GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
UNSTARRED QUESTION NO. 3773
ANSWERED ON 11/08/2026

WELFARE OF FCV TOBACCO FARMERS

3773. DR. BYREDDY SHABARI:
SHRI MAGUNTA SREENIVASULU REDDY:
SHRI TANGELLA UDAY SRINIVAS:
SHRI PUTTA MAHESH KUMAR:

Will the Minister of **COMMERCE AND INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

(a) whether the Government is aware of the distress faced by FCV tobacco farmers in Andhra Pradesh, particularly in Nandyal Lok Sabha Constituency, and if so, the details thereof;
(b) the trend in FCV tobacco auction prices in Andhra Pradesh, including Nandyal Lok Sabha Constituency, during the last three crop seasons and the reasons auction prices have declined compared to the previous season;
(c) the details of India's FCV tobacco exports, in quantity and value, during the last three years;
(d) whether export competitiveness has been affected by prevailing global trade and geopolitical conditions, if so, the details thereof;
(e) whether the Government is considering measures to improve export competitiveness through modernisation of processing, curing and grading infrastructure, diversification of export markets and value addition, particularly for farmers in Andhra Pradesh and Nandyal Lok Sabha Constituency; and
(f) whether Government is considering measures to make domestically grown FCV tobacco more export competitive in the face of a globally shrinking demand market including through investment in leaf processing, curing and grading infrastructure, diversification of export destinations, and any incentives for private or foreign investment in export-oriented processing capacity and if so, the details thereof?

ANSWER
वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री जितिन प्रसाद)
THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA**)**

(a) to (f) In Andhra Pradesh, for the 2025–26 crop season, the auctions are currently underway and as of date, only a small percentage of the crop has been auctioned. There is no Flue Cured Virginia (FCV) tobacco cultivation in Nandyal Lok Sabha constituency, as per the information available with the Tobacco Board. Over the last ten years, the average price realised by FCV tobacco farmers in AP has increased from Rs. 130.00 per kg to Rs. 248.86 per kg, an increase of 91.43%.

Price discovery takes place through transparent electronic auctions conducted by the Tobacco Board and is determined based on the demand and supply. During the last three years, the volume of crop marketed increased from 181.02 (million kg) in crop year 2023-24 to 240.64 (million kg) in 2025-26 and the average price ranged between ₹225/kg and ₹288.65/kg.

The details of India’s FCV tobacco exports in quantity and value, during the last three years are as below:

Year	Quantity (MT)	Value (Rs.Crores)
2023-24	1,43,316.89	5,932.09
2024-25	1,46,954.01	7,571.00
2025-26	1,55,050.59	7,782.98

Source: DGCIS

As shown above, during the period from 2023-24 to 2025-26, India's FCV tobacco exports increased by 8.19% in quantity and 31.20% in value (₹) terms.

India continues to be one of the leading exporters of FCV tobacco, despite prevailing global geopolitical conditions, ranking as the second largest producer of tobacco and the second largest exporter of unmanufactured tobacco in terms of quantity, with exports to over 127 countries.

Tobacco Board, an autonomous body under the Department of Commerce, promotes export competitiveness of Indian FCV tobacco by improved curing technologies, quality improvement, scientific grading, mechanization, value addition, research, market diversification, and promotion of Good Agricultural Practices (GAP) through the supply of quality seeds developed by the National Institute for Research on Commercial Agriculture (NIRCA).

Over the last ten years, the exports of tobacco and tobacco products have increased from 240.93 million kg valued at Rs. 6,450.66 crore (USD 958.68 million) to 368.85 million kg valued at Rs. 17,192.04 crore (USD 1,948.98 million), registering an increase of about 53.10% in quantity and about 166.51% in value terms.

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