

Tobacco auctions begin on bright note

ONGOLE, February 17, 2020



A trader looks at the quality of tobacco before making bid at the Ongole 1 auction platform on Monday.

Farmers watchful, to chalk out course of action after observing the trend

E-auctions across six auction platforms in the traditional tobacco-growing areas in Prakasam and SPSR Nellore districts began on a positive note on Monday.

A price of ₹171 per kg was offered by traders during the e-auctions in the Ongole I, Velampalli and Kondepi auction platforms as the farmers sold 6,239 kg of bright grade tobacco.

The average price realised in the three Southern Black Soil (SBS) auction platforms was ₹169.87 per kg, said SBS Regional Manager G. Umamaheswara Rao while overseeing the auctions.

The price offered by the trade was ₹5 more per kg when compared with last year. It is expected to go northwards as exporters enter the market.

Brisk transactions

In the Southern Light Soil (SLS) region, the average price realised by farmers was ₹169.04 per kg in the auctions held in Podili and Kangiri in Prakasam district and in D.C.Palli, in SPSR Nellore district. A quantity of 7,741 kg was traded in the three auction platforms. The rejection rate was nil.

Meanwhile, SBS Farmers Association president Pothula Narasimha Rao said the farmers would chalk out the course after waiting for a week.

“We have have been demanding 25% hike in the offer price by the trade as adverse climatic conditions had hit productivity and quality of the produce. Moreover, labour cost for farm operations and curing had gone up by about 20%,” said Farmers Association president in Ongole II Auction platform V.V.Prasad.

Production of Flue-Cured Virginia (FCV) tobacco in the SBS and SLS regions has been estimated to be between 90 and 95 million kg. Bright grade varieties are expected to be about 40 to 45% of the total crop and medium grade varieties 25 to 30% and the low grade varieties the rest.

Source: <https://www.thehindu.com/news/national/andhra-pradesh/tobacco-auctions-begin-on-bright-note/article30845269.ece>