

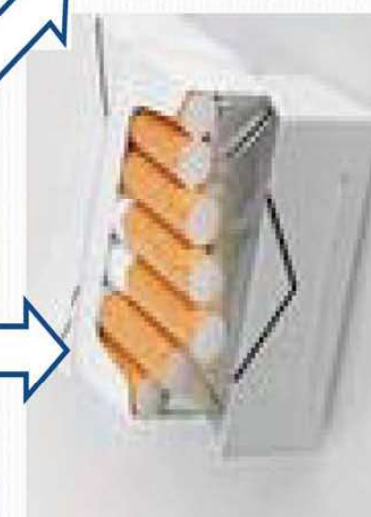


TOBACCO BOARD



**ANNUAL REPORT
2020-21**

Cycle of activities in FCV Tobacco Cultivation & Processing



The preferred choice world wide...

Indian Tobacco The sum of all your choices



TOBACCO BOARD INDIA

Ministry of Commerce & Industry
Dept. of Commerce, Government of India

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BOARD COMPOSITION

As on 31/03/2021

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

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

Shri Yadlapati Raghunadha Babu, Chairman, Tobacco Board

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

Shri Bandi Sanjay Kumar, Hon'ble Member of Parliament (Lok Sabha)

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

Shri R.K.Sinha, Hon'ble Member of Parliament (Rajya Sabha)

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

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

Ms. Neethika Bansal, Director (dealing with Commerce), Govt. of India, Ministry of Commerce & Industry, Department of Commerce.

Mrs. Rupa Dutta, Economic Adviser (dealing with Finance), Govt. of India, Ministry of Commerce & Industry, Department of Commerce.

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

Dr. D.Damodar Reddy, Director, Central Tobacco Research Institute, Rajamahendravaram

Shri Punamchand Parmar, IAS, Director of Agriculture, Govt. of Gujarat.

Shri B.Y Srinivas, Director of Agriculture, Govt. of Karnataka.

Smt Poonam Malakondaiah, IAS, Special Chief Secretary,

Dept., of Food, Agriculture & Cooperation, Govt. of Andhra Pradesh.

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

Vacant - Director of Agriculture, Govt. of Maharashtra

Vacant - Director of Agriculture & Food Products, Govt. of Odisha

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

Shri Gundala Konda Reddy, Vice Chairman

Shri Poliseti Shyam Sundar

Shri Shaffeeq UR Rahaman Khan

Shri Yarlagadda Ankamma Chowdary

Shri Kodavati Vasudeva Rao

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

Shri P.K.Swain, 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 A.Sridhar Babu, IAS, Executive Director, Tobacco Board, Guntur.

SENIOR MANAGEMENT

(As on 31/03/2021)

Management and Senior Staff

Chairman	Shri Y. RAGHUNADHA BABU
Executive Director	Shri R. MUTHURAJ, ITS., upto 3 rd December 2020
	Shri ADDANKI SRIDHAR BABU, IAS., from 3 rd December 2020
Secretary	Shri ADDANKI SRIDHAR BABU, IAS.,
Director (Auctions)	Smt. M. ASHWINI NAIDU, IFS., from 7th October 2020
Manager (Finance & Accounts)	Smt. P. Meena Kumari
Manager (Marketing & Exports)	Shri Ch.V. Maruthi Prasad upto 31/07/2020 Shri K.S.R. Krishna Reddy from 01/08/2020
Manager (Extension)	Shri M. Hanumantha Rao
Manager (Auctions) i/c	Shri K. Madhusudana Rao
Manager (Production) i/c	Dr. (Smt.) M. Krishna Sri
Regional Manager (SBS Ongole)	Shri R. Srinivasulu Naidu
Regional Manager (SLS Ongole)	Shri D. Venu Gopal
Regional Manager (NLS Rajamahendravaram)	Shri K.V. Rajprakash
Regional Manager (Mysuru)	Shri B. Manjunatha
Regional Manager(Periyapatna)	Shri B. Maranna
Asst. Manager (Planning & Coordination)	Shri C. Gopinath (Upto 30/06/2020)
Personnel Officer	Shri A.V.S. Ramakrishna Reddy
O.S.D (Vigilance)	Shri G. Damodar

Personnel:

Senior Level Management :	76
Middle Level Management :	88
Junior Level Management :	214
Total :	378

Postal Address:

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



Y. RAGHUNADHA BABU
CHAIRMAN



ADDANKI SRIDHAR BABU, IAS
EXECUTIVE DIRECTOR



Mrs. M. ASHWINI NAIDU, IFS
DIRECTOR (AUCTIONS)



P. MEENA KUMARI
MANAGER
(FINANCE & ACCOUNTS)



K.S.R. KRISHNA REDDY
MANAGER
(MARKETING & EXPORTS)



M. HANUMANTHA RAO
MANAGER
(EXTENSION)



K. MADHUSUDANA RAO
MANAGER I/C
AUCTIONS



Dr. M. KRISHNA SRI
MANAGER I/C
(PRODUCTION)



B. MANJUNATHA
REGIONAL MANAGER
MYSURU



R. SRINIVULU NAIDU
REGIONAL MANAGER
SBS ONGOLE



D. VENUGOPAL
REGIONAL MANAGER
SLS - ONGOLE



K.V. RAJ PRAKASH
REGIONAL MANAGER
Rajamahendravaram



B. MARANNA
REGIONAL MANAGER
PERIYAPATNA

Tobacco Board's Activities during 2020-2021 - A Review

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

Tobacco is one of the important commercial crops grown in India. It provides employment directly and indirectly to 45.7 million people and ₹ **6,305.94** crore in terms of foreign exchange to the National exchequer, during 2020-21. **India has a prominent place in the production of tobacco in the world.** India stands 2nd largest country in production and 3rd largest exporter of tobacco in the world. India produces different styles of FCV tobacco, which vary in their physical and chemical characteristics. Indian tobacco is exported to over **123** countries across the globe. India has a fairly diversified base of production for exports and provides a one-stop shop for different styles, qualities and price ranges. FCV tobacco is grown in Traditional Black Soils (TBS), Northern Light Soils (NLS), Southern Light Soils (SLS) and Karnataka Light Soils (KLS). The tobacco produced in India has a wide range in quality such as semi-flavourful to flavourful (NLS & ELS), quality neutral filler (KLS & SLS) and good filler (TBS) styles. During 2020-21 crop season, Tobacco Board has fixed a crop size of **203 million kg** for cultivation of FCV tobacco which is less than 33 million kg when compared to previous year of 236 million kg. Tobacco Board incurred an expenditure of ₹ **328.53 lakh** on extension and development schemes for improvement of yield and quality of tobacco. During the year 2020-21, the Board marketed a quantity of **222.02 million kg** in its auction platforms in both Andhra Pradesh and Karnataka at an average price of ₹ **122.25 per kg**. A quantity of **2,11,631 Metric tons** of tobacco and tobacco products were exported from India during 2020-21 valued at ₹ **6,305.94 crore** (851.10 USD million). During 2020-21, the exports of tobacco and tobacco products have **decreased by 3%** in quantity terms when compared to previous year. However, the same have **increased by 6% and 1% in terms value in rupees and US Dollars** respectively when compared to previous year.

The Board has been privileged with coveted ISO 9001:2015 certificate in recognition of its quality services to growers and its activities related to the development of Tobacco Industry from M/s DNV - GL - Business Assurance and the certificate is valid till 18/03/2022.

MEETINGS DURING 2020-2021

(From 01/04/2020 to 31/03/2021)

A) Statutory meetings:

Three Board Meetings and three committee meetings were held.

Board Meetings:

1. The 150th Special meeting of the Board was held on 22nd April 2020 (Wednesday) at 11.30 A.M. in virtual mode i.e., through video conference.
2. The 151st Board Meeting was held on 05th August 2020 (Wednesday) at 11.00 A.M. in virtual mode i.e., through video conference.
3. The 152st special Board Meeting was held on 18th August 2020 (Wednesday) at 11.00 A.M. in virtual mode i.e., through video conference.

Registration Committee for Growers and Others:

1. The 92nd of the Registration Committee for growers and others was held on 18/08/2020 in Head Office, Guntur.
2. The 93rd meeting of the Registration Committee for growers and others was held on 08/01/2021 in Head Office, Guntur.

Registration Committee for Traders and Manufacturers:

1. The 45th meeting of the Registration Committee for Traders and Manufacturers was held on 30/09/2020 at 3.00 P.M. at Head Office, Guntur



152nd Meeting held on 18th August, 2020

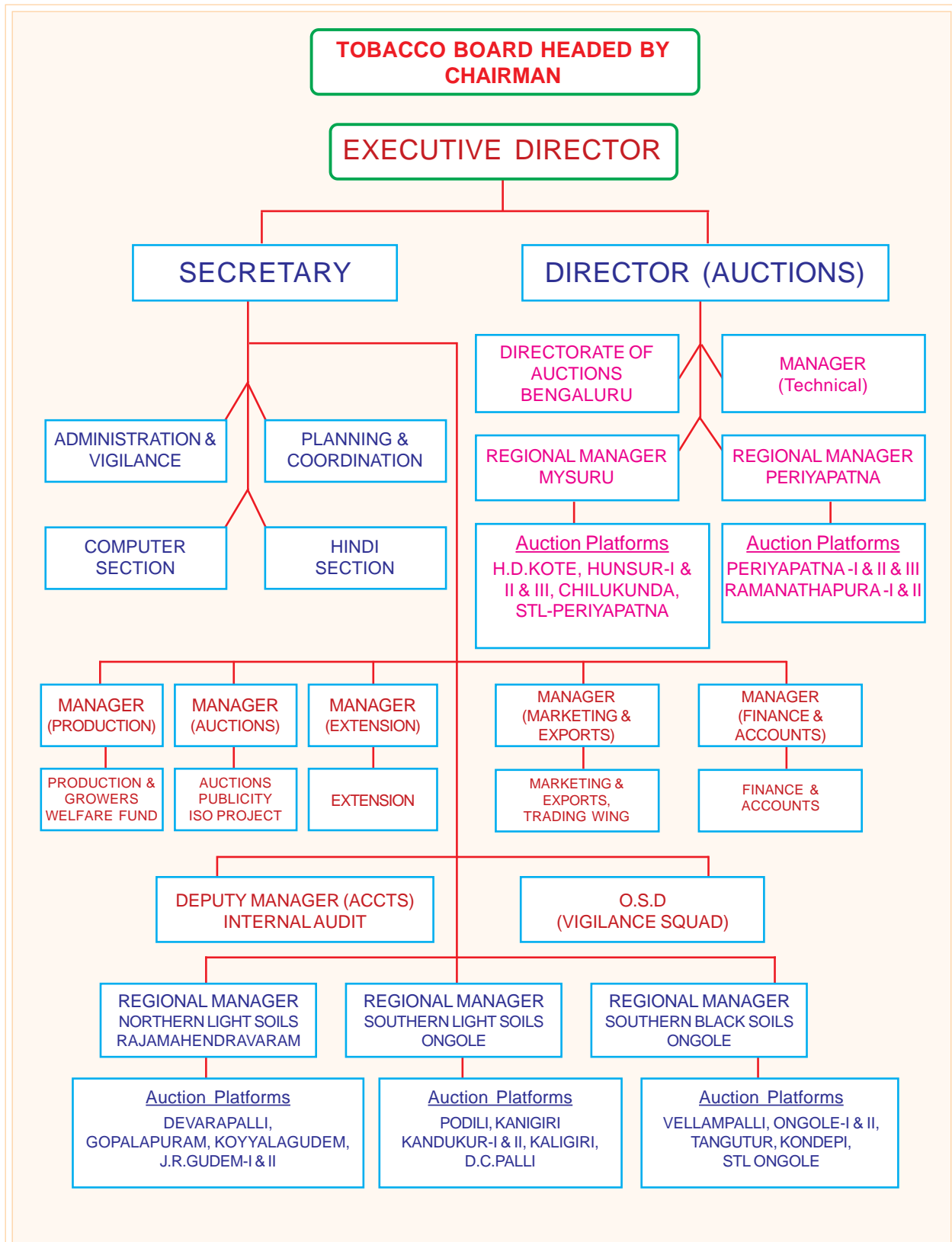
B) Non-statutory meetings:

1. A meeting was conducted on 08/04/2020 through video conference with Grower, Indian Tobacco Association and Trade Representatives to discuss the issues aroused due to COVID-19 lockdown and the problems being faced by the trade & growers.
2. A meeting was conducted on 20/04/2020 through video conference with Grower, Indian Tobacco Association and Trade Representatives to discuss on resumption of auction sales in Andhra Pradesh and Karnataka.
3. A meeting was conducted on 26/05/2020 at Head Office, Tobacco Board, Guntur with Indian Tobacco Association and Trade representatives to discuss on ongoing 2020 Andhra Pradesh Auctions. (Reviewed by Shri K. Kanna Babu, Hon'ble Minister for Agriculture & Co-operation, Govt. of Andhra Pradesh).
4. A meeting was conducted on 02/06/2020 through video conference with poor farmers in SLS & SBS Regions to discuss and their problems in FCV tobacco cultivation.
5. A meeting was conducted on 08/02/2021 through video conference with Growers' Representatives in Andhra Pradesh, the Indian Tobacco Association and Trade Representatives to discuss the issues related to commencement of auctions for sale of 2020-21 Andhra Pradesh FCV tobacco crop.
6. A meeting was conducted on 17/02/2021 at Head Office, Tobacco Board, Guntur with small Dealers to discuss problems faced by the small dealers.
7. A meeting was conducted on 12/03/2021 at Head Office, Tobacco Board, Guntur with Trade representatives and all the Regional Managers and Auction Superintendents to discuss the issues related to preparedness of auctions sales

STATEMENT SHOWING THE SANCTIONED & EXISTING STRENGTH AS ON 31/03/2021

Sl. No.	Name of the Post	TOTAL	
		Sanctioned	Existing
GROUP-A - SENIOR LEVEL MANAGEMENT			
1	Chairman	1	1
2	Executive Director	1	0
3	Director (Auctions)	1	1
4	Secretary	1	1
5	Manager / Regional Manager	10	9
6	Deputy Manager(Accts)	1	0
7	Auction Superintendent/SGO	55	45
8	Asst.Manager(Accts.)	33	19
9	Statistical Officer	1	0
10	Systems Analyst	1	0
Sub-Total		105	76
GROUP-B - MIDDLE LEVEL MANAGEMENT			
11	Programmer	1	0
12	Hindi Officer	1	0
13	P.S. to Chairman	1	0
14	Field Officer/Tech.Assistant	88	61
15	Senior Translator	1	1
16	Stenographer-Grade-I	1	1
17	Accountant	33	23
18	Sr.Investigator	1	0
19	Assistant	13	0
20	Statistical Assistant	1	1
21	Care Taker	1	0
22	Stenographer Gr-II	3	1
23	Spl.Grade Driver	1	0
Sub Total		146	88
GROUP-C - JUNIOR LEVEL MANAGEMENT			
24	Computer Operator	27	20
25	Stenographer Gr-III	4	3
26	U.D.C.	43	23
27	Sr. Field Assistant.	45	13
28	Field Asst.	158	66
29	L.D.C.	52	36
30	Hindi Typist	2	1
31	Driver	31	17
32	Gestetner Operator	1	0
33	Multi Tasking Staff	140	35
Sub-Total		503	214
GRAND TOTAL		754	378

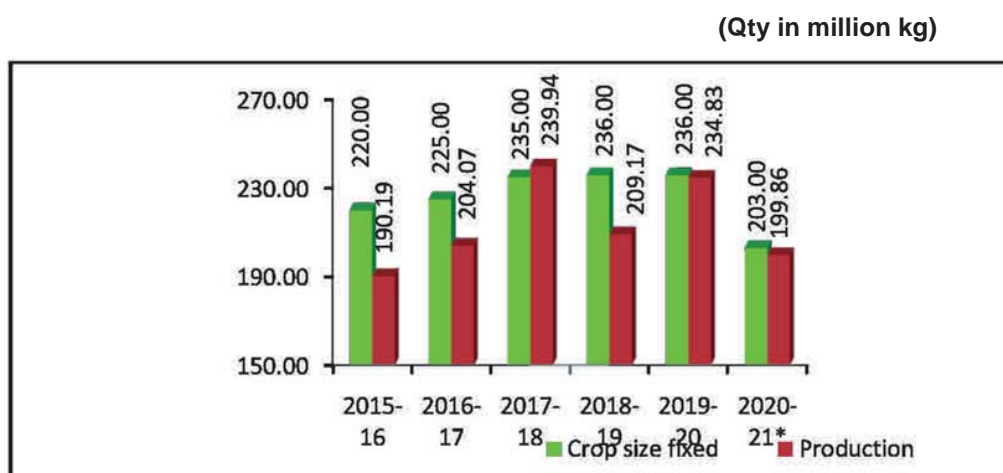
ORGANISATIONAL CHART OF TOBACCO BOARD



CROP PLANNING AND REGULATION

I) Trends in production of FCV tobacco in India

FCV tobacco production in the last six years had been fluctuating from year to year. These wide fluctuations reflect weather impacts on yield as well as market dynamics in terms of price elasticity of supply. FCV tobacco production has registered a Compound Annual Growth Rate (CAGR) of 4.31% during the last 5 years (i.e., from 2015-16 to 2019-20) and it was 0.83% including the year 2020-21.



*2020-21 - Estimated

II) FCV Tobacco Production Policy for 2020-21:

During 2020-21 crop season, Board in its 149th meeting held on 28/02/2020 fixed a crop size of 99.00 m.kgs for Karnataka. Considering the COVID-19 crisis, the Board in its 150th Special meeting held on 22/04/2020 in Guntur revised the crop size from 99.00 m.kgs to 88.00 m.kgs.

In Andhra Pradesh, Board in its 152nd Special Board meeting held on 18/08/2020 fixed crop size of 115.00 m.kgs for cultivation of FCV tobacco during 2020-21 crop season as against 136.00 m.kgs fixed during 2019-20 considering COVID-19 crisis.

Tobacco Board had fixed a total crop size of 203 million kgs for cultivation of FCV tobacco during 2020-21 crop season as against 236.00 m.kgs fixed during 2019-20 crop season. The soil region wise crop size fixed during 2020-21 crop season in comparison with 2019-20 crop season is as follows:

Soil Region	2020-21 crop season (m.kgs)	2019-20 crop season (m.kgs)
NLS Region	40.45	46.00
SLS Region	37.91	46.00
SBS Region	33.43	40.00
NBS Region	3.21	4.00
Sub Total:	115.00	136.00
KLS Region	88.00	100.00
Grand Total:	203.00	236.00

III) Production Policy for 2020-21 - Highlights:

The Board's policy framework for regulating production during 2020-21 crop season is as follows:

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

IV) Registration criteria for 2020-21 - Highlights:

The following criteria were laid down for renewal of registration or registration of growers during 2020-21 crop season.

- All growers/barns registered with the Board in 2019-20 crop season are eligible for renewal of registration in 2020-21 subject to the condition that the growers shall possess a fit barn and suitable lands for growing Virginia tobacco on his own or taken on lease and should not have violated Tobacco Board Act or Rules made there under.
- No new growers will be permitted to take up FCV tobacco cultivation by constructing new barns and no new areas will be allowed for FCV tobacco cultivation. (Construction of new barns will not be licensed).
- Growers registered in 2019-20 but have outstanding dues / to pay penalties / involved in barn disputes / to repair unfit barns / to submit certain documents for transfer of registration shall fulfil these conditions before stipulated date for grant of renewal of registration.
- Grower applicants who are registered in 2019-20 crop season and submitted Form-II & III returns in proof of cultivation and curing of tobacco but have not sold tobacco on the auction platforms will be considered for registration subject to payment of stipulated penalties.
- Grower applicants who are registered in 2019-20 crop season but have sold 50% of the quota or less on the auction platforms will be considered for registration subject to payment of stipulated penalties.
- Registered grower owning an unauthorized barn on his own or on the name of his family members shall have to dysfunction the unauthorized barn and submit the affidavit stating that the barn will not be renovated again in future to be eligible for grant of renewal of registration.

- Grower applicants applied without support of licensed curing facility (barns)/unauthorized barns/ barns ineligible for registration/ seeking licence for construction of new barns/having break-in-registration for more than 3 years/indulged in activities which are in violation of Tobacco Board Act, Rules & Regulations are ineligible for registration during 2019-20 crop season.
- As per the orders of Government of India vide letter 9/11/2016-EP (Agri-VI) 02/07/2020, the Board has permitted sale / purchase of barns on shifting basis from one platform to another platform against construction of new barns or against regularization of unauthorised barns within the same soil region up to 31/08/2020 during 2020-21 Karnataka crop season.
- In Andhra Pradesh, Shifting of licensed barns against construction of new barns or against regularization of unauthorized barns within the same soil region was permitted in case of the pending applications received from growers during 2020-21 crop season with effect from 15/06/2021, as per orders of Government of India vide letter no.9/11/2016-EP (Agri-III), dated 14/06/2021.

V) Soil region wise area and production quota authorized for 2020-21:

The soil region wise area authorized for cultivation and quota authorized for production per barn in Andhra Pradesh and Karnataka during 2020-21 crop season are as follows:

ANDHRA PRADESH:

The Registration Committee in its 92nd meeting held on 18/08/2020 at Head Office, Guntur fixed production quota per barn soil region wise in Andhra Pradesh as follows and also decided to allot NIL planted grower quota and left over authorized crop to the growers within the region, who are registered and submitted Form-II returns later. The subject matter placed before the Board in its 153rd meeting held on 19/04/2021 for information. As per the decision of Registration Committee, the nil planted growers quota and left over crop size / authorized quantity was distributed to the growers who have planted tobacco of same soil region. The soil region wise final quota authorized per barn during 2020-21 Andhra Pradesh crop season after distribution of Nil Planted growers quota and left over crop size are as follows:

Soil Region	Area Registered (ha)		Production Quota (Kg/Barn)		
	2020-21	2019-20	2020-21		2019-20
			Initial quota authorized per barn (kg)	Final quota after distribution of Nil Planted growers quota & left over crop size	
Northern Light Soil (NLS)	1.30	1.50	2,900	3,020	3,300
Southern Light Soil (SLS)	2.30	2.60	2,900	3,050	3,500
Southern Black Soil (SBS)	1.40	1.60	2,900	3,020	3,460
Northern Black Soil (NBS)	1.00	1.20	2,106	2,707	2,600

* N.L.S. includes ELS also

KARNATAKA STATE

Barn	Area Registered (ha)		Production Quota (Kg/Barn)	
	2020-21	2019-20	2020-21	2019-20
Simplex Barn	1.24	1.30	1,552	1,750
Duplex Barn	2.48	2.60	3,104	3,500

VI) Production Regulation Campaign:

The Board had undertaken a focused Production Regulation Campaign during 2020-21 crop season to prevent excess/unauthorized production of FCV tobacco through personal contacts, group meetings in the villages and mass contact programmes. Public communication strategies such as posters, distribution of pamphlets, playing of audio cassettes, electronic and print media were used to appeal to the growers to prevent excess/unauthorized production of FCV tobacco. 325 group meetings in Andhra Pradesh and 168 group meetings in Karnataka were conducted by field staff in villages as a part of production regulation campaign during 2020-21 and incurred an amount of ₹1.76 lakh towards conducting production regulation campaign.

VII) Particulars of growers registered during 2020-21:

During 2020-21 crop season, a total of 86,051 growers covering 93,604.63 barns were registered with the Board for cultivation of FCV tobacco. Of them, 44,209 growers covering 39,294.63 barns were registered for cultivation of tobacco in Andhra Pradesh. An area of 63,947.23 ha., was authorized for production of FCV tobacco against which an area of 65,142.40 ha., was actually planted. In Karnataka, 41,842 growers covering 54,310 barns were registered for cultivation of tobacco. As against an area of 67,344.40 ha. authorized for cultivation, an area of 73,609 ha., was planted under FCV tobacco.

To avoid personnel attendance of growers at the auction platform in view of COVID-19 pandemic, a programme was developed during 2020-21 Andhra Pradesh crop season for preprinting of registration material. The registration / renewal of registration was accorded to the growers of Andhra Pradesh by distribution of preprinted application forms and collection from the growers at the villages by Field Assistants.

The auction platform wise particulars of growers, barns and area registered, quantity authorized and area planted under FCV tobacco in Karnataka and Andhra Pradesh for 2020-21 crop season are furnished at Page Nos. 23 to 25.

VIII) Report on 2020-21 Karnataka Crop:

Nursery

Area sown under Nursery during 2020-21 in Karnataka was 609.17 ha, which is less by 8.63% when compared to previous year (666.71 ha). Majority of the growers have taken up tray nursery to achieve better establishment and uniform growth of seedlings and hence the occurrence of soil born diseases has come down resulted in reduction in net sown nursery area. The



growth of the nursery was good and free from pest and diseases except damping off in some nursery seeds. Seedling supply was good during this season.

Kanchan is the major variety sown covering 342.71 ha occupying 56.26% of the total nursery area sown, followed by CH-3 and FCH-222 hybrids, in an area of 259.78 ha. (42.64%) and 6.68 ha. (1.10%) respectively.



Main field

During this year, plantations have commenced during first fortnight of May and completed by the end of May in Karnataka. In Mysuru region, even though transplantation started from 1st week of May but major area was transplanted during the last week of May 2020 on receipt of sufficient rains during second fortnight of May. Establishment of seedlings in the main field is good. A total area of 73,609 ha., of FCV tobacco was planted in Karnataka during 2020-21, which is lower by 8.41% as compared to 80,364 ha. planted during the previous year. Out of the total area planted, about 40,080.98 ha (54.45%) of area planted is under Kanchan variety, 33,085 ha. is under CH-3 (44.95%) and 443 ha. is under FCH-222 (0.60%).



Plantation Stage	2020-21		2019-20	
	Area (ha)	%	Area (ha)	%
Early Plantation (Up to 31 th May)	72,119.00	98%	69,976	87%
Middle Plantation (Up to 15 th June)	1,490.00	2%	-	-
Late Plantation (After 15 th June)	-	-	10,388	13%
Total:	73,609.00	100%	80,364	100%

CROP GROWTH IN KARNATAKA

The 98% of the area was under earlyplantation. The crop not received sufficient rains during the month of June, immediately after transplantation. In 35-40% of the area, the farmers have given lifesaving irrigation to the crop. Later, the crop received continuous rains during last week of July and 1st fortnight of August month. Due to continuous rains during 1st fortnight of August, crop showed, yellowing of lower leaves and which resulted in maximum percent of medium and low grades. Overall, the crop growth was satisfactory.

PESTS AND DISEASES:

No incidence of major pests and diseases was noticed in the main field during 2020-21 crop season. Incidence of Tobacco Mosaic virus was noticed in some areas and growers were advised to take up sanitary and preventive measures to avoid further spread. Incidence of Black Shank disease and infestation of Spodoptera were also observed in some fields. In some pockets of Periyapatna 04,05 & 06, severe incidence of malformation of leaf was observed in patches in the main field and the team of Scientists from Agriculture college, Mandya visited affected areas and observed that the malformation is due to accumulation of Sulphur in the soil by continuous application of ammonium sulphate fertilizer.

HARVESTINGS & CURINGS:

On an average 6 to 7 curings were taken up per barn. The cured leaves are lemon to lemon orange with more number of medium grades.



YIELDS:

Yields were low during 2020-21 at around 1,201kg/ha as compared to last year productivity of 1,321 kg/ha. A total crop of 88.42 million kg was marketed with a grade out turn of 15:41:44 in terms of Bright, Medium and Low grades as against 106.18 million kg marketed in 2019-20 with a grade out turn of 14:44:42.

