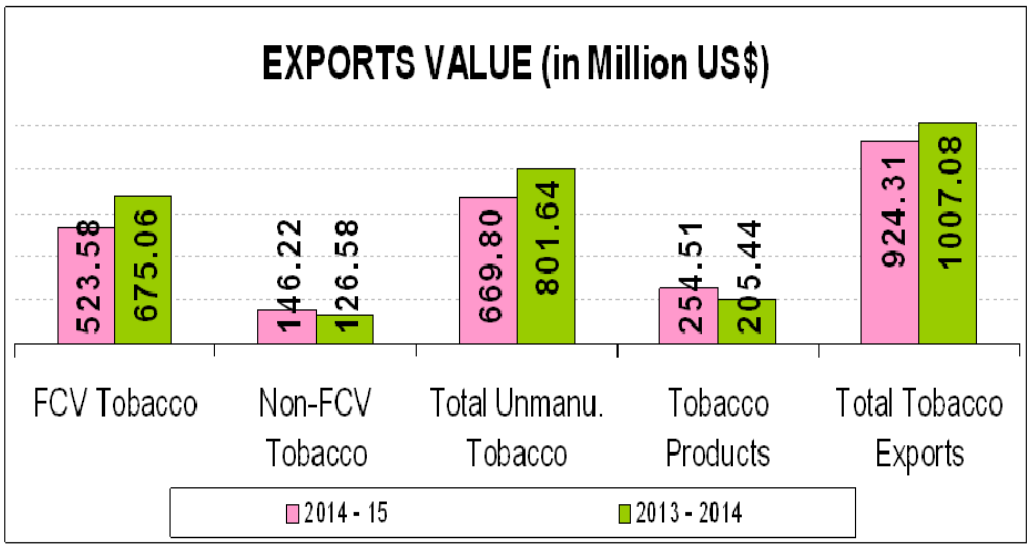
Exports of FCV tobacco from India for the year 2014-15 have decreased by 17% in quantity terms and in value by 22%, 22% in rupee and dollar terms respectively in comparison with the exports made in the previous year. Exports of unmanufactured tobacco (FCV & Non-FCV tobacco) and tobacco products from India during 2014-15 in comparison with exports during the previous year are as follows:

S. No	Categories	2014-15			2013-14		
		Qty. M.Tons	Value in ₹Crore	Value in Million US$.	Qty. M.Tons	Value in ₹Crore	Value in Million US$.
I	Unmanufactured Tobacco						
a	FCV Tobacco	149700	3201.71	523.58	180119	4084.09	675.06
b	Non FCV Tobacco	61512	894.16	146.22	55534	765.83	126.58
	Total	**211212**	**4095.87**	**669.80**	**235653**	**4849.92**	**801.64**
II	Tobacco Products	37938	1556.30	254.51	30385	1242.94	205.44
	Grand Total	**249150**	**5652.17**	**924.31**	**266038**	**6092.86**	**1007.08**
% = Previous year(±)		**-6**	**-7**	**-8**	**1**	**22**	**10**

Conversion factor for the period 2014-15: 1 US$ = ₹61.15







Exports of FCV tobacco during 2014-15 have decreased by 17%, 22% and 22% in quantity and value in rupee and US Dollar terms respectively compared to the exports made during the corresponding period of last year.

Exports of unmanufactured tobacco for the period 2014-15 have decreased by 11%, 17% and 16% in quantity and value in rupees and US Dollar terms respectively compared to the exports made during the corresponding period of last year.

As far as exports of tobacco products are concerned, the same have increased by 25%, 25% and 24% in quantity and value in rupees and dollar terms respectively compared to the exports made during the corresponding period of last year.

Total tobacco and tobacco product exports during the year 2014-15 have reached 2,49,150 M.tons valued Rs.5,652.17 Crores and in US $ 924.31 millions. Exports of tobacco and tobacco products for the period under report have decreased by 6%, 7% and 8% in quantity terms and value in rupee and US Dollar terms respectively compared to the exports made during the corresponding period of last year.

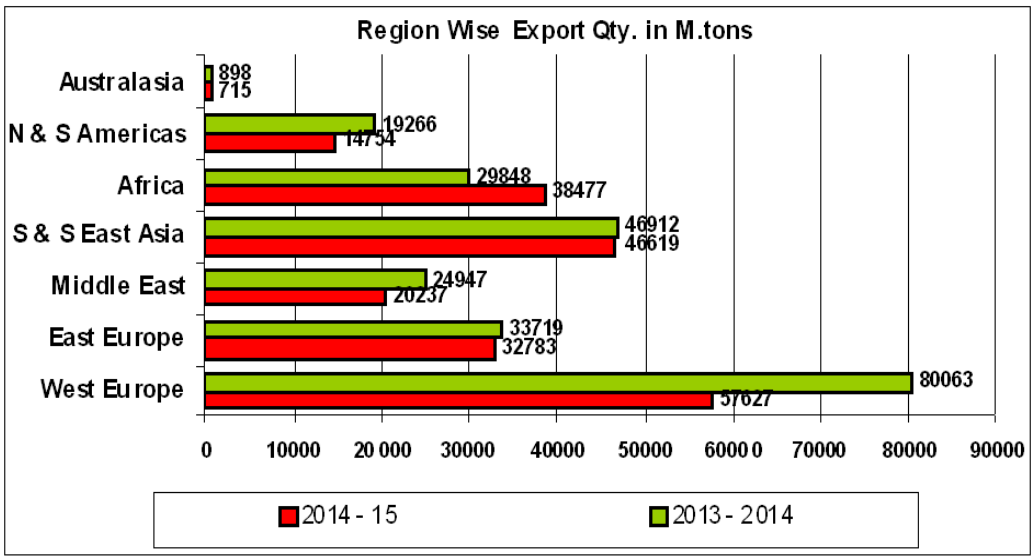
(ii) Unmanufactured tobacco exports

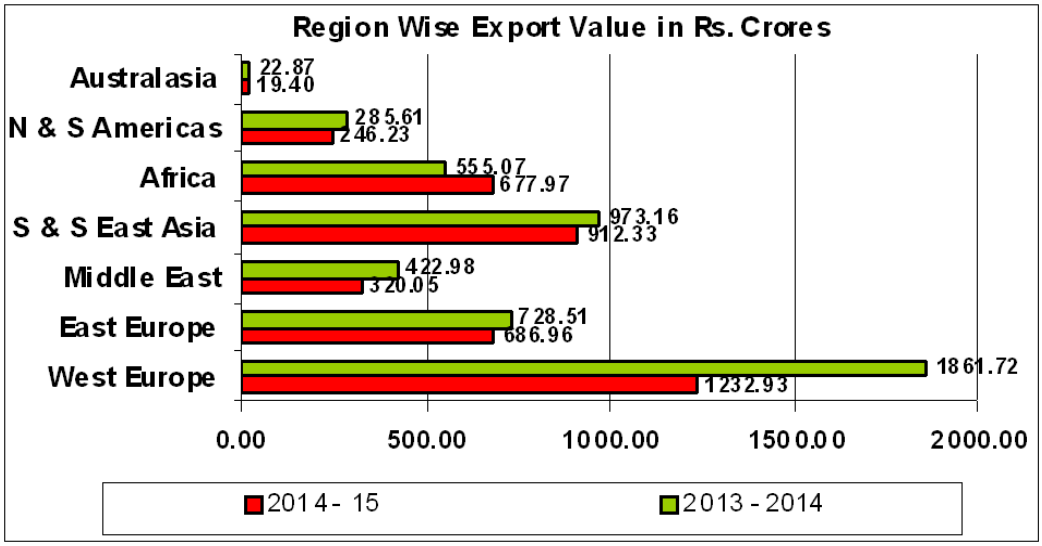
During 2014-15, India's unmanufactured tobacco exports accounted for about 85% of total exports of tobacco and tobacco products in quantity terms and 72% in rupee terms. The same have decreased by 10% in quantity terms, by 16% in rupee terms and 16% in dollar terms respectively compared to exports made in the previous year.

