

PRESENT SCENARIO OF TOBACCO INDUSTRY IN INDIA: AN OVERVIEW

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ABSTRACT

Tobacco is known as an important crop all over the world due to its different uses by the consuming population. Tobacco plants are a native of tropical America. In India the consumption of tobacco has taken place due to the religious rites of the Indians. Because of the presence of alkaloid called nicotina, tobacco has that narcotic and soothing properties. Tobacco's aroma flavor and other aromatic ingredients are developed in the processes of curing. Up till now 65 species of tobacco are known, from which only two are having commercial importance. First is nicotiana tabacum which has almost hundred horticulture varieties. Nicotiana tabacum is the major source of tobacco used presently. Nicotiana tabacum was a tropical species but over the period of time it became adopted to other regions also. Nicotiana tabacum is an unbranched plant ranging from three to six feet high with large oval leaves. On the other hand nicotiana rustica as compared to nicotiana tabacum is a smaller and harder plant.

KEYWORDS: *Nicotiana Tabacum, Alkaloid, Nicotiana Rustica, Solanaceae.*

Introduction

In India due to its socio - culture sanction, usage of tobacco is more prevalent. In India different form of tobacco are used in very unique ways, like apart from smoked forms, chewing tobacco, snuff and tobacco powder is very common. Nicotiana rustica was believed to be originated in Mexico. Nicotiana rustica was cultivated and smoked by the all eastern Indian's in North America, before the arrival of white settlers. It is also grown in some parts of Europe, Asia and Indonesia. The botanical name of tobacco plant is derived from the name of the Portuguese ambassador. Botanically the tobacco plants belongs to the solanaceae which also includes potato, chilly and nicotiana. Tobacco occupies an important place in the economy of India due to its major contribution to the industrial, agricultural and export sectors. After China India is the second largest country in the world in producing tobacco. India produces different styles of FCV tobacco, which vary in their physical and chemical characteristics under diverse climate conditions. According to the Tobacco Board of India, the country is the second largest exporter in world. Indian tobacco is exported to over 114 countries across the world. The production of tobacco leaf and its products are growing over several decades in India. Out of the total production of tobacco in the country, around 14% as cigarettes, 38% as bidis, 48% is in the form of chewing tobacco.

Thus gutka, zarda, khaini and bidis form the major part (86%) of India's total tobacco production. Today, more and more tobacco companies (cigarettes, bidis, and chewing tobacco) are entering the market each day and the number of small manufactures controlling such localised market is on the rise. Sustained production of different types of tobacco is being facilitated by the Tobacco Board, Agricultural Research Institutes located in different parts of India. The tobacco industry, particularly Indian Tobacco Company and Research institutes affiliated to the Indian Council of Agricultural Research (ICAR) and universities are undertaking research on new and improved varieties of tobacco. The Indian Society on Tobacco Science, Directorate of Tobacco Development and Tobacco Institute of India are trying to promote tobacco by providing details about government policies, market, tax rates, prices, production etc. The Ministry of commerce and Government of India together trying to give assistance for conferences, business tours, and exhibitions related to tobacco trade.

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The Central Ministry of Agriculture continues its efforts to streamline the marketing of non-FCV tobacco in consultation with the State Departments of Agriculture. They provide limited facilities, such as market yards, and their impact on prices, etc., is restricted. In this sector, traders and manufacturers are more active especially in cases where they provide loans and or inputs on credit to farmers for raising the tobacco crop. Tobacco board was constituted by the government of India, under "tobacco board act 1975" to bring out the all-round development of the tobacco industry. The Tobacco Board was established in 1976 for providing marketing services to FCV tobacco by its compulsory auction system. Virginia tobacco was also initially sold through the auctions conducted by the Board. In these auctions wishing persons (manufacturers of cigarettes, exporters of tobacco, and dealers in tobacco) have to register as a buyer for each auction floor, wherever they intend to operate. Although, the auction system has not found successful in reducing fluctuations in the export prices and levels of auction.

The immediate benefits occurring from tobacco cultivation is that manufacturer and marketing act work as incentive for farmers to grow tobacco and the government to encourage tobacco cultivation and manufacture. Tobacco industry provides employment to 45.7 million people directly or indirectly in India. The tobacco industry also contribute 22737.07 crore in the form of exice duty as well as 5975.08 crore in the form of foreign exchange value during 2016-2017. We all know that tobacco contributes significantly to economy, but it has many adverse effect too on the ground of humanity. From the medical point of view we find this contribution of tobacco to the Indian economy very disturbing because it harms not only the individual but the nation as well. In 2006 Indian Council of Medical Research reported three major life threatening disease namely chronic obstructive lung disease, coronary heart disease and cancers which had cost the country Rs, 277.61 billion in the year 2004. Whereas the nationwide sale value of all tobacco products was only Rs. 244 billion. These factors present an unenviable dilemma among the policy makers. In spite of its adverse effect the industry is sustaining itself from decades on the ground of its contribution to national production.

Very few studies which were reviewed have provided empirical evidence related to the "Various factors affecting the major parameters connected with the tobacco industry, especially the flue-cured Virginia (FCV) tobacco. Therefore, the present research study assumes special importance in this direction to fill in gaps to information and analysis by, attempting to study the internal and external environment affecting the marketing operations of the tobacco industry.

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