

Govt's move to allow sale of unauthorised tobacco crop in Karnataka may benefit over 12,000 growers

February 20, 2025 | Bengaluru

Commerce Ministry authorises Tobacco Board to allow traders to purchase the excess at auction platforms

The Commerce Ministry, in a gazette notification, this week has authorised the Tobacco Board to allow the registered traders and dealers to purchase at the auction platforms the excess flu cured virginia (FCV) tobacco produced by the registered growers and also the unauthorised FCV tobacco produced by the unregistered growers in Karnataka during the 2024-25 season on payment of normal applicable service charges.



Auctions still on

The move is expected to help about 12,000 growers who had unauthorisedly produced the tobacco, said Vikram Urs, Secretary, Federation of Karnataka Virginia Tobacco Growers Association.

He said the tobacco auctions in the State are still going on and may continue for over a month or so. Growers have realised an average price of ₹267.72 per kg in the current auctions compared with an average of ₹256.15 in the previous year, Urs said.

An estimated 60 million kgs (mkg) has been sold this year so far compared with 84 mkg last year, he said.

The Tobacco Board had authorised a crop size of 100 mkg for the 2024-25 season in Karnataka. Per the Board, the estimated authorised production by the registered growers of 40,136 is around 74.74 mkg. The estimated excess production by some 13,457 registered growers is around 7.32 mkg. The estimated unauthorised production by some 12,838 un-registered growers is about 11.04 mkg. Including the unauthorised production, the total estimated tobacco output in Karnataka is around 93.10 mkg, according to the Board.

Source: <https://www.thehindubusinessline.com/economy/agri-business/govts-move-to-allow-sale-of-unauthorised-tobacco-crop-in-karnataka-may-benefit-over-12000-growers/article69243443.ece#:~:text=The%20Commerce%20Ministry%2Cin%20a,tobacco%20produced%20by%20the%20unregistered>