Belgium continued to be the leading export destination for Indian tobaccos during 2014-15 followed by other important markets viz., Egypt, Philippines, Russia, Korea, Netherlands, and USA. Out of the top five destinations, exports to Egypt, Philippines and Korea have improved where as exports to Belgium and Netherlands have declined on y-o-y basis.

(iii) Region wise exports of Un-manufactured tobacco

Region	2014 -15				2013 -14			
	Qty. in M.ton	% share in total	Value in ₹Crore	% share in total	Qty. in M.ton	% share in total	Value in ₹Crore	% share in total
West Europe	57,627	27	1,232.93	30	80,063	34	1,861.72	38
East Europe	32,783	16	686.96	17	33,719	14	728.51	15
Middle East	20,237	10	320.05	8	24,947	11	422.98	9
South & South East Asia	46,619	22	912.33	22	46,912	20	973.16	20
Africa	38,477	18	677.97	17	29,848	13	555.07	12
North & South Americas	14,754	7	246.23	6	19,266	8	285.61	6
Australasia	715	<1	19.40	<1	898	<1	22.87	<1
Total	**2,11,212**	**100**	**4,095.87**	**100**	**2,35,653**	**100**	**4,849.92**	**100**



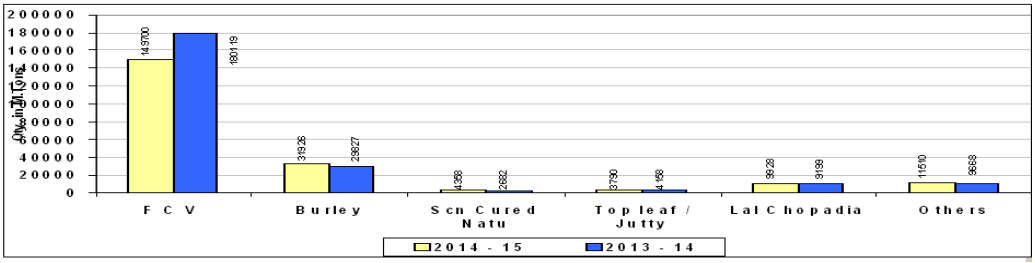


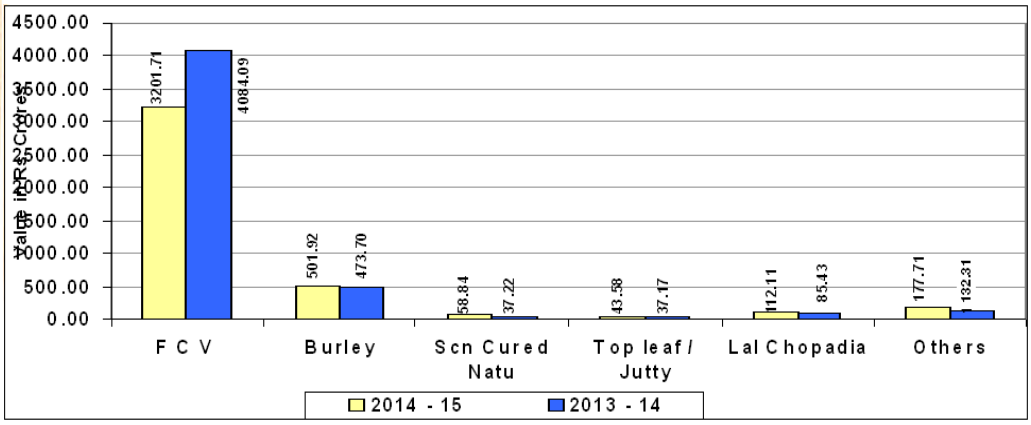
(iv) EXPORTS OF TOBACCO TYPE WISE

Out of the total Indian unmanufactured tobacco exports, FCV tobacco exports constituted 71% in quantity terms and 78% in rupee terms and Non-FCV tobacco exports accounted for the balance 29% in quantity terms and 22% value in rupee terms. Breakup of Exports Tobacco type wise in comparison to that of 2013-14 is as follow.

(Quantity in M.Ton, Value in ₹ Crore)

Variety	2014-15				2013-14	
	Quantity	% change Y-o-Y	Value	% change Y-o-Y	Quantity	Value
Flue Cured Virginia	149700	**-17**	3201.71	-22	180119	4084.09
Sub-Total (FCV tobacco)	**149700**	**-17**	**3201.71**	**-22**	**180119**	**4084.09**
Burley	31926	7	501.92	6	29827	473.69
Sun Cured Natu	4358	62	58.84	58	2682	37.22
Top Leaf/ Jutty	3790	-9	43.58	17	4158	37.17
Lal Chopadia	9928	8	112.11	31	9199	85.42
Others	11510	19	177.72	34	9668	132.33
Sub Total (Non-FCV Tobacco)	**61512**	**11**	**894.16**	**17**	**55534**	**765.83**
Total	211212	-10	4095.87	-16	235653	4849.92





(v) Exports of FCV Tobacco

Out of the total Indian unmanufactured tobacco exports, FCV tobacco exports constituted 71% in quantity terms and 78% in rupee terms with a quantity of 1,49,700 tons valued at ₹3,201.71 Crores. The same have decreased by 17%, 22% and 22% in quantity, rupee and dollar terms respectively on Y-O-Y basis.

(vi) Exports of Non-FCV Tobcco

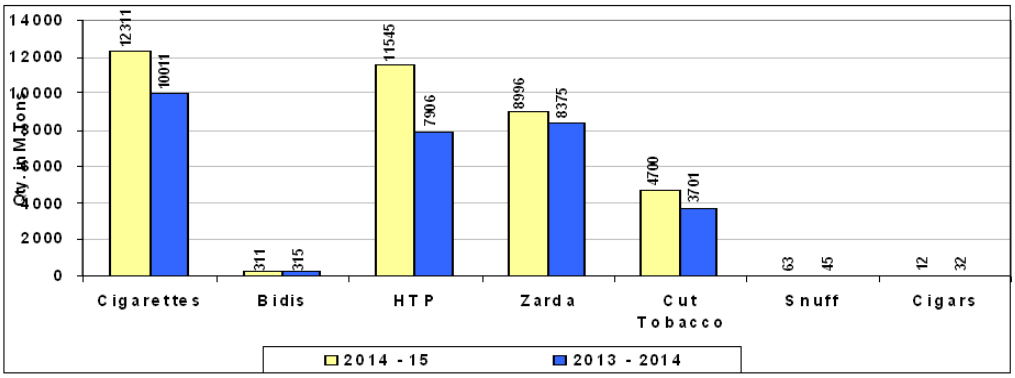
Of the total unmanufactured tobacco exports during 2014-15, Non-FCV tobacco exports accounted for 29% in quantity terms and 22% in rupee terms with a quantity of 61,512 tons valued at Rs.894.16 Crores.

(vii) Exports of Tobacco Products

Of the total exports of tobacco and tobacco products from India during 2014-15, exports of tobacco products account for about 15% in quantity terms and 28% in rupee and also dollar terms. Exports have increased by 25% and 25% in quantity terms and value in terms of rupees on Y-o-Y basis. Exports of tobacco products during 2014–2015 vis-à-vis exports in 2013–2014 are as follows.

(Qty: tons; Value: ₹Crore)

S. No	Tobacco Product Category	2014-2015				2013-2014	
		Quantity	% change Y-o-Y	Value	% change Y-o-Y	Quantity	Value
1	Cigarettes	12311	23	673.78	31	10011	513.20
2	Cut Tobacco	4700	27	91.91	14	3701	80.46
3	Chewing Tobacco	8996	7	638.56	16	8375	551.08
4	Hookah tobacco Paste	11545	46	118.32	76	7906	67.34
5	Bidis	311	-1	31.11	12	315	27.70
6	Snuff	63	40	1.62	57	45	1.03
7	Cigars	12	-63	1.00	-53	32	2.13
	TOTAL	37938	25	1556.30	25	30385	1242.94



2. EXPORT PROMOTION ACTIVITIES

(i) Fairs & Exhibitions Abroad

Tobacco Board has participated in the following international Trade fairs / Exhibitions during 2014-15 for brand image and export promotion of Indian tobacco and tobacco products in the International markets.