IX. REPORT ON 2020-21 ANDHRA PRADESH CROP:

NURSERY:

Total area sown under nursery during 2020-21 in Andhra Pradesh was 358.81 ha. as against 446.60 ha. sown during previous year. No major incidence of pest and disease was observed during this season. The seedling prices were around ₹800/- to ₹1,500/- per bundle (6000 seedlings) in SLS and SBS regions. In NLS region, the prices were around ₹4000 per bundle.



VARIETIES:

'Siri' is the major variety sown in Southern Light Soils and Traditional Black Soil regions accounting for about 80% of the total area. Other varieties grown are FCR-15, G-11 (Hema), VT-1158 and Sulakshana. In Northern Light Soils, LV-7 is the major variety sown in an area of about 55% and K-326 in an area about 3.5%.

MAIN FIELD:

This year due to late receipt of rains, the early transplantation was very less in all the regions. Transplantation have started during the month of November 2020 and immediately after transplantation, the crop received moderate to heavy rains due to 'NIVAR' cyclonic rains. The just planted crop in SLS, SBS & NBS regions was damaged due to cyclonic rains.

A total area of 65,142 ha. was transplanted in Andhra Pradesh which is less by 18% as against 79,294 ha. planted during 2019-20 crop season. The area planted under Early (before 15th October), Middle (between 15th October to 15th November) and Late (after 15th November) plantation was in the ratio of 3:40:57.

In Southern Light Soil, Southern Black Soil and Northern Black Soil areas, Siri was the dominant variety cultivated in an area of 47,705.60 ha., accounting for 98.16% of total area planted. The remaining area was under FCR-15, Sulakshana, N-98, G-11 (Hema), CH3 and VT-1158 varieties. In Northern Light Soils, LV-7 Hybrid was the major variety grown (8,035.22 ha.) accounting for 48.56% of the area. The other variety grown was K-326.

Plantation Stage	2020-21		2019-20	
	Early Plantation (Up to 15 th October)	1,932.60	3%	7,748.80	10%
Middle Plantation (Up to 15 th November)	25,946.10	40%	43,437.20	55%
Late Plantation (After 15 th November)	37,263.70	57%	28,107.51	35%
Total:	65,142.40	100%	79,293.51	100%

CROP GROWTH IN ANDHRA PRADESH:

NORTHERN LIGHT SOILS (NLS) CROP:

Total plantation in Northern Light Soil region this year was 16,546.50 ha., which is less by 7.62% when compared to 17,911.60 ha., planted in 2019-20. Majority of crop was planted in middle and late phases during this season due to late onset of monsoon.



The crop condition was good with good leaf spread. Bright grade out turn is more when compared to last year.

SOUTHERN LIGHT SOILS (SLS) CROP:

Total plantation in Southern Light Soil region this year was 29,409.30 ha., which is less by 20.99% when compared to 37,220.61 ha. planted during 2019-20. Majority of the crop was planted in middle and late phases.

The condition of the crop in SLS region is comparatively better than the previous crop with more bright grade outturn percentage due to the favourable weather conditions and sufficient rainfall. The *Orobanche* parasite infestation was less during this crop season in comparison with previous years.

TRADITIONAL BLACK SOILS (TBS) CROP:

Total plantation in Southern Black Soil region this year was 17,988.30 ha., which is less by 20.91% when compared to 22,744.20 ha. planted during 2019-20. Majority of the crop was planted in middle and late phases under SBS region. The production of low grades this year were significantly less compared to previous years.



Total area planted in Northern Black Soils (NBS) during 2020-21 is 1,198.30 ha. which is less by 15.44% when compared to 1,417.10 ha. last year. Crop quality this year is rated as good with better grade out turn.

HARVESTINGS:

8-9 curings were taken up on an average in Northern Light Soil areas. In Southern Black Soil and Southern Light Soil areas, 6-8 curings were taken up on an average. The estimated grade out turn in terms of Bright, Medium and Low grades is in the ratio of 54:26:20 in SLS region and 53:27:20 in SBS region. In NBS and NLS regions, the grade out turn is in the ratio of 70:20:10 and 53:33:14 respectively.



YIELDS:

During 2020-21 crop season, FCV tobacco production in Andhra Pradesh is estimated at 111.44 million kg. The production in NLS is estimated at 38.10 million kg. The production in SLS and SBS regions is estimated at 36.09 and 34.75 million kg respectively. The production in NBS region is at 2.50 million kg. The estimated average yields are 1,227 kg/ha in Southern Light Soils, 1,932 kg/ha in Southern Black Soils, 2,303 kg/ha in Northern Light soils and 2,086 kg/ha in Northern Black soils.

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

FCV tobacco crop in an area of 10,099.69 ha. was damaged due to 'NIVAR' cyclonic rains received on 26th and 27th November 2020 in Prakasam, Nellore, Guntur, East and West Godavari Districts in Andhra Pradesh during 2020-21 crop season.

Board requested Special Chief Secretary to Government, Commissioner of Agriculture, State Government of Andhra Pradesh vide letters no.4(9)/2020-21/PDN, dated 02/12/2020 and 22/12/2020 to provide essential relief to the growers by State Government under State Disaster Response Fund (SDRF). As per information received from the Commissioner of Agriculture, State Government of Andhra Pradesh, an area of 1184.67 ha was covered by State Agriculture Department and an amount of ₹118.467 lakh was released to 1392 growers towards compensation under SDRF. The District wise particulars are as follows:

S. No.	Name of the District	No. of growers affected	Area damaged more than 33% (ha)	Input subsidy amount (₹ In lakh)
1.	East Godavari	443	462.59	46.259
2.	West Godavari	16	24.64	2.464
3.	Guntur	11	6.08	0.608
4.	Prakasam	777	621.36	62.136
5.	Nellore	145	70.00	7.000
	Total:	1392	1184.67	118.467

With regards to payment of compensation to the remaining FCV tobacco growers, the Executive Director met the Hon'ble Minister of Agriculture on 29th December 2020. As per the direction given by Hon'ble Minister of Agriculture, Tobacco Board Officials attended a pre review meeting on RBK convened by Hon'ble Minister for Agriculture at APIIC building at Mangalagiri on 30th December 2020 at 11.00 A.M. The Special Chief Secretary to Government of Andhra Pradesh and Commissioner of Agriculture, Andhra Pradesh have participated in the said review meeting. During the review meeting, it was brought to the notice of State Government Officials that the compensation amount was not released to all the FCV tobacco growers whose crop was damaged due to 'NIVAR' cyclonic rains in Prakasam District.

6,838 FCV tobacco growers covering an area of 2,912.82 ha. damaged above 33% have not received any compensation for single crop in Prakasam District. The list of these growers, who were not received any compensation for single crop were submitted to Joint Director of Agriculture, Prakasam District and Commissioner of Agriculture, Government of Andhra Pradesh vide letter dated 17/03/2021 with a request to arrange to provide compensation to these FCV tobacco growers under SDRF.

X. Sale of excess/unauthorized tobacco during 2020-21:

During 2020-21 crop season in Andhra Pradesh and Karnataka, the excess tobacco produced by registered growers up to the extent of 10% of quota authorized was allowed by levying an extra fee of ₹2/- per kg., and 5% of the proceeds of the sale (including normal service charge of 1%). The tobacco produced by the registered growers over and above the limit of 10% of the quota authorized and the tobacco produced by unregistered growers was allowed for sale by levying extra fee @ ₹2/- per kg., and 10% of the proceeds of the sale (including normal service charge of 1%). This had helped the Board to control readjustment of quotas and avoid sale of unauthorized tobacco as excess tobacco on the names of the registered growers.

XI. Promotion of alternative crops to tobacco:

As a part of Key Result Areas (KRAs) for Tobacco Board, Ministry of Commerce & Industry, Government of India vide its communication No.5/2/2018-EP(Agri-VI), dated 20/05/2019 has directed

the Board to promote alternative crops by conducting awareness programmes on alternative crops to FCV tobacco in key tobacco areas in coordination with CTRI and implement crop diversification schemes / take up alternative crop cultivation, in co-ordination with State Agriculture and Horticulture Departments of Andhra Pradesh and Karnataka.

Tobacco Board had conducted growers awareness meetings during 2020-21 for promoting cultivation of other economically viable alternative crops in place of FCV tobacco in collaboration with CTRI and Agricultural Departments of Andhra Pradesh and Karnataka in key tobacco areas viz., Kandukur, Podili, vinjamur village of SLS region, Ongole, Kondepi and Tangutur of SBS region, Koyalagudem, Devarapalli and Janagareddygudem of NLS region in Andhra Pradesh state. An amount of ₹0.67 lakh was spent by Board towards conducting crop diversification programmes.

**AUCTION PLATFORM WISE GROWERS' REGISTRATION AND PLANTATION PARTICULARS
FOR 2020-21 CROP SEASON IN KARNATAKA**

S No	Name of the APF	Growers	Barns	Area Registered (ha)	Crop size fixed (m.kgs)	Area planted (ha)
Mysore Region:						
1	H.D.Kote-1&65	3,563	4,723	5,856.52	7.85	7,086
2	Hunsur-2	3,188	4,035	5,003.40	6.31	6,150
3	Hunsur-3	3,231	3,923	4,864.52	6.20	5,370
4	Hunsur-64	2,571	3,303	4,095.72	5.36	4,990
5	Kampalapura-61	3,285	4,203	5,211.72	6.64	5,560
6	Chilikunda-62	4,511	5,916	7,335.84	9.35	7,229
	Sub-Total:	20,349	26,103	32,367.72	41.71	36,385
Periyapatna Region:						
7	Periyapatna-4	4,400	6,293	7,803.32	10.55	8,100
8	Periyapatna-5	4,844	6,338	7,859.12	9.85	8,332
9	Periyapatna-6	4,351	5,660	7,018.40	9.13	7,530
10	Ramanathpura-7	4,345	5,382	6,673.68	9.25	6,849
11	Ramanathpura-63	3,553	4,534	5,622.16	7.52	6,413
	Sub-Total:	21,493	28,207	34,976.68	46.29	37,224
	Grand Total:	41,842	54,310	67,344.40	88.00	73,609

Note: Quota authorized per barn is 1,552 Kgs, Area regd. per barn is 1.24 ha.

TOBACCO BOARD :: GUNTUR
(Government of India, Ministry of Commerce & Industry, Department of Commerce)
Auction Platform wise grower's registration and plantation particulars for 2020-21 crop season in Andhra Pradesh

Particulars	No. of growers			No. of barns			Area registered (ha)			Crop size fixed (mtkg)			Area planted (ha.)		
	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total
NLS Region															
Devarapally	1822	1354	3176	2093.17	1437.67	3530.84	2721.16	1437.67	4158.83	6.26	3.21	9.47	2359.90	1198.30	3558.20
J.R.Gudem-I	2387	0	2387	2893.00	0.00	2893.00	3760.92	0.00	3760.92	8.44	0.00	8.44	3756.60	0.00	3756.60
J.R.Gudem-II	2739	0	2739	2892.09	0.00	2892.09	3759.71	0.00	3759.71	8.74	0.00	8.74	3764.00	0.00	3764.00
Koyyalagudem	2519	0	2519	2856.60	0.00	2856.60	3713.70	0.00	3713.70	8.48	0.00	8.48	3906.00	0.00	3906.00
Gopalapuram	2372	0	2372	2860.50	0.00	2860.50	3718.65	0.00	3718.65	8.52	0.00	8.52	2760.00	0.00	2760.00
Sub total	11839	1354	13193	13595.36	1437.67	15033.03	17674.14	1437.67	19111.81	40.45	3.21	43.66	16546.50	1198.30	17744.80
SBS Region															
Vellampally-II	1098	1583	2681	880.64	1465.62	2346.26	2026.22	2051.86	4078.08	2.63	4.27	6.90	1922.20	2206.80	4129.00
Ongole-I	981	1959	2940	630.17	2000.72	2630.89	1320.93	2809.61	4130.54	1.84	5.83	7.67	1796.80	3523.40	5320.20
Ongole-II	0	2108	2108	0.00	2260.33	2260.33	0.00	3164.47	3164.47	0.00	6.61	6.61	0.00	2940.00	2940.00
Tangutur-I	0	2839	2839	0.00	2732.54	2732.54	0.00	3825.54	3825.54	0.00	8.07	8.07	0.00	4364.70	4364.70
Kondepi	2018	2012	4030	1196.79	1502.09	2698.88	2717.41	2105.58	4822.99	3.53	4.42	7.96	2901.50	2359.00	5260.50
Sub total	4097	10501	14598	2707.60	9961.30	12668.90	6064.56	13957.06	20021.62	8.00	29.20	37.20	6620.50	15393.90	22014.40

Particulars	No. of growers			No. of barns			Area registered (ha)			Crop size fixed (mkg)			Area planted (ha.)		
	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total	L.S.	B.S.	Total
SLS Region															
Podili-I	4516	253	4769	2504.89	215.85	2720.74	5768.12	302.20	6070.32	7.46	0.62	8.08	5283.00	324.00	5607.00
Kanigiri	1561	0	1561	1280.46	0.00	1280.46	2945.97	0.00	2945.97	3.79	0.00	3.79	2915.00	0.00	2915.00
Kandukur-I	2576	770	3346	1787.89	636.25	2424.14	3686.72	890.75	4577.47	5.18	1.86	7.04	4470.00	1187.00	5657.00
Kandukur-II	2134	785	2919	1515.68	538.17	2053.85	3356.91	753.43	4110.34	4.45	1.59	6.04	3755.00	1000.00	4755.00
Kaligiri	1559	55	1614	1297.60	59.75	1357.35	2985.78	83.65	3069.43	3.84	0.17	4.02	2635.80	83.40	2719.20
D.C.Palli	2209	0	2209	1756.16	0.00	1756.16	4040.27	0.00	4040.27	5.18	0.00	5.18	3730.00	0.00	3730.00
Sub Total	14555	1863	16418	10142.68	1450.02	11592.70	22783.77	2030.03	24813.80	29.91	4.24	34.14	22788.80	2594.40	25383.20
Grand Total	30491	13718	44209	26445.64	12848.98	39294.63	46522.47	17424.76	63947.23	78.36	36.64	115.00	45955.80	19186.60	65142.40

ABSTRACT

(Area in ha., Qty. in kgs)

Region	Crop size fixed (m.Kg)	Growers	Barns	Area Regd. (ha)	Area Planted (ha)	Area regd. per barn (ha)	Quota per barn (kg)
NLS	40.45	11,839	13,595.36	17,674.14	16,546.50	1.30	2,900
SLS	37.91	18,652	12,850.28	28,848.33	29,409.30	2.30	2,900
SBS	33.43	12,364	11,411.32	15,987.09	17,988.30	1.40	2,900
NBS	3.21	1,354	1,437.67	1,437.67	1,198.30	1.00	2,106
Total:	115.00	44,209	39,294.63	63,947.23	65,142.40		



EXTENSION AND ADVISORY SERVICES

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

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

I. SUPPLY OF CRITICAL CROP INPUTS:

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

(i) FCV TOBACCO SEED:

During 2020-21 crop season, Board has facilitated the supply of **2,010.05** Kgs of seed of approved varieties through CTRI, Rajahmundry and ITC Research Division, Rajahmundry to FCV tobacco growers in the states of Andhra Pradesh and Karnataka.

(Quantity in Kgs)

STATE	VARIETY								Total
	Kanchan (CTRI)	Kanchan (ITC)	CH3	G11	SIRI	FCH 222	VT 1158	CTRI Sulakshana	
Karnataka	369.00	361.50	658.50	0.00	0.00	11.25	0.00	0.00	1400.25
Andhra Pradesh	2.00	0.00	220.80	9.00	368.00	0.00	7.00	3.00	609.80
Total	371.00	361.50	879.30	9.00	368.00	11.25	7.00	3.00	2010.05

ii) FERTILIZERS:

In Andhra Pradesh and Karnataka, Tobacco Board had facilitated the procurement and distribution of fertilizers through Committee of Farmers (COF) without involvement of Board. This new system of fertilizer distribution was evolved in Andhra Pradesh during 2017-18 crop season and in Karnataka

during 2018-19 crop season. In the new system, registered growers are empowered to procure and distribute fertilizers by themselves. The similar mode of fertilizer distribution was implemented successfully during 2020-21 crop season using the services of the District Cooperative Marketing Society Ltd (DCMS) Eluru in Northern Soil Region in Andhra Pradesh and Karnataka State Cooperative Marketing Federation Ltd., (KCSMF) in Karnataka.



Tobacco Board had provided hand holding support in all aspects of fertilizer supply starting from collection of indents and advances; input loan arrangement; providing Tobacco Board godowns on rent free basis. The outsourcing agencies placed orders for supply of fertilizers to the manufacturers, as per the grower indents based on the prices of fertilizers, payment terms and supply schedule agreed upon by the farmers committee. Both the outsourcing agencies and Farmers committee monitored the quality of fertilizers with the assistance of State Agriculture Departments.

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

Karnataka:

Fertilizer	Supplier	Quantity (M.T)	Price (₹/Ton)	Value (₹ in lakh)
Ammonium Sulphate	FACT	10,957.95	11250.00	1232.77
	Sub Total	10,957.95		1232.77
Di Ammonium Phosphate	CIL	2,631.90	22647.50	596.06
	GSFC	280.00	22000.00	61.60
	IPL	740.75	22250.00	164.82
	Sub Total	3,652.55		822.48
Sulphate of Potash	IPL	7,188.60	41000.00	2947.33
	TW	3,769.35	40000.00	1,507.74
	Sub Total	10,957.95		4,455.07
	Grand Total	25,568.55		65,10.32

Andhra Pradesh:

Fertilizer	Supplier	Quantity (M.T)	Price (₹/Ton)	Value (₹ in lakh)
Ammonium Sulphate	FACT	2,986.75	12,140.00	362.59
	Sub Total	2,986.75		362.59
Di Ammonium Phosphate	CIL	925.45	24,527.00	226.99
	IPL	256.45	22,900.00	58.73
	Sub Total	1,181.90		285.72
Sulphate of Potash (Main field)	IPL	2,404.00	42,300.00	1,016.89
	Transworld	457.65	41,200.00	188.55
	Floris	220.55	35,000.00	77.19
	Sub Total	3,082.20		1,282.63
Sulphate of Potash (Fertigation)	Transworld	397.92	42,000.00	167.13
	Floris	4.55	42,000.00	1.91
	Sub Total	402.47		169.04
Calcium Nitrate	Transworld	155.15	27,000.00	41.89
	Sub Total	155.15		41.89
	Grand Total	7,808.47		2,141.87

iii. Sucker Control Chemical:

The Committee of Farmers formed for supply of fertilizers attended to the process of inviting quotations/finalizing vendor/price for supply of Sucker Control Chemical.

As per the decision of the Karnataka Varginia Tambaku Belegarara Sangha (KVTBS), M/s. ITC Ltd., - ABD has supplied a quantity of 89,845 lts of Suckerout @ ₹870 per can of 2.5 lt to eligible registered growers during 2020-21 Karnataka crop season.

In Andhra Pradesh, during 2020-21 crop season, M/s.Highgrow Floris Chemicals Pvt Ltd., has supplied 39,822.49 lts of Sucker control chemical (C-10) to the indented growers @ ₹900/- per 2.5 lts can and M/s. ITC Ltd., has supplied 71,859.69 lts of Sucker control chemical (Suckerout) @ ₹910/- per can of 2.5 lts as per the decisions of the COF.

II. EXTENSION AND DEVELOPMENTAL SCHEMES TAKEN UP BY TOBACCO BOARD FOR SUSTAINABLE TOBACCO PRODUCTION (STP) DURING 2020-21 CROP SEASON:

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

Tray nursery technique is standardized in FCV tobacco cultivation to produce healthy tobacco seedlings to overcome soil borne disease problem and to preclude transplantation shocks. Tray nursery seedlings offer the unique advantage of ensuring crop uniformity with minimum gap fills and consequently increased cured leaf yield and quality as against the seedlings grown under conventional raised seed bed nursery. During 2020-21 crop season, Board assisted farmer committees in both Andhra Pradesh and Karnataka States to procure pro trays of better quality and extended subsidy to growers as an encouragement. The details of expenditure incurred by Board towards provision of subsidy on the supply of trays to indented growers during 2020-21 crop season in both states of Andhra Pradesh and Karnataka are as follows:

State	No. of trays	No. of growers	Subsidy (₹ in Lakh)
Karnataka	7,97,677	3,547	39.78
Andhra Pradesh	6,98,866	1,904	29.17
Total	14,96,543	5,451	68.95



In order to protect the tray seedlings from adverse weather vagaries such as wind, cold, excessive rains, extreme temperatures, insects and disease incidence, the seedlings in trays have to be kept in controlled conditions. In order to promote the adoption of the practice, Board extended subsidy of ₹ 0.54 lakh to 136 growers of SLS and SBS regions towards the supply of 141 units of shade nets.

(ii) Improving soil health - Promotion of green manure crop raising in FCV tobacco growing soils:

The tobacco soils are mostly light textured and poor in organic carbon and available nitrogen due to continuous tobacco cultivation. Hence Tobacco Board has taken necessary steps to improve the soil fertility through green manuring. Tobacco Board in coordination with Agricultural Departments of State Government of Andhra Pradesh and Karnataka is making availability of green manure seed to farmers well in advance of the planting season for taking up the practice of raising green manure crop in their fields. During 2020-21 crop season, green manure crops were raised in an area of **7,585.66** ha. in Andhra Pradesh and **2,232.10** ha. in Karnataka to enrich the soils with organic matter.

State	Soil Region	Area under green manure crop (ha)
Karnataka	KLS Region	2,232.10
Andhra Pradesh	NLS Region	2,700.36
	SLS Region	2,140.90
	SBS Region	2,744.40
Sub Total (AP)		7,585.66
Grand Total		9,817.76

(iii) Improving Yield & Quality of Tobacco:

a. Integrated Pest Management Practices - Pheromone Traps and Yellow Sticky Traps:

Integrated Pest Management is a concept where effective pest and disease control is achieved through a combination of all pest control methods viz., biological, cultural, mechanical in addition to chemical methods. Integrated Pest Management is intended to minimize the use of chemicals, reduce pesticide residues and protect environment and soil micro-flora and fauna. Under this scheme, Board facilitated supply of Pheromone Traps and Yellow Sticky Traps for monitoring pest population in tobacco fields and extended subsidies on these inputs for effective implementation of IPM strategies.



Details of expenditure incurred by Board towards extending subsidy for supply of Pheromone Traps and Yellow Sticky Traps during 2020-21 crop season in Andhra Pradesh is as follows:

Crop Season	No. of growers		Physical Achievement (No. of traps)		Financial Achievement (₹ in Lakhs)	
	Pheromone Traps	Yellow Sticky Traps	Pheromone Traps	Yellow Sticky Traps	Pheromone Traps	Yellow Sticky Traps
2020-21	1,098	1,120	26,896	16,855	3.50	0.67

b. Bio Pesticides:

Bio pesticides were supplied to licensed tobacco growers in collaboration with NIPHM, Hyderabad, so as to prevent incidence of soil borne diseases and thereby reduce the use of pesticides. During 2020-21 crop season in KLS region, 1,176 lts of Bio pesticides were supplied to 1,062 growers and an amount of ₹0.86 lakh was extended towards subsidy. 4,734 lts of bio pesticides were supplied to 1,352 growers in NLS region and an amount of ₹3.35 Lakh was extended towards subsidy.



The Scientists of NIPHM, Hyderabad visited Auction Platforms in Karnataka and imparted training to growers on bio pesticide mass multiplication procedures and use of bio pesticides in FCV tobacco cultivation.

c. Marigold seedlings:

Marigold can be grown around tobacco field or within field as a trap crop since marigold flowers attracts Heliothis moths to lay eggs and aids in prevention of the tobacco crop from Heliothis infestation if eggs and larvae on marigold are collected and destroyed periodically. Board procured and supplied 8,06,500 marigold seedlings from CTRI Research stations situated at Kandukuru and Jeelugumilli and distributed among FCV tobacco growers in all regions of Andhra Pradesh and incurred an expenditure of ₹6.05 lakh. In Karnataka 1,63,500 marigold seedlings were procured from CTRI Research station, Hunsur incurring an expenditure of ₹1.23 lakh and distributed among registered growers. The marigold seedlings were supplied to growers at free of cost.



d. Sorghum and Bajra seeds:

Sorghum and Bajra sown as Border crop in 4 rows around tobacco crop acts as a guard crop from whitefly attack and acts as a refuge for parasites and predators. Board procured 1,899 kgs of Bajra seed and 198 kgs of Jowar seeds from the Karnataka State Seed Corporation, Government of Karnataka and supplied to 925 growers of KLS region at free of cost, to raise as a border crop and incurred an expenditure of ₹83,133/- (₹0.83 lakh) towards the seed cost.

(iv) Energy Conservation measures:

To sustain tobacco farmer profitability, and to make the tobacco cultivation ecofriendly, it is very critical to reduce the cost of curing which constitutes 30% of total cost of production. To achieve savings in curing costs and conserve wood fuel usage in tobacco curing, it is essential to adopt fuel efficient technologies like barn roof insulation with glass wool / Paddy straw and by installing turbo ventilator on the top of the barn for proper air circulation and modifying the traditional furnace with venturi furnace. These measures will ensure saving of 30% in curing costs. Board is facilitating the FCV tobacco growers in implementation of these energy conservation methods. During 2020-21 crop season, Board has spent ₹106.26 Lakh on energy conservation methods.

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

An improved design of furnace system - Venturi furnace installation in barn facilitates better combustion of fuel and heat transfer ensuring adequate supply of oxygen, avoiding soot deposition in the flue pipes and achieves 15 - 20% saving in fuel consumption. The Board had implemented this scheme in Andhra Pradesh in collaboration with trade in 139 barns covering 172 No. of beneficiaries during 2020-21 and replaced the old furnaces in these barns with Venturi furnace. An amount of ₹5000 per barn was extended towards subsidy to the beneficiary growers by Board. The expenditure incurred by the Board on this scheme during 2020-21 was ₹6.90 lakh.

b. Glass wool Roof Insulation of barns and fitting with Turbo ventilator:

The objective of this scheme is to promote energy conservation in curing of FCV tobacco through glass wool insulation of roof of barns and providing Turbo Ventilator for free air circulation in barn by extending subsidy to the grower beneficiaries. The scheme envisaged fuel wood savings to the extent of 25 to 27% and reduce the cost of cultivation by about ₹6,500/- per ha., approximately. In addition, these interventions in barn had resulted in minimizing heat loss from barn and also in improvement of leaf quality in curing by avoiding caramelization and sponging of leaf. The total cost of glass wool roof insulation and fitting of turbo ventilator is in the range of ₹23,762.48 to ₹31,034.58 per barn of size 16X16 to 16X20 approximately.

Board had implemented this scheme in a focused mode in Andhra Pradesh in collaboration with trade (M/s ITC Ltd, M/S Godfrey Philips India Ltd, M/S Deccan Tobacco Enterprises) by extending a financial assistance of ₹7,758.64 for 16x20 barn in SLS/SBS region and ₹5,940.62 and ₹6,514.02 for 16x16 and 16x20 size barns in NLS and NBS regions. The trade had contributed ₹10,000/- as financial

assistance and the remaining cost of insulation was borne by the grower beneficiary. During 2020-21, 516 barns of 657 registered growers in Andhra Pradesh were covered and Board had incurred an expenditure of ₹38.51 lakh towards subsidy under this scheme.

