Suspended auction of tobacco resumes in platforms
Special Correspondent | MYSURU, May 23, 2020

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The auction of tobacco cultivated in Karnataka, which had been suspended due to lockdown in March, has resumed in the auction platforms in Periyapatna and Chilkunda in Mysuru.

The auction had to be abruptly suspended in March end towards the end of the auction season, which had begun in September 2019 after transacting more than 102 million kg of the commodity.

The auction process resumed on May 20 at three floors of the auction platform in Periyapatna and one floor in Chilkunda to clear the 2.5 million kg of tobacco, which remained unsold.

However, the auction process is expected to continue for another 15 to 20 days even for the relatively small quantity with the Tobacco Board implementing all the COVID-19 Standard Operating Procedures (SOP).

To ensure that social distancing is maintained, the Board is taking up less than half of the 1,000 bales, which are normally taken up for auction on every floor.
Manjunath, Regional Manager of Tobacco Board, Mysuru, said representatives of all the major companies were participating in the auction process. The price of tobacco too had not seen much variation compared to the auction before the lockdown.

The average price for bright grade is ₹176 per kg while the medium grade and low grade were fetching ₹138 and ₹90.42 per kg. However, much of the tobacco transacted in the resumed auction process was low grade.

Meanwhile, President of Virginia Flue Cured (VFC) Tobacco Growers Federation of Karnataka Javare Gowda said the tobacco farmers had begun plantation of a fresh crop of tobacco in Mysuru and parts of Hassan district.

However, the Tobacco Board, anticipating a dip in demand for the commodity due to COVID-19 pandemic across the globe, has reduced the crop size from 99 million kg to 88 million kg. The reduction in crop size had brought down the area under cultivation of tobacco.

Mr Javare Gowda said several tobacco farmers in Periyapatna had shifted to ginger cultivation this year in view of the promising monetary returns.