(ii) World Tobacco, Middle East 2014

Tobacco Board has participated in World Tobacco Middle East 2014, Dubai, U.A.E during 1-2 April '2014 organized by World Tobacco.

Dr. K.Gopal, I.A.S., Chairman, Tobacco Board and Sri B. Manju Raju, Auction Superintendent were deputed by the Government to organize the Tobacco Board stall.

(iii) EuroTab 2014

Tobacco Board has participated in EuroTab 2014, Krakow, Poland during 19th and 20th May, 2014 organized by Tobacco Products International – Lockwood Publications.

Sri C.V.Subba Rao, I.F.S., Executive Director, Tobacco Board and Sri K. Chandra Sekhara Rao, Auction Superintendent were deputed by the Government to organize the Tobacco Board stall.

Tobacco Board also sent invitation to all tobacco manufacturers in the participating countries to visit the Tobacco Board stall through their counterparts/ Indian exporters. Good no. of visitors have visited the Board's stall and witnessed the exhibits of unmanufactured leaf tobacco samples various brands of tobacco products besides display and distribution of Board's product brochures, business directory and product brochures of various Indian tobacco product manufacturers.

(iv) Global Tobacco Networking Forum (GTNF) 2014, West Virginia, U.S.A. during 29thSeptember to 4th October 2014 organized by Tobacco Reporter.

Dr.K.Gopal, I.A.S., Chairman, Tobacco Board was deputed by the Government to attend GTNF. Tobacco Board bagged **"2014 Golden Leaf Award"** for its **"Most Impressive Public Service Initiatives"** and this is



the only one prestigious award in the World Tobacco Industry. Tobacco Board is the only one Government institution achieved the award since its inception. The Chairman has dedicated this award to the one lakh FCV tobacco peasants involved in producing FCV tobacco to the industry.

The Golden Leaf Award presented by Tobacco Reporter and sponsored exclusively by BMJ Group. Awards are granted on annual basis to companies that have achieved outstanding performance in five categories - I. Most impressive public service initiative, II. Most promising new product introduction, III. Most exciting newcomer to the industry, IV. Most outstanding service to the industry, V. BMJ Most committed to quality.

IMPLEMENTATION OF OFFICIAL LANGUAGE

During the period under report every effort was 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 issued bilingually.
- 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 bilingually.

PROGRAMME OF HINDI TEACHING SCHEME

Eligible employees of the Board were nominated to the Classes of Hindi Teaching Scheme. During May, 2014 session Prabodh (05), Praveen (02) and Pragya (05) employees were completed their training.

PROPOGATION OF HINDI SCHEME OF LEARN A WORD A DAY

Every day a Hindi word with its English meaning had been displayed at presto sign board at the entrance of the office. Hindi Propagation quotation Boards of Great men were displayed at some important eye-catching places.

OFFICIAL LANGUAGE IMPLEMENTATION COMMITTEE IN THE BOARD'S OFFICE

Four meetings i.e. 105th, 106th, 107th and 108th meetings of the Committee were held during the period under report, in which decisions regarding quick implementation of the Official Language policy were taken. Efforts were made to implement these decisions.



HINDI WEEK :

Hindi Week was celebrated from 8th September to 15th September, 2014 in the Tobacco Board. As a part of celebrations, two Table Hindi workshops were conducted on 08th September & 09th September 2014 to improve the working efficiency of Hindi trained employees. On the closing day, prominent Hindi speakers were invited to give lectures on importance of Hindi, to the employees of Tobacco Board. Mementos and prizes were distributed to the participants in the Table workshop.

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

Six Hindi Workshops & Five Table Hindi Workshops were conducted during this period including two Hindi workshops conducted during Hindi Week i.e., from 08th September, 2014 to 09th September, 2014. 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 & ACCOUNTS

As per the provision under section 16 of 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.

Tobacco Board did not draw grant or loan both under Plan and Non-Plan from the Central Government since 1991-92.

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 @ 2% on the value of tobacco marketed on its auction platforms. 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. Also, as per the rule 13(2) of Tobacco Board Auction Regulations, the Board collects "Authorization fee" from the buyers who participate in the auctions. Apart from the above, the Board collects registration fees from growers, barn operators, dealers, exporters, packers, processors and manufacturers.

The Board levied penalties on the excess tobacco produced by the registered growers and the tobacco produced by the unregistered growers, these penalties are fixed by the Government every year through gazette notification. These penalties are vary from time to time. During 2014 auctions, the Penalty @₹ 2/- per Kg & 7.5% for the excess tobacco produced by registered growers and upto the extent of the quota authorized. Further, ₹ 2/- per Kg. & 15% on the above the limit of 15% of the quota authorized from registered growers and unregistered growers for the tobacco produced in Andhra Pradesh and Karnataka which includes service charges as per Section 14A of Tobacco Board Act 1975.

II) CESS

As per the provision of Cess Act 1975 under section 3(1) (Duties of excise on Virginia tobacco 4 of 1975) of the Tobacco Cess Act, 1975 there shall be levied and collected by way of a Cess for the purposes of the Tobacco Board Act 1975, a duty of excise @ one paise per kilogram on Virginia tobacco which is produced in India and sold at an auction platform and remitted the same to the Consolidated Fund of India.





III) BUDGET ESTIMATES

As per the provision of 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.

Accordingly, the budget proposals for the year 2014-15 have been prepared i.e. Budget Estimates and Revised Estimates with an outlay of ₹4830.00 lakh and ₹3088.50 lakh respectively under Plan Schemes covering the Capital Expenditure, Extension & Developmental schemes, Production schemes and Trading Wing schemes. Similarly, an amount of ₹10842.87 lakh for Budget Estimates and ₹10571.65 lakh for Revised Estimates under Non-Plan for the year 2014-15 have been prepared and submitted to Government for its approval.

An amount of ₹10269.61 lakh has been booked as expenditure under both Plan & Non-Plan as against the budget outlay of ₹13660.15 lakh. Of which the Plan expenditure was ₹1728.82 Lakh and the Non-Plan expenditure was ₹8540.79 Lakh.

During the Financial Year 2014-15, an amount of ₹16581.13 lakh has been realized as Internal Resources of the Board consisting of Service Charges, Buyer Authorization fee, Registration Fee from Traders & Growers, Interest on Fixed Deposits etc., as against the budget provision (receipts) of ₹16976.30 lakh made in R.E.2014-15.

Statement showing the actual funds flow under Plan and Non-Plan since 2003-04 to 2014-15 is placed at **Page. 107.**

IV) ACCOUNTS AND AUDIT

As per Section 19 of the Tobacco Board Act 1975-

(1). The Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, including the Income and 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 of the 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.

(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.

The financial statements of the Balance Sheet, Income & Expenditure account and Receipts & Payments Statement for the accounts of Tobacco Fund, Tobacco Board Employees General Provident Fund, Tobacco Board Employees Pension Fund, Tobacco Board Employees New Pension Scheme (Tier-I), Tobacco Growers Welfare Fund of the Tobacco Board for the year 2014-15 along with the Notes on accounts and Funds Flow statement for the period from 2003-04 to 2014-15 are incorporated in the Report.





