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Press Release

Extensive Regulations is a Road Block for Our Livelihood

- *FCV Tobacco Growers facing loss in excess of Rs 1300 crore every year because rising smuggled and illicit cigarettes*
- *India is the 4th largest and fastest growing cigarette market in the world – Illegal cigarette sales have increased from 13.5 billion sticks in 2006 to 30 billion in 2021*
- *More than Rs 6,000 crore loss to the FCV Tobacco Farming community in the last 7 years*
- *Appeals to the government to develop a consultative approach and include tobacco farmers while framing tobacco control regulations*

New Delhi, 28 October, 2022: Federation of All India Farmer Associations (FAIFA), a non-profit organization representing the cause of millions of farmers and farm workers of commercial crops across the states of Andhra Pradesh, Telangana, Karnataka, Gujarat etc., on the occasion of World Tobacco Growers Day (WTGD) on behalf of FCV Tobacco farmers' appeal against "High Taxation and stringent regulations, Low Production of the crop, lack of export incentives and forever ending illegal/smuggled/contraband boom, who are not using Indian produced tobacco and false propaganda of foreign vested NGO's and Central Government committees have being formed without tobacco farmer representative involvement

Speaking on the occasion, Mr Mareddy Subrahmanyeswara Reddy, Executive Member Federation of All India Farmer Associations (FAIFA), said, "FCV farming community has faced business losses of over Rs 6,000 crore, with a drop in Flue-Cured Virginia (FCV) tobacco production from 325 million kg in 2014-15 to 180 million kg in 2020-21. Rising illicit cigarette trade is one of the primary causes in India on account of higher and punitive taxation on cigarettes.

Presently, India is the 4th largest and fastest growing illegal cigarette market in the world. The illicit cigarette market in India has doubled from a level of 13.5 billion sticks in 2006 to 30 billion sticks in 2021.

As smuggled cigarettes do not use Indian tobacco, the offtake of tobacco for manufacture of legal cigarettes in India is declining. As a result, FCV cultivation is reducing and farmers are incurring a loss in excess of Rs 1300 crore every year. We demand immediate and strict regulations to curb rising illicit cigarette markets so that Indian framers can benefit. – Mr. Reddy added

Mr Gadde Seshagiri Rao, Vice President, Federation of All India Farmer Associations (FAIFA) stated "Tobacco provides direct and indirect employment to more than 47.5 million people, around 70% of whom are in the agricultural sector. Tobacco is a highly remunerative crop providing economic/social benefits to farmers in the tobacco growing regions. Studies conducted by the Central Tobacco Research Institute (CTRI) have also shown that

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there is no other equally remunerative crop in the tobacco growing regions. Hence, it is important that Government of India extends the required support to FCV growers in meeting international standards”.

Mr. Murali Babu, General Secretary, Federation of All India Farmer Associations (FAIFA), said, *“Framework Convention on Tobacco Control (FCTC) recommends the need to balance socio-economic dependence of tobacco cultivation and tobacco control activities. However, anti-tobacco activists in India are pushing policy makers to take extreme decisions citing FCTC without giving due regard to the recommended stance of calibrated approach to the cultivation and the needs of tobacco farming community.”*

We urge the policy makers to pay attention to the extreme pain and injury that is being faced by the tobacco farmers and take steps which will not precipitate the crisis going forward.

Yours Sincerely,
For Federation of All India Farmers' Association [FAIFA]
P S Murali Babu
Mobile : 9989005898