

## Tobacco auctions begin on promising note

ONGOLE, March 16, 2021



State Energy Minister Balineni Srinivasa Reddy inspecting the quality of tobacco on the inaugural day of auctions on Monday. | Photo Credit: [KOMMURI SRINIVAS](#)

Auctioning of tobacco, the principal commercial crop in the drought-prone areas of Prakasam and SPSR Nellore districts, began on an encouraging note on Monday.

Inaugurating the auctions at Ongole II auction platform along with Tobacco Board Chairman K.Raghunatha Babu, State Energy Minister Balineni Srinivasa Reddy said the State government for the first time had directly entered the market in a crisis situation in the wake of a slump in the market.

“We will not leave the farmers to fend for themselves in the event of any crisis,” he said, adding that the farmer-friendly government would closely follow the market condition and enter the market if needed to bail out the farmers, who were in debts for the last four years because of unfavourable climatic and market conditions.

### **Demand for better average price**

The Tobacco Board had taken up the farmers’ demand for a better average price this time with the Indian Tobacco Association, Mr. Raghunatha Babu said.

The demand-supply situation would work to the advantage of farmers this season as the crop regulator had cut down the crop size by about 15% taking into the coronavirus-induced global economic downturn, he said.

The good grade out-turn with bright grade varieties accounting for about 70% of the produce and medium and low grade varieties 15% each also augured well for the farmers, he observed.

YSR Congress Party farmers wing prakasam district president Mareddy Subba Reddy said farmers across the auction platforms would closely observe the market condition in the next 10 days. They would not hesitate to resort to stir if the traders turned inactive. All those who gave indents at the time of fixing of crop size should actively take part in the auctions from the beginning, he added.

The traders lapped up the bright grade tobacco offered by the farmers from the traditional tobacco growing areas, offering an attractive price of ₹180 per kg on an average. A quantity of 5,600 kg was traded on the Southern Black Soil(SBS) auction platforms and 14,222.30 kg on the Southern Light Soil(SLS) auction platforms, including Kaligiri and D.C.Palli in SPSR Nellore district on the inaugural day.

**Source:** <https://www.thehindu.com/news/national/andhra-pradesh/tobacco-auctions-begin-on-promising-note/article34078612.ece>