TOBACCO FUND ACCOUNT - FINANCIAL STATEMENTS

(₹ In thousands)

Particulars	Schedule	Current Year	Previous Year
CORPUS/CAPITAL FUND AND LIABILITIES			
1. Corpus/Capital Fund	1		
a) Tobacco Fund		5886309	5353476
2. Reserves and Surplus	2	0	0
3. Earmarked/Endowment Funds	3		
a) Margin for Comm. Operations (Grant-in-aid to Trading Wing)		173467	158307
b) Tobacco Board Employees General Provident Fund		214276	199647
c) Tobacco Board Employees Pension Fund		873526	818700
d) Tobacco Board Employees New Pension Scheme		17610	11978
e) Tobacco Growers Welfare Fund Scheme		433531	388617
4. Secured Loans and Borrowings	4	0	0
5. Unsecured Loans and Borrowings	5	0	0
6. Deffered Credit Liabilities	6	0	0
7. Current Liabilities and Provisions			
a) Tobacco Fund	7	585884	921612
b) Margin for Comm. Operations (Grant-in-aid to Trading Wing)		0	54
c) Tobacco Growers Welfare Fund Scheme			
TOTAL		**8184603**	**7852392**

BALANCE SHEET AS AT 31ST MARCH 2015

(₹in thousands)

Particulars	Schedule	Current Year	Previous Year
ASSETS			
1. Fixed Assets	8	1075757	760046
2. Investments from earmarked/Endowment Funds	9	0	0
3. Investments: Others(Fixed Deposits)	10	0	0
4. Current Assets, Loans and Advances etc.	11		
a) Tobacco Fund		5396436	5515042
b) Margin for Comm. Operations (Grant-in-aid to Trading Wing)		173467	158361
c) Tobacco Board Employees General Provident Fund		214276	199647
d) Tobacco Board Employees Pension Fund		873526	818700
e) Tobacco Board Employees New Pension Scheme		17610	11978
f) Tobacco Growers Welfare Fund Scheme		433531	388618
5. Miscellaneous Expenditure		0	0
TOTAL		**8184603**	**7852392**
Significant Accounting Policies	24	**Placed at Schedules**	
Contingent Liabilities and Notes on Accounts	25	**Placed at Schedules**	

Sd/xx xx xx
(K. GOPAL)
CHAIRMAN



TOBACCO FUND ACCOUNT - FINANCIAL STATEMENTS
INCOME AND EXPENDITURE ACCOUNT

(₹ in thousands)

Particulars	Current Year	Previous Year	Schedule	Current Year	Previous Year
1. INCOME					
1. Income from Sales/Services			12	650338	701199
2. Grants/Subsidies			13	0	0
3. Fees/Subscriptions			14	13015	14263
4. Income from Investments (From earmarked/ endow. Funds tran. to Funds)			15		
a) Tobacco Fund				427454	357548
b) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)				15159	14114
5. Income from Royalty, Publications etc.			16	826	3615
6. Interest earned			17	2568	3082
7. Other Income			18		
a) Tobacco Fund				587371	450078
8. Increase/(Decrease) in stock of Finished Goods and Works in Progress			19	0	0
Total				**1696731**	**1543899**
2. EXPENDITURE					
a) Tobacco Fund					
i) Non-Plan					
I) Establishment Expenses			20	567474	561249
II) Other Administrative Expenses etc.			21	290166	292938
ii) Plan					
II) Other Administrative Expenses etc.			21	24968	30814
iii) Others					
III) Expenditure on Grants, Subsidies etc.			22	0	0
IV) Interest			23	0	0
V) Depreciation (Net Total at the year end - Corresponding to Schedule 8)			8	26789	21784
Total				**909397**	**906785**

FOR THE PERIOD / YEAR ENDED 31st MARCH, 2015

(₹ in thousands)

Particulars	Current Year	Previous Year	Schedule	Current Year	Previous Year
3. Balance being excess of income over Expenditure (1-2)					
a) Tobacco Fund	772175	623000			
b) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	15159	14114		**787334**	**637114**
VI) Transfer of Special Reserve (Specify each)				0	0
VII) Transfer of General Reserve				0	0
VIII) Previous years payments:					
a) Depreciation of previous years				3809	646
b) Commercial Taxes Penalties (KVAT)				30456	0
c) Service Tax Interest & Penalties				23835	0
d) Pension Fund Liability				181243	0
4. Balance being surplus/deficit carried to Corpus/Capital Fund				**547991**	**636468**
a) Tobacco Fund	532832	622354			
b) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	15159	14114			
5. SIGNIFICANT ACCOUNTING POLICIES				24 Placed at schedules	
6. CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS				25 Placed at schedules	

Sd/xx xx xx
(K. GOPAL)
CHAIRMAN





SCHEDULE-24: SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDING 31ST MARCH 2015

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 shown separately.
4. The closing balance of the year shall also be shown separately in Receipts & Payments account on the expenditure side.
5. An annual proforma account has been prepared on accrual basis for bringing out assets and liabilities along with details of investments.

2. Inventory Valuation

The stationery and consumable items for the year ending 31.03.2015 valued at ₹ 40,37,110.68 have been shown under Closing Stock account by taking into consideration the actual purchase price of the items. The value of stationery and consumable items is shown as opening balance for the ensuing year.

3. Investments

The Board invested the surplus funds in the form of Fixed Deposits with the Nationalized Banks as per rule 23(2) of the Tobacco Board Rules, 1976. The total investments of Tobacco Fund are with the nationalized banks in Andhra Pradesh and Karnataka for the year ending 2014-15 was ₹467,37,81,975.08. As suggested by the audit, these fixed deposits amount exhibited in the Current assets, Deposits with scheduled banks of the Balance Sheet.

All the fixed deposit receipts have been physically verified. The details of fixed deposits have been prepared in the form of statement and annexed to the statements are found in order.

4. Excise Duty : **Nil**

5. Fixed Assets

An amount of ₹33,86,49,489.68 was capitalized as capital expenditure from the advances released for ₹46,83,62,226.00 to CPWD and RITES for construction of auction platforms & office buildings both in Andhra Pradesh and Karnataka. Further, an amount of ₹77,84,496.35 was incurred towards purchase of furniture & office equipment, computers, vehicles etc. The total capital expenditure comes to

₹34,64,33,985.99 during the financial year ending 31st March 2015. The assets valued unserviceable items ₹6,14,504.30 was deleted from the total value of assets pertaining to the furniture & fixtures, office equipment, Cubicles, cycles etc.

6. Depreciation

The rates of depreciation prescribed under Companies Act SLM method as mentioned in the Income Tax Act, 1961 by providing residual value of 5% on value of each asset has been adopted for calculation of depreciation for the fixed assets of the Board. The rates of depreciation on different assets for the financial year 2014-15 are as under :

1. Land – Leasehold : 360 months period
2. Buildings – On lease hold lands: 276 months period
3. Freehold Buildings : 1.63%
4. Furniture & Fittings & Cubicles: 6.33%
5. Office Equipment, Electrical Equipment, Weighing Scales, Mechanization APFs, Scientific equipment: 13.91%
6. Cycles : 7.07%
7. Motor Vehicles, Library Books, Misc. Equipment, Trolleys, Demonstration Equipment: 9.50%
8. Computers: 16.21%

In respect of 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 these trolleys is very high and it will become unserviceable. Hence, the rate of depreciation on trolleys is fixed @ 9.50%.

In respect of fire extinguishers the material used in the cylinders become 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. Hence, the rate of depreciation adopted for fire extinguishers is @ 19% as per the life span of extinguishers.

Similarly, for copier machine also the rate of depreciation @ 19% per annum was adopted as the life of the copier machine 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.

Total amount of ₹3,05,98,463.14 was depreciated on the fixed assets of Tobacco Board.





7. Miscellaneous Expenditure and Miscellaneous Receipts:

An amount of ₹1,40,03,352.12 was incurred on account of Misc. Expenditure account for the year ending 31st March 2015.

An amount of ₹4,10,69,382.20 was realized on account of Misc. Receipts account for the year ending 31st March 2015.

8. Accounting for Sales: **Nil**

9. Government Grants/Subsidies

No grants/subsidies have been drawn either from the Central Government or from the State Government during the financial year 2014-15.

10. Foreign Currency Transactions

The Board incurred foreign currency towards advertisement charges in foreign magazines under brand publicity and for participation in exhibitions in abroad and trade delegations to abroad with the prior approval of the Government of India.