Region wise barns insulated with Glass wool roof insulation and fitted with turbo ventilator are as follows:

Region	Grower beneficiaries	Barns insulated	Financial assistance (₹ lakhs)
NLS	111	104	6.54
SLS	336	241	18.70
SBS	210	171	13.27
Total	657	516	38.51

c. Paddy straw roof Insulation with turbo ventilator:

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

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

Year	No. of grower beneficiaries	No. of barns	Subsidy
2020-21	1,069	1,097.00	54.85

d. Loose leaf barn technology:

Based on tobacco grower experiences and international research, the novel technology of loose leaf tobacco curing is envisaged to reduce the FCV tobacco production costs and aid in environmental protection, in view of the low fuel wood consumption and reduced labour requirement than in conventional barn. Loose Leaf Barn has double the curing capacity of normal barn and uses twin energy sources (wood and electricity).

CTRI has recommended for testing of technology with recording of the data in detail at different locations of FCV tobacco growing regions to overcome the short comings. In this context, Tobacco Board has proposed for installation / construction of four loose leaf barns in different soil regions of Andhra Pradesh on trial basis to evaluate the cost economics and efficacy of technology in reduction of manual labour employment and wood fuel. Tobacco Board has taken up the loose leaf barn installation in collaboration with trade (M/s ITC Ltd) by extending financial assistance to growers @ ₹3.00 lakh per barn.

The region wise particulars of Loose Leaf Barns proposed for installation are as follows:

Soil Region	Grower beneficiaries	No. of barns
NLS Region	2	2.00
SBS Region	1	1.00
SLS Region	1	1.00
Total	4	4.00

During 2020-21 crop season, Board has extended financial contribution of **₹6.00 lakh @ ₹3.00 lakh to 2 growers** of SBS and SLS regions. The construction of the two barns in NLS region is under progress.



e. "Grow your own fuel" Scheme - supply of fast growing tree saplings:

The principles of Sustainable Tobacco Production (STP) aims at eliminating the use of coal and non-sustainable sources of firewood for tobacco curing. The wood used for curing shall have to be sourced from sustainable wood sources and alternative bio-mass fuels are to be promoted in future. As part of this initiative, Tobacco Board is encouraging the registered tobacco growers to take up planting of fast growing tree saplings to ensure supply of the



fuel wood requirement for curing of tobacco from their own plantation without impacting natural wood resources. In fact, Tobacco Board has made it mandatory, that the registered growers of tobacco shall plant a minimum of 10 tree saplings per barn before getting registered/ renewing their registration.

Tobacco Board is encouraging the registered tobacco growers to transplant fast growing tree saplings, which not only replenish the fuel wood requirement of growers at the time of curing but also reduces the dependency on natural wood reserves.

In Andhra Pradesh, the farmers obtained saplings from local forest department nurseries at free of cost on submission of pattadar passbook of growers. Tobacco Board has incurred an expenditure of ₹1.57 lakh towards transportation of saplings from Forest Department and other miscellaneous expenses. Growers in Andhra Pradesh planted only 8,700 saplings during 2020-21 crop season due to **COVID-19 impediments and restrictions**.



(v) Post - Harvest Product Management - Measures for product integrity

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

Non tobacco related materials (NTRM's) is of critical concern to the tobacco industry. Comprehensive approaches to NTRM source elimination and NTRM detection and removal at all levels of the supply chain are necessary in order to protect tobacco integrity. Farm-level prevention and elimination of NTRM sources is cost effective and successful strategy to achieve positive results. Strong partnerships with farmers and the farm community and continuous education of farmers are key elements for farm level elimination of NTRMs. Efforts to avoid NTRMs at harvesting, transport, curing and storage by implementing clean handling practices will go a long way in maintaining the product integrity. To ensure cleanliness of the product at farmer level, Board has supplied 1,719 canvas tarpaulins to 1,719 growers in Karnataka and 2,054 canvas tarpaulins to 2,054 growers in Andhra Pradesh at subsidized cost to help growers to cleanly handle the tobacco during harvesting, transporting, curing, storage and grading to avoid NTRMs. An expenditure of ₹17.19 lakh in Karnataka and ₹21.17 Lakh in Andhra Pradesh was incurred towards extension of subsidy to the licensed growers under this scheme. An amount of ₹1000/tarpaulin/grower for other category growers and ₹1400/tarpaulin/grower for SC/ST growers was extended as subsidy.

b. Construction of Bulking sheds/Model Storage Facilities:

Creation of On-Farm Storage is necessary to hold tobacco in good condition from the time it has completed curing, grading, baling until it is ready to be marketed. Better on farm storage facilities will help the farmers in preventing the NTRM's admixture in tobacco and ensure "Cleanliness of the product". Keeping this in view, Board encouraged growers to go for construction of bulking sheds/ storage facilities during 2020-21 crop season by extending financial assistance and necessary credit through commercial banks. In Andhra Pradesh, during 2020-21 crop season, Tobacco Board had proposed for extension of financial assistance @ ₹6,500/- to ₹16,000/ per unit towards construction of

bulk sheds depending up on the size of bulk shed. The total expenditure incurred on account of extending financial relief under this scheme towards construction of 12 bulking sheds was ₹1.65 lakh.

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

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



Tobacco Board is undertaking CPA residue testing of tobacco leaf in farmer level samples in order to identify the problematic villages which are CPA hotspots. Based on the analysis results, hot spot specific focused interventions are being taken up to restrict reoccurrence of these CPA residues above GRL. Board has carried out analysis of **176 tobacco leaf samples** from all soil regions of Andhra Pradesh and Karnataka at NIPHM, Hyderabad and specifically **182 samples** of NLS region at M/s. Eurofins Analytical Services India Ltd., Bengaluru to detect CPA residue levels and to take corrective action accordingly, an amount of ₹**33.65 lakh** was incurred towards analysis charges.

Crop season	AP/KK	No. of samples Analysed	Amount incurred (₹)	Analysed at
19-20	AP	76	8,96,800	NIPHM
19-20	AP	182	12,88,560	Eurofins
20-21	KK	100	11,80,000	NIPHM
Total		358	33,65,360	

d. Leaf chemistry analysis of leaf tobacco for nicotine, sugars and chlorides:

Tobacco Board undertakes the analysis of leaf tobacco in every crop season for determining Nicotine, Sugars and Chlorides so as to determine the quality of leaf grown during the particular season and establish the crop chemistry. During 2020-21, Tobacco Board had got analyzed 279 leaf samples collected from all auction platforms of Andhra Pradesh and Karnataka before start of auctions for sale of tobacco, at CTRI, Rajahmundry for determining chemical constituents in leaf tobacco. The total expenditure incurred on this account was ₹6.42 Lakh.

Crop season	AP/KK	No. of samples Analysed	Amount incurred (₹)	Analysed at
19-20	AP	179	4,11,879.00	CTRI
20-21	KK	100	2,30,100.00	CTRI
Total		279	6,41,979.00	

(vi) PROGRAMMES TOOK UP BY BOARD FOR SUSTAINABLE TOBACCO PRODUCTION DURING 2020-21 CROP SEASON:

i. Promotion of natural farming practices in tobacco cultivation:

The tobacco customers, world over, are insisting on Sustainable Tobacco Production (STP) for production of safe tobaccos in light of ever increasing customer concerns. Promoting natural farming practices as part of sustainable farming, could help in enriching soil organic carbon content by improving soil microbial activity. This method of farming is found to be completely environmental friendly and less input intensive. The system protects natural resources like soil and water from contamination with chemicals. The non-usage of chemical fertilizers and chemical crop protection agents in this system would help in producing pesticide residue free tobaccos and also help in cost savings.

Tobacco Board has taken up trials in the fields of growers, to demonstrate the benefits of Natural farming in FCV tobacco cultivation to tobacco growers across all the soil regions in Andhra Pradesh and Karnataka during 2020-21 crop season. The trials are undertaken in the fields of 60 interested growers in Andhra Pradesh in an area of **186.63 acres (74.65 ha)** and in an area of **104.00 acres (41.60 ha)** by **104 growers** in Karnataka. FCV tobacco cultivation was taken up by following Natural

Farming practices evolved and advised by crop experts. The growers who have taken up trials on FCV tobacco cultivation in natural farming mode, were extended a cash incentive of ₹5000/grower and ₹10,000/- per grower towards cost of organic inputs.

The control plots were selected to compare the crop raised in natural farming mode with normal (inorganic) fields in terms of growth, leaf spread, pest resistance, bright grade out turn and aroma. The leaf spread is as good as inorganic fields. The colour is rich and the aroma is good in cured leaf of natural farming plot and better than the normal crop. The pest and diseases were under control in plots sprayed with natural concoctions. The yields in natural farming tobacco plots are also on par with the normal fields, and bright grade tobacco percent is high in natural farming plot when compared to control plots.



ii. Residue free tobacco Production:

Tobacco Board is taking up a massive CPA reduction campaign in the CPA hot spot areas found to have higher chemical Crop Protection Agent (CPA) residues, to produce residue free tobacco and has put in place a very effective track and trace mechanism. In view of growing awareness and stringent regulations being enforced by tobacco importing countries, it is essential that the levels of pesticide residues in tobacco leaf be minimal. The residues in cured leaf should not exceed Guidance Residue Limits (GRL) of the recommended pesticides and these limits are being reconsidered and lowered year after year.

Board launched massive campaigns during 2020-21 crop season as was done in previous crop season for control of pesticide residues, to get assured quality of leaf and to improve the product integrity. Board has collected leaf samples from 90 potential villages where 80% of crop in NLS is coming up and got analyzed at Eurofins Analytical Services India Pvt. Ltd, Bengaluru.

Production of 100% Pendimethalin residue free tobacco by the farmers (as per GRL of CORESTA) is a great achievement of this campaign.

III. DEVELOPMENT OF GREENERY:

Tobacco Board is focusing on green cover improvement as part of its green drive initiatives for addressing key issues like carbon sequestration, climate change mitigation and improvement of bio-

diversity. Tobacco Board has been fostering green cover improvement by taking up pioneering initiatives like 'raise your own fuel program and community tree plantation program.

IV. TRANSFER OF TECHNOLOGY:

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

i. Training programs to farmers and Technical staff:

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

In view of this, as was done during previous crop seasons, Tobacco Board had conducted training programs to growers involving Scientists from CTRI and trade representatives, at different crop growth stages starting from seed bed preparation to post harvest product management during 2020-21 crop season. Trainings to field staff were also organized.



- The Board had organized **166** training programs in 2020-21 to the farmers in all soil regions in the States of Andhra Pradesh and Karnataka at different stages of crop growth from Nursery Management to Crop harvesting, curing and on farm storage to create awareness on Good Agricultural Practices. Around **8,494** participants (growers / staff) had participated in these training programs. An amount of ₹5.04 lakh was incurred towards conducting grower training programs in both States.
- NIPHM, Hyderabad organized trainings to the technical officers of Board through virtual mode. The details are as furnished below:

	Details of training program	No. of trainees	Period
Andhra Pradesh Auction platforms	AESA and Ecological Engineering in Pest Management	11 F.O.s	5 days 02/11/2020 to 06/11/2020
Andhra Pradesh Auction platforms	Training for Tobacco Board Senior Grading Officers	22 AS/SGOs	3 days 17/02/2021 to 19/02/2021
Andhra Pradesh Auction platforms	On farm production of Bio control agents and Microbial Pesticides	31 F.O.s (in 2 batches)	3 days 03/03/2021 to 05/03/2021 and 08/03/2021 to 10/03/2021

- CTRI has imparted training to Out Sourcing F.A's/ Field Assistants/ Senior Field Assistants & Field Officers/ S.G.O/Auction Superintendents working in Andhra Pradesh, at their Research Station, Kandukur and Rajahmundry on "Best management practices in FCV tobacco cultivation and related IPS for production sustainability & profitability" on the following dates:

Name of the Research Station	Targeted Officers	Training Dates
Kandukur	Out Sourcing F.A's/ Field Assistants/ Senior Field Assistants	07/12/.2020 to 10/12/2020 21/12/2020 to 24/12/2020
	Field Officers/ S.G.O/ Auction Superintendents	28/12/2020 to 31/12/2020
Rajahmundry	Out Sourcing F.A's/ Field Assistants/ Senior Field Assistants	25/11/2020 to 28/11/2020
	Field Officers/ S.G.O/ Auction Superintendents	28/12/2020 to 31/12/2020

70 OFAs, FAs, SFAs and 48 FOs, AS/SGOs were imparted training through this programme. Board incurred an expenditure of ₹12.55 lakh (including 18% GST) for organizing the training programmes

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

- Board conducted meetings with all its stake holders in industry i.e. trade, growers and Scientists, CTRI, Rajahmundry at frequent intervals to address the pesticide residue problem in tobacco.
- A meeting with representatives of trade, CTRI Scientist, Regional Manager, Rajahmundry, Auction Superintendents of NLS region, grower representatives from all auction platforms of NLS region was held through virtual mode on 15/12/2020 at Head Office, Guntur. Executive Director chaired the meeting and an action plan for the CPA residue control programme was prepared.
- A high impact meeting with growers of NLS region and trade representatives was convened on 23/12/2020 at Koyyalagudem auction platform to enlighten growers, the impact of CPA residues on FCV tobacco exports and regarding the action plan prepared for this crop season to address

the problem. 275 growers from all Auction platforms in NLS region attended the meeting. An amount of ₹60,970/- was incurred by Regional Manager, Rajahmundry towards expenditure for conducting the meeting.

- Regional Manager, Rajahmundry conducted an Apex committee meeting at Regional Manager's office, Rajahmundry on 19/02/2021 to review the leaf sampling procedure for CPA residue analysis. An expenditure of ₹2,400/- was incurred.
- An interactive meeting was conducted to discuss with growers of NLS region regarding the action plan of CPA residue control in leaf, on 25/02/2021 in Head Office, Guntur. Executive Director chaired the meeting and all Managers in Head Office attended the meeting. Board member and tobacco growers from all auction platforms of NLS region participated in the meeting.
- Auction Superintendents convened awareness meetings at village level focusing on CPA issues.
- Hand bills depicting the information on ill effects of pesticide residues in tobacco along with recommended pesticides and their dosages for control of different pest and diseases, were prepared and distributed to growers.
- An appeal was made to growers through print media to avoid the use of un-recommended pesticides in tobacco and also refrain from the use of Carbendazim, Dithiocarbamate and Pendimethalin.
- Flexis appealing the growers not to use Carbendazim, Dithiocarbamates and Pendimethalin were displayed in auction floors and 90 hot spot villages identified with higher pesticide application.
- Posters/Pamphlets on CPA residue management highlighting economic threshold level of pest and period of pre-harvest interval were given to growers.
- Pest control measures were displayed on black boards at grower gathering places.
- Widely publicized the information of pesticides with dosages and pest control measures recommended by CTRI among the FCV tobacco growers.
- Constantly monitored pesticide sales to tobacco growers and displayed information on recommended pesticides in pesticide shops. Awareness meetings / trainings to pesticide dealers were conducted.
- Testing of the leaf tobacco for CPA residues was done, by following scientific sampling procedure, so as to establish traceability of the produce and thereby identification of high risk villages for taking up further steps for alleviating the CPA residue problem in FCV tobacco of NLS region.
- Educated growers on measures such as need based application of recommended pesticides in recommended doses; avoiding pesticide sprays for false maturity control; restricting the use of nitrogen fertilizers over and above recommended quantities; avoiding use of herbicides for weed control; application of concoctions with natural ingredients for pest control.

ii. Workshops:

Andhra Pradesh:

- Regional Managers, SLS & SBS regions organized workshops on "Good Agricultural Practices in FCV tobacco cultivation" at CTRI Research Station, Kandukur on 08/01/2021 (SLS) and 11/01/2021 (SBS) respectively to the growers and staff of concerned regions. In the workshop, the growers were educated by CTRI Scientists, Board's technical officials, R&D Scientists of trade regarding various aspects such as Integrated Nutrient Management (INM), benefits of utilizing tray nursery seedlings for plantation, Oribanthe parasite management, measures to be taken for increased Fertilizer Use Efficiency (FUE), specific package of practices to be followed in moisture stress and drought conditions, Post Harvest Product Management (PHPM), Integrated Pest Management (IPM) and Crop Protection Agents (CPA) management in FCV tobacco. An amount of ₹32,150/- was incurred towards organizing workshop for SBS region and an amount of ₹47,624/- was incurred towards organizing workshop for SLS region.
- A workshop on Good Agricultural Practices in tobacco to reduce CPA and NTRMs was conducted on 10/02/2021 at CTRI Research Station, Jeelugumilli. An amount of ₹40,720/- was incurred towards conducting the workshop.

Karnataka:

- Regional Manager, Mysore has organized one day workshop on "Good Agricultural Practices" to growers of Karnataka and field staff on 05/08/2020 in APF No.61, Kampalapura involving scientists from CTRI, representatives of trade. During the work shop, the growers were educated regarding Good Agricultural Practices, in tobacco cultivation, crop management during drought and excess moisture conditions, fertilizer application and Post Harvest Product Management (PHPM). An amount of ₹48,082/- was incurred by Regional Manager, Mysore towards conducting the workshop.

ii. Study tour to growers of Andhra Pradesh.

- The Auction Superintendents of SLS & SBS regions have conducted study tours to threshing plants to demonstrate growers the tobacco processing operations and the adverse effect of NTRMs on threshing machinery. The growers were explained the need to address the NTRM problem in FCV tobacco for better exports.
- Auction Superintendents of NLS region organized study tours to Horticulture university, Venkataramannagudem, Oil palm research station, Pedavegi, Sri Subramanyeswara Prakruthi Vyavasaya Kshetram, Gundugolanukunta and multistoried farming model plot in Tirumalampalem village to educate growers on alternate crop production, demonstrate benefits of natural farming and mode of diversification of agriculture for sustainability.
- During 2020-21 crop season, 15 study tours were conducted in Andhra Pradesh and 464 growers have participated. An amount of ₹2.44 lakh was incurred towards organization of the study tours.

Region	Study tour expenditure ₹
SBS	71,270.00
SLS	77,054.00
NLS	95,483.00
Total	2,43,807.00



iv. Publicity Material:

During 2020-21 crop season, 18,000 multi colour pamphlets covering the topics "Management and control of Orobancha parasite" and "Importance of green manure crops raising in FCV tobacco" and 18,000 multi colour pamphlets regarding the "Elimination of Non Tobacco Related Material (NTRM) in FCV tobacco" were got printed in Telugu language for distribution to growers of Andhra Pradesh state. An expenditure of ₹81,144/- (exclusive of TDS) was incurred.

1,000 Pamphlets on the recommended Crop Protection agents (CPAs) and their dosages, were got printed for educating growers in NLS Region regarding the CPA residue problem in FCV tobacco and an amount of ₹1,200/- was incurred towards printing expenses.

v. Field Friends' Teams:

The Tobacco Board has constituted Field Friends teams with Scientists from CTRI, field executives of major companies such as M/s. ITC Ltd and M/s.GPI Ltd, AOI, PSSH and Board's Technical Officers to extend timely advises and suggestions to the growers on different aspects of tobacco cultivation. The potential extension providers in tobacco are identified and made partners in the Field Friend Team programme. Field friends' teams during their visits observed the general crop condition in the areas and advised



the Board extension staff and growers on specific interventions to be taken up for improving the crop condition. Field Friend teams were constituted in all the regions during 2020-21 crop season in Andhra Pradesh and the teams toured as per the schedule and an expenditure of ₹0.44 lakh was incurred.

vi. On Farm tests and experimental trials:

An On-Farm Trial aims at testing a new technology, innovation or a novel intervention, in farmers fields, under farmers management in comparison with farmers own practices as control.

Tobacco Board has implemented "On Farm Tests and Experimental Trials" on impact of Natural Farming in the fields of the growers. In natural farming mode of FCV tobacco cultivation, chemical fertilizers and pesticides are not used and inputs in natural form are only utilized.

During 2020-21 crop season, 104 growers came forward to take up On-farm trials of natural farming in 104.00 acres (41.60 ha.) in Karnataka and 60 growers have taken up trials of natural farming in 186.63 acres (74.65 ha.). Board incurred an expenditure of ₹10.33 lakh for Karnataka and ₹9.11 lakh in Andhra Pradesh towards the financial incentives, extended to these growers as an encouragement for conducting these trials in their fields and also for organizing field day programmes. A total of 918 growers in Andhra Pradesh and 691 growers in Karnataka States attended to field day programmes and were educated on the benefits of natural farming concept.

Board promoted the concept of 365 days crop raising in tobacco grower fields, the practice which could facilitate grower to earn regular income from field throughout the year and also could aid in soil enrichment through the practice of crop rotation. An expenditure of 0.97 lakh was incurred by Board to incentivize 6 growers who came forward to raise multiple crops throughout year (365 days) in all seasons in an area of 6.20 ha.



vii. Model Project Area:

Board has implemented Model Project Area scheme in 18 villages in Andhra Pradesh and 12 villages in Karnataka to encourage farmers in these areas to adopt Good Agricultural Practices to enhance productivity and quality of tobacco in a focused manner. M/s. ITC Ltd, M/s Godfrey Phillips India Ltd, M/s Deccan Tobacco Company and Alliance One India Ltd were also involved in developmental activities in MPA villages. An expenditure of ₹10.60 lakh was incurred towards execution of the scheme.

EXPENDITURE ON IMPLEMENTATION OF EXTENSION AND DEVELOPMENTAL SCHEMES DURING 2020-21

Tobacco Board had incurred a total expenditure of ₹328.53 Lakh during 2020-21 for implementing various Extension and Developmental schemes.

(₹ in lakh)

Extension Schemes	2020-21
Improving Yield & Quality of Tobacco	126.05
Improvement of Curing Practices	107.83
Elimination of NTRMs and Product Integrity	38.36
Post Harvest Product Management	1.65
Programmes for training of farmers and technical staff	23.63
On Farm Tests & Experimental Trials	20.41
Model Project Area	10.60
Total:	328.53

The scheme wise Physical/Financial targets and achievements are given at Page Nos. 46 to 49.

**2020-21 CROP SEASON - EXTENSION AND DEVELOPMENTAL SCHEMES -
PHYSICAL AND FINANCIAL ACHIEVEMENTS**

Sl. No.	Name of the Scheme	No. of beneficiaries			Physical Achievement			Financial Achievement (₹ in lakh)		
		A.P	KK	Total	A.P	KK	Total	A.P	KK	Total
1	Improving yield and quality of FCV Tobacco									
a	Analysis of leaf for pesticide and chemical constituents	0	0	0	437	200	637	25.97	14.10	40.07
b	Integrated Pest Management Practices									
b.1	Pheromone Traps	1098	0	1098	26896	0	26896	3.50	0.00	3.50
b.2	Yellow Sticky Traps	1120	0	1120	16855	0	16855	0.67	0.00	0.67
b.3	Supply of Trays and Cocopeat	1904	3547	5451	698866	797677	1496543	29.17	39.78	68.95
b.4	shade nets	136	0	136	141	0	141	0.54	0.00	0.54
b.5	Supply of Bio Pesticides	1352	1062	2414	4734	1176	5910	3.35	0.86	4.21
b.6	Supply of mari gold seedlings				806500	163500	970000	6.05	1.23	7.28
b.7	Supply of jowar & bajra seedlings	0	925	925	0	2097	2097	0.00	0.83	0.83
	Sub Total:	5610	5534	11144				69.25	56.80	126.05
2	Improving of curing practices									
a	Energy conservation measures									
i	Glass wool roof insulation	657	0	657	516	0	516	38.51	0.00	38.51
ii	Venturi furnace	172	0	172	139	0	139	6.90	0.00	6.90
iii	Paddy straw insulation	0	1069	1069	0	1097	1097	0.00	54.85	54.85
b	Loose leaf barn	2	0	2	2	0	2	6.00	0.00	6.00
c	Raising of fuel for curing of Tobacco(no. of tree saplings)	0	0	0	8700	0	8700	1.57	0.00	1.57
	Sub Total:	831	1069	1900				52.98	54.85	107.83
3	PHPM Measures									
i	Construction of Bulking Sheds	12	0	12	12	0	12	1.65	0.00	1.65
4	Elimination of NTRM and Product Integrity through supply of tarpaulins	2054	1719	3773	2054	1719	3773	21.17	17.19	38.36
5	Other Extension Programmes									
a	Training to farmers & staff									
i	Work shops	273	75	348	3	1	4	1.21	0.48	1.69
ii	Training Programs by Auction Superintendents to growers	5202	3292	8494	100	66	166	2.89	2.15	5.04
iii	Training programs to Officers/Staff/Growers at NIPHM/ CTRI	182	0	182	4	0	4	12.55	0.00	12.55
iv	Training to growers/staff on CPA residue problems	295	0	295	2	0	2	0.63	0.00	0.63
b	Publicity & Extension Literature	0	0	0	37000	0	37000	0.84	0.00	0.84
c	Study Tours	464	0	464	15	0	15	2.44	0.00	2.44
d	Field Friend Teams	0	0	0	3	0	3	0.44	0.00	0.44
	Sub Total:	6416	3367	9783			0	21.00	2.63	23.63
6	On Farm Tests & Experimental Trials									
a	Demonstration of Natural Farming	60	104	164	74.65	41.60	116.25	9.11	10.33	19.44
b	OFT- 365 days green cover	6	0	6	6.20	0	6.20	0.97	0.00	0.97
	Sub Total:	66	104	170				10.08	10.33	20.41
7	Model Project Area (Ha.)	0	0	0	18	12	30	5.96	4.64	10.60
	Grand Total:	14989	11793	26782				182.09	146.44	328.53

COVERAGE OF SC/ST/WOMEN & OTHER GROWERS UNDER EXTENSION AND DEVELOPMENTAL SCHEMES DURING 2020-21

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	Improving yield and quality of FCV Tobacco															
a	Analysis of leaf for pesticide and chemical constituents	...	...	...	...	637	...	...	...	...	...	...	...	...	...	4007339.00
b	Integrated pest management practices															
b.1	Pheromone Traps	45	27	249	777	1098	859	834	6127	19076	26896	11167.00	10842.00	79651.00	247988.00	349648.00
b.2	Yellow Sticky Traps	48	27	264	781	1120	518	451	4032	11854	16855	2072.00	1804.00	16128.00	47416.00	67420.00
c	Supply of Trays and Cocopeat	285	179	1358	3629	5451	68820	47153	396128	984442	1496543	452127.00	300151.00	1758333.00	4384374.00	6894985.00
d	Supply of Bio Pesticides	106	139	577	1592	2414	180	299.98	1611	3819.4	5910.38	20213.00	33735.00	108774.00	257837.00	420559.00
e	Erection of green-houses/poly houses	...	...	26	110	136	...	...	27	114	141	...	...	10342.00	43661.00	54003.00
f	Supply of marigold seedlings	...	...	...	...	...	...	...	...	97000	...	...	...	...	...	727500.00
g	Supply of Bajra & Jowar seeds	...	...	...	...	925	...	...	...	...	2097	...	...	...	...	83133.00
	Sub Total:					11144										12604587.00
2	Improvement of Curing Practices															
a	Energy conservation measures															

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			
a.1	Glass wool roof insulation./ Paddy Straw Roof insulation	47	48	366	1265	1726	41.5	45	349.1	1177.4	1613	228184.00	237909.00	2073365.00	6796347.00	9335805.00			
a.2	Installation of loose leaf barn	...	...	1	1	2	...	...	1	1	2	...	...	300000.00	300000.00	600000.00
a.3	Installation of venturi furnace	6	...	39	127	172	6	...	31	101.75	138.75	30000.00	...	151436.00	508750.00	690186.00			
b	Raising of fuel for curing of Tobacco/ Community Plantation	...	...	...	...	...	...	...	...	...	8700	...	...	...	...	157140.00
	Sub Total:					1900										10783131.00			
3	Elimination of NTRM and Product Integrity through supply of tarpaulins	278	118	747	2630	3773	278	118	747	2630	3773	328400.00	130400.00	747000.00	2630000.00	3835800.00			
4	PHPM Measures																		
	Construction of Bulking Sheds/Model Storage facilities	0	0	1	11	12	0	0	1	11	12	0.00	0.00	15000.00	150000.00	165000.00			
5	Other Extension Programmes																		
a	Training to farmers & staff	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
i	Work shops	...	...	...	...	348	...	...	...	...	4	...	...	...	...	168576.00
ii	Training programs by Auction Superintendents to growers	...	...	...	...	8494	...	...	...	...	166	...	...	...	...	503516.00

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
iii	Training programs to Officers/Staff/Growers at NIPHM/CTRI	...	...	...	...	182	...	...	...	...	4	...	...	...	...	1255048.00
iv	Training to growers/ staff on classification, package of practices, arrest CPA residue problems	...	...	...	...	275	...	...	...	...	1	...	...	...	...	60970.00
v	Apex committee meeting	...	...	...	...	20	...	...	...	...	1	...	...	...	...	2400.00
b	Publicity & Extension 7	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Literature	...	...	...	...	...	...	...	...	...	37000	...	...	...	...	83967.00
c	Study Tours	...	...	...	...	464	...	...	...	...	15	...	...	...	...	243807.00
d	Field Friend Teams	...	...	...	...	...	...	...	...	...	3	...	...	...	...	44233.00
	Sub Total :	...	...	...	...	9783	...	...	...	...	...	...	...	...	...	2362517.00
6	On Farm Tests & Experimental Trials	...	...	...	...	170	...	...	...	...	122.45	...	...	...	...	2041344.00
7	Model Project Area (Ha.)	...	...	...	...	...	...	...	...	...	30	...	...	...	...	1060335.00
	Grand Total:	...	...	...	...	26782	...	...	...	...	...	...	...	...	...	32852714.00



GROWER WELFARE INITIATIVES

I) Tobacco Board Growers Welfare Fund:

Tobacco Board is undertaking various welfare measures, to ensure overall welfare of around 81,500 Tobacco Growers and their families in the states of Andhra Pradesh, Karnataka, Telangana & Odisha by establishing "Tobacco Board's Growers' Welfare Schemes" in 2009-10 with the approval of Department of Commerce, Ministry of Commerce & Industry, Government of India.

