

COVID-19: FCV Farmers Fear Huge Losses due to Auction Disruptions

Flue Cured Virginia (FCV) tobacco farmers in the country are staring at shrinkage in their earnings this year due to severe disruptions in auctions in the wake of lockdowns imposed by the Government to combat the spread of COVID-19 pandemic in India.

The Tobacco Board, under the Ministry of Commerce and Industry, Government of India, initially suspended ongoing auctions in both the FCV tobacco growing states of Andhra Pradesh and Karnataka in the third week of March 2020 and allowed gradual resumption of auctions only towards the end of April 2020.



This left the farmers with huge unsold stocks amidst fears of crop damage owing to prolonged storage in open fields and crash in prices due to the delayed auctioning of the perishable crop.

The sudden suspension of auctions in the State of Karnataka came just a few days before the scheduled March 2020 closure of the annual tobacco auction season in the state which began in the second week of September 2019. This left the tobacco farmers in the State with unsold stock of around 3 million kilograms amidst fears of crop damage and crash in prices due to the delayed auctions.

On the other hand, tobacco auctioning in Andhra Pradesh was suspended only a month after the state's annual auction season commenced in mid-February 2020. This certainly added to the woes of farmers who faced a setback in production as unseasonal rains lashed many tobacco growing regions in the State in January 2020.

Even before the closure of various auction platforms in the State, the trade was lacklustre with lesser participation of overseas players and lower offtake by the few making the purchases amid novel coronavirus outbreak globally.

With the suspension of auctions and farmers lacking storage facilities at farm premises led to loss of quality and damage to the harvested crop. Deterioration of quality of tobacco will adversely impact price realization and cause loss to farmers' incomes.

After gradual resumption of auctions, the trade has remained sluggish with lower turnout of buyers amid pandemic-linked travel restrictions. Moreover, anticipating drop in global demand, the Tobacco Board has reduced the crop size for the next year's crop in Karnataka from 99 million kgs fixed before COVID-19 to 88 million kgs now. The Board may reduce the crop size for next year's crop in Andhra Pradesh also in view of the massive disruptions in trade.

With reduced crop size, farmers will be left with huge unutilized land areas having no equally remunerative substitute crops to grow thus further reducing their farm earnings.

In view of the uncertainty over sale of their produce, aggrieved tobacco farmers are seeking a bailout package from the Government to mitigate the immense hardships posed by the deadly novel coronavirus.

Tobacco farmers on a warpath

ONGOLE, MAY 05, 2020 22:42 IST | UPDATED: MAY 05, 2020 22:42 IST



Stocks pile up due to the lockdown, they say

Farmers led by YSR Congress Party farmers wing Prakasam district president Mareddy Subba Reddy staged a demonstration in front of the Tobacco Board regional office here on Tuesday in protest against lacklustre market for the export-oriented crop.

Crop hold

Leading the protest coincided with the lockdown in the district had led to piling up of stocks with the auction a low key after a gap of about 40 days in the auction remained sluggish due to poor participation by traders coming under red zone had to wait for a longer time

The restive farmers raised slogans demanding crop Tobacco Board which fixed the crop size is not in a produce.

They were able to market only about 2.38 million kg so far as against the estimated production of about 10 million kg in the growing areas, they said.

Tobacco growers agitate for remunerative prices

S. Murali

ONGOLE, JUNE 11, 2020 23:51 IST | UPDATED: JUNE 11, 2020 23:51 IST

'Premature sale of BPL variety is hurting our interests'

...ation in front of the Tobacco Board's regional office plummeting prices of various grades of tobacco in the

...rd member P. Bhadri Reddy said that the commodity medium and low-grade varieties before allowing sale for a low price of ₹25 per kg.

...ll on the market," feared Ongole II Tobacco Growers

3 million kg tobacco unsold, says Vishwanath

Ranjith Kamdy, DHNS, Mysuru, APR 05 2020, 20:39 IST | UPDATED: APR 05 2020, 21:01 IST

Former minister and BJP leader A H Vishwanath demanded compensation for tobacco farmers and said, "Nearly, three million kilogram of tobacco remains unsold in Mysuru and Hassan districts"

Addressing the press after distributing ration kits to the need "The tobacco growers are in crisis due to the lockdown. The explain the tobacco growers problem to the Centre and seek take measures to sell the unsold tobacco."