An amount of ₹40,76,723.32 was incurred consisting the heads of accounts of Export Promotion, Fairs & Exhibitions and Advertisement Abroad for the year ending 31st March, 2015.

11. Lease

The Board has taken on lease the Auction Platforms at Ongole-II, Kondepi, Tangutur-II in Andhra Pradesh and Kampalapura in Karnataka. The offices of the Directorate of Auctions, Bengaluru, Regional Manager Offices Rajahmundry and Periyapatna, Liaison Offices at New Delhi, Hyderabad and the Field Office at Rayagada were also taken on rental basis.

12. Retirement Benefits

For the year ending 2014-15, an amount of ₹5,18,07,188.00 was paid on account of retirement benefits such as gratuity, leave salary & commutation of pension to the officials on attaining age of superannuation, etc.

SCHEDULE 25: CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDING 31st March 2015.

1. Contingent Liabilities

The details of contingent liabilities are indicated in the Balance Sheet.

2. Capital Commitments

During the financial year 2014-15, an amount of ₹2,22,63,168/- was sanctioned works to CPWD for execution of civil and electrical works in different auction platforms in Andhra Pradesh. Out of which, an amount of ₹72,26,637/- released to CPWD as advance to attend for the works sanctioned to them.

3. Lease Obligations

The details of lease obligations for renting of premises taken by the Board and are in operation are given under serial No.11 of Schedule 24 of Notes on Accounts of the Balance Sheet.

4. Current Assets, Loans and Advances

An amount of ₹539,64,35,821.98 was available under current assets, loans and advances as per the schedule No.11 of the Balance Sheet.

5. Taxation

Tobacco Board is exempted from payment of Income Tax under section 10(29A) (d) of the Income Tax Act, 1961.





NOTES ON TOBACCO FUND ACCOUNTS

Formation

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

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 year1984 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.

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 thereunder;

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.

Financial transactions in general

a) 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.

b) The major item of expenditure of the Board consists of revenue nature of expenditure including establishment and administrative expenditure under Non-Plan.

c) The capital expenditure and revenue expenditure for implementation of various extension & developmental schemes under Plan.

d) The assets have been capitalized during the financial year ending 31st March 2015 as against the advances released to the executing agencies (CPWD/ RITES). These assets are capitalized with reference to the expenditure statement in Form-65 submitted by them to the tune of ₹ 33,86,49,489.68 for capital works.

e) The Board has taken the cut of date as on 30/04/2015 for the purpose of calculation of outstanding liabilities and the amounts payable to CPWD & RITES for the works completed as on 31/03/2015 was calculated as Outstanding Liabilities with reference to the suggestion of Audit Party.

f) Under General Provident Fund account, an amount ₹21,42,76,490.45 was available as per books of accounts. As per the Broad sheet the amount payable to officials is ₹20,48,36,005.00 includes interest on subscriptions. Surplus amount of ₹94,40,485.45 is on account of interest realized on FDRs is more than the interest payable to official's contribution to General Provident Fund (GPF).

g) The Board has created a new pension scheme for those employees who were recruited on or after 01/04/2004. The required portion of contribution by the Board vis-à-vis, the employees has been deposited in the bank by opening account in the name of Tobacco Board Employees New Pension Scheme. Under this account, an amount of ₹1,76,10,236.00 was available as per books of accounts. An amount of ₹1,71,43,752.00 is payable to the officials under New Pension Scheme with reference to the contributions of employees and employer. Surplus amount of ₹4,66,484.00 is on account interest realized on FDRs is more than the interest payable to officials contribution under NPS.

h) An amount of ₹16,02,484.00 is outstanding 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 sub-judice. 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. The most of the borrowers





are not growing tobacco and untraceable. In spite of all efforts made by the Board, the recovery of the due amount is a remote possibility as there is no mortgaged property to proceed legally for recovery. In certain cases where the Board has approached the courts, the legal expenditure is exceeding the due amounts of cases. The issue was placed before the Board in its 122nd meeting held on 28/07/2007 at Hyderabad and resolved to send the proposals to the Government for writing of 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 written a letter vide No.3(20/2006-07/LRC dated 27/09/2007 and reminders dated 07/01/2008, 13/05/2008, 23/03/2009, 12/04/2010, 11/10/2010, 30/04/2013 and 03/02/2014. The approval of the Government in respect of the said proposals is awaited.

i) The classification of Plan and Non-Plan Expenditure under Income and Expenditure account has been maintained.

An amount of ₹165.81 crore has been realized on account of Board Receipts. An amount of ₹102.70 crore was incurred towards the expenditure for the year 2014-15. Out of which, the Plan expenditure was ₹17.29 crore and the Non-Plan Expenditure was ₹85.41 crore.

The expenditure incurred under Extension & Developmental Schemes both for Andhra Pradesh and Karnataka were booked under Head Office & Liaison Offices account till the financial year 2012-13. From the financial year 2013-14, the bifurcation was shown for the expenditure incurred under Extension & Developmental Schems for Karnataka separately and the amounts have been paid from Head Office.

j) The Board has adopted the accounting figures rounded off to thousands in Balance Sheet and Income & Expenditure account whereas in schedules the amounts have been projected in actual figures for better understanding and readability of the financial statements.

k) The depreciation on fixed assets has been calculated on pro-rata monthly basis.

l) The details of freehold and lease hold lands are indicated in the fixed assets shown in the Balance Sheet of the Board.

m) A liability for an amount of ₹6.00 crore has been provided towards payment of Leave Salary, Gratuity and half pay leave for the years 2013-14 and 2014-15. On receipt of the approval from the Government, the exact calculation amount of gratuity, leave salary and half pay leave will be worked

out and provided the actual liability while preparing the annual accounts for the ensuing year.

n) With reference to the D.O. letter No. PDCA/ACDesk/2013-14/ 1.42/439, dated 03/12/2014 of the Principal Director of Commercial Audit and Ex-Officio Member, Audit Board, Indian Audit and Accounts Department, Hyderabad and as suggested by the audit, the suitable modifications have been taken up while preparing the financial statements of the Tobacco Board for the year 2014-15 as under:

Under Tobacco Board Employees Pension Fund account, the LIC of India has submitted the proposal to deposit an amount of ₹19.95 crore as against the total liability amount of ₹105.47 crore after taking into account of the funds available for ₹85.52 crore as on 31/03/2015 as per the calculation of actuarial valuation of superannuation and family pension fund. For the balance amount of ₹18.13 crore is taken as liability in the books of accounts due to the available funds of ₹1.82 crore under fixed deposits with SBH, Tobacco Board Branch, Guntur.

All the Known liabilities are brought under Current Liabilities as against Provisions under Uniform Format of Accounts.

The fund accounts maintained for the purposes 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 Growers Welfare Fund are exhibited under schedule-3 of Earmarked/ Endowment funds as suggested the by Audit.

The adjustment loss on disposal of assets for ₹0.70 lakh, the amounts payable for audit fee and property tax as on 31/03/2015 shown as liability in the books of accounts. Further, the amounts payable to Service Tax department towards service tax and penalties in different cases are also taken as liability and amounts of dues from companies as current assets in the books of accounts.

The amount of ₹110.65 lakh in respect of creation of contingent liability is under sub-judice with the Additional District Judge Court, Kovvur regarding Gopalapuram auction platform. The arguments did not take place for the end of financial year 2014-15 and the requirement payments are to be effected in the books of accounts as per the directions of the Hon'ble Court.





An amount of ₹25,000/- is available with the State Redressal Commission, Bangalore as per the orders of the Karnataka State Consumer Disputes Redressal Commission and shown under the assets side of the Balance sheet as on 31/03/2015

During the financial year 2014-15, an amount of ₹213.19 lakh was paid as pre-deposit to the Sales Tax Appellate Tribunal Karnataka, Bangalore in addition to the already deposited amount of ₹91.37 Lakh during 2013-14. The entire amount was taken as expenditure during the current financial year instead of current asset. In case if the amount refunded by the STAT, Karnataka, the same will be taken as receipt of the Board.