The Welfare Scheme provides financial assistance, in the form of Death Grants and Interest Free Loans, to perform daughters' Marriage, Education of Dependent Children, Treatment for major Illness / Accident cases requiring surgery and repairs to barns damaged due to Natural Calamities / Fire Accidents. Since the inception of the scheme, Tobacco Board had provided financial relief to 17,234 growers, in terms of Grants and Loans so far. Grants worth ₹48.51 crores were sanctioned to 12,801 beneficiaries and interest free loans of ₹11.27 crores were sanctioned to 4,433 growers.

By the end of 2020-21 since the inception of the scheme, a total amount of ₹64.45 crores was available in Tobacco Board's Growers' Welfare Fund.

During 2020-21, ₹6.45 crores were disbursed in the form of Grants and ₹1.17 crores in the form of Interest Free Loans, totalling to ₹7.62 crores. The details of Grants/Interest Free Loans extended scheme wise during 2020-21 are as follows:

II) Production related services to farmers

a) Soil and Water Analysis

Every year, Tobacco Board organizes collection and analysis of soil and water samples of registered tobacco growers at free of cost. Basing on analysis results, Board advises growers on suitability of soil and irrigation water for tobacco cultivation and on usage of correct dose of fertilizers for improving quality and yields. During 2020-21 crop season, 2,301 soil samples KVK, Darsi and 557 water samples in Andhra Pradesh state were analyzed by utilizing the services of KVK, Darsi. 4,200 soil samples in Karnataka state were analyzed utilizing the services of RCF Limited, Gowdahally, Kolar District. The results were communicated to the growers concerned. In addition to the above, 1000 soil samples in Andhra Pradesh and 180 soil samples in Karnataka were analyzed for micro nutrients viz., Fe, Zn, Mn and Cu during 2020-21 crop season utilizing the services of IPL, Tirupati and RCF Limited, Gowdahally, Kolar District respectively.

State	Macro nutrients		Micro nutrients
	Soil Samples	Water Samples	Soil Samples
Andhra Pradesh	2,301	557	1,000
Karnataka	4,200	--	180
Total	6,501	557	1,180

B. Barn and Stock Insurance for FCV Tobacco Growers:

The Board is facilitating insurance coverage of barns and tobacco stocks during curing and storage through Standard Fire and Allied Perils Policy since 2003 in Andhra Pradesh and from 2019-20 onwards in Karnataka. Registered tobacco growers are also being covered under Group Personal Accident Policy (GPA) every year. During 2020-21 crop season, Oriental Insurance Company Limited provided insurance coverage to 33,179 growers and their 32,187.94 barns in Andhra Pradesh and an amount of ₹1.83 crore was paid as premium to the insurance company. The United India Insurance Company Limited provided insurance coverage to 34,851 growers and their 43,082.50 barns in Karnataka and an amount of ₹2.15 crore was paid as premium to the insurance company.

**STATEMENT SHOWING THE FINANCIAL RELIEF IN THE FORM OF GRANTS / INTEREST FREE LOANS SANCTIONED
FROM INCEPTION OF THE SCHEME AS ON 31ST MARCH, 2021**

Category of the scheme	Since inception of the scheme up to 31/03/2020						During 2020-21 (01/04/2020 to 31/03/2021)					
	Andhra Pradesh		Karnataka		TOTAL		Andhra Pradesh		Karnataka		TOTAL	
	No. of Beneficiaries	Amount (₹) In. Lakh	No. of Beneficiaries	Amount (₹) In. Lakh	No. of Beneficiaries	Amount (₹) In. Lakh	No. of Beneficiaries	Amount (₹) In. Lakh	No. of Beneficiaries	Amount (₹) In. Lakh	No. of Beneficiaries	Amount (₹) In. Lakh
GRANTS												
Natural death	5130	1668.20	5997	2244.22	11127	3912.42	586	293.00	658	329.00	1244	622.00
Accidental death	260	181.50	147	112.00	407	293.50	10	10.00	13	13.00	23	23.00
Total Grants (A)	5390	1849.70	6144	2356.22	11534	4205.92	596	303.00	671	342.00	1267	645.00
INTEREST FREE LOANS												
a) Daughter's Marriage	78	24.00	1219.00	476.50	1297	500.50	3	1.5	192	96.00	195	97.50
b) Major Illness	39	14.65	63.00	18.74	102	33.39	1	0.5	3	1.50	4	2.00
c) Barn Loan	2228	261.45	199.00	95.80	2427	357.25	0	0	29	12.10	29	12.10
d) Education Loan	246	73.87	122.00	44.50	368	118.37	2	1	9	4.50	11	5.50
Total Loans (B)	2591	373.97	1603	635.54	4194	1009.51	6	3.00	233	114.10	239	117.10
GRAND TOTAL (GRANTS + LOANS)	7981	2223.67	7747	2991.76	15728	5215.43	602	306.00	904	456.10	1506	762.10

AUCTIONEERING SERVICES

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



E-auctioning of FCV tobacco

I. AUCTIONS FOR SALE OF 2019-20 FCV TOBACCO IN ANDHRA PRADESH:

a) Volume and Prices:

The auctions for sale of 2019-20 FCV tobacco crop in Andhra Pradesh commenced in the financial year 2019-20 on 17/02/2020 and concluded in the financial year 2020-21 on 21/10/2020. A total quantity of 128.65 million kg of tobacco was marketed at an average price of ₹123.95 per kg at the end of the auction season, out of which, a quantity of 124.18 million kg of tobacco was marketed at an average price of ₹122.84 per kg during the period from 01/04/2020 to 21/10/2020 i.e., during 2020-21 financial year. Auction platform wise quantity marketed and average price realized during 01/04/2020 to 21/10/2020 are placed at Page No. 65.

b) Minimum Guaranteed Indicative Prices (MGIP):

After several years of gap, with the concerted efforts of the Board, the Indian Tobacco Association has agreed and announced Minimum Guaranteed Indicative Price (MGIP) for FCV tobacco crop with effect from 2016-17 crop season in Andhra Pradesh. The Minimum Guarantee Indicative Price announced by the Indian Tobacco Association from 2019-20 to 2021-22 is given below:

Grade	MGIP for FCV tobacco			
	In traditional soils (SLS, SBS & NBS) (₹/kg)		In Northern Light Sils (NLS)/ Karnataka Light Soils (KLS) (₹/kg)	
	From	To	From	To
Bright	122.50	132.50	142.50	152.50
Medium	107.50	117.50	122.50	132.50
Low*	62.50	72.50	62.50	72.50

* Excludes 'NOG' Grade

c) Crop size fixed and estimated production:

Tobacco Board has fixed a crop size of 136 million kg for Andhra Pradesh during 2019-20 crop season. As against this, a crop of 135.84 mkg was estimated to be produced.

Untimely rainfall during harvesting stage (1st week of January) caused damage to the standing crop resulting in poor grade out-turn i.e., production of higher proportion of low grade. The impact of untimely rainfall was higher in SLS & SBS regions. Added to this, acute labour shortage had pushed up the cost of production.

d) Grade Out-turn:

The grade out-turn recorded in terms of Bright, Medium and Low-grade percentages were 33% : 30% : 37% vis-à-vis 27% : 29% : 44% during last year.

The soil region wise bright, medium and low-grade percentages during 2019-2020 vis-à-vis last year is given below:

Region	2019-20 Season			2018-19 Season		
	Bright %	Medium %	Low %	Bright %	Medium %	Low %
NBS	48	32	20	43	45	12
SBS	31	19	50	18	23	59
SLS	25	34	41	20	29	51
NLS	42	37	21	42	36	22
OVER ALL	33	30	37	27	29	44

e) Commencement of Auction sales:

Auctions for sale of 2019-20 season FCV tobacco crop in Andhra Pradesh have commenced in 5 phases as given hereunder:

Phase	Date of commencement of auction sales	Soil Region	Auction Platforms
1st Phase	17/02/2020 (Monday)	SLS Region	APF No.22; Podili-I, APF No.29; D.C. Palli, APF No.35; Kanigiri
		SBS Region	APF No.20; Ongole-I, APF No.25; Kondapi, APF No.31; Vellampalli-II
2nd Phase	26/02/2020 (Wednesday)	SLS Region	APF No.26; Kandukur-I, APF No.27; Kandukur-II, APF No.28; Kaligiri
3rd Phase	11/03/2020 (Wednesday)	SBS Region	APF No.23; Ongole-II, APF No.24; Tangutur-I, APF No.34; Tangutur-II
4th Phase	19/03/2020 (Thursday)	NLS Region	APF No.17; Devarapalli, APF No.18; J.R. Gudem-I, APF No.30; Koyyalagudem, APF No.32; J.R.Gudem-II, APF No.33; Gopalapuram
5th Phase	13/05/2020 (Wednesday)	NBS Region	APF No.15; Thorredu

f) Market trends:

Auctions for sale of 2019-20 FCV tobacco commenced from 17/02/2020 in a phased manner. After sale of 4.47 mkg, auctions were temporarily suspended from 22/03/2020 due to COVID-19 pandemic and subsequent lockdown. The auctions were resumed on 27/04/2020 at 5 auction platforms initially and resumed at all the other 13 auction platforms by 13/05/2020 in a phased manner.

Auctions were conducted by adopting SOPs specific to auctioning of FCV tobacco to avoid spread / contracting of COVID-19 pandemic.

After resumption of auctions in Andhra Pradesh in the last week April, though the bright grade was fetching better prices, there was a price drop for medium grade in SBS and SLS Regions. Especially there are no buyers for low grades and majority of the low-grade bales were getting rejected in auctions. Because of high rejection percentage of low grade bales, the growers started agitations.

g) Purchase of tobacco by APMARKFED:

Considering the problems in marketing of low grades, the Hon'ble Chief Minister of Andhra Pradesh during the review convened on 18/06/2020 on on-going auctions with the tobacco growers & trade decided to intervene the market and purchase tobacco in auctions through Andhra Pradesh State Co-operative Marketing Federation Limited (APMARKFED). Accordingly, the APMARKFED has entered into the market as a buyer and started purchase of tobacco in auctions from 1st July 2020. With the purchases of medium and low grades by the APMARKFED, the rejections have come down drastically and the auctions went on smoothly. During the season, APMARKFED has purchased a total quantity of 12.93 mkg of tobacco at an average price of ₹81.00 per kg.

The soil region wise and grade wise purchases of APMARKFED were given hereunder:

Soil Region	Grade	2020-21	
		Qty. Mkted.(kg)	Avg. Price (₹/kg)
NBS	Bright	119.20	145.00
	Medium	7161.20	102.21
	Low	105338.60	75.84
	Total	112619.00	77.59
NLS	Bright	132.20	156.00
	Medium	87399.60	118.41
	Low	866011.90	100.23
	Total	953543.70	101.90
SBS	Bright	257.30	140.00
	Medium	79059.90	129.84
	Low	7286846.90	78.89
	Total	7366164.10	79.44
SLS	Bright	0.00	0.00
	Medium	116759.20	106.49
	Low	4382503.70	78.48
	Total	4499262.90	79.21
Total	Bright	508.70	145.33
	Medium	290379.90	116.33
	Low	12640701.10	80.19
	Total	12931589.70	81.00

The soil region wise and individual grade wise purchases of APMARKFED were given page Nos. 71 & 72.

The auction sales were concluded on 21/10/2020. A quantity of 128.65 mkg was marketed at an average price of ₹123.95 per kg. The average price realised ₹123.95 per kg during 2019-20 season was higher by ₹2.42 per kg over the last year average price. The highest price recorded for quality tobacco was ₹217/- per kg.

The soil region wise average prices realised during 2019-20 auctions in comparison with last year are given hereunder:

Soil Region	Grade	2020 Auctions (final)		2019 Auctions (final)		Difference in Avg. Price of 2020 over 2019 auctions
		Qty. Mktd. (mkg)	Avg. Pri. (Rs/kg)	Qty. Mktd. (mkg)	Avg. Pri. (Rs/kg)	
NBS (Northern Black Soils)	Bright	1.31	158.68	1.06	160.15	-1.47
	Medium	0.87	123.57	1.12	102.64	20.93
	Low	0.56	73.77	0.31	71.01	2.76
	Total	2.74	130.17	2.49	123.24	6.93
SBS (Southern Black Soils)	Bright	13.35	173.02	7.93	168.65	4.37
	Medium	8.49	130.97	9.73	125.10	5.87
	Low	21.88	75.57	25.58	84.78	-9.21
	Total	43.73	116.09	43.24	109.24	6.85
SLS (Southern Light Soils)	Bright	10.00	167.46	7.84	168.87	-1.41
	Medium	13.78	130.24	11.46	136.49	-6.25
	Low	16.40	71.73	20.59	83.07	-11.34
	Total	40.19	115.62	39.89	115.28	0.34
NLS (Northern Light Soils)	Bright	17.84	170.72	16.15	172.10	-1.38
	Medium	15.36	142.58	13.87	140.86	1.72
	Low	8.80	71.87	8.44	85.10	-13.23
	Total	41.99	139.71	38.46	141.74	-2.03
All Soil Regions	Bright	42.50	170.31	32.98	170.12	0.19
	Medium	38.50	135.17	36.19	134.05	1.12
	Low	47.65	73.54	54.92	84.11	-10.57
	Total	128.65	123.95	124.09	121.53	2.42

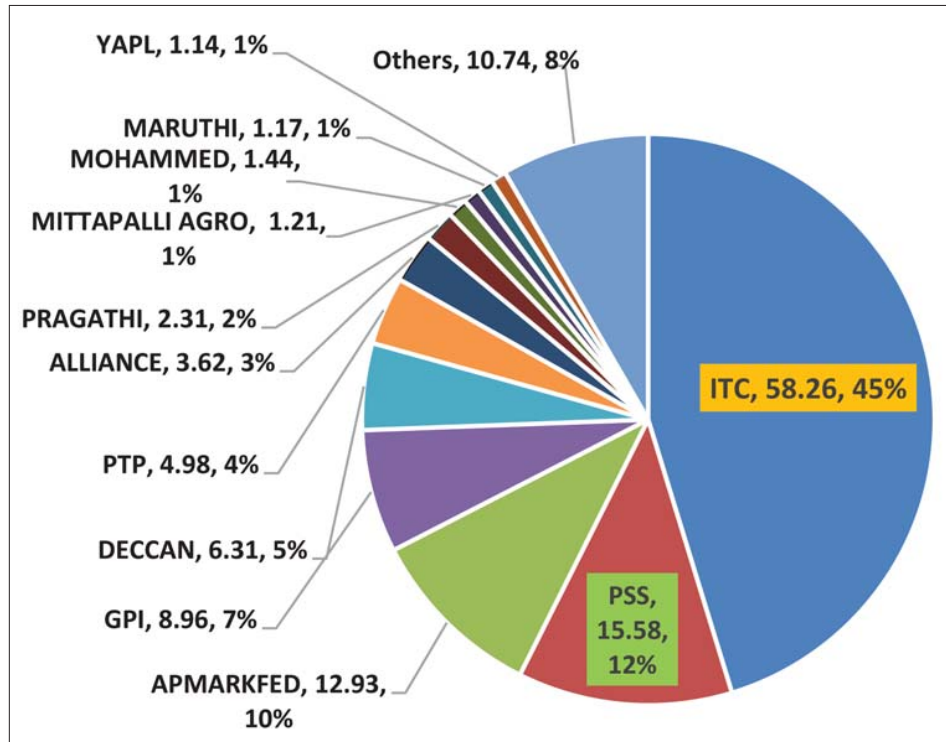
h) Buyers' Performance:

A total of 60 buyers have participated in 2020 Andhra Pradesh auctions. The quantities of tobacco purchased and average prices paid by Manufacturers, Exporters and Dealers compared to their last year purchased were given hereunder:

Sl. No.	Category	2020 Auctions			2019 Auctions		
		Quantity (mkg)	% share	Average price (₹/kg)	Quantity (mkg)	% share	Average price (₹/kg)
1	Manufacturers	67.21	52.25	140.02	67.37	54.29	129.53
2	Exporters	40.18	31.22	118.01	45.73	36.85	112.93
3	Dealers	21.26	16.53	84.38	10.99	8.86	108.33
	Total	128.65	100.00	123.95	124.09	100.00	121.53

The purchases of major buyers during 2019-20 Andhra Pradesh FCV Tobacco auctions were given hereunder:

(Quantity in mkg)



Over-all it took 175 days to complete auctions as against 135 days in previous year.

i) Total marketed value:

The total value of the tobacco crop that was realized by the growers was ₹1,594.57 crore during 2019-20 crop season.

j) Permission to growers to sell excess and un-authorized crop:

Government of India vide Notification S.O.No.2121 (E) & 2122 (E) dated 26th June, 2020 permitted the sale of excess quantity of tobacco produced by the registered growers in Andhra Pradesh State subject to payment of 5% service charges (Including normal service charge of 1%) and extra fee of ₹2.00 per kg up to the extent of 10% of the quota authorized; permitted to sale the tobacco produced over and above the limit of 10% of the quota authorized by the registered growers and also by every unregistered grower of flue cured Virginia tobacco, who produced tobacco during 2019-20 crop season upon payment of 10% services charges (Including normal service charge of 1%) and extra fee of ₹2.00 per kg.

The particulars of quantity of excess tobacco sold by the registered growers and un-authorized tobacco sold by the unregistered growers in Andhra Pradesh were as follows:

Sl. No.	Category of the growers	No. of growers	Qty. marketed (mkg)	Avg. Price (₹/kg)
1.	Registered growers	19,012	93,96,097.6	76.40
2.	Un-registered growers	6	4,478.0	66.56

II. AUCTIONS FOR SALE OF 2019-20 FCV TOBACCO IN KARNATAKA:

The auctions in Karnataka for sale of 2019-20 FCV tobacco crop spread over two financial years. The auctions for sale of 2019-20 FCV crop commenced in the financial year 2019-20 i.e., on 16/09/2019 and concluded in the financial year 2020-21 i.e., on 09/06/2020. A total quantity of 4.07 mkg was marketed at an average price of ₹87.79 per kg during 2020-21 financial year i.e., from 01/04/2020 to 09/06/2020. Auction platform wise quantity marketed and average price realized during 01/04/2020 to 09/06/2020 are given at page No.66.

Most of the times the Karnataka FCV tobacco auction sales conclude in one financial year only. Because of COVID-19 Pandemic, auctions were suspended from 22/03/2020 to 20/05/2020 and hence the auction sales extended upto 09/06/2020.

III. AUCTIONS FOR SALE OF 2020-21 FCV TOBACCO IN KARNATAKA:

a) Crop size fixed and estimated production:

Board has fixed a crop size of 88 mkg of FCV tobacco for 2020-21 crop season in Karnataka considering the domestic and international demand and supply position. As against the 88 mkg targeted crop size, the production was estimated at 100.41 mkg. Initially, the crop size was fixed at 99 mkg and it was revised and reduced to 88 mkg in view of anticipated lack lustre demand in the wake of COVID-19 pandemic worldwide.

b) Grade Out-turn:

The grade out-turn recorded in terms of Bright, Medium and Low-grade percentages for the 2020-21 crop were 15%; 41%; 44% vis-à-vis 14%; 44%; 42% during last year.

c) Commencement of Auction sales:

Auctions have commenced in two phases. The first phase of auctions commenced on 30/09/2020 at two auction platforms namely Chilkunda and Periyapatna-II and the second phase of auctions commenced on 07/10/2020 at remaining all 9 auction platforms in Karnataka for sale of 2020-21 Karnataka FCV tobacco.

d) Market trends:

A total quantity of 88.42 mkg was marketed at an average price of ₹119.87 per kg. The average price realised ₹119.87 per kg during the current season was lower by ₹4.19 per kg over the last year

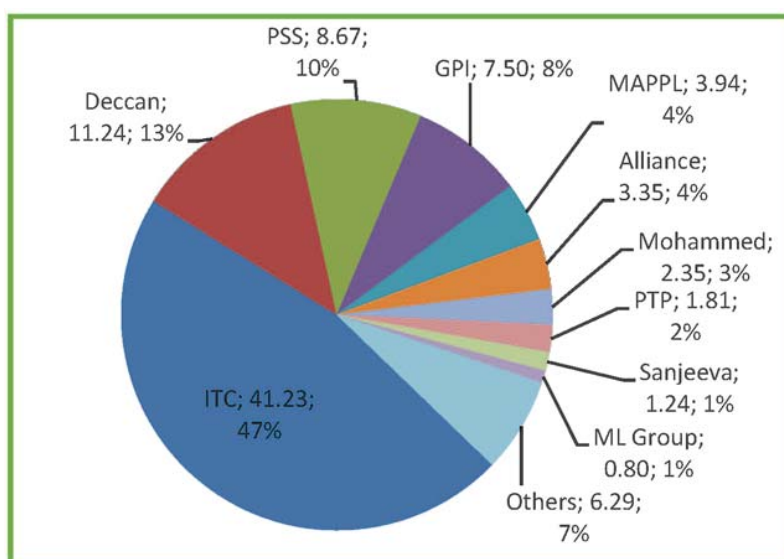
average price. The highest price recorded for quality tobacco was ₹264/- per kg and this was the record high price in the history of FCV tobacco auctions in India.

Quantity of tobacco marketed and average price realised during the current auction season, for Bright, Medium & Low-grade tobaccos compared the last year average prices were given hereunder:

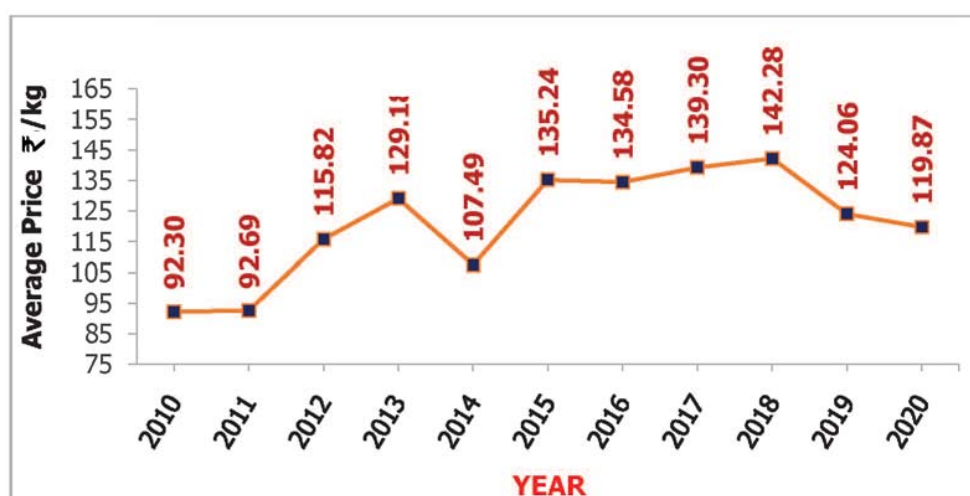
Sl. No.	Grade	2020 Auctions		2019 Auctions		Difference in Avg. Price of 2020 over 2019 auctions
		Qty. Mktd. (mkg)	Avg. Pri. (₹/kg)	Qty. Mktd. (mkg)	Avg. Pri. (₹/kg)	
1	Bright	13.49	182.77	14.60	175.22	+ 7.55
2	Medium	35.81	138.76	46.44	139.82	- 1.06
3	Low	39.12	80.88	45.14	91.29	- 10.41
	Total	88.42	119.87	106.18	124.06	- 4.19

- The untimely rainfall during harvesting period led to production of higher proportion of medium and low-grade tobaccos.
- During this season, the bright, medium and low-grade tobacco production was 15%;41%;44% respectively.
- This situation of high percentage of low-grade production impacted negatively on average price realization to the farmers.
- Permitted sale of authorized excess and un-authorized tobacco in the month of November itself. This enables the un-registered growers to sell their tobacco without loss of quality during prolonged storage.

The purchases of major buyers during 2020-21 Karnataka FCV tobacco auctions were given hereunder:



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



Auction sales were concluded on 22/03/2021 in 135 auction days compared 160 auction days previous year.

f) Buyers' Performance:

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

Sl. No.	Category	Quantity purchased (mkg)	% Share	Average Price (₹/kg)
1	Manufacturers	48.73	55.12	126.79
2	Exporters	34.93	39.50	111.02
3	Dealers	4.76	5.38	113.89
	Total	88.42	100.00	119.87

A statement showing auction platform wise quantities of tobacco marketed, average prices realized and highest bids recorded during 2020-21 Karnataka auctions was placed at page No.68.

g) Permission to growers to sell excess crop and unauthorized crop:

Government of India vide notifications S.O.Nos.4209 (E) & 4210 (E), dated 25th November, 2020 permitted the sale of excess quantity of tobacco produced by the registered growers in Karnataka State subject to payment of 5% service charges (incl. normal service charge of 1%) and extra fee of ₹2.00 per kg up to the extent of 10% of the quota authorized; permitted to sale the tobacco produced over and above the limit of 10% of the quota authorized by the registered growers and also by every unregistered grower of flue cured Virginia tobacco, who produced tobacco during 2020-21 crop season upon payment of 10% service charges (incl. normal service charge of 1%) and extra fee of ₹2.00 per kg.

