

No move to scrap Tobacco Board: Raghunadha Babu

ONGOLE, NOVEMBER 08, 2021



He promises to take farmers' fears over contract farming to Centre's notice

Tobacco Board Chairman Y. Raghunadha Babu has allayed the fears of the farmers over the reported move of the Union government to scrap the board.

Taking a representation from the growers from Nellore and Prakasam districts here on Sunday, Mr. Raghunadha Babu said, "There is no need for such an apprehension. The Tobacco Board will continue to take care of the farmers' interests."

He also assured the farmers of taking to the notice of the Centre their anguish on the proposal to introduce contract farming in the tobacco sector.

'Ensure quality'

Expressing concern over the steady decline in the export of FCV tobacco, Mr. Raghunadha Babu exhorted the farmers to produce quality crop at a reduced cost to realise better price in the global market.

“The farmers are lagging behind their counterparts in other countries,” he said, and urged them to imbibe latest agronomic practices, including farm mechanisation, on a par with international standards to produce better quality crop with higher weight and, in turn, get a good price for the produce.

The Tobacco Board, in collaboration with the Central Tobacco Research Institute (CTRI), would come up with an action plan to make tobacco cultivation profitable on the one hand and step up tobacco exports in a big way, he said.

Declining demand

He also underscored the need for the farmers to move out to alternative crops in view of the decreasing demand for tobacco in the global market.

Earlier, farmer leaders from 11 Southern Light Soil (SLS) and Southern Black Soil (SBS) auction platforms urged Mr. Raghunadha Babu to use his good offices with the Centre to drop the move to introduce contract farming. They pointed that the farmers had a very bad experience before the constitution of the commodity board when private players ruled the roost. Farmers then had suffered because of underweight and delay in payments. There were instances of traders fleeing without making payments to the farmers in the wake of adverse global market conditions, the farmers said.

Under such conditions, the growers had resorted to a series of agitations, including violent ones. It was following the death of three farmers in police firing that the Tobacco Board had come into being, and e-auctions resulted in price discovery for the produce in a transparent manner, they said.

Experiences of their counterparts in African countries, where contract farming was introduced, were not at all positive, the growers asserted. There were instances of farmers caught in a debt trap and turning into labourers after losing their land holdings there, they added.

The reported move to introduce contract farming had come in the wake of the enactment of the farm laws, which included the one to facilitate contract farming, and with a view to stepping up export of tobacco and tobacco products that had declined from \$661.59 in 2015-16 to \$ 519.71 during last fiscal, the growers said.

At present, India is viewed as an opportunity market by the international players, and the move could facilitate foreign direct investment (FDI) in the sector in a big way and turn India into a definite market. IPS to improve yield Meanwhile, Tobacco Board sources said the Centre mulled Integrated Production System (IPS) with a view to improving tobacco yield and quality.

“Contract farming is part of the IPS,” the sources said.

Source: <https://www.thehindu.com/news/national/andhra-pradesh/no-move-to-scrap-tobacco-board-raghunadha-babu/article37375717.ece>