Sd/xx xx xx

(C.S.S.PATNAIK)

SECRETARY & MANAGER (F&A)

SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF THE TOBACCO BOARD, GUNTUR FOR THE YEAR ENDED 31ST MARCH 2015

We have audited the attached Balance Sheet of Tobacco Board, Guntur as at 31st March 2015 and the Income & Expenditure Account / Receipt & Payment 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, evidences 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 / Receipt & Payment 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) Comments of Accounts

Balance Sheet

Assets

1. Fixed Assets (Sch.8) ₹10757.57 lakh

1. The above is overstated by ₹102.27 lakh on account of capitalizing repairs and maintenance expenditure instead of charging off the same as revenue expenditure. The incorrect classification has also resulted in understatement of expenditure and overstatement of surplus by ₹102.27 lakh.

Income and Expenditure Account

Expenditure (Sch.20) ₹5674.74 lakh

2. The above is understated by ₹61.46 lakh on account of non-provisioning towards retirement benefits in respect of Officials who have retired during the year. This has also resulted in overstatement of surplus for the year and understatement of Current Liabilities and Provisions by ₹61.46 lakh.

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 & Payment 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 Polices 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. In so far as it relates to the Balance Sheet, of the state of affairs of the Tobacco Board as at 31st March 2015; 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
(Arabinda Das)
Principal Director
O/o the Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board,
Hyderabad

Place: Hyderabad

Date: 02 November 2015





ANNEXURE

1. Adequacy of Internal Audit System

Internal Audit systems are not adequate and commensurate with the nature and size of operations of the Board. No manual of instructions for Internal Audit was prepared and put to use.

2. Adequacy of Internal Control System

The Internal Control system in respect of the Board is not adequate.

3. System of Physical Verification of Fixed Assets

The Fixed Asset Register is not being maintained in proper form.

4. System of Physical Verification of Inventory

The procedure for physical verification of inventory followed by the Board is reasonable and adequate in relation to size of the Board and nature of its service.

5. Regularity in payment of statutory dues

The Board has not remitted the statutory dues like property tax within the stipulated date.

Sd/xx xx xx
(Arabinda Das)
Principal Director
O/o the Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board,
Hyderabad

TOBACCO FUND ACCOUNT FINANCIAL STATEMENTS

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31ST MARCH, 2015

(In ₹)

Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
I. Opening Balances:			**I. Establishment Expenses**		
A. Tobacco Fund:			1.Salaries & Wages	379752009.00	350013890.00
Bank Balances			2.Allowances & Bonus	3185765.00	4049307.00
(I) Current Accounts	883041728.64	1024946315.63	3.Contribution to Provident Fund	0.00	0.00
(ii) Deposit Accounts	4075364807.42	3535675080.03	4.Contribution to Pension Fund	118000000.00	126500000.00
(iii) Savings Accounts	0.00	0.00	5. Contri. to Pension Fund (NPS)	2154665.00	1673920.00
II. Grants Received	0.00	0.00	6.Staff Welfare Expenses	0.00	0.00
III.Investments and Deposits made			7.Retirement & Terminal Benefits	51807188.00	63339073.00
i) Earmarked/Endowment Funds	0.00	0.00	8.Others:		
ii) Own Funds(Investments) (FDRs)	0.00	0.00	a) Leave Salary & Pension Contribution	428292.00	583924.00
IV. Income on Investments (int on FDRs)			b) Medical Claims (Officers & Staff)	7921582.00	9366854.00
i) Earmarked/Endowment Funds	0.00	0.00	c) LTC Claims	2689066.00	1007404.00
ii) Own Funds(Interest on FDRs)	393284685.66	329972641.96	d) Uniform to Staff	192086.00	205184.00
IV. Income on Investments (int on FDRs)			**II. Other Administrative Expenses**		
i) Earmarked/Endowment Funds	0.00	0.00	1.O.T. A. to Staff	92611.00	101092.00
ii) Own Funds(FDRs)	0.00	0.00	2.T.A. to Officers & Staff	12757033.00	16040868.00
iii) Rents on Premises Lease	1756443.00	2190063.00	3.T.A. to Board Members	633097.00	1034914.00
V. Interest Received			4. Maint of Admn. builds/APFs	4205666.00	3544561.00
a) On Bank Deposits	0.00	0.00	5.Rent of Buildings	19892037.00	16819297.00
b) Loans & Advances (Officials)	2568068.00	3081789.00	6.Printing and Stationery	8312229.00	8158612.33
VI. Other Income			7.Electricity Charges	9021301.00	9791014.00
1. Growers,Barns,Nursery regn.fee	7269637.29	8204277.37	8.Postage & Telephone Charges	5422049.66	5128129.35
2. Exporters Regn. Fee	915300.00	1010800.00	9.Expenditure on Meetings	1205484.00	770007.00
3. Products Regn. Fee	1683000.00	1145000.00	10.Miscellaneous Expenditure	13958735.12	18032532.68





TOBACCO FUND ACCOUNT FINANCIAL STATEMENTS

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31ST MARCH, 2015

(In ₹)

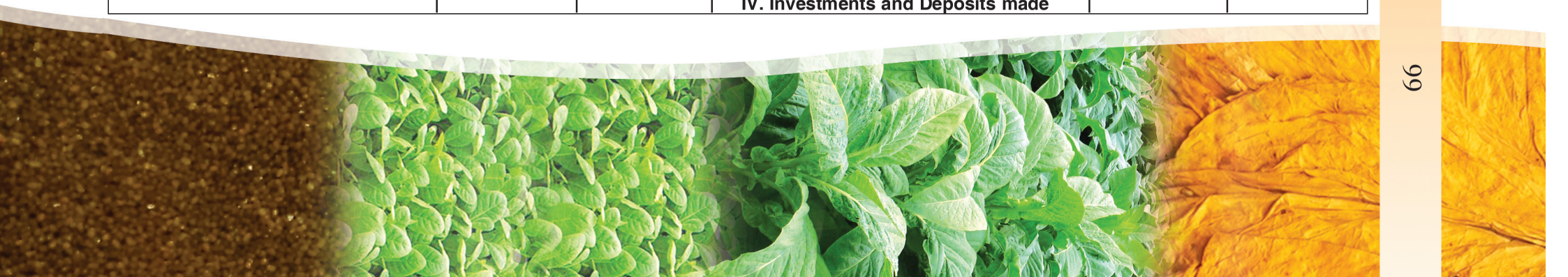
Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
4. Dealers Regn fee	1502002.00	1904842.00	11.Entertainment Charges	1027471.00	810036.00
5. Packers Regn. Fee	90600.00	90100.00	12.Subscription to Journals	307474.00	232030.25
6. Processors Regn.fee	191000.00	230000.00	13.Repairs to Furniture & other assets	1462210.00	1551495.00
7. Commercial Graders Regn.fee	85250.00	113600.00	14.Conveyance Charges	388050.00	393115.00
8. Manufacturers Regn.fee	818500.00	692000.00	15.Workshops & Seminars	0.00	0.00
9. Sale of Priced Publications	825655.72	3615184.83	16.Rates & Taxes	2551311.00	1431635.00
10. Miscellaneous Receipts	53083156.23	41493148.32	17.Bank charges	79314.65	20865.46
11.Service charges on FCV tobacco	650337944.24	701198648.34	18.Legal charges	448650.00	979706.00
12 Penalty @ 6.5% from regd. Growers	215122863.59	161210374.70	19.Hiring of Vehicles	9370567.00	9020205.51
13 Penalty @ ₹2/- per Kg. from Growers	96219396.70	86016901.21	20.Maint of Vehicles	4071760.80	4182721.19
14.Penalty @ 14% from Growers	228881551.14	161460386.32	21.Insurance	1211290.00	1110966.00
15. Buyers Authorization fee	788900.00	872350.00	22.Audit Fee	623025.00	200730.00
16.Loans & Advances to staff	6784859.00	7498209.00	23.Interest Contribution to GPF	0.00	0.00
VII. Amount Borrowed	0.00	0.00	24.Membership with other organization	0.00	0.00
VIII. Any Other Receipts			25.Loan Recovery Expenditure	0.00	0.00
1) Other Liabilities	190176469.52	384529519.63	26.Library Books	19260.00	13484.00
2) Deposits with ACTO & Others	586368.35	3285395.33	27.Maintenance of Computers	1871866.00	1102800.00
				485343.00	693830.00
B. Margin Money for Commercial Operations (Grant-in-aid to Trading Wing)	164999244.00	149979069.00	28.Service charges for weighing scales	3328209.00	3655206.00
			29.Mutta labour charges	43562070.54	39884176.00
			30.Construction of temporary structures	0.00	0.00
			31.Human Resource Development	45000.00	137274.00
			32.Implementation of e-auction system	65635899.00	66804502.00
			33. Automation of Office(MIS) online	1820232.00	0.00