The particulars of quantity of excess tobacco sold by the registered growers and un-authorized tobacco sold by the unregistered growers in Karnataka were as follows:

Sl. No.	Category of the growers	No. of growers	Qty. marketed (mkg)	Avg. Price (₹/kg)
1.	Registered growers	17,795	8.36	92.88
2.	Un-registered growers	12,537	11.87	101.08

IV. AUCTIONS FOR SALE OF 2020-21 FCV TOBACCO IN ANDHRA PRADESH:

a) Crop size fixed and estimated production:

Tobacco Board has fixed a crop size of 115 mkg for Andhra Pradesh during 2020-21 crop season. As against this, a crop of 109.63 mkg was estimated to be produced.

This year, farmers in Andhra Pradesh reduced the plantations by 14,291 ha (18%) over last year. Transplantations delayed all over the state due to cyclones during planting time. An area of 10,100 ha. damaged due to Cyclone 'NIVAR'. Because of late planted crop, the yields were drastically reduced in SLS & SBS Regions. However, the quality of crop was good and more of bright grade tobacco produced.

Considering the small size of crop production and difficulties being faced in delivering the mandatory services effectively due to acute shortage of employees, the operations at Thorredu & Tangatur-II auction platforms were closed for this season temporarily. The jurisdiction of Thorredu auction platform was merged with Devarapalli auction platform and the jurisdiction of Tangatur-II auction platform was adjusted to other auction platforms under SBS Region. Out of 18 auction platform operated last year, only 16 auction platforms are in operation during 2020-21 auction season.

Soil region wise crop targeted and estimated production during this year is as follows:

Sl. No.	Soil Region	Targeted Crop (mkg)	Estimated Production (mkg)
1	SBS Region	37.20	36.98
2	SLS Region	34.14	32.25
3	NLS Region	43.66	40.40
Grand Total		115.00	109.63

Note: 3 mkg of targeted crop and 2.5 mkg of estimated production of NBS Region is included in NLS Region.

The soil regions wise estimated production in terms of bright, medium and low grade percentages in 2020-21 vis-à-vis 2019-20 crop are given hereunder:

Region	2020-21 Season			2019-20 Season		
	Bright %	Medium %	Low %	Bright %	Medium %	Low %
SBS	53	27	20	31	19	50
SLS	59	23	18	25	34	41
NLS	54	32	14	42	37	21
Total	55	28	17	33	30	37

b) Commencement of Auction sales:

As per the consensus of the Growers, ITA & Trade representatives the auctions were commenced in 2 phases. In 1st phase, auctions commenced on 15/03/2021 at all the 11 auction platforms in SLS & SBS Regions and in 2nd phase, auctions commenced on 24/03/2021 at all 5 auction platforms in NLS Region. Auctions are being conducted by following the SOPs to avoid spread / contracting of COVID-19 pandemic.

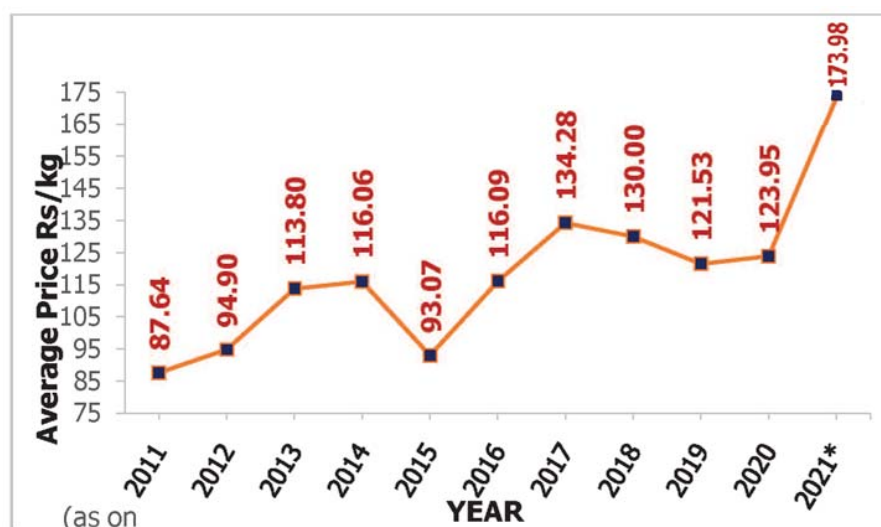
c) Volume and Prices:

Auctions at all the auction platforms have commenced on a positive note at a highest price for quality tobacco at ₹183/- per kg in SBS Region; ₹180/- per kg in SLS Region and ₹185/- in NLS Regions. As on 31/03/2021 a quantity of 5.35 mkg was marketed at an average price of ₹173.98 per kg. The average price realised ₹173.98 per kg during 2020-21 auctions was higher by ₹19.53 per kg over the last year average price for the corresponding volume marketed.

Soil Region wise average prices realized as on 31/03/2021 in comparison with the corresponding volumes marketed last year:

Soil Region	Qty. mkted. (mkg)	Average price realised (₹/kg)		Diff. in Avg. Price over last year (₹/kg)
		2020-21	2019-20	
SBS	2.41	173.06	154.64	+ 18.42
SLS	2.55	175.05	152.38	+ 22.67
NLS	0.39	172.68	166.38	+ 6.30
TOTAL	5.35	173.98	154.45	+ 19.53

Average prices realized by growers in Andhra Pradesh auctions since 2011



d) Average prices realized for Bright, Medium and low grades as on 31/03/2021 were as follow:

Grade	Quantity marketed (mkg)	% Share	Average Price (₹/kg)
Bright	4.71	87.93	175.57
Medium	0.64	12.03	162.50
Low	0.002	0.04	135.16
Total	5.35	100.00	173.98

A statement showing auction platform wise quantities of tobacco marketed, average prices realized and highest bids recorded as on 31/03/2021 are placed at Page No. 67.

V) TOTAL QUANTITY OF TOBACCO MARKETED DURING FINANCIAL YEAR 2020-21:

The total quantity of tobacco marketed during the period 01/04/2020 to 31/03/2021 at all the auction platforms both in Andhra Pradesh and Karnataka was 222.02 mkg and the average price realized was ₹122.25 per kg. The particulars are placed at Page Nos. 65 & 66.

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 01/04/2020 to 31/03/2021 are placed at Page Nos.69 & 70.

**Auction Platform wise quantity of tobacco marketed in Andhra Pradesh and
Karnataka during the period 01/04/2020 to 31/03/2021**

Sl. No.	Name of the Auction Platform	2020 Andhra Pradesh Auctions Qty. mkted. during the period 01/04/2020 to 21/10/2020		2021 Andhra Pradesh Auctions Qty. mkted. during the period 15/03/2021 to 31/03/2021		Total Qty. mkted. during the period 01/04/2020 to 31/03/2021	
		Qty. Mkted. (kg)	Avg. Pri. (₹/kg)	Qty. Mkted. (kg)	Avg. Pri. (₹/kg)	Qty. Mkted. (kg)	Avg. Pri. (₹/kg)
I. ANDHRA PRADESH							
1	Thorredu	2733178.8	130.17	0.0	0.00	2733178.8	130.17
TOTAL (NBS)		2733178.8	130.17	0.0	0.0	2733178.8	130.17
2	Vellampally-II	7634127.1	115.43	291355.5	171.37	7925482.6	117.49
3	Ongole - I	7888930.8	119.24	648844.4	173.16	8537775.2	123.34
4	Ongole - II	7614055.5	119.39	353560.1	174.29	7967615.6	121.83
5	Tangutur-I	5655707.3	116.26	544654.9	172.73	6200362.2	121.22
6	Tangutur-II	5144702.9	109.32	0.0	0.00	5144702.9	109.32
7	Kondepi	7797336.0	104.27	574887.5	173.37	8372223.5	109.01
TOTAL (SBS)		41734859.6	114.15	2413302.4	173.06	44148162.0	117.37
8	Podili - I	8800123.9	101.49	523835.4	172.20	9323959.3	105.46
9	Kandukur - I	8598416.8	120.35	645318.1	175.81	9243734.9	124.22
10	Kandukur - II	7051403.2	120.35	397586.4	176.37	7448989.6	123.34
11	Kanigiri	4099798.3	105.46	354120.5	175.16	4453918.8	111.00
12	Kaligiri	4031154.3	118.37	175054.8	175.81	4206209.1	120.76
13	D.C. Palli	5204906.7	113.99	453758.3	175.70	5658665.0	118.94
TOTAL (SLS)		37785803.2	113.25	2549673.5	175.05	40335476.7	117.16
14	Devarapalli	6518581.5	144.60	57167.1	172.22	6575748.6	144.84
15	J.R.Gudem - I	9381471.2	133.92	61190.9	171.55	9442662.1	134.16
16	J.R.Gudem - II	9621866.3	139.34	142195.4	174.23	9764061.7	139.85
17	Koyyalagudem	9637011.1	136.33	79865.1	170.46	9716876.2	136.61
18	Gopalapuram	6764066.6	148.08	51438.7	173.71	6815505.3	148.27
TOTAL (NLS)		41922996.7	139.66	391857.2	172.68	42314853.9	139.97
SUB TOTAL		124176838.3	122.84	5354833.1	173.98	129531671.4	124.96

**Auction Platform wise quantity of tobacco marketed in Andhra Pradesh and
Karnataka during the period 01/04/2020 to 31/03/2021**

Sl. No.	Name of the Auction Platform	2019 Karnataka Auctions Qty. mkted. during the period 01/04/2020 to 09/06/2020		2020 Karnataka Auctions Qty. mkted. during the period 30/09/2020 to 22/03/2021		Total Qty. mkted. during the period 01/04/2020 to 31/03/2021	
		Qty. Mkted. (kg)	Avg. Pri. (₹/kg)	Qty. Mkted. (kg)	Avg. Pri. (₹/kg)	Qty. Mkted. (kg)	Avg. Pri. (₹/kg)
II. KARNATAKA							
1	H.D. Kote-I	0	0	6652041.7	115.30	6652041.7	115.30
2	Hunsur-I	0	0	7333517.0	122.70	7333517.0	122.70
3	Hunsur-II	0	0	6480308.4	119.20	6480308.4	119.20
4	Hunsur-III	0	0	6361710.0	122.17	6361710.0	122.17
5	Kampalapura	0	0	8278541.8	118.96	8278541.8	118.96
6	Chilkunda	851973.5	90.21	9660923.4	121.33	10512896.9	118.81
7	Periyapatna-I	1047812.8	87.53	8367075.5	119.74	9414888.3	116.16
8	Periyapatna-II	1020416.8	87.83	10707546.6	123.75	11727963.4	120.62
9	Periyapatna-III	1147193.3	86.18	8748920.4	120.29	9896113.7	116.34
10	Ramanathapura-I	0	0	8340251.6	117.27	8340251.6	117.27
11	Ramanathapura-II	0	0	7494022.9	115.92	7494022.9	115.92
SUB TOTAL		4067396.4	87.79	88424859.3	119.87	92492255.7	118.46
GRAND TOTAL (AP & KK)		128244234.7	121.73	93779692.4	122.96	222023927.1	122.25

**2021 Andhra Pradesh Auctions - Auction platform wise
particulars of FCV tobacco auctioned as on 31/03/2021**

Sl. No.	Name of the Auction Platform	APF No.	Targeted Quantity (mkg)	Estimated Quantity (mkg)	Date of commencement	No. of bales sold	Highest bid recorded (₹/kg)	Quantity marketed (kg)	Value of tobacco marketed (₹)	Avg. price (₹/kg)
1	Vellampally - II	31	6.90	6.70	15.03.2021	2151	183.00	291355.5	49929592.04	171.37
2	Ongole - I	20	7.67	8.64	15.03.2021	4908	183.00	648844.4	112353896.30	173.16
3	Ongole - II	23	6.61	5.74	15.03.2021	2695	183.00	353560.1	61621989.83	174.29
4	Tangutur-I	24	8.07	8.40	15.03.2021	4213	183.00	544654.9	94078240.88	172.73
5	Kondepi	25	7.95	7.50	15.03.2021	4475	181.00	574887.5	99668245.88	173.37
	TOTAL (SBS)		37.20	36.98		18442	183.00	2413302.4	417646113.34	173.06
6	Podili - I	22	8.08	7.10	15.03.2021	3943	181.00	523835.4	90204455.88	172.20
7	Kandukur - I	26	7.04	7.80	15.03.2021	5059	183.00	645318.1	113453375.16	175.81
8	Kandukur - II	27	6.04	6.44	15.03.2021	3041	182.00	397586.4	70122313.37	176.37
9	Kanigiri	35	3.79	3.01	15.03.2021	2667	181.00	354120.5	62027746.78	175.16
10	Kaligiri	28	4.01	3.10	15.03.2021	1371	181.00	175054.8	30776384.39	175.81
11	D.C. Palli	29	5.18	4.80	15.03.2021	3414	181.00	453758.3	79725333.31	175.70
	TOTAL (SLS)		34.14	32.25		19495	183.00	2549673.5	446320346.18	175.05
12	Devarapalli	17	9.47	8.20	24.03.2021	411	185.00	57167.1	9845317.96	172.22
13	J.R. Gudem - I	18	8.45	8.10	24.03.2021	466	185.00	61190.9	10497298.90	171.55
14	J.R. Gudem - II	32	8.74	7.50	24.03.2021	1098	185.00	142195.4	24774704.54	174.23
15	Koyyalagudem	30	8.48	8.60	24.03.2021	594	185.00	79865.1	13613804.95	170.46
16	Gopalapuram	33	8.52	8.00	24.03.2021	380	185.00	51438.7	8935416.58	173.71
	TOTAL(NLS)		43.66	40.40	24.03.2021	2949	185.00	391857.2	67665901.30	172.68
	GRAND TOTAL		115.00	109.63		40886	185.00	5354833.1	931633862.74	173.98

2020 Karnataka Auctions - Auction platform wise particulars of FCV tobacco auctioned as on 31/03/2021

Sl. No.	Name of the Auction Platform	APF No.	Targetted Quantity (mkg)	Estimated Quantity (mkg)	Date of commencement	No. of bales sold	Highest bid recorded (₹ kg)	Quantity marketed (kg)	Value of tobacco marketed (₹)	Avg. price (₹/kg)
1	H.D. Kote-I	1	7.85	8.15	07.10.2020	70211	260.00	6652041.7	766980408.01	115.30
2	Hunsur - I	2	6.31	8.33	07.10.2020	76884	262.00	7333517.0	899822535.90	122.70
3	Hunsur - II	3	6.20	7.85	07.10.2020	68459	259.00	6480308.4	772452761.28	119.20
4	Hunsur - III	64	5.35	6.40	07.10.2020	67894	261.00	6361710.0	777210110.70	122.17
5	Kampalapura	61	6.64	8.49	07.10.2020	87807	263.00	8278541.8	984815332.53	118.96
6	Chilkunda	62	9.35	10.80	30.09.2020	103295	262.00	9660923.4	1172159836.12	121.33
7	Periyapatna - I	4	10.55	10.57	07.10.2020	85988	262.00	8367075.5	1001873620.37	119.74
8	Periyapatna - II	5	9.85	11.80	30.09.2020	108142	261.00	10707546.6	1325058891.75	123.75
9	Periyapatna - III	6	9.13	10.11	07.10.2020	88048	264.00	8748920.4	1052407634.91	120.29
10	Ramanathapura-I	7	9.25	9.87	07.10.2020	87487	262.00	8340251.6	978061305.13	117.27
11	Ramanathapura-II	63	7.52	8.04	07.10.2020	79006	261.00	7494022.9	868707134.57	115.92
	Grand Total		88.00	100.41		923221	264.00	88424859.3	10599549571.28	119.87

**BUYER WISE PURCHASES IN ANDHRA PRADESH AND KARNATAKA DURING THE PERIOD
01/04/2020 TO 31/03/2021**

Sl. No.	NAME OF THE BUYER M/S.	2019-20 AP CROP			2020-21 AP CROP			2019-20 KARNATAKA CROP			2020-21 KARNATAKA CROP			TOTAL (From 01/04/2020 to 31/03/2021)				
		From 01/04/2020 To 21/10/2020	Avg. price (₹/kg)	% share	From 15/03/2021 To 31/03/2021	Avg. price (₹/kg)	% share	From 01/04/2020 To 09/06/2020	Qty. in kg	Avg. price (₹/kg)	% share	From 30/09/2020 To 22/03/2021	Qty. in kg	Avg. price (₹/kg)	% share	Qty. in kg	Avg. price (₹/kg)	% share
MANUFACTURERS																		
1	ITC LTD	55366475.8	137.93	44.59	2743678.8	172.28	51.24	713565.5	95.99	17.54	41231861.4	126.58	46.63	100055581.5	133.90	43.56		
2	GPI LTD	8531953.7	149.03	6.87	542072.9	175.88	10.12	277588	82.06	6.82	7503675.7	127.96	8.49	16855290.3	139.41	7.34		
	Sub-Total	63898429.5	139.41	51.46	3285751.7	172.87	61.36	991153.5	92.09	24.36	48735537.1	126.79	55.12	116910871.8	134.69	50.89		
EXPORTERS																		
3	Polisetty Somasundaram	15454860.8	130.37	12.45	320877.4	179.23	5.99	811874.8	95.65	19.96	8665410.10	121.56	9.80	25253023.10	126.85	10.99		
4	Deccan Tobacco Company group	6027635.4	99.74	4.85	301920.3	173.94	5.64	520814.8	74.75	12.80	11241700.20	131.01	12.71	18092070.70	119.69	7.88		
5	Alliance ONE	3521865.2	92.63	2.84	123448.0	179.32	2.31	199129.4	60.90	4.90	3349570.80	104.05	3.79	7194013.40	98.56	3.13		
6	Premier Tobacco	4640361.7	155.18	3.74	909271.9	174.10	16.98	74222.5	70.97	1.82	1813662.00	130.66	2.05	7437518.10	150.67	3.24		
7	Mittapalli Agro Products Pvt. Ltd.(R)	1206200.1	53.32	0.97	3249.3	158.42	0.06	571199.0	73.58	14.04	3943934.40	63.04	4.46	5724582.80	62.10	2.49		
8	Mohammed Enterprises Pvt.Ltd.	1420933.1	147.41	1.14	62895.3	179.94	1.17	276433.4	109.32	6.80	2346572.90	100.49	2.65	4106834.70	118.54	1.79		
9	Pragathi Tobacco Traders Ind	2304855.1	118.52	1.86	9496.5	175.20	0.18				4258.60	119.73	0.00	2318610.20	118.75	1.01		
10	Mittapalli Audinarayana	725076.1	79.57	0.58				118054.5	113.53	2.90	276334.90	93.57	0.31	1119465.50	86.61	0.49		
11	Shaik Masthan Saheb Tobacco	687462.0	60.69	0.55							283409.90	42.85	0.32	970871.90	55.48	0.42		



**BUYER WISE PURCHASES IN ANDHRA PRADESH AND KARNATAKA DURING THE PERIOD
01/04/2020 TO 31/03/2021**

Sl. No.	NAME OF THE BUYER M/S.	2019-20 AP CROP			2020-21 AP CROP			2019-20 KARNATAKA CROP			2020-21 KARNATAKA CROP			TOTAL (From 01/04/2020 to 31/03/2021)		
		Qty. in kg	Avg. price (₹/kg)	% share	Qty. in kg	Avg. price (₹/kg)	% share	Qty. in kg	Avg. price (₹/kg)	% share	Qty. in kg	Avg. price (₹/kg)	% share	Qty. in kg	Avg. price (₹/kg)	% share
12	M.L & Co. Group	742388.3	83.06	0.60				804106.90	76.14	0.91			1546495.20	79.46	0.67	
13	Yariagadda Exports	1132287.2	100.53	0.91	951.3	154.91	0.02	67829.9	74.10	1.67			1385715.30	106.18	0.60	
14	Vani Tobaccos							62563.5	49.63	1.54			135753.40	97.17	0.06	
15	Teja Tobacco Traders	402679.6	80.00	0.32				239758.40	55.01	0.27			642438.00	70.67	0.28	
16	Avinash Tobaccos	393027.1	139.29	0.32				84988.80	143.50	0.10			478015.90	140.04	0.21	
17	Cartel Tobaccos							419488.60	34.34	0.47			419488.60	34.34	0.18	
18	Panchajanya Tobacco	6131.1	186.80	0.00				14540.90	129.51	0.02			20672.00	146.50	0.01	
19	Prapalsha Agros limited	53839.1	80.90	0.04				67740.80	58.30	0.08			121579.90	68.31	0.05	
20	Hamid Exports							224736.50	39.13	0.25			224736.50	39.13	0.10	
21	Model Rag Exports							67874.80	144.02	0.08			67874.80	144.02	0.03	
22	Prakasam Enterprises				91305.7	177.08	1.71						600951.80	135.04	0.26	
23	MK Trading							315978.50	47.57	0.36			315978.50	47.57	0.14	
24	KK Mohan				17804.0	165.41	0.33						17804.00	165.41	0.01	
25	KR & Co	197236.3	41.14	0.16									197236.30	41.14	0.09	
26	Venkat Sai Tobacco	377479.6	34.20	0.30									377479.60	34.20	0.16	
	Sub-Total	39294317.8	117.01	31.63	1841219.7	175.55	34.39	2702121.8	84.29	66.43			34931550.9	111.02	39.50	
	OTHERS (Dealers)	20984091.0	83.31	16.91	227861.7	177.25	4.25	374121.1	101.63	9.21			4757771.3	113.89	5.38	
	GRAND TOTAL	124176838.3	122.84	100	5354833.1	173.98	100	4067396.4	87.79	100			88424859.3	119.87	100	

**2019-20 AP AUCTIONS - GRADE WISE &
SOIL REGION WISE PURCHASES BY APMARKFED**

Grade	SLS		SBS		NLS		NBS		All Regions	
	Qty. mkt'd (kg)	Avg. Pri (₹/kg)	Qty. mkt'd (kg)	Avg. Pri (₹/kg)	Qty. mkt'd (kg)	Avg. Pri (₹/kg)	Qty. mkt'd (kg)	Avg. Pri (₹/kg)	Qty. mkt'd (kg)	Avg. Pri (₹/kg)
BGS	44.7	85.00							44.7	85.00
BMG	32282.3	85.22							32282.3	85.22
BMGS	80.8	85.00							80.8	85.00
BPL	604.5	75.00	430.1	75.00					1034.6	75.00
F02			145.2	140.00					145.2	140.00
F02M			112.1	140.00					112.1	140.00
F02P							119.2	145.00	119.2	145.00
F03	31895.7	131.41	68807.0	134.50			752.9	141.97	101455.6	134.53
F03M	906.9	111.66	127.7	130.00			473.7	129.89	1508.3	118.94
F03P							516.7	119.39	516.7	119.39
F04	18208.3	93.54	10125.2	98.12			4945.9	93.05	33279.4	94.86
F04S	268.3	76.46							268.3	76.46
F05	997456.7	81.91	2773044.5	83.58			37479.1	77.00	3807980.3	83.07
F05S	116.8	86.00	525.5	85.00					642.3	85.18
F07	3154.1	83.09					472	88.24	3626.1	83.76
F07M			119.7	86.00					119.7	86.00
F07S	134.6	85.00							134.6	85.00
F08	131794.0	83.90	135938	85.00			734.8	84.34	268467	84.46
F09	12409.5	78.16	6331.1	75.94					18740.6	77.41
F10			210.5	80.39					210.5	80.39
L2O					132.2	156.00			132.2	156.00
L3J	75.6	130.00							75.6	130.00
L3L	102.7	140.00							102.7	140.00
L3O					5903.9	152.71			5903.9	152.71
L4L					297.0	114.05			297	114.05
L4O					3292.6	115.40			3292.6	115.40
L5J	350.0	82.07							350	82.07

**2019-20 AP AUCTIONS - GRADE WISE &
SOIL REGION WISE PURCHASES BY APMARKFED**

Grade	SLS		SBS		NLS		NBS		All Regions	
	Qty. mkted (kg)	Avg. Pri (₹/kg)	Qty. mkted (kg)	Avg. Pri (₹/kg)	Qty. mkted (kg)	Avg. Pri (₹/kg)	Qty. mkted (kg)	Avg. Pri (₹/kg)	Qty. mkted (kg)	Avg. Pri (₹/kg)
L5L	448.8	80.41			2137.4	101.09			2586.2	97.59
L5O					22726.9	104.59			22726.9	104.59
NDG	4546.8	80.97							4546.8	80.97
NOG	2669912.5	75.55	4370247.3	75.74			67124.7	75.10	7107284.5	75.66
P3J	218.2	135.37							218.2	135.37
P3L	1575.0	139.74							1575	139.74
P4J	96.1	100.00							96.1	100.00
P4L	757.8	94.26							757.8	94.26
P5J	24512.8	84.96			97.4	100.00			24610.2	84.96
P5L	42208.4	85.06							42208.4	85.10
T3J	530.6	139.64							530.6	139.64
T3L	1195.0	135.49							1195	135.49
T4J	1744.8	106.16							1744.8	106.16
T4O					82.5	100.00			82.5	100.00
T5J	114172.9	84.91							114172.9	84.91
T5O					65.8	100.00			65.8	100.00
TMG	9025.2	85.54							9025.2	85.54
X3J	571.8	137.97							571.8	137.97
X3L	7116.2	135.19			55.6	101.00			7171.8	134.92
X4J	1703.8	97.85							1703.8	97.85
X4L	5195.6	104.23			61254.3	116.17			66449.9	115.23
X4O					16513.7	115.29			16513.7	115.29
X4S	90.5	85.00							90.5	85.00
X5J	79812.7	84.86			517.1	100.00			80329.8	84.96
X5L	303843.4	85.08			762695.2	100.11			1066538.6	95.83
X5O	98.5	85.00			77772.1	100.19			77870.6	100.17
Total	4499263	79.19	7366164	79.44	953543.7	101.91	112619.0	77.59	12931589.7	81.00

TRADING WING

The Government of India had created Trading Wing in 1984 with margin money of ₹1.25 crore for its operations. The margin money available with the Board as on 31/03/2021 was ₹26.01 crore. The objective of Trading Wing is to purchase Virginia tobacco from growers on the Auction Platforms at prices fixed by the Government when it is expedient and dispose of the same in India or abroad as per Section 20-A of Tobacco Board Act, 1975. Trading Wing of Tobacco Board had not taken up any price support operations during 2020-2021, as the market was buoyant and the growers received better prices.

