

Andhra Pradesh: Buoyant tobacco farmers gear up for new cropping season

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Tobacco farmers in Prakasam and Nellore districts gear up for growing the crop with optimism in the new cropping season, thanks to record prices realised for various grades of Flue Cured Virginia (FCV) tobacco during the just-concluded auctions.

Tobacco cultivation is now back in favour among farmers who have been hard pressed to get a remunerative price for a majority of crops grown by them in the drought-prone areas in the two districts.

Barn rent

The rent per barn for curing has touched ₹1 lakh. The lease amount per acre has also touched ₹25,000 per acre with the tenant farmers evincing interest to grow the commercial crop.

Thanks to increase in the global demand for leaf, the farmers in the State had not only realised record prices for the produce this season during the auctions closed by the Tobacco Board on Thursday but were also able to liquidate their stocks well within 100 days, a record of sorts.

The farmers in the State got an average price of ₹179.17 per kg for the 121 million kg marketed as on July 28, an increase of ₹31.85 per kg over that of the price realised during the previous year, Tobacco Board sources said.

“We had found it hard to sell our produce in the previous two years as COVID-19 played spoilsport. However, this year the auctions have been held in a smooth manner with the exporters vying with domestic cigarette manufacturers to lap up whatever produce available, including low-grade varieties, offering premium prices,” said a group of farmers in the Ongole II auction platform.

The auctions were completed in a maximum of 100 days at bigger auction platforms such as Vellampalli and Ongole, but it had taken 54 days to complete the auctions at smaller platform of Kaligiri in Nellore district and 59 days at Kanigiri in Prakasam district, explained Tobacco Board Auction Manager D. Venugopal.

In the Southern Light Soil region, farmers got an average price of ₹172.60 per kg for the 34.02 million kg marketed and ₹172.41 per kg for the 42.54 million kg marketed this year in the Southern Black Soil region, he said.

At most of the auction platforms, the exercise had been completed between 90 and 100 days. This meant that the farmers were able to sell before discolourisation of the produce and avoiding weight loss.

Higher crop size

Anticipating increase in demand for the leaf, the crop regulator had given a higher cultivation quota of 142 million kg for the State, including 89.35 million kg for the SLS and SBS regions, for the 2022-23 season.

The Tobacco Board should explore new overseas markets for their produce and ensure a 10% increase in the prices during next year, taking into account the increase in cost of cultivation from about ₹1.25 lakh per acre to over ₹1.60 lakh per acre, a farmer leader, V.V. Prasad, said.

Meanwhile, Tobacco Board member M. Subramanyeswara Reddy observed that the high prices realised this year was abnormal. Every effort should be made to cut costs and produce export quality leaf without any pesticide residue, he added.

Former Tobacco Board member P. Bhadri Reddy demanded supply of fertilizers as per the recommendations of the Central Tobacco Research Institute and by facilitating tie-up with banks.

Source: <https://www.thehindu.com/news/national/andhra-pradesh/andhra-pradesh-buoyant-tobacco-farmers-gear-up-for-new-cropping-season/article65698849.ece>