TOBACCO FUND ACCOUNT FINANCIAL STATEMENTS

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31ST MARCH, 2015

(In ₹)

Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
			34.Regulation & Develop. of FCV tobacco	430437.00	187314.00
			35.Scientific,Tech&Econcomic Research	843310.00	525778.00
			36. Imp. & Maint. of MKTG facilities	22000.00	39484.00
			37. Financial Relief to growers (Crop/Barn damages in cyclones)	0.00	32099680.00
			38.Farmers Study Tours :Abroad	0.00	0.00
			39.Market Survey	0.00	0.00
			40.Export Promotion	0.00	0.00
			41.Fairs & Exhibitions	3283053.84	1752205.35
			42.Publicity & Propaganda	5499994.48	4742052.00
			43. Farm Mechanization	6924020.60	4631806.00
			44.Improving Yield & Quality of FCV Tobacco	6917655.00	13450658.75
			45.Improving of Curing Practices	1091625.00	1394535.00
			46. Elimination of NTRMs & Product Integrity	4559203.00	4880366.00
			47. PHPM Measures - Bulking sheds/ Model Storage facilities	632500.00	810500.00
			48.Other Extension Programmes	1916687.00	2541649.00
			49.On-farm Tests & Experimental Trials	485343.00	693830.00
			50.Model Project Area	2433293.60	2410352.75
			51. Tobacco Growers Welfare Fund (Board's Share)	11000000.00	10000000.00
			52. Commercial Taxes Penalties(KVAT)	21318975.00	0.00
			53. Service Tax interest & Penalties	20153883.00	0.00
			III. Payments Made against Funds for various Projects	0.00	0.00
			IV. Investments and Deposits made		





TOBACCO FUND ACCOUNT FINANCIAL STATEMENTS

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31ST MARCH, 2015

(In ₹)

Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
			a) Earmarked/Endowment Funds	0.00	0.00
			b) Own Funds	0.00	0.00
			V. Expenditure on Fixed Assets & Capital Works in Progress		
			1.Purchase of Fixed Assets	7784496.35	5430956.51
			2.Advances to:		
			a) CPWD	106726928.00	133385101.00
			b) RITES	35650673.00	36968969.00
			c) NSDRC	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	4791709.00	4177953.00
			2) Loans & Advances to Cultivators	0.00	0.00
			3) Other Liabilities	795113811.50	463160790.89
			4) Deposits with ACTO & Others	6557251.00	11054578.59
			5) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	164999244.00	149979069.00
			IX. Closing Balances		
			Bank Balances		
			i) Current Accounts	314004806.28	883041728.64
			ii) Deposit Accounts	4673781975.08	4075364807.42
			iii) Savings Accounts	0.00	0.00
Total	**6976377430.50**	**6610415695.67**	**Total**	**6976377430.50**	**6610415695.67**

Sd/xx xx xx
(K. GOPAL)
CHAIRMAN

TOBACCO BOARD EMPLOYEES GENERAL PROVIDENT FUND ACCOUNT
RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(In ₹)

S. No.	Receipts	Current Year	Previous Year	S. No.	Payments	Current Year	Previous Year
I	**Opening Balances**			I	**Expenses**		
	a) Cash in Hand				a) Withdrawals	67745758.00	56497377.00
	b) Bank Balances:				b) Advances paid	523614.00	611327.00
	a) Savings account(SBH, Guntur)	95414.45	1704503.45				
	b) Investments (Fixed Deposits)	190604060.00	167108750.00	II	**Closing Balances**		
II	**Income**				**a) Cash in Hand**	0.00	0.00
	a) Interest on Fixed Deposits & SB a/c	18004599.00	17624940.00		**b) Bank Balances:**		
	b) Subscriptions (Contri.)	63583808.00	60692738.00		a) Investments (Fixed Deposits)	204904001.00	190604060.00
	c) Advances (Month recoveries)	886748.00	677247.00		b) Savings account(SBH, Guntur)	1256.45	95414.45
	Total	**273174629.45**	**247808178.45**		**Total**	**273174629.45**	**247808178.45**

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

(In ₹)

S. No.	Expenditure	Current Year	Previous Year	S. No.	Income	Current Year	Previous Year
	Withdrawals	67745758.00	56497377.00		Subscriptions (Monthly Contri.)	63583808.00	60692738.00
	Advances paid	523614.00	611327.00		Advances(Monthly Recoveries)	886748.00	677247.00
					Interest on Deposits & SB a/c	18428085.00	16733551.00
	Balance being excess of Income Over Expenditure	14629269.00	20994832.00				
	Total	**82898641.00**	**78103536.00**		**Total**	**82898641.00**	**78103536.00**





TOBACCO BOARD EMPLOYEES PENSION FUND ACCOUNT
RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(In ₹)

S. No.	Receipts	Current Year	Previous Year	S. No.	Payments	Current Year	Previous Year
I	**Opening Balances**			I	**Expenses**		
	a) Cash in Hand	0.00	0.00		Pension Payments to Pensioners	0.00	0.00
	b) Bank Balances:				Pension Annuities(LIC)	135038259.00	134642833.00
	Savings account(SBH, Guntur)	16358.17	115488.17				
	Investments (Fixed Deposits)	818683976.86	760525208.29	II	**Closing Balances**		
II	**Income**				**a) Cash in Hand**	0.00	0.00
	Interest on Fixed Deposits & SB a/c	71858854.14	66202471.57		**b) Bank Balances:**		
					Investments (Fixed Deposits)	873456911.00	818683976.86
	Pension Fund Contribution	118000000.00	126500000.00		Savings account(SBH, Guntur)	64019.17	16358.17
	Total	**1008559189.17**	**953343168.03**		**Total**	**1008559189.17**	**953343168.03**

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

(In ₹)

S. No.	Expenditure	Current Year	Previous Year	S. No.	Income	Current Year	Previous Year
1	Pension Payments to Pensioners	0.00	0.00	1	Pension Fund Contributions	118000000.00	126500000.00
2	Pension Annuities (LIC)	135038259.00	134642833.00	2	Interest on Deposits & SB a/c	71863366.14	66202662.57
3	Balance being excess of Income						
	Over Expenditure	54825107.14	58059829.57				
	Total	**189863366.14**	**192702662.57**		**Total**	**189863366.14**	**192702662.57**

TOBACCO BOARD EMPLOYEES NEW PENSION FUND SCHEME ACCOUNT
RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(In ₹)