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

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

The particulars of Registration / Renewal of registration granted to different categories of traders for the year 2020 and for the year 2021 (as on 31/03/2021) are as follows:

Sl. No.	Category	No. of Companies Registered	
		2020	2021*
1	Processor of Virginia Tobacco	11	03
2	Manufacturer of Virginia Tobacco	33	05
3	Exporter of Tobacco	164	141
4	Exporter of Tobacco Products	376	303
5	Dealer in Tobacco	405	353
6	Packer of Tobacco	23	07
7	Commercial Grader of Virginia tobacco	24	13
	Total	1036	825

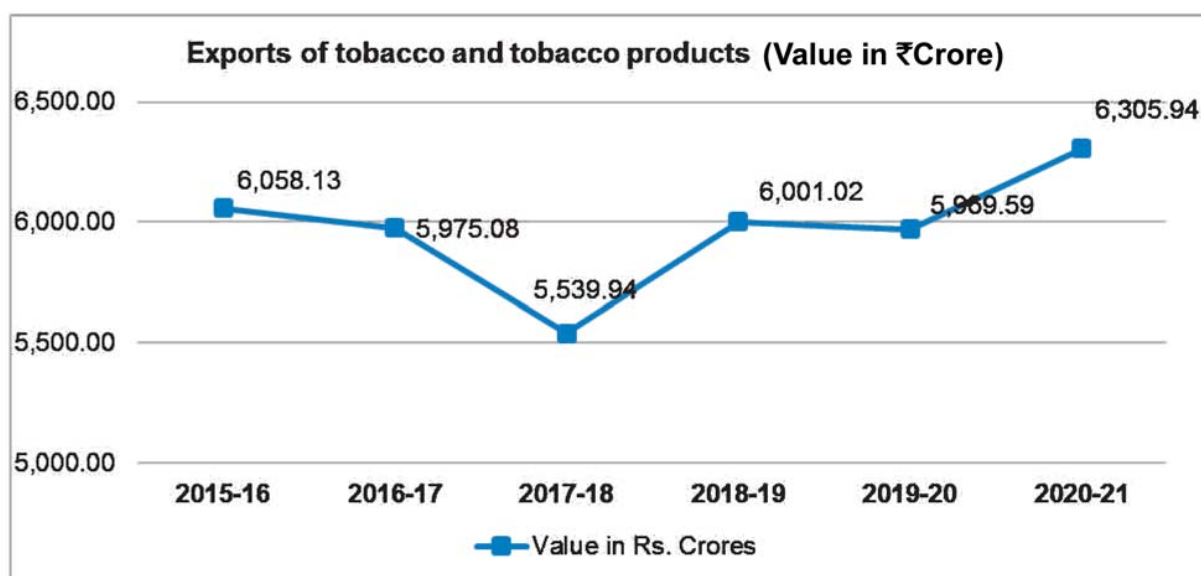
*As on 31/03/2021

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

EXPORTS OF TOBACCO AND TOBACCO PRODUCTS FROM INDIA

Indian exports of unmanufactured tobacco and tobacco products have registered a record high of ₹6,305.94 crore during 2020-21. The exports have crossed ₹6,000 crore mark once again during 2020-21, first time during 2013-14 (₹6,092.86 crore), second time during 2015-16 (₹6,058.13 crore) and third time during 2018-19 (₹6,001.02 crore).

India is the 2nd largest producer and 3rd largest exporter of unmanufactured tobacco in the world. Indian exports of tobacco and tobacco products comprise of unmanufactured tobacco (HS code: 2401- constituting 61.14% of total value of exports) consisting of Flue Cured Virginia (FCV) tobacco and Non-FCV tobaccos viz., Burley, HDBRG, Sun Cured Country (SCC), Lal Chopadia, Rustica, Dark Fire Cured tobacco, Oriental etc., Cigarettes and Cigarillos (HS Code : 2402 - constituting 9.03% of total value of exports); Other tobacco products (HS Code : 2403 - constituting 29.83% of total value of exports) viz., Chewing tobacco, Cut tobacco, Hookah Tobacco Paste, Snuff and Bidis. The exports of tobacco and tobacco products from India ranged from ₹5,500 crore to ₹6,000 crore during last six years with slight variations.



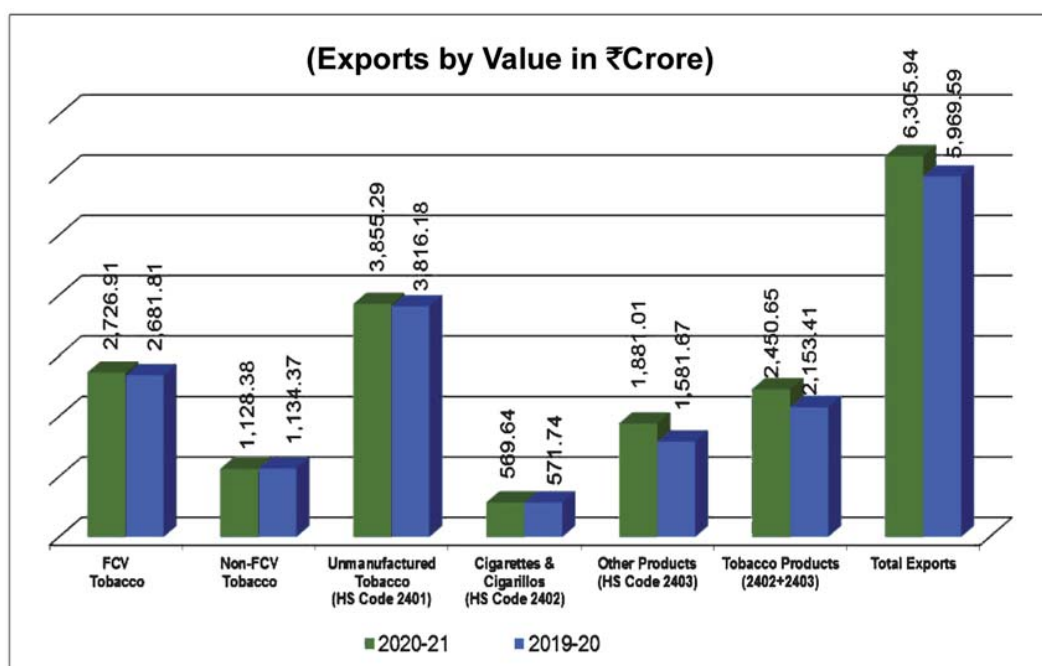
1. INDIAN TOBACCO AND TOBACCO PRODUCTS TRADE ANALYSIS:

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

Indian exports of tobacco and tobacco products during 2020-21 were in the order of 2,11,631 M. Tons valued at ₹6,305.94 crore (US\$ 851.10 million). During 2020-21, the exports have declined by 3% in terms of quantity as compared to the exports made during 2019-20. However, the same have registered a positive growth of 6% and 1% respectively in terms of value in rupees and value in dollars.

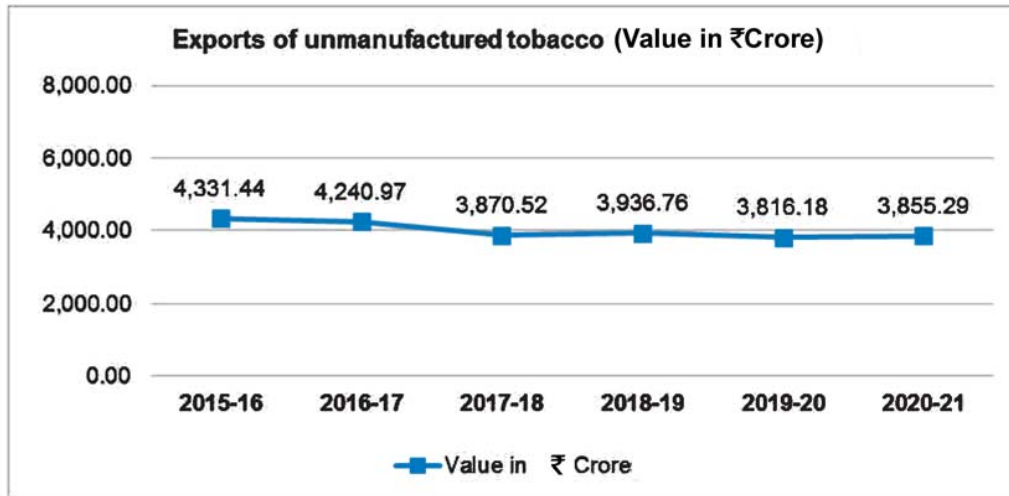
S. No	Categories	April 2020 - March 2021			April 2019 - March 2020			% Change in Value (Million US\$)
		Qty. in Metric Tons	Value in ₹ Crore	Value in Million US\$.	Qty. in Metric Tons	Value in ₹ Crore	Value in Million US\$.	
I	Unmanufactured Tobacco (HS Code 2401)							
a	FCV Tobacco	1,05,406	2,726.91	367.43	1,06,310	2,681.81	378.73	-2.98
b	Non FCV Tobacco	68,775	1,128.38	152.28	74,406	1,134.37	160.20	-4.94
	Total	1,74,181	3,855.29	519.71	1,80,716	3,816.18	538.93	-3.57
II	Tobacco Products							
a	Cigarettes & Cigarillos (HS Code 2402)	9,300	569.64	77.03	10,782	571.74	80.74	-4.59
b	Other Products (HS Code 2403)	28,150	1,881.01	254.36	25,895	1,581.67	223.37	13.87
	Total Products	37,450	2,450.65	331.39	36,677	2,153.41	304.11	8.97
	Grand Total	2,11,631	6,305.94	851.10	2,17,393	5,969.59	843.04	0.96
	% Change over 2019-20 (+/-)	-3	6	1	-1	-1	-2	

Source: Tobacco Board Statistics based on the returns submitted by exporters



1.2 Unmanufactured tobacco exports:

Exports of unmanufactured tobacco during 2020-21 have declined by 4% in quantity terms to 1,74,181 tons and by 4% in terms of value in dollars to 519.71 USD million. In rupees terms, the exports have increased by 1% to ₹3,855.29 crore. This is against 1,80,716 Metric Tons of unmanufactured tobacco exported during 2019-20, valued at ₹ 3,816.18 crore or US\$ 538.93 million.

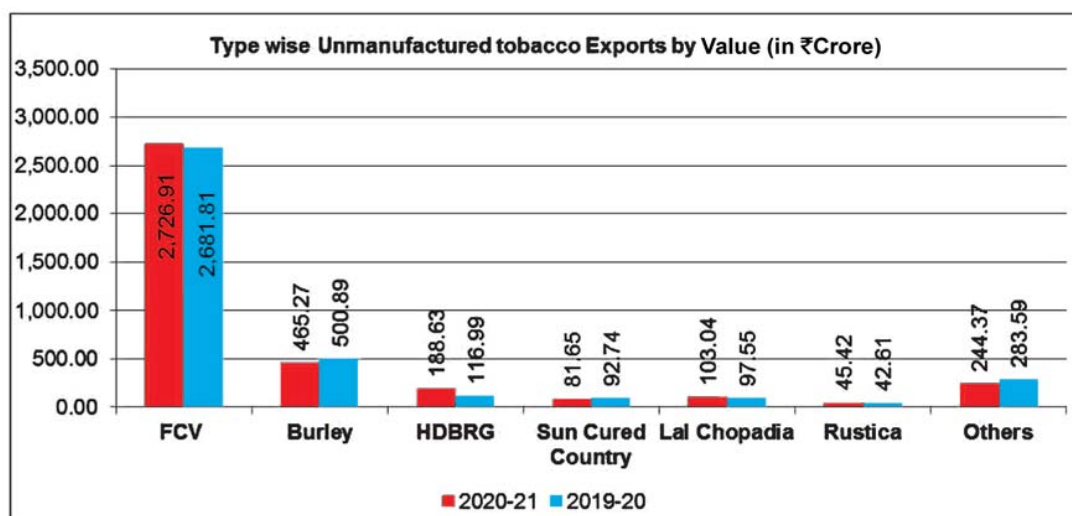


1.2.1 Type wise exports of unmanufactured tobacco:

Of the total exports of Indian unmanufactured tobacco during the year 2020-21, FCV tobacco, constituted 60.52% share followed by Burley with 15.31% share in quantity terms. The other tobacco types being exported are HDBRG (6.84%), Sun Cured Country (3.01%), Lal Chopadia (4.56%) and Rustica (1.38%). In value terms, FCV tobacco exports constituted 70.73% of the total unmanufactured tobacco exports while Non-FCV tobacco exports accounted for the balance 29.27%.

(Quantity in Metric Tons, Value in ₹ Crore)

Tobacco Type	2020-21				2019-20	
	Quantity	% change Y-o-Y	Value	% change Y-o-Y	Quantity	Value
Flue Cured Virginia (FCV) tobacco	1,05,406	-0.85	2,726.91	1.68	1,06,310	2,681.81
Non-FCV Tobaccos						
Burley	26,666	-12.07	465.27	-7.11	30,326	500.89
HDBRG	11,908	50.22	188.63	61.24	7,927	116.99
Sun Cured Country	5,242	-15.84	81.65	-11.95	6,229	92.74
Lal Chopadia	7,941	-11.54	103.04	5.63	8,976	97.55
Rustica	2,403	-19.77	45.42	6.59	2,995	42.61
Others	14,614	-18.60	244.37	-13.83	17,953	283.59
Sub-Total (Non-FCV Type)	68,774	-7.57	1,128.38	-0.53	74,406	1,134.37
Total	1,74,181	-3.62	3,855.29	1.02	1,80,716	3,816.18



FCV tobacco exports during 2020 - 21 were in the order of 1,05,406 Metric Tons valued ₹2,726.91 crore (US\$ 367.43 million) as against the exports of 1,06,310 Metric Tons during 2019-20 valued at ₹2,681.81 crore (US\$ 378.73 million). Exports of FCV tobacco during 2020-21 have declined by 1% and 3% respectively in quantity terms and value in dollar terms over last year. However, the same have increased by 2% in value in rupees terms.

Year	Exports of FCV tobacco		% Change in Value (₹Crore) Y-o-Y
	Value in ₹ Crore	Value in Million US\$.	
2015-16	3,495.81	534.0	9
2016-17	3,428.45	512.0	-2
2017-18	3,059.60	474.6	-11
2018-19	2,863.87	409.7	-6
2019-20	2,681.81	378.7	-6
2020-21	2,726.91	367.4	2

FCV tobacco exports have declined by a whopping 22% from 2015-16 to 2020-21 in terms of quantity. The declining trend is continuing since the past five years. However during 2020-21, the exports have registered a positive growth of 2% in terms of value in rupees, while the same have declined by 3% in terms of value in dollars.

Non-FCV tobacco exports during 2020-21 were in the order of 68,775 metric tons valued at ₹1,128.38 crore (152.28 million US\$). Non-FCV tobacco exports during 2020-21 have declined by 8% in terms of quantity and by 1% and 5% in terms of value in rupees and US dollars respectively when compared to the last years' exports.

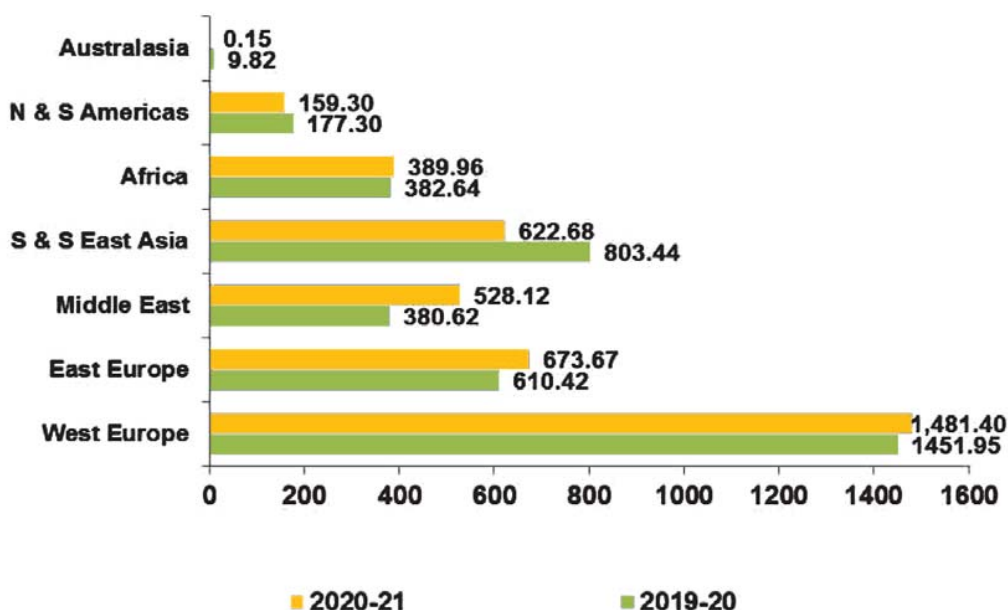
1.2.2 Region wise exports of unmanufactured tobacco:

West Europe continues to be the major destination for Indian tobaccos with a share of about 38.42% of the total exports in value terms. Exports to this region have increased by 2.03% over last year. Middle East, East Europe and Africa have registered an increase of 38.75%, 10.36% and 1.91% respectively during 2020-21. However, a decline was noticed in the regions of South and South East Asia (22.50%), North & South Americas (10.15%). Exports to Australasia are insignificant.

(Quantity in Metric Tons, Value in ₹ crore)

REGION	2020-21			2019-20			% Change (value)
	Quantity	% share	Value	Quantity	% share	Value	
West Europe	59,092	33.93	1,481.40	60,502	33.48	1,451.95	2.03
East Europe	25,785	14.80	673.67	24,163	13.37	610.42	10.36
Middle East	30,333	17.41	528.12	24,002	13.29	380.62	38.75
South & South East Asia	26,499	15.21	622.68	36,471	20.18	803.44	-22.50
Africa	22,149	12.72	389.96	23,265	12.86	382.64	1.91
North & South Americas	10,318	5.92	159.30	12,056	6.67	177.30	-10.15
Australasia	5	0.003	0.15	257	0.14	9.82	-98.43
Total	1,74,181	100.00	3,855.29	1,80,716	100.00	3,816.18	1.02

Region wise Exports of Unmanufactured tobacco (Value in ₹Crore)



1.2.3 Country wise Exports of unmanufactured tobacco (Top 10 markets)

(Quantity in Metric Tons, Value in ₹ crore)

S. No	NAME OF THE COUNTRY	2020-21		2019-20		% change in value in terms of ₹ crore
		QTY	VALUE	QTY	VALUE	
1	BELGIUM	43,599.24	1,148.86	43,052.03	1,086.36	5.75
2	EGYPT	16,173.18	233.82	15,881.41	207.08	12.91
3	UAE	14,797.95	249.78	9,036.76	161.73	54.45
4	YEMEN	7,748.05	105.40	7,964.60	87.06	21.07
5	BELARUS	7,070.03	132.90	3,460.56	65.01	104.43
6	KOREA RP	6,503.18	167.68	7,653.96	200.91	-16.54
7	PHILIPPINES	6,301.40	102.54	11,290.58	169.28	-39.43
8	INDONESIA	6,007.98	157.91	6,378.55	148.37	6.43
9	POLAND	5,346.00	154.23	4,068.90	105.90	45.65
10	NEPAL	5,161.46	132.66	7,149.20	189.15	-29.87

Exports to Belgium, the top importer, has shown 5.75% increase in value in rupee terms during 2020-21. Other major export markets which showed considerable increase are Belarus (104.43%), UAE (54.45%), Poland (45.65%), Yemen (21.07%), Egypt (12.91%) and Indonesia (6.43%).

Among the major export markets which showed a decline are Philippines (-39.43%), Nepal (-29.87%) and Korea RP (-16.54%).

1.3 Exports of Tobacco Products:

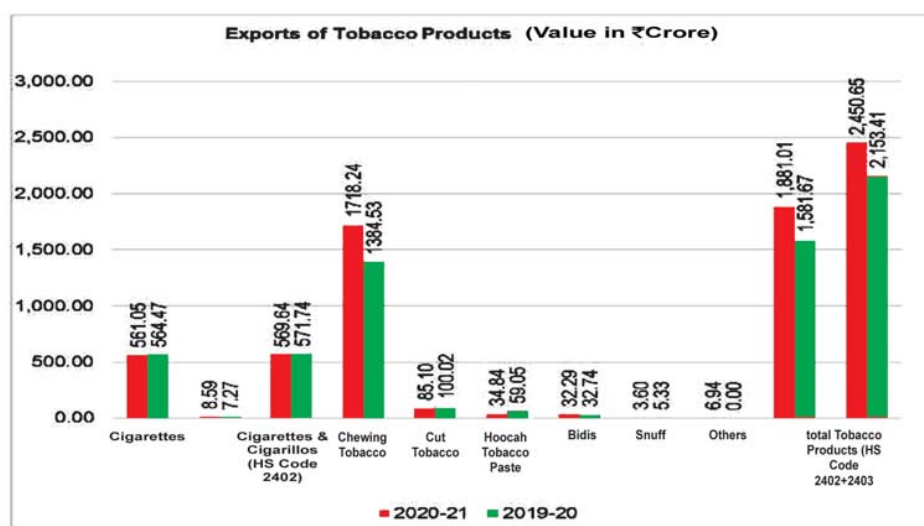
During 2020-2021, the exports of Cigarettes and Cigarillos (HS Code: 2402) were in the order of 9,300 Metric tons valued at ₹569.64 crore (US\$ 77.03 million) reflecting a negative growth of 13.75%, 0.37% and 4.59% respectively in terms of quantity, value in rupees and dollars as against the exports of 10,782 Metric Tons valued at ₹ 571.74 crore (US\$ 80.74 million) during 2019-20.

The exports of other tobacco products (HS Code: 2403) were in the order of 28,150 Metric Tons valued at ₹ 1,881.01 crore (US\$ 254.36 million) as against 25,895 Metric Tons valued at ₹ 1,581.67 crore (US\$ 223.37 million) exported during 2019-20. The exports of other tobacco products (HS 2403) registered a positive growth of 8.71%, 18.93% and 13.87% respectively in quantity terms, value in rupees and dollar terms.

The total tobacco product exports (HS Code: 2402 & 2403) have increased by 2%, 14% and 9% respectively in terms of quantity, value in rupees and dollar terms when compared with the exports made during 2019-20.

(Quantity in Metric Tons, Value in ₹ crore)

S. No	Product Segment	2020-21				2019-20	
		Quantity	% change Y-o-Y	Value	% change Y-o-Y	Quantity	Value
Cigarettes & Cigarillos (HS Code 2402)							
1	Cigarettes	9,235	-13.83	561.05	-0.61	10,717	564.47
2	Cigars	65	0.88	8.59	18.16	64	7.27
	Sub total	9,300	-13.74	569.64	-0.37	10,782	571.74
Other Products (HS Code 2403)							
1	Chewing Tobacco	23,071	31.14	1,718.24	24.10	17,592	1,384.53
2	Cut Tobacco	3,712	-22.11	85.10	-14.91	4,766	100.02
3	Hookah tobacco paste	1,080	-66.87	3,4.84	-41.00	3,261	59.05
4	Bidis	219	1.05	32.29	-1.36	216	32.74
5	Snuff	55	-5.85	3.60	-32.53	59	5.33
6	Others	13		6.94		0	0.00
	Sub total	28,150	8.71	1,881.01	18.93	25,895	1,581.67
	Grand Total	37,450	2.11	2,450.65	13.80	36,677	2,153.41



2. EXPORT PROMOTION ACTIVITIES

2.1 Participation in Tobacco Trade Fairs and Exhibitions :

Due to COVID-19 pandemic, no fairs and exhibitions were organized across the world. Hence, Tobacco Board has not participated in any of the fairs and exhibitions.

2.2 Visit of tobacco trade delegations :

Due to COVID-19 pandemic, during 2020-21, no trade delegations have been taken up by Tobacco Board.

IMPLEMENTATION OF OFFICIAL LANGUAGE

HINDI IMPLEMENTATION

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

MEASURES TAKEN FOR IMPLEMENTATION OF OFFICIAL LANGUAGE ACT:

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

PROGRAMME OF HINDI TEACHING SCHEME:

Eligible employees of the Board were nominated to the On-line Classes of Hindi Teaching Scheme. During Jan, 2021 session Parangath (06), Prabodh (03) and Praveen (01) employees were nominated for on-line classes.

PROPOGATION OF HINDI SCHEME OF LEARN A WORD A DAY:

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

HINDI WEEK:

Hindi Week was celebrated from 14th Sep to 18th September, 2020 in the Tobacco Board. As a part of celebrations, Four Table Hindi workshops (Four Sections) were conducted from 14th Sep to 17th Sep, 2020 to improve the working efficiency of Hindi trained employees.

HINDI PERIODICALS AND LIBRARY:

One Hindi daily "Hindi Milap" news paper was made available in the Board at present along with some Hindi Periodicals. Some Hindi Books, Novels, Epics like Ramayana, Mahabharat etc., short story books, different dictionaries, Glossaries, etc., were also made available in the Library.

HINDI ON COMPUTERS:

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

WORKSHOP IN HINDI

Four Table Hindi Workshops (04 Days- Each day 01 Section) were conducted during Hindi Week i.e., from 14th Sep, 2020 to 17th Sep, 2020. It is an innovative idea of the Hindi Department of the Tobacco Board, where in Hindi Staff goes to the employees table and clarify their doubts, so that the work in Hindi is implemented effectively.

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

FINANCE AND ACCOUNTS

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

I) INTERNAL RESOURCES:

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

The Board levied contributions on the excess tobacco produced by the registered growers and the tobacco produced by the unregistered growers as fixed by the Government every year through gazette notification. During 2020 auctions, the contributions @ ₹ 2/- per Kg and 5% (including normal service charges 1%) of sale proceeds are levied for the sale of excess tobacco produced by registered growers upto the extent of the 10% of the quota authorized. Further, the contribution @ ₹ 2/- per Kg. and 10% (including normal service charges of 1%) of sale proceeds are levied on sale of tobacco over and above 10% of the quota authorized from the registered growers and unauthorized tobacco produced by the unregistered growers in Andhra Pradesh and Karnataka as per the orders in the gazette notice issued by the Central Government.

II) BUDGET ESTIMATES:

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

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

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

Accordingly, the budget proposals for the year 2020-21 have been prepared and submitted to the Government for its approval. The Budget Estimates and Revised Estimates for Receipts of ₹9,462.70 lakh and ₹10,500.00 lakh and expenditure of ₹20,566.50 lakh and ₹18,330.00 lakh respectively.

An amount of ₹12,777.00 lakh has been realized as internal resources against the budget provision of ₹10,500.00 lakh and an amount of ₹13,631.81 lakh has been incurred as expenditure as against the budgeted outlay of ₹18,330.00 lakh during the financial year 2020-21.

Statement showing the actual funds flow under Plan and Non-Plan since 2009-10 to 2020-21 is placed at Page No. 119.

The financial statements of the Balance Sheet, Income & Expenditure account and Receipts & Payments Statement to the accounts of Tobacco Fund of the Tobacco Board for year 2020-21 which includes the earmarked fund accounts of Margin Money for Commercial Operations (Grant-in-aid to Trading Wing), Tobacco Board Employees General Provident Fund, Tobacco Board Employees Pension Fund, Tobacco Board Employees New Pension Scheme(Tier-I), Tobacco Board Growers Welfare Fund along with the Notes on accounts are incorporated in the Annual Report for the year 2020-21.

SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF THE TOBACCO BOARD, GUNTUR FOR THE YEAR ENDED 31/03/2021

We have audited the attached Balance Sheet of Tobacco Board, Guntur as at 31 March 2021 and the Income & Expenditure Account / Receipts & Payments Account for the year ended as on that date under Section 19(2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 19(2) of the Tobacco Board Act, 1975. These financial statements include the accounts of all Auction Platforms, Liaison and Regional Offices and the Directorate of Auctions, Bangalore. These financial statements are the responsibility of the Tobacco Board's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. This separate Audit Report contains the comments of the Comptroller and Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules and Regulations (propriety and regularity) and efficiency-cum-performance aspects etc., if any, are reported through inspection Reports / CAG's Audit Report separately.
3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, 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 / Receipts & Payments Account dealt with by this report have been drawn up in the format prescribed by the Ministry of Finance.
- iii) In our opinion, proper books of accounts and other relevant records have been maintained by the Tobacco Board as required under Section 19(1) of the Tobacco Board Act, 1975 read with Rule 22 of the Tobacco Board Rules, 1976 in so far as it appears from our examination of such books.
- iv) We further report that:

A) Comments On Accounts

Comment A.1

Balance Sheet

Schedule 8, Fixed Assets

Capital Work-in-progress Rs. NIL

The above does not include ₹2.99 crore towards Capital-Work-in-Progress pertaining to Gopalapuram auction Platform in Andhra Pradesh. This amount has been shown as Capital Work in progress under Current Assets (Schedule 11 (b) Others at Point No.5) resulting in understatement of Capital-work-in-progress and overstatement of Current Assets, Loans and Advances by ₹2.99 crore.

