

Tobacco exports touch an all-time high of ₹16,000 crore during 2024-25, says TII Director

June 04, 2025 - MYSURU

The Hindu Bureau



Tobacco farmers were honoured at the TII Farmers' Award function held in Mysuru on Tuesday. Minister for Animal Husbandry and Sericulture K. Venkatesh and MP for Mysuru Yaduveer Krishnadatta Chamaraja Wadiyar were present. | Photo Credit: M.A. Sriram

Export of tobacco and tobacco products has reached an all-time high of over ₹16,000 crore during 2024-25, said director of Tobacco Institute of India (TII) Sharad Tandan at the Silver Jubilee of the TII Tobacco Farmers' Awards held in Mysuru on Tuesday.

Mr. Tandan said there was a huge potential for growth in Indian tobacco exports, and urged the government to provide export incentives similar to other tobacco exporting countries.

"This will improve the price competitiveness of Indian tobacco in the global market and help us tap the export potential, benefitting domestic farmers", he said.

Pointing to the socio-economic contribution of the tobacco sector, which provides livelihood to 4.6 crore people in India, Mr. Tandan said India, which was the third largest producer of Flue Cured Virginia (FCV) tobacco in the world after China and Brazil, exported tobacco to more than 100 countries.

The 'extremely high' cigarette taxation in the country was driving the illegal cigarette trade, he said. "Illegal cigarettes account for a third of the cigarette volumes in the country, which means every fourth cigarette sold in the country is not legal," he said.

"This makes India the fourth largest illegal cigarette market globally and results in an annual revenue loss of ₹21,000 crores to the government," Mr. Tandan said.

He said whenever taxes were increased, the share of illicit cigarette trade increased and that smuggled cigarettes did not use domestic tobacco, leading to a drop in demand.

Mr. Tandan raised concerns over the likelihood of the upcoming World Health Organisation (WHO) Framework Convention on Tobacco Control (FCTC) Conference of Parties (COP) 11 scheduled to be held in Geneva in November 2025 proposing 'unreasonable and impractical' policy measures.

"Past recommendations from the FCTC such as excessively high cigarette taxation and large (85%) pictorial health warnings have already led to serious consequences for the country's legal cigarette industry and the tobacco-farming community," Mr. Tandan said.

Ten farmers from Karnataka were honoured on the occasion for demonstrating benefits of modern farming practices.

Established in 1999, the TII Tobacco Farmers' Award seeks to encourage the farming community to adopt modern, sustainable, and innovative farming practices that would help improve yields, crop variety, and make Indian tobacco competitive in the global market.

The recipients of the award included Vikram Raj Urs under the Lifetime Achievement Category; Javare Gowda, K.M. Raju, Halamma, and K.M. Mallesh under Best Farmers' category; Kemparaju C. and Krishne Gowda K.C. under Sustainability category; and Chandre Gowda C., Kamalamma, and Chandappa under Recognition awards category.

Minister for Animal Husbandry and Sericulture K. Venkatesh, Mysuru MP Yaduveer Krishnadatta Chamaraja Wadiyar, Chairman of Tobacco Board Yashwanth Kumar Chidipothu, Director (Auctions) of Tobacco Board B.C. Srinivas, and Principal Scientist, CTRI Research Station, Hunsur, S. Ramakrishnan were present.

Source: <https://www.thehindu.com/news/national/karnataka/tobacco-export-reaches-all-time-high-of-16000-crore-during-2024-25-says-tii/article69652772.ece>