S. No.	Receipts	Current Year	Previous Year	S. No.	Payments	Current Year	Previous Year
I	**Opening Balances**			I	**Payments**	0.00	0.00
	a) Cash in Hand	0.00	0.00	II	**Closing Balances**		
	b) Bank Balances:				**a) Cash in Hand**	0.00	0.00
	Savings account(SBH, Guntur)	14707.00	4065.00		**b) Bank Balances:**		
	Investments (Fixed Deposits)	11379772.00	7419580.00		Investments (Fixed Deposits)	16775041.00	11379772.00
II	**Receipts**				Savings account(SBH, Guntur)	916.00	14707.00
	Interest on Fixed Deposits & SB a/c	1072148.00	633769.00				
	Pension Fund Contribution	4309330.00	3337065.00				
	Total	**16775957.00**	**11394479.00**		**Total**	**16775957.00**	**11394479.00**

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

(In ₹)

S. No.	Expenditure	Current Year	Previous Year	S. No.	Income	Current Year	Previous Year
	Balance being excess of Income Over Expenditure	5632411.0041	95808.00		Pension Fund Contributions	4309330.00	3337065.00
					Interest on Deposits & SB a/c	1323081.00	858743.00
	Total	**5632411.00**	**4195808.00**		**Total**	**5632411.00**	**4195808.00**





TOBACCO GROWERS WELFARE FUND SCHEME ACCOUNT
RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(In ₹)

S. No.	Receipts	Current Year	Previous Year	S. No.	Payments	Current Year	Previous Year
I	**Opening Balances**			I	**Payments**		
	a) Cash in Hand	0.00	0.00		**i) Andhra Pradesh**		
	b) Bank Balances:				Marriage Loan	25000.00	150000.00
	i) Andhra Pradesh				Major Illness Loan	0.00	50000.00
	Savings account(SBH, Guntur)	1617568.29	14949423.07		Education Loan	0.00	350000.00
	Bank Balances with APFs	517912.00	0.00		Death Relief to the growers	10850000.00	12090000.00
	Investments (Fixed Deposits)	200149746.00	164557623.00		Other Receipts	0.00	310121.75
	ii) Karnataka				**ii) Karnataka**		
	Savings account(SBM B'lore)	4939557.26	9212665.95		Marriage Loan	1275000.00	2350000.00
	Investments (Fixed Deposits)	161505275.00	136120588.00		Major Illness Loan	75000.00	175000.00
II	**Receipts**				Education Loan	150000.00	300000.00
	i) Andhra Pradesh				Death Relief to the growers	13606920.00	14885000.00
	Growers Contributions	3663597.50	2616000.00		Other Receipts	1053.00	0.00
	Board's Contribution	5904000.00	5000000.00	II	**Closing Balances**		
	Renewal of Membership fee	7943399.00	9435055.07		**a) Cash in Hand**	0.00	0.00
	Interest on Deposits	18591228.00	16108807.68		**b) Bank Balances:**		
	Penalties	117100.00	34500.00		**i) Andhra Pradesh**		
	Interest on Loans	64702.86	50953.86		Bank Balances with HO	0.00	517912.00
	Misc. Receipts	43092.00	312299.39		Investments (Fixed Deposits)	230092117.00	200149746.00
	Grower's Share of Sweepings	2097110.04	1150157.97		Savings Account (SBH, Guntur)	872356.57	1617568.29

TOBACCO GROWERS WELFARE FUND SCHEME ACCOUNT
RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(In ₹)

S. No.	Receipts	Current Year	Previous Year	S. No.	Payments	Current Year	Previous Year
	Marriage Loan	226599.00	251612.00		**ii) Karnataka**		
	Barn Damaged Loan	0.00	43916.00		Investments (Fixed Deposits)	168195175.00	161505275.00
	Education Loan	828414.88	625000.00		Savings Account (SBM, Mysore)	13810049.47	4939557.26
	Major Illness Loan	75004.00	100000.00				
	ii) Karnataka						
	Growers Contributions	1348000.00	1569620.06				
	Board's Contribution	5096000.00	5000000.00				
	Renewal of Membership fee	6567134.32	13357590.92				
	Interest on Deposits	15206428.00	13374682.00				
	Other Receipts	0.00	1053.00				
	Penalties	5600.00	26600.00				
	Interest on Loans	0.00	1000.00				
	Grower's share of sweepings	897927.96	737010.13				
	Marriage Loan	1297274.93	4126729.18				
	Education Loan	174500.00	373893.02				
	Major Illness Loan	75500.00	253400.00				
	Total	**438952671.04**	**399390180.30**		**Total**	**438952671.04**	**399390180.30**





TOBACCO GROWERS WELFARE FUND SCHEME ACCOUNT
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

(In ₹)

S. No.	Expenditure	Current Year	Previous Year	S. No.	Income	Current Year	Previous Year
	i) Andhra Pradesh				**i) Andhra Pradesh**		
	Death Relief to the Growers	10850000.00	12090000.00		Growers Contributions	3663597.50	2766000.00
	ii) Karnataka				Board's Contribution	5904000.00	5000000.00
	Death Relief to the Growers	13606920.00	14885000.00		Renewal of Membership fee	7943399.00	9435055.07
					Interest on Deposits	19547394.00	17073895.68
					Penalties	117100.00	34500.00
					Growers Share of Sweepings	2097110.04	1150157.97
					Misc. Receipts	43092.00	312299.39
					Interest on Loans	64702.86	50953.86
					ii) Karnataka		
					Growers Contributions	1348000.00	1569620.06
					Board's Contribution	5096000.00	5000000.00
					Renewal of Membership fee	6567134.32	13357590.92
					Interest on Deposits	16075423.00	14051859.00
					Penalties	5600.00	26600.00
					Growers Share of Sweepings	897927.96	737010.13
					Interest on Loans	0.00	1000.00
	Balance being excess of Income Over Expenditure (AP:₹28530395.40 + KK:₹16383165.28)	44913560.68	43591542.08				
	Total	**69370480.68**	**70566542.08**		**Total**	**69370480.68**	**70566542.08**

STATEMENT SHOWING THE FUNDS FLOW POSITION UNDER NON-PLAN AND PLAN FROM 2003-04 TO 2014-15

(₹ in lakh)

S. No.	Particulars	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
1	**Opening Balance** (Plan & Non-Plan)	6795.29	7059.24	9684.89	11040.23	13078.14	14740.62	18868.34	22721.86	25868.35	34406.37	36542.81	41384.66
2	**Receipts**												
	a) Non-Plan	3217.87	5063.73	4306.93	5498.84	6621.68	8843.57	11900.92	11689.90	15650.73	11541.65	15083.54	16581.13
	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	Less: Crop holiday violators sale proceeds amount of 2001-02 financial year	-520.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Add: Misc. Receipts (Adj. Of addl. Service Charges of prior period)	0.00	0.00	0.00	578.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	**Total IEBR (1 to 5)**	**9492.19**	**12122.97**	**13991.82**	**17117.07**	**19699.82**	**23584.19**	**30769.26**	**34411.76**	**41519.08**	**45948.02**	**51626.35**	**57965.79**
7	**Expenditure**												
	a) Non-Plan	2038.32	2193.34	2297.76	3005.25	4379.67	3690.17	1703.68	1148.77	1565.04	2054.13	2061.98	1728.82
	b) Plan	394.63	244.74	653.83	1033.68	579.53	1025.68	6343.72	7394.64	5547.67	7351.08	8179.71	8540.79
	Total Expenditure (7)	**2432.95**	**2438.08**	**2951.59**	**4038.93**	**4959.20**	**4715.85**	**8047.40**	**8543.41**	**7112.71**	**9405.21**	**10241.69**	**10269.61**
8	**Closing balance (6-7)**	**7059.24**	**9684.89**	**11040.23**	**13078.14**	**14740.62**	**18868.34**	**22721.86**	**25868.35**	**34406.37**	**36542.81**	**41384.66**	**47696.18**





ABBREVIATIONS

A.P.	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 /mkgs	Million Kilo Grams
MEP	Minimum Export Price
MGP	Minimum Guarantee Price
Mktd.	Marketed
MPA	Model Project Area
MSP	Minimum Support Price
NBS	Northern Black Soils
NIPHM	National Institute of Plant Health Management
NLS	Northern Light Soils
NPV	Nuclear Polyhedrosis 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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