Comment A.2

Balance Sheet

Current Assets, Loans and Advances (Schedule 11),

Sundry Debtors

Other Liabilities (Receivable) ₹87.29 crore

The above amount depicts auction amount payable from tobacco buyers to the tobacco growers for the period from 22.03.2021 to 31.03.2021. However, as the Tobacco Board is only a facilitator for these sales and purchases, showing this amount as receivable and payable is misleading and has resulted in overstatement of Current Assets and Current Liabilities by ₹87.29 crore.

B) Management Letter

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

- v. Subject to our observations in the preceding paragraphs, we report that the Balance sheet and Income & Expenditure Account / Receipts & Payments Account dealt with by this report are in agreement with the books of accounts.
- vi . In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and Notes on Accounts, and subject to the significant matters stated above and other matters mentioned in Annexure to this Separate Audit Report, give a true and fair view in conformity with accounting principles generally accepted in India;
 - a. Insofar as it relates to the Balance Sheet, of the affairs of the Tobacco Board as at 31 March 2021; 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
02/12/2021
(M.S.Subrahmanyam)
Director General of Commercial Audit

Place: Hyderabad

Date: 2 December 2021

ANNEXURE

1. Adequacy of Internal Audit System

Tobacco Board does not have a separate Internal Audit Wing. Tobacco Board has 35 offices (29 Auction Platforms located in Andhra Pradesh and Karnataka, 4 Regional Offices at Ongole, Rajahmundry, Mysuru and Periyapatna one liaison Office at New Delhi and one Directorate Office at Bengaluru) excluding Head Office. The Internal audit of the accounts of all the auction platforms / regional manager offices in Andhra Pradesh and Karnataka was completed up to the financial year 2019-20. The internal audit of all the auction platforms / regional manager offices in Karnataka for the financial year 2020-21 was completed and for the auction platforms in Andhra Pradesh, it was planned in the month of November 2021. However, the existing Internal Audit System is not adequate and is commensurate with the size and nature of business of the Board.

2. Adequacy of Internal Control System

Subject to the observations on the deficiencies in Internal Audit System as stated under point no.1 above, the Internal Control system of the Tobacco Board is adequate and commensurate in relation to the size of the organization and nature of business.

3. System of Physical Verification of Fixed Assets

Physical Verification of assets is conducted annually under the supervision of office head and reports submitted to Head Office. As verified from the physical verification reports of the fixed assets, the Tobacco Board is conducting the verification at regular intervals and no material discrepancies were found on such verification except that details of land and buildings were not mentioned in some of the physical verification reports submitted by Auction Platforms / Regional Offices. The same was communicated in the Management Letter on the Accounts for the financial year 2019-20. Management stated that physical verification of all the assets of the Board with reference to reports and registers for all the offices in Andhra Pradesh and Karnataka including Head Office and Directorate Auctions office at Bangalore was not taken up during 2020 due to COVID pandemic situation and will be taken up in 2021-22. Management also assured to make necessary disclosures in the notes to financial statements based on the recommendations of the physical verification committee report. As such, the system of physical verification of fixed assets is reasonable and adequate in relation to the size of the organization and nature of business.

4. System of Physical Verification of Inventory

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

5. Regularity in payment of statutory dues

The Board has remitted the statutory dues like Property Tax and the Service Tax within the stipulated date.

Place : Hyderabad

Date : 02/12/2021

Sd/xx xx xx
(M.S.Subrahmanyam)
Director General

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

TOBACCO FUND ACCOUNT - FINANCIAL STATEMENTS
BALANCE SHEET AS AT 31/03/2021

(₹ In Lakh)

Particulars	Schedule	Current Year	Previous Year
CORPUS / CAPITAL FUND AND LIABILITIES			
1. Corpus/Capital Fund	1	65702	63097
2. Reserves and Surplus	2	0	0
3. Earmarked/Endowment Funds:	3	0	
a) Margin money for Comm. Operations (Grant-in-aid to Trading Wing)		2676	2522
b) Tobacco Board Employees General Provident Fund		1913	2271
c) Tobacco Board Employees Pension Fund		16530	14963
d) Tobacco Board Employees New Pension Scheme		30	37
e) Tobacco Growers Welfare Fund Scheme		6445	6268
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	7	19771	14884
TOTAL		113067	104042
ASSETS			
1. Fixed Assets	8	10168	10429
2. Investments from Earmarked/Endowment Funds	9	0	0
a) Margin money for Comm. Operations (Grant-in-aid to Trading Wing)		2676	2522
b) Tobacco Board Employees General Provident Fund		1913	2271
c) Tobacco Board Employees' Pension Fund		16530	14963
d) Tobacco Board Employees New Pension Scheme		30	37
e) Tobacco Growers Welfare Fund Scheme		6445	6268
3. Investments: Others	10	0	0
4. Current Assets, Loans and Advances etc.	11	75305	67552
5. Miscellaneous Expenditure		0	0
TOTAL		113067	104042
Significant Accounting Policies	24	Placed at Schedules	
Contingent Liabilities and Notes on Accounts	25	Placed at Schedules	

Sd/- xx xx xx
(K. MADHUSUDANA RAO)
SECRETARY /C

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

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

TOBACCO FUND ACCOUNT - FINANCIAL STATEMENTS
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2021

(₹ In Lakh)

Particulars		Sche- dule	Current Year	Previous Year
1.	INCOME			
I.	Income from Sales/Services	12	5444	5895
II.	Grants/Subsidies	13	0	0
III.	Fees/Subscriptions	14	258	329
IV.	Income from Investments (From earmarked/ endowment funds transeferred to Funds)	15	10	12
V.	Income from Royalty and Publications	16	4	10
VI.	Interest earned	17	3364	4094
VII.	Other Income	18	3253	5185
VIII.	Increase/(Decrease) in stock of Finished Goods and Works in Progress	19	0	0
	Total		12334	15525
2.	EXPENDITURE			
I.	Establishment Expenses	20	7204	7646
II.	Other Administrative Expenses	21	2185	4156
III.	Expenditure on Grants, Subsidies	22	0	0
VI.	Interest	23	0	0
V.	Depreciation (Net Total at the year end - Corresponding to Schedule 8)	8	339	408
	Total		9728	12210
3.	Balance being Excess of Income over Expenditure (1-2)		2605	3315
VI)	Transfer of Special Reserve (Specify each)		0	0
VII)	Transfer of General Reserve		0	0
VIII)	Previous Years payments		0	0
4.	Balance being surplus/deficit carried to Corpus/ Capital Fund		2605	3315
5.	SIGNIFICANT ACCOUNTING POLICIES	24	Placed at schedules	
6.	CONTINGENT LIBALILITIES AND NOTES ON ACCOUNTS	25	Placed at schedules	

Sd/- xx xx xx
(K. MADHUSUDANA RAO)
SECRETARY I/C

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

FUND BALANCES OF EARMARKED FUNDS – BALANCE SHEET
ANNEXURE-I

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

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance	2521.98	2355.92
B	Additions to the Fund Account		
	a) Income from Investments (Interest on Fixed Deposits & SB a/c)	154.32	166.06
	b) Grants received	0.00	0.00
	c) Other Receipts	0.00	0.00
	Less :		
	a) Withdrawals	0.00	0.00
	b) Other Payments	0.00	0.00
	Total Receipts (A+B)	2676.30	2521.98
C	Utilisation / Expenditure towards objective of Fund		
	a) Capital Expenditure	0.00	0.00
	b) Revenue Expenditure	0.00	0.00
	Total Payments (C)	2676.30	2521.98

2 Tobacco Board Employees General Provident Fund Account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance	2271.44	2478.20
B	Additions to the Fund Account		
	a) Income from Investments (Interest on Fixed Deposits & SB a/c)	113.02	151.76
	b) Subscriptions	538.66	655.39
	c) Recovery of GPF advance	0.00	0.25
	Less :		
	a) Withdrawals	-1009.66	-1014.16
	b) Advances paid	0.00	0.00
	Total (A+B)	1913.46	2271.44
C	Utilisation / Expenditure towards objective of Fund		
	a) Capital Expenditure	0.00	0.00
	b) Revenue Expenditure	0.00	0.00
	Total (C)	0.00	0.00
	Net Balance at the year end (A + B-C)	1913.46	2271.44

3 Tobacco Board Employees Pension Fund Account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance	14963.06	15581.56
B	Additions to the Fund account:		
	a) Income from investments (Interest on Deposit with LIC & SB a/c)	1184.58	967.86
	b) Pension Fund Contributions	4000.00	3000.00
	Less:		
	a) Pension Annuities purchased by LIC of India	-3618.02	-4586.36
	b) Other payments	0.00	0.00
	Total Receipts (A+B)	16529.62	14963.06
C	Utilisation/Expenditure towards objective of Fund		
	i) Capital Expenditure	0.00	0.00
	ii) Revenue Expenditure	0.00	0.00
	Total (C)	0.00	0.00
	Net Balance at the yearend (A+B-C)	16529.62	14963.06

4 Tobacco Board Employees New Pension Scheme Account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance	36.65	29.85
B)	Additions to the Fund account:		
	a) Income from investments (Interest on Fixed Deposits & SB a/c)	1.48	1.96
	b) Pension Fund Contributions	153.29	144.26
	Less:		
	a) Pension Contribution remitted NSDL Mumbai (Pension contributions)	-161.31	-139.42
	b) Other payments (Bank Charges)	0.00	0.00
	Total Receipts (A+B)	30.11	36.65
C	Utilisation/Expenditure towards objective of Fund		
	i) Capital Expenditure	0.00	0.00
	ii) Revenue Expenditure	0.00	0.00
	Total (C)	0.00	0.00
	Net Balance at the yearend (A+B-C)	30.11	36.65

(₹ in Lakh)

5 Tobacco Growers Welfare Fund Scheme account:

S. No.	Particulars	Current Year		Previous Year		Total
		Andhra Pradesh	Karnataka	Andhra Pradesh	Karnataka	
A	Opening Balance	3721.33	2546.21	3472.96	2439.21	5912.17
B	Additions to the Fund account:					
	a) Income from investments (Interest on Fixed Deposits & SB a/c)	213.84	116.63	232.74	134.94	367.68
	b) Growers Contribution	13.02	22.15	19.77	13.70	33.47
	c) Tobacco Board's Contribution	29.11	44.30	45.56	30.63	76.19
	d) Renewal of Membership Fee	187.45	194.84	189.01	229.56	418.57
	e) Growers Share of Sweepings	0.00	7.74	26.58	8.46	35.04
	f) Penalties	0.27	0.03	0.20	0.00	0.20
	g) Interest on Loans	0.00	0.00	0.00	0.00	0.00
	h) Misc. Receipts	0.00	2.02	0.00	2.91	2.91
	i) Grower Contribution (Break in registration)	5.90	3.14	0.00	0.00	0.00
	Less:					
	a) Death Relief to the Growers	-302.20	-360.90	-265.50	-313.20	-578.70
	b) Other payments	0.00	0.00	0.00	0.00	0.00
	Total (A+B)	3868.72	2576.16	3721.32	2546.21	6267.53
C	utilisation/Expenditure towards objective of Fund					
	i) Capital Expenditure	0.00	0.00	0.00	0.00	0.00
	ii) Revenue Expenditure	0.00	0.00	0.00	0.00	0.00
	Total (C)	0.00	0.00	0.00	0.00	0.00
	Net Balance at the yearend (A+B-C)	3868.72	2576.16	3721.32	2546.21	6267.53

SCHEDULE-24:**SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDING 31ST MARCH 2021****1. ACCOUNTING CONVENTION:**

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

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

2. Inventory Valuation:

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

3. Investments:

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

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

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

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

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

4. Excise Duty: Nil

5. Fixed Assets:

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

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

6. Depreciation:

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

7. Miscellaneous Expenditure:

No deferred revenue expenditure is in the Tobacco Board to written off over a period of 5 years.

The expenditure incurred on recurring nature under different heads of accounts of Maintenance of Generators, Purchase of Water, Electrical Repairs & Replacement of tubes & lights etc and consumable items of twine, marking ink, towels, and buckets etc. which are not covered regular heads of accounts have been taken under Misc. Expenditure.

8. Accounting for Sales:

a) Sales:

There are no sales operations directly took place in Tobacco Board. The Tobacco Board conducted auctions for sale of FCV tobacco brought by the tobacco growers and purchased by the traders

on the established auction platforms in Andhra Pradesh and Karnataka as per the provisions of the Tobacco Board Act 1975.

b) Services:

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

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

Fees leviable on the seller under section 14A

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

Mode of recovery of fees from seller:

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

Fees leviable on purchaser under section 14A

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

Mode of recovery of fees from purchaser:

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

In view of the above, the Board is collecting service charges equally from the grower and buyer @ 1% each on the value of tobacco sold by the grower and purchased by the buyer. The service charges realized as per auction taken is taken under schedule 11 of the Income and Expenditure account.

Further, the Board is collecting registration fee from growers to accord registration/renewal of registration as grower, barn operator, nurserymen and from traders to accord registration as Exporter of Tobacco, Exporter of Tobacco or Tobacco Products, Dealer in tobacco, Packer of

Tobacco, Processor in Tobacco, Manufacturer of Tobacco and Commercial Grader in Tobacco and Buyer Authorization fee to participate in the auctions as per the provisions of Rules/Regulations of the Tobacco Board Act, 1975. The same is projected under the schedule 14 of the Income and Expenditure account as income of Fees/Subscriptions.

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

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

During 2020 auctions, the contribution @ ₹ 2/- per Kg and 5% (including normal service charges of 1%) of the sale proceeds for the excess tobacco produced by registered growers up to the extent of 10% of quota authorized was allowed. The tobacco produced by the registered growers beyond the limit of 10% of the quota authorized and the tobacco produced by the unregistered was allowed for sale by levying contribution of sale proceeds at ₹ 2/- per Kg. and 10% (including normal service charges of 1%) in Andhra Pradesh and Karnataka.

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

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

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

9. Government Grants/Subsidies:

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

10. Foreign Currency Transactions:

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

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

11. Lease:

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

12. Retirement Benefits:

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

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

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

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

As per regulation 13(1) of the Tobacco Board (General) Regulations 1984, the pay and allowances, leave, pension and retirement benefits, provident fund, disciplinary proceedings and imposition of penalty and other conditions of the service including age of superannuation etc. as like in respect of officers employed in or appointed by the Board shall if no provision is made in this regulation separately, be regulated in accordance with such rules and regulations which are for the time being applicable to the officers and employees of the Central Government of the corresponding grades or status stationed at these places.

SCHEDULE 25:**CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDING 31/03/2021.****1. Contingent Liabilities:**

The details of contingent liabilities are given at point no.3 in the Notes on Accounts of the annual accounts for the year 2020-21.

2. Capital Commitment: Nil.**3. Lease Obligations:**

The auction platforms of Ongole-II, Kondepi, regional manager office Rajahmundry in Andhra Pradesh and auction platform of Kampalapura-I, O/o the Directorate of Auctions, Bengaluru, Regional Manager Office, Periyapatna in Karnataka have been taken on lease by the Tobacco Board.

4. Current Assets, Loans and Advances:

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

5. Taxation:

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

NOTES ON ACCOUNTS:

a) **FORMATION:**

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

b) **OBJECTIVE:**

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

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

c) **COMPOSITION OF THE BOARD:**

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

- a) A Chairman to be appointed by the Central Government.
- b) Three members of Parliament of whom two shall be elected by the House of the people and one by the Council of States.
- c) Eight members to be appointed by the Central Government to represent respectively:
 - i. The Ministry of the Central Government dealing with Agriculture;
 - ii. The Ministry of the Central Government dealing with Commerce;
 - iii. The Ministry of the Central Government dealing with Finance;
 - iv. The Ministry of the Central Government dealing with Industrial Development;
 - v. The Indian Council of Agricultural Research;
 - vi. The Government of Andhra Pradesh
 - vii. The Government of Karnataka;
 - viii. the Government of Gujarat
- d) Two members to be appointed by the Central Government by rotation in the alphabetical order, to represent the Governments of tobacco growing States other than the States of Andhra Pradesh, Gujarat and Karnataka.
- e) Not more than + ten members to be appointed by the Central Government from amongst Growers, Tobacco Dealers and Exporters (including Packers) of tobacco and tobacco

products, manufacturers of tobacco products and from amongst persons who in the opinion of the Central Government are experts in tobacco marketing or agricultural economics.

- * Provided that the number of members appointed under this clause from amongst the growers of tobacco shall not exceed six.
- f) the Agricultural Marketing Advisor to the Government of India, Department of Rural Development, ex-officio;
- g) the Executive Director, ex-officio;

d) FUNCTIONS:

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

e) FINANCE, ACCOUNTS AND AUDIT:

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

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

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

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

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

As per section 19 of the Tobacco Board Act 1975, The Board shall maintain records and prepares annual statements as -

- (1) The Tobacco Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, including the Income & Expenditure account and the

Balance Sheet in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor General of India.

- (2) The accounts in Tobacco Board shall be audited by the Comptroller and Auditor General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Board to the Comptroller and Auditor General of India.
- (3) The Comptroller and Auditor General of India and any person appointed by him in connection with the audit of the accounts of the Board shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor General has in connection with the audit of Government accounts and in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Board.
- (4) The accounts of the Board as certified by the Comptroller and Auditor General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and the Government shall cause the same to be laid before each House of Parliament.

f) FINANCIAL TRANSACTIONS IN GENERAL:

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

g) MAJOR ISSUES ON ASSETS AND LIABILITIES:

1. The Board has adopted the accounting figures rounded off to lakhs in Balance Sheet, Income & Expenditure account and Receipts and Payments Statement including in schedules as suggested by the audit.
2. All the Known liabilities are brought under Current Liabilities and all the provisional liabilities are Provisions as per Uniform Format of Accounts. An amount of ₹1,042.77 lakhs is total outstanding liabilities amount for the year ending 31/03/2021.
3. The contingent liabilities of the Tobacco Board are as under:

The Additional Director General, Directorate General of GST Intelligence (DGGI), Chennai Zonal Unit, Chennai has issued Show Cause Notice No.20/2019 vide their letter No. F.No. INV/DGGSTI/CZU/ ST/31/ 2018, dated 19/04/2019 to Tobacco Board for non-payment of service tax for ₹24,86,69,972/- on the taxable value of additional service charges/ penalties for ₹183,83,73,622/- and service tax for ₹129,98,928/- on taxable value of penalties on vigilance cases shown under misc. receipts for ₹9,98,83,002/- for the period from 2013-14 to 2017-18 as per the provisions of Finance Act 1994.

In this connection, the Board had filed an appeal before the Commissioner (Appeals), Goods and Services Tax Guntur for non-applicability of service tax on the additional service charges/penalties collected from the growers as per the provisions/rules of Finance Act/Service Tax Act. The same was disposed off by the Commissioner, Central Tax, Guntur and issued Order-in-Original No.GUN-EXCUS-000-CUM-026/19-20-S.Tax dated 13.12.2019 by confirming the tax demand and penalty of ₹26.17 crore as imposed in the show cause notice.

Further, the Board had filed appeal with a pre-deposit of ₹1,96,25,168/- as stated in OIO before Hon'ble Central Tax Appellate Tribunal, Regional Branch of Hyderabad against Order-in-Original to admit appeal by CESTAT Hyderabad and the same is pending as on date.

No further contingent liability is made in the books of accounts for the period from 2018-19 to 2020-21 due to no liability to Tobacco Board on the contributions of sale proceeds voluntarily made by the growers for the sale of excess/unauthorized tobacco produced by the registered/unregistered growers as per gazette notifications issued by the Central Government from time to time. Any receipt of contribution will not attract service tax and there is no service is provided by the Tobacco Board to collect the service tax from the growers.

4. The details of freehold and lease hold lands are indicated in the fixed assets statements of annexure-I to III (Schedule-8) of the Balance Sheet of the Board.
5. The stationery and consumable items for the year ending 31.03.2021 valued at ₹25.63 lakh have been shown under closing stock account by taking into consideration of the actual purchase price of the items.
6. The total investments of Tobacco Fund are with the nationalized banks in Andhra Pradesh and Karnataka for the year ending 2020-21 was ₹60,111.12 lakh. As suggested by the audit, the fixed deposits amount is exhibited under the balance sheet schedule-11 of current assets, loans & advances: with scheduled banks-on Deposit Accounts (FDRs). All the fixed deposit receipts have been physically verified and found correct.

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

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

4. Furniture & Fittings, Electrical Equipment	: 9.50%
Cycles, Library Books, Misc. Equipment, Tarpaulins	: 9.50%
Trolleys, Weighing Scales & Cubicles:	: 9.50%
5. Office Equipment, Demonstration Equipment	: 19%
Scientific Equipment, Copier Machine:	: 19%
6. Fire Extinguishers	: 19%
7. Computers	: 31.67%

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

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

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

An amount of ₹339.40 lakh was depreciated on the fixed assets of Tobacco Board as on 31/03/2021 along with previous year depreciation on the assets.

8. The assets have been capitalized/adjusted during the financial year ending 31st March 2021 as against the advances released to the executing agencies of CPWD and RITES and amount of outstanding liabilities (Capital) accounts. During the financial year 2020-21, an amount of ₹422.94 lakhs was adjusted as expenditure against advances to CPWD/RITES for the completed works covered under civil, electrical and maintenance nature and also adjusted ₹299.45 lakhs as Capital Works-in-Progress.
9. An amount of ₹83.67 lakhs was incurred on account of Miscellaneous Expenditure account for the year ending 31st March 2021 which consists of maintenance of generators, purchase of water, electrical repairs & replacements and expenditure on vigilance operations etc.

An amount of ₹263.32 lakhs was realized on account of Miscellaneous Receipts account for the year ending 31st March 2021 which consists of penalties on vigilance operations, sale of GSP certificates, sale of newspapers, difference cost of bale pattas from growers, surplus interest under input loan account and sale of tender forms etc.

10. An amount of ₹5,444.27 lakhs was realized on account of Service Charges on FCV tobacco @ 1% each from buyer and growers for the year ending 31st March 2021.
11. The Tobacco Board did not draw any grant-in-aid from the Government during the financial year 2020-21.
12. No amount was incurred on account of Fairs & Exhibitions: Abroad and Trade Delegations to Abroad for the year ending 31st March 2021.
13. An amount of ₹1,680.97 lakhs is paid towards retirement benefits such as gratuity, leave encashment and commutation of pension to the officials who retired on attaining the age of superannuation/death/VR cases during the year 2020-21.
14. An amount of ₹75,305.14 lakhs is available under Current assets, loans and advances account as per schedule-11 of the Balance Sheet as on 31/03/2021.
15. An amount of ₹16.02 lakhs is due from the principal borrowers (farmers) pertaining to 1977 cyclone loan account. General suits and EPs have been filed before the respective Hon'ble Courts in the platform jurisdictions and they are subjudice. The Board has made vigorous efforts to recover the loan amounts by giving various concessions viz. 50% in interest and waiver of legal charges for recovery of outstanding dues under one time settlement, as the recovery of dues was very poor.

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

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

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

respective schedules of the Balance Sheet and Receipts & Payments Statement for the year 2020-21.

17. Funds under Margin Money for Commercial Operations (Grant-in-aid to Trading Wing) account, an amount of ₹2,676.29 lakh was available as per the books of accounts. The Trading Wing was created by the Government of India in the year 1984 with a Margin Money of ₹125.00 lakh for MSP operations. Further, the Board earns profit of ₹91.40 lakh while on MSP operations taken during 1987 & 2000 and ₹2,459.89 lakh realized towards interest on fixed deposits as on 31/03/2021.
18. Funds under Tobacco Board Employees General Provident Fund account, an amount of ₹1,913.45 lakh is available as per the books of accounts. The amounts payable to officials is ₹1,853.79 lakh as per GPF BROADSHEET (which includes interest on subscriptions). By the end of the financial year, there is a surplus of ₹59.66 lakh available under GPF account. The surplus comes under the fund account by way of interest on fixed deposits as the interest on deposits realized is more than the interest payable to officials contributions as on date.
19. Funds under Tobacco Board Employees Pension Fund account, an amount of ₹16,529.63 lakh is available in the books of accounts. An amount of ₹16,524.73 lakh is available as deposit with the LIC of India and ₹4.90 lakh as bank balance as per cash book. The Tobacco Board has submitted the existing employees data to LIC of India and the LIC of India has calculated the pension liability by actuarial valuation as ₹19,025.00 lakh as on 31/03/2021. After taking into consideration of deposit with LIC of India against the pension liability, there is a balance of ₹2,501.00 lakh is to be paid to LIC of India and the same is taken as liability to the Board in the books of accounts as on 31/03/2021.
20. Funds under Tobacco Board Employees New Pension Scheme account, an amount of ₹30.11 lakh was available in the books of accounts. The contributions of employees and employer (Tobacco Board) to the officials covered under NPS are remitting every month to NSDL Mumbai as per existing rules. The said amount includes surplus under the fund account along with refundable amounts to NPS officials/balance remittances to NSDL for want of PRAN by newly recruited/exit officials of the Tobacco Board as on 31/03/2021.
21. Funds under Tobacco Growers Welfare Fund scheme account, an amount of ₹6,444.88 lakh is the available fund balance in the books of accounts (Andhra Pradesh: ₹3,868.72 lakh + Karnataka: ₹2,576.16 lakh).

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

22. The proposal for creation of fund account for Gratuity and Leave Encashment was sent to the Ministry and the approval from the Government is yet to be received. On receipt of the approval from the Government, the exact calculation amount of gratuity, leave salary and half pay will be worked out and provided the actual liability after making actual payments to the fund account. In this connection, a total liability of ₹30.00 crore has been provided towards payment of Leave Salary, Gratuity and half pay leave for the years 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19.

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

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

Hence, the Board has calculated the actual liability of gratuity and leave encashment for the existing employees as on 31.03.2021 and accounted for the same in the books of accounts for ₹4,418.67 lakh (Gratuity ₹2,612.35 lakh + Leave Encashment = ₹1,816.32 lakh) as per CCS (Pension) Rules 1972 as on 31/03/2021. The necessary steps for maintaining the fund accounts with LIC of India will be taken up during the next financial year 2021-22 by following usual procedures of the fund accounts.

23. The service tax payable amounts to Service Tax Department on the taxable services taken as auctioneer services (Buyer Authorization fee, Demurrage Charges & Bale Pattas), Legal consultancy services (Legal Charges) and Rent-a-Cab Operators Service (Hiring of Vehicles) have been taken as provisional liability for ₹178.44 lakhs as the cases are under pending with CESTAT, Hyderabad. Further, the amounts due from companies for ₹4.96 lakh shown as current assets in the books of accounts.
24. The amounts payable towards retirement benefits, property tax, Tobacco Board Growers Welfare Fund (Board's Share) along with other heads of accounts and amounts payable to CPWD and RITES have also been provided as outstanding liabilities in the books of accounts as on 31/03/2021.
25. The Tobacco Board has filed Income Tax Returns for the financial year 2019-20 and assessment year 2020-21 as per the recent changes in rules of the Income Tax Act 1961 after completion of tax audit on the accounts of the Board by the Chartered Accountants of M/s. Umamaheswara Rao & Company Guntur even through there is exemption from payment of income tax under section 10(29)(A)(d) of the Income Tax Act 1961.