COVID-19 outbreak: Tobacco auction suspended

MYSURU, MARCH 23, 2020

The Tobacco Board has suspended auction of tobacco across all its 10 platforms in the State in the wake of the lockdown declared by the State government to combat the COVID-19 outbreak.

The suspension comes at the fac end of the auction season when barely two million kgs of

Coronavirus Lockdown 3.0: Delayed auctions hits tobacco farmers

Annappurna Singh, DHNS, MAY 11 2020, 23:53 IST | UPDATED: MAY 12 2020, 08:07 IST

Nearly half of the premium grade tobacco, that India p weight due to prolonged storage in the wake of Covid-rel of tobacco and its products, making a severe dent into excise levy.

The Centre earns over Rs 25,000 crore through excise dut known as flue-cured Virginia (FCV) tobacco.

The shock comes at a time when the government is pla Virginia tobacco, which is sold directly to manufacturers could go into COVID-related economic revamp.

India, the globe's third-largest producer of FCV tobac cigarettes. Only two southern states of Andhra Pradesh s

Tobacco growers press for bonus price, moratorium on loan repayment

S. Murali

ONGOLE, JUNE 06, 2020 23:49 IST | UPDATED: JUNE 06, 2020 23:49 IST

Special board meeting to address problems soon

The Tobacco Board will hold a special meeting soon to iron out the issue of low prices for different grades of the produce offered by the traders after relaxation of lockdown.

... of September ...ted the auction ...said officials of

...pt for the stock ...Chilkunda, the

...2 million kg had ...re million kg of ...d growers and

Tobacco auctions deferred: Board

TNN | Mar 23, 2020

Guntur: The tobacco board has put off ongoing tobacco auctions in the state as part of the measures to contain the spread of COVID-19. After discussing the issue with stakeholders, farmers and merchants, tobacco board executive director K Sunitha has decided to defer the auctions till March, 31.

She has asked officials to close down the auction centres with immediate effect. However, the farmers are also worried that the delayed auctions might result in damage of the leaf and prices may further dip. Top

Source: <https://board/articlesh>

Home > States > Andhra Pradesh

Displeased over not getting minimum support price, farmers burn tobacco bales, stall auction

Later, union leaders met tobacco board chairman Y Raghunatha Babu at the regional manager's office and expressed their anger for the low prices being offered for their produce.

Published: 07th June 2020 09:40 AM | Last Updated: 07th June 2020 09:40 AM



Nellore: Lockdown holding up tobacco auction process

P V Prasad | Hans News Service | 18 April 2020 10:29 PM IST



tobacco auction centre

HIGHLIGHTS

- ▼ Farmers cultivate tobacco in 5,500 to 6,000 acres in Nellore district this year
- ▼ The auction process commenced in DC Pali and Kaligiri tobacco auction centres on February 14 and was stopped due to lockdown
- ▼ Only 5 pc of stocks have been cleared during the auction and remaining 95 per cent stocks are with farmers
- ▼ Ryots fear that the delay in auction could result in tobacco getting discoloured and being categorized as low grade one
- ▼ Urge govt to help them conduct tobacco auctions while adhering to Covid norms

Nellore: With the administration busy addressing the Covid pandemic in the district, the

Tobacco growers face huge losses in Guntur

TNN | Apr 9, 2020, 04:15 AM IST

GUNTUR: With auctions being cancelled as part of containment measures to prevent the spread of Covid-19, tobacco farmers fear that most of their quality leaf bales are likely to get spoiled resulting in huge losses.

Growers of Flue Cured Virginia (FCV) variety in the state are on verge of facing unrecoverable damage as they were unable to sell their harvest. It labourers, and the

Experts say that the must open process under the relaxatio social distancing n

"We can't repay lo Tannatur of Prakas

Lockdown pushes Prakasam tobacco ryots to the brink

S. Murali | ONGOLE, APRIL 12, 2020

Uncertainty looms large for the farmers in the traditional tobacco growing areas of Andhra Pradesh as the lockdown to fight against novel coronavirus has coincided with the marketing season for their produce.