

FAIFA demands Centre to bail out crisis-hit tobacco growers

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GUNTUR: Federation of All India Farmer Associations (FAIFA), representing the cause of millions of tobacco farmers and farm workers, has appealed to the Centre to take a relook at the high-taxation and stringent regulations as they were crippling the entire farming sector. The association said that low production of the crop, lack of export incentives and non-stop smuggling of illegal/contraband stocks are also needed close monitoring by the Centre to bail out the tobacco growers from the red.

The FAIFA celebrated world tobacco growers' day on Friday in the presence of scores of tobacco farmers. Speaking on the occasion, tobacco board member Mareddy Subrahmanyeswara Reddy said that FCV farming community has faced business losses of over Rs 6,000 crore, with a drop in Flue-Cured Virginia (FCV) tobacco production from 325 million kg in 2014-15 to 180 million kg in 2020-21.

Rising illicit cigarette trade has become rampant due to the high taxes being imposed by the Centre, said Reddy. "The massive taxes imposed on tobacco products are actually counter-productive move as it is helping the illicit trade," said Reddy.

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

"As smuggled cigarettes do not use Indian tobacco, the off-take of tobacco for manufacture of legal cigarettes in India is declining. As a result, FCV cultivation is reducing and farmers are incurring a loss in excess of Rs 1300 crore every year. We demand immediate and strict regulations to curb rising illicit cigarette markets so that Indian farmers can benefit," said Gadde Seshagiri Rao, Vice President of FAIFA. Rao said that tobacco is providing direct and indirect employment to more than 47.5 million people, around 70% of whom are in the agricultural sector.

"Tobacco is a highly remunerative crop providing economic/social benefits to farmers in the tobacco growing regions. Studies conducted by the Central Tobacco Research Institute (CTRI) have also shown that there is no other equally remunerative crop in the tobacco growing regions. Hence, it is important that Centre should extend the required support to FCV growers to meet the international standards," said Rao.

FAIFA general secretary PS Murali Babu said that WHO "Framework Convention on Tobacco Control (FCTC) recommended the need to balance socio-economic dependence of tobacco cultivation and tobacco control activities. However, anti-tobacco activists in India are pushing policy makers to work against the growers," said Murali Babu. He appealed the policy makers to pay attention to the extreme pain and injury that is being faced by the tobacco farmers' and take steps which will not precipitate the crisis going forward.

FAIFA also highlighted the false propaganda of foreign vested NGOs and sought the Centre to give representation to the tobacco farmers' in the committees set up by the government to deliberate upon the issues that would impact the livelihood of farmers.

Source: <https://timesofindia.indiatimes.com/business/india-business/faifa-demands-centre-to-bail-out-crisis-hit-tobacco-growers/articleshow/95152269.cms>