26. The Tobacco Board has filed the monthly returns of GSTR-3B, GSTR-1, GSTR-7 and annual return of GSTR-9, GSTR-9C for the financial year 2019-20 by discharging tax liabilities from time to time to the GST Department after completion of tax audit as per GST norms by the Chartered Accountants M/s. Vangala & Associates Guntur.
27. Tobacco Board is procuring and distributing the chemical fertilizers to the indented registered FCV tobacco growers. Up to 2008-09, the Board had engaged the services of Spices Trading Corporation of India Ltd. (STCL) for distribution of fertilizers to the growers.

During 2009-10, Board had taken up the distribution of fertilizers to the growers due to non-availability of services of M/s. STCL. For these operations, the Deputy Commissioner, Commercial Taxes, Mysore vide his assessment order dated 27/05/2011 issued to the Board to pay the tax amount of ₹2,34,27,445/- and penalty on tax of ₹70,28,233/- for distribution of fertilizers to growers as it is deferred payment without obtaining dealer license under KVAT Act 2003. In this connection, the Board made all its efforts with the State Government of Karnataka and through the appeals with the Commissioner of Commercial Taxes Bangalore and through Hon'ble High Court of Karnataka. The writ petition filed by the Board was dismissed by the Hon'ble Court.

In this connection, the Board filed appeal before the Karnataka State Sales Tax Appellate Tribunal, Bangalore on 07.12.2013. The Tribunal admitted the case on deposit of 30% amount of tax amount of ₹91,36,703/- with DCCT(VAT), Audit-I Mysore on 31/12/2013. Further, an amount of ₹2,13,18,975.00 kept in the form of BG in favour of Dy. Commissioner of Commercial Taxes VAT Audit-I Mysore. The appeals filed by the Board were dismissed vide orders dated 31.08.2016 by the Tribunal. Hence, entire tax + penalty amount was paid to the Deputy Commissioner of Commercial Taxes Mysore by cancelling the B.G. on 25/11/2016.

On receipt of tax amount of ₹3,04,55,678/- by the DCCT VAT(Audit-I) Mysore and they have issued another demand notice dated 09/12/2016 for ₹3,26,98,056/- towards interest on the above said tax for the period from 21/05/2009 to 25/11/2016. In this connection, the Board filed a writ petition on 02/01/2017 before the Hon'ble High Court of Karnataka Bangalore challenging the orders of KVAT and demand notice dated 09/12/2016.

The Hon'ble High Court given An-interim stay of further proceedings pursuant to the assessment orders dated 27/05/2011 subject to the petitioner to deposit ₹32,69,805/- with the respondent (DCCT VAT Karnataka). In the meanwhile, The Government of Karnataka introduced the Karasamadhana scheme-2017 for waiver of penalty and interest from VAT, CST and KET where the amount is not paid up to 15/03/2017 for the taxation period from 01/04/2005 to 31/03/2016 and cases pending towards payment of interest and penalty are eligible by paying only 10% of the amount of interest and penalty.

Keeping in view the status of above case, the Board paid an amount of ₹32,69,805/- through e-payment on 30/05/2017 vide CTD Ref No.1789617671 and filed an online application to get the benefit interest exemption under Karasamadhana scheme 2017 and filed a memo in the Hon'ble High Court of Karnataka at Bangalore to dismiss appeal of the Board due to availing onetime benefit scheme which declared by the Government of Karnataka. The Board has paid 10% of the demand notice amount of ₹32,69,805/- to DCCT VAT(Audit) Mysore by availing the benefit of Kara Samadhana Yojana Scheme and the Hon'ble High Court of Karnataka disposed the case on 30/05/2017 due to its settlement of the issue on payment of the said amount. The clearance certificate of the from the DCCT VAT Department is yet to be received and the issue is under process.

28. Income tax - There are no dues to be paid to Income Tax Department by the Tobacco Board during the financial year 2020-21.
29. Sales Tax - There are no dues to be paid towards sales tax by the Tobacco Board during the financial year 2020-21.
30. Municipal Taxes - The property tax has been paid on receipt of the demand notice from the concerned authorities of Gram Panchayats, Municipal authorities and corporations. The dues payable towards property tax for non-receipt of demand notice is provided as liability in the books of account during the financial year 2020-21.
31. The issue for bank guarantee for firefighting equipment in the auction platform Kanigiri will be taken up for clearing during the financial year 2021-22 as the period of guarantee was lapsed.
32. During the current financial year 2020-21, the tobacco purchases value from buyers received through electronic fund transfer to the respective auction platform account on 10th day of auction and e-payment of sale proceeds to the individual accounts of the growers on 11th day of auction by utilizing the services of SBI FAST CMP Internal Portal account in all the auction platforms in Andhra Pradesh and Karnataka.
33. The accrued receipt of service charges, liability of goods and services tax and accrued receipt of value of tobacco from buyers as per auction date has been taken in the Income and Expenditure account during the financial year 2020-21 as suggested by the audit.
34. The provision of short term and long term liability pertaining to Gratuity and Leave encashment accounts are projected in the liabilities side of the Balance Sheet during the financial year 2020-21 as suggested by the Audit.
35. The expenditure on capital and revenue nature against the advances to CPWD on its completion of works is taken into account and calculated the depreciation on the asset.
36. The liability for payment of gratuity, leave salary and Half Pay leave account is calculated as per CCS (Pension) Rules 1972 by taking into consideration of services rendered by the existing

employees and provided the same as liability in the books of accounts as the LIC of India calculated liability by actuarial valuation with the assumptions of mortality rate, withdrawal rate, discount, interest rate on investment and investments are taken to arrive liability and hence the is not projected in the books of accounts.

37. Budgeted Receipt and Expenditure - The Tobacco Board has realized internal resources (Receipts) of ₹12,777.00 lakh and incurred expenditure of ₹13,631.81 lakh during the financial year 2020-21.
38. With reference to the D.O. letter No. DGCA/A/cs Desk/2019-20/ 1.42/204, dated 29/12/2020 of Director General, O/o the Director General of Commercial Audit and Ex-Officio Member, Audit Board, Hyderabad for remedial action on the points raised in the Management Letter on the accounts of the Tobacco Board for the year 2019-20. The modifications as suggested by the audit have been taken up in the financial statements of the Tobacco Board for the year 2020-21 as detailed below:
- a) As suggested by the audit, the description of income on services, registration fee, interest earned and other income along with expenditure incurred on establishment and other administrative expenses are projected under schedule 24 of accounting policies.
 - b) The calculation of accrued interest on fixed deposits on the basis of actual number of days in the quarter as suggested by the audit.
 - c) The land values so far shown have been corrected as per sale deeds for the acquisition/ purchase of land with buildings by the Tobacco Board as suggested by the audit. The land values taken under buildings account has been deleted from the buildings as there is no separate value for land and buildings as per sale deed. In the same lines, the depreciation on buildings accounts provided up to 31/03/2020 has also been deleted from the buildings account.
 - d) The bifurcation of depreciation on fixed assets for the current year and earlier year amounts shown separately in the Income and Expenditure account.
 - e) The amount incurred to the extent of capital works in progress from the advances paid to CPWD has been projected under the head Capital works in progress account as suggested by the audit. The bifurcation of outstanding advance with CPWD/RITES for Revenue and Capital nature are shown separately as suggested by the audit.
 - f) A brief description on contingent liability of total service tax with penalty for the period from 2013-14 to 2017-18 has been provided in the Notes on accounts. The GST liability on the contributions for the period from 2018-19 to 2020-21 is not provided in the books of accounts as the Board is not liable for payment of GST on the contributions of the sale proceeds collected on excess tobacco produced by the registered growers/unauthorized tobacco produced by the unregistered growers as per gazette notification issued by the Central Government as detailed below:

- i. The contributions of sale proceeds from the growers were shown as additional service charges/ penalties in the printed sale notes of the growers and penalties from growers in the income and expenditure account.
- ii. The wilful contributions from the growers will not come under taxable service as there is no service is being done by the Board.
- iii. The variation of nomenclature shown in the books of accounts will not be countable for tax liability as per the case laws by Hon'ble Supreme Court of India.
- iv. The Board is not liable for tax and penalty on tax as per the definitions of service/ taxable service, sale of agricultural produce of unmanufactured tobacco, similarity of functions/ activities/ services of Agricultural Marketing Committees and the Tobacco Board is a Government etc., as per the provisions of Finance Act 1994.
- v. The penalties so levied under SCN are not applicable to the Tobacco Board as the financial statements for the financial years from 2006-07 to 2013-17 which includes Balance Sheet, Income & Expenditure account, Receipts & Payments Statements along with respective schedules were already submitted to the Service Tax Departments. They have also audited the accounts with reference to service tax returns from time to time since 01/05/2006.

The said financial statements are shown the amounts of income and expenditure under each head of account along with penalties. There is no tax liability on the income heads as the Board has paid all the applicable taxes as per the provisions of Finance Act. In view of the above, there was no hiding of records from the Tobacco Board side for evading tax as noted in the show cause notice.

- vi. Hence, the Board filed appeal before CESTAT against order-in-original passed by the Commissioner Central Tax Guntur for non-applicability tax and penalty as shown under show cause notice.

Sd/- xx xx xx
(V. VENKATA RAO)
MANAGER(F&A)

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

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31ST MARCH, 2021					(₹ in Lakh)	
Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year	
I. Opening Balances:			I. Establishment Expenses			
A) Bank Balances			1. Salaries & Wages	4403.33	4790.71	
1. Current Accounts	3168.37	8708.48	2. Allowances & Bonus	25.16	15.21	
2. Deposit Accounts	60966.99	58486.41	3. Contribution to Provident Fund	0.00	0.00	
3. Savings Accounts	0.00	0.00	4. Contribution to Pension Fund	4000.00	3000.00	
B) Earmarked/Endowment Funds			5. Contribution to Pension Fund (NPS)	81.43	86.92	
1. Current Accounts:			6. Staff Welfare Expenses	0.00	0.00	
i) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	0.05	0.05	7. Retirement & Terminal Benefits	1971.81	1784.54	
2. Deposit Accounts	0.00	0.00	8. Others:			
3. Savings Accounts			a) Leave Salary & Pension Contribution	15.71	12.96	
i) Tobacco Board Employees General Provident Fund	10.16	8.33	b) Medical Claims (Officers & Staff)	66.90	79.19	
ii) Tobacco Board Employees Pension Fund	4.74	4.55	c) LTC Claims	46.22	12.89	
iii) Tobacco Board Employees New Pension Scheme	12.59	0.61	d) Uniform to Staff	2.60	3.05	
iv) Tobacco Growers Welfare Fund Scheme	228.31	155.84	II. Other Administrative Expenses			
			1. O.T. A. to Staff	0.00	0.00	
			2. T.A. to Officers & Staff	150.58	214.36	
			3. T.A. to Board Members	1.65	2.69	
			4. Maintenance of Administration Buildings/ Quarters / Auction Platforms	39.37	29.06	

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31ST MARCH, 2021

(₹ in Lakh)					
Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
II. Grants Received	0.00	0.00	5. Rent of Buildings	179.98	111.84
III. Investments and Deposits made			6. Printing & Stationery	65.51	52.31
a) Earmarked/Endow. Funds: (FDRs)			7. Electricity Charges	99.48	120.39
i) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	2433.01	2266.95	8. Postage & Telephone Charges	41.62	33.86
ii) Tobacco Board Employees General Provident Fund	2189.93	2391.27	9. Expenditure on Meetings	7.52	14.61
iii) Tobacco Board Employees' Pension Fund (Including Computer stationery)	14958.32	15577.02	10. Miscellaneous Expenditure	83.22	137.51
iv) Tobacco Board Employees New Pension Scheme	22.97	27.87	11. Entertainment Charges	4.70	8.06
v) Tobacco Growers Welfare Fund Scheme	5570.88	5260.17	12. Subscription to Journals	2.86	3.69
b) Own Funds	0.00	0.00	13. Repairs to Furniture & other assets	8.48	11.01
IV. Income on Investments			14. Conveyance Charges	3.13	4.20
a) Earmarked/Endowment Funds			15. Workshops & Seminars	0.00	0.00
i) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	168.71	166.06	16. Rates & Taxes	23.60	17.00
ii) Tobacco Board Employees General Provident Fund	672.05	814.66	17. Bank charges	0.14	0.61
iii) Tobacco Board Employees' Pension Fund	5184.58	3967.86	18. Legal charges	6.20	6.71
			19. Hiring of Vehicles	107.49	107.28
			20. Maintenance of Vehicles	24.62	34.55
			21. Insurance	37.29	19.38
			22. Audit Fee	8.03	7.95
			23. Interest Contribution to GPF	0.00	0.00
			24. Membership with other organisations	0.00	0.00
			25. Loan Recovery Expenditure	0.00	0.00
			26. Library Books	0.07	0.54
			27. Maintenance of Computers	21.11	22.53

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31ST MARCH, 2021

Receipts	₹ in Lakh		Payments	₹ in Lakh	
	Current Year	Previous Year		Current Year	Previous Year
iv) Tobacco Board Employees New Pension Scheme	155.80	146.50	28. Service charges for weighing scales	30.71	25.63
v) Tobacco Growers Welfare Fund Scheme	1051.87	1128.32	29. Mutta labour charges	339.66	345.50
b) Own Funds	0.00	0.00	30. Construction of temporary structures	0.00	0.00
c) Rents	9.86	11.85	31. Human Resource Development	0.00	5.61
a) Rents on Premises lease	3973.26	4122.26	32. Implementation of e-auction system	394.66	507.45
V. Interest Received	1.84	3.51	33. Automation of Office(MIS) online	3.01	1.99
1. On Bank Deposits	194.01	265.19	34. Regulation & Develop.of FCV tobacco	6.00	4.83
2. Loans & Advances (Officials)	22.93	20.01	35. Scientific, Tech&Economic Research	3.93	12.88
VI. Other Income	17.34	13.79	36. Imp. & Maint. of MKTG facilities	0.38	1.19
1. Growers Registration Fee (Area, Barn Operator & Nurserymen)	10.20	12.26	37. Financial Relief to growers (Crop/ Barn damages)	0.00	0.00
2. Exporters Registration Fee	0.38	0.55	38. Farmers Study Tours :Abroad	0.00	0.00
3. Products Registration Fee	2.34	1.34	39. Market Survey	0.00	0.00
4. Dealers Registration Fee	0.64	0.76	Export Promotion	0.00	14.69
5. Packers Registration Fee	6.45	8.33	40. Trade Delegation:Abroad	0.00	25.49
6. Processors Registration Fee	4.49	9.61	41. Fairs & Exhibitions(Abroad)	0.00	0.00
7. Commercial Graders Registration Fee	307.87	456.67	Others	4.14	20.86
8. Manufacturers Registration Fee	5285.13	5895.49	42. Publicity & Propaganda	0.00	0.00
9. Sale of Priced Publications(TGPBS)			43. Farm Mechanization	118.23	165.75
10. Misc. Income			44. Improving Yield & Quality of FCV Tobacco	107.83	253.21
11. Service charges on FCV tobacco			45. Improving of Curing Practices	38.36	52.98
			46. Elimination of NTRMs &		

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31ST MARCH, 2021

(₹ in Lakh)					
Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
12. Contribution @4% from regd. Growers	298.79	294.41	Product Integrity	1.65	2.36
13. Contribution @ 6.5% from regd. Growers	0.00	82.70	47. PHPM Measures - Bulking sheds/ Model Storage facilities	23.60	32.41
14. Contribution @ ₹2/- per Kg. from Regd. & Unregd. Growers	635.60	680.29	48. Other Extension Programmes	20.41	13.75
15. Contribution @ 14% from Regd. & Unregd. Growers	0.00	3671.44	49. On-farm Tests & Experimental Trials	10.60	9.87
16. Contribution @ 9% from Regd. & Unregd. Growers	1998.28	0.00	50. Model Project Area	59.11	88.06
17. Buyers Authorisation Fee	5.02	5.89	51. Tobacco Growers Welfare Fund (Board's Share)	0.52	0.00
18. Loans & Advances to staff	13.32	16.99	52. Commercial Tax Penalties & Interest	21.88	0.03
19. Loans & Advances to Cultivators	0.00	0.00	53. Service Tax Penalties & Interest	0.00	0.00
VII. Amount Borrowed	0.00	0.00	III. Payments Made against Funds for various Projects	0.00	0.00
VIII. Any Other Receipts	793.12	910.11	III. Expenditure on Grants and Subsidies	0.00	0.00
1. Other Liabilities	66.57	9.24	IV. Investments and Deposits made		
2. Deposits with ACTO & Others			i) Earmarked/Endowment Funds:		
			a) Fixed Deposits		
			i) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	2601.66	2433.01
			ii) Tobacco Board Employees General Provident Fund	1858.61	2189.93
			iii) Tobacco Board Employees' Pension Fund	16524.73	14958.32
			iv) Tobacco Board Employees New Pension Scheme	22.39	22.97
			v) Tobacco Growers Welfare Fund Scheme	5841.32	5570.88

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31ST MARCH, 2021					
(₹ in Lakh)					
Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
			b) Other Payments	0.00	0.00
			i) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)		
			ii) Tobacco Board Employees General Provident Fund	1009.66	1014.16
			iii) Tobacco Board Employees' Pension Fund	3618.02	4586.36
			iv) Tobacco Board Employees New Pension Scheme	161.31	139.42
			v) Tobacco Growers Welfare Fund Scheme	804.40	745.15
			ii) Own Funds	0.00	0.00
			V. Expenditure on Fixed Assets & Capital Works in Progress		
			1. Purchase of Fixed Assets	22.85	52.85
			2. Advances to:		
			a) CPWD	883.55	579.86
			b) RITES	0.00	0.00
			3. Expenditure 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	21.67	12.58
			2) Loans & Advances to Cultivators	0.00	0.00
			3) Other Liabilities	1108.94	6485.82

RECEIPTS AND PAYMENTS FOR THE PERIOD/YEAR ENDED 31ST MARCH, 2021

(₹ in Lakh)					
Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
			4) Deposits with ACTO & Others	46.87	90.97
			IX. Closing Balances		
			A) Bank Balances		
			1. Current Accounts	2873.32	3168.37
			2. Deposit Accounts	60111.11	60966.99
			3. Savings Accounts	0.00	0.00
			B) Earmarked/Endowment Funds:		
			1. Current Accounts:		
			i) Margin Money for Comm. Operations (Grant-in-aid to Trading Wing)	0.10	0.05
			2. Deposit Accounts	0.00	0.00
			3. Savings Accounts		
			i) Tobacco Board Employees General Provident Fund	3.87	10.16
			ii) Tobacco Board Employees' Pension Fund	4.90	4.74
			iii) Tobacco Board Employees New Pension Scheme	7.67	12.59
			iv) Tobacco Growers Welfare Fund Scheme	205.33	228.31
Total	110446.77	115603.64	Total	110446.77	115603.64

Sd/- xx xx xx
(K.MADHUSUDANA RAO)
SECRETARY/IC

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

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

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance		
	a) Cash at Bank (Current account) (SBI Guntur)	0.05	0.05
	b) Investments (Fixed Deposits)	2433.01	2266.95
B	Receipts:		
	a) Income from investments (Interest on Fixed Deposits & SB a/c)	168.70	166.06
	b) Grants received	0.00	0.00
	c) Other Receipts	0.00	0.00
	Total Receipts (A+B)	2601.76	2433.06
C	Payments		
	a) Withdrawals	0.00	0.00
	b) Other Payments	0.00	0.00
D	Closing Balance		
	a) Investments (Fixed Deposits)	2601.66	2433.01
	b) Cash at Bank(Current account) (SBI Guntur)	0.10	0.05
	Total Payments (C+D)	2601.76	2433.06

2. Tobacco Board Employees General Provident Fund Account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance		
	a) Cash at Bank (Savings account) (SBI Guntur)	10.16	8.33
	b) Investments (Fixed Deposits)	2189.93	2391.27
B	Receipts:		
	a) Income from investments (Interest on Fixed Deposits & SB a/c)	133.39	159.02
	b) Subscriptions	538.66	655.39
	c) Recovery of GPF advance	0.00	0.25
	Total Receipts (A+B)	2872.14	3214.26
C	Payments		
	a) Withdrawals	1009.66	1014.16
	b) Advances Paid	0.00	0.00
D	Closing Balance		
	a) Investments (Fixed Deposits)	1858.61	2189.94
	b) Cash at Bank(Savings account) (SBI Guntur)	3.87	10.16
	Total Payments (C+D)	2872.14	3214.26

3 Tobacco Board Employee's Pension Fund Account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance		
	a) Cash at Bank (Savings account) (SBI Guntur)	4.74	4.55
	b) Investments (Fixed Deposits)	14958.32	15577.02
B	Receipts:		
	a) Income from investments (Interest on Deposit with LIC & SB a/c)	1184.58	967.86
	b) Pension Fund Contributions	4000.00	3000.00
	Total Receipts (A+B)	20147.64	19549.43
C	Payments		
	a) a) Pension Annuities purchased by LIC	3618.02	4586.36
	b) Bank Charges	0.00	0.00
D	Closing Balance		
	a) a) Investments (Fixed Deposits)	16524.72	14958.33
	b) Cash at Bank(Savings account) (SBI Guntur)	4.90	4.74
	Total Payments (C+D)	20147.64	19549.43

4 Tobacco Board Employees New Pension Scheme Account

(₹ in Lakh)

S. No.	Particulars	Current Year	Previous Year
A	Opening Balance		
	a) Cash at Bank (Savings account) (SBI Guntur)	12.59	0.61
	b) Investments (Fixed Deposits)	22.97	27.87
B	Receipts:		
	a) Income from investments (Interest on Fixed Deposits & SB a/c)	2.52	2.24
	b) Pension Fund Contributions	153.29	144.26
	Total Receipts (A+B)	191.37	174.98
C	Payments		
	a) Amount remitted to NSDL Mumbai (Pension contributions)	161.31	134.70
	b) Other Payments(Refunds to NPS Officials)	0.00	4.71
D	Closing Balance		
	a) Investments (Fixed Deposits)	22.39	22.97
	b) Cash at Bank(Savings account) (SBI Guntur)	7.67	12.60
	Total Payments (C+D)	191.37	174.98

(₹ in Lakh)

5 Tobacco Growers Welfare Fund Scheme account:

S.No.	Particulars	Current Year (?)			Previous Year (?)		
		Andhra Pradesh	Karnataka	Total	Andhra Pradesh	Karnataka	Total
A	Opening Balance						
	a) Cash at Bank (Savings account) (SBI Guntur) (SBM B'Lore)	61.49	166.81	228.30	70.97	84.86	155.83
	b) Investments (Fixed Deposits)	3528.51	2042.36	5570.87	3246.52	2013.65	5260.17
B	Re'ceipts:						
	a) Income from investments (Interest on Fixed Deposits & SB a/c)	244.89	131.32	376.21	254.85	141.32	396.17
	b) Growers Contribution	13.02	22.15	35.17	19.77	13.70	33.47
	c) Tobacco Board's Contribution	29.11	30.00	59.11	46.96	41.10	88.06
	d) Renewal of Membership Fee	187.46	194.84	382.30	189.01	229.57	418.58
	e) Growers Share of Sweepings	0.00	7.74	7.74	26.58	8.46	35.04
	f) Penalties	0.28	0.03	0.31	0.21	0.00	0.21
	g) Interest on Loans	0.00	0.00	0.00	0.00	0.00	0.00
	h) Misc. Receipts	0.00	2.02	2.02	0.00	2.91	2.91
	i) Grower contribution(Break in Regn.)	5.90	3.14	9.04	0.00	0.00	0.00
	j) Marriage Loan	2.85	123.29	126.14	2.70	112.04	114.74
	b) Education Loan	4.96	11.33	16.29	4.19	9.85	14.04
	c) Major Illness Loan	1.10	1.84	2.94	1.30	1.90	3.20
	d) Barn Damaged Loan	0.20	34.41	34.61	1.45	20.46	21.91
	Total Receipts (A+B)	4079.77	2771.28	6851.05	3864.51	2679.82	6544.33
C	Payments						
	a) Death Relief to Growers	302.20	360.90	663.10	265.50	313.20	578.70
	b) Marriage Loan	1.50	115.00	116.50	4.50	97.55	102.05
	c) Education Loan	1.00	6.00	7.00	3.50	12.20	15.70
	d) Major Illness Loan	0.50	1.50	2.00	1.00	1.50	2.50
	e) Barn Damaged Loan	0.00	15.80	15.80	0.00	46.20	46.20
D	Closing Balance						
	a) Investments (Fixed Deposits)	3743.08	2098.24	5841.32	3528.52	2042.36	5570.88
	b) Cash at Bank(Savings account) (SBI Guntur) (SBM B'Lore)	31.49	173.84	205.33	61.49	166.81	228.30
	Total Payments (C+D)	4079.77	2771.28	6851.05	3864.51	2679.82	6544.33

Statement showing the Funds Flows under Non-Plan and Plan from 2009-10 to 2020-21

(₹ in Lakh)

S.No	Particulars	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
1	Opening Balance (Plan & Non-Plan)	18868.34	22721.86	25868.35	34406.37	36542.81	41384.66	47696.18	51899.06	54701.21	55788.64	58886.19	61493.09
2	Receipts												
	a) Non-Plan	11900.92	11689.90	15650.73	11541.65	15083.54	16581.13	15387.68	14399.60	14477.23	15395.93	15558.10	12777.00
	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
3	Grant-in-aid												
	a) Non-Plan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	b) Plan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Total IEBR (1 to 3)	30769.26	34411.76	41519.08	45948.02	51626.35	57965.79	63083.86	66298.66	69178.44	71184.57	74444.29	74270.09
5	Expenditure												
	a) Non-Plan	1703.68	1148.77	1565.04	2054.13	2061.98	1728.82	634.50	748.37	13389.80	12298.38	12951.20	13631.81
	b) Plan	6,343.72	7394.64	5547.67	7351.08	8179.71	8540.79	10550.30	10849.08	0.00	0.00	0.00	0.00
	Total Expenditure (5)	8047.40	8543.41	7112.71	9405.21	10241.69	10269.61	11184.80	11597.45	13389.80	12298.38	12951.20	13631.81
6	Closing balance (4-5)	22721.86	25868.35	34406.37	36542.81	41384.66	47696.18	51899.06	54701.21	55788.64	58886.19	61493.09	60638.28

ABBREVIATIONS

A.P./AP	Andhra Pradesh
APF/A.P.F	Auction Plat Form
Avg.Pr.	Average Price
BAT	British American Tobacco
BG	Bank Guarantee
CACP	Commission for Agricultural Costs and Prices
CBS	Central Black Soils
CMO	Common Market Organization
CPWD	Central Public Works Department
CPA'S	Crop Protection Agents
CTRI	Central Tobacco Research Institute
ELS	Eastern Light Soils
EU	European Union
FCV	Flue Cured Virginia
GI	Galvanized Iron
GRL	Guidance Residual Levels
GSP	Generalized System of Preferences
Ha./ha	Hectare
ILTD	Indian Leaf Tobacco Division
IPM	Integrated Pest Management
ISO	International Organization for Standards
ITA	Indian Tobacco Association
ITC	Indian Tobacco Company
ITDA	Indian Tobacco Dealers Association
KK/K.K.	Karnataka
KLS	Karnataka Light Soils
LSI	Letter of standing instructions
M.Kgs/mkgs /mkg	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 Poly Hedrosis Virus
NTRM	Non Tobacco Related Material
OFTS	On Farm Tests
OLIC	Official Language Implementation Committee
PHPM	Post Harvest Production Management
Qty.	Quantity
RCMC	Registration cum Membership Certificate
ITES	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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