

Tobacco finds favour with Prakasam ryots

Ongole, Sept 5, 2018

Listless market for Bengal gram forces them to switch crop

Farmers in the traditional tobacco growing areas in Prakasam district are a happier lot realising a relatively better price for their produce this year, as the prices of majority of crops, including Bengal gram, which was grown on a record 1.07 lakh hectares, ruling below the minimum support price (MSP).



Overseas Order: Quality of Tobacco brought by a farmers is being assessed at Ongole | Auction Platform

As a result, the tobacco crop this rabi is likely to go up by about 10% if the climatic conditions are favourable in the next couple of months, Indian Tobacco Association (ITA) sources here feel.

Tobacco barn rent had already shot up to ₹1 lakh in the district, anticipating 10% reduction in crop from the earlier expected 110 million kg in Karnataka, where it is a kharif crop, in the wake of excessive rain there, the sources explain.

While big farmers are toying with the idea of reducing the crop extent, small farmers, especially tenant farmers, are planning to step up tobacco production in view of lacklustre market for Bengal gram, the other major commercial crop grown in the district, they add.

Good price

On conclusion of e-auctions, the growers got an encouraging price of ₹123.38 per kg for the 41.81 million kg marketed in Southern Black Soil (SBS) auction platforms and a better ₹125.83 per kg in the Southern Light Soil (SLS) auction platforms, thanks to overseas order for low grade tobacco at the fag-end.

This was better when compared to last year as those coming under SBS auction platforms got only ₹116.11 per kg for the 32.91 million kg during the previous year. Their counterparts realised ₹116.22 per kg by marketing 25.92 million kg during the same period, Tobacco Board officials here said.

Crop size

The Board has fixed a crop size of 86 million kg in SBS and SLS regions for coming rabi. Gearing up for making registrations, a group of farmers coming under Ongole II auction platform feels that they had no option but to switch over from Bengal gram to tobacco during the coming rabi.

“We have been forced to store the pulse crop in cold storage units as its price has fallen below ₹4,200 per quintal in the wake of imports from abroad,” says Ongole II Auction platform Farmers Association Secretary V.V. Prasad.

In this situation, tobacco crop may cross the 90-million-kg mark in the traditional tobacco growing areas during rabi, he adds.

Meanwhile, farmers began raising seedlings by tapping the available ground water in view of the ongoing dryspell. “Higher level of salinity means more mortality,” they fear while hoping for the skies to open up in a fortnight or so.

Source: <https://www.thehindu.com/news/national/andhra-pradesh/tobacco-finds-favour-with-prakasam-ryots/article24867090.ece>