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Image used for representational purpose.

By Express News Service

ONGOLE: The tobacco farmers of the combined Prakasam district falling under the southern black soils (SBS) region and southern light soils (SLS) regions of the Tobacco Board are expressing joy as most of them got the best price for their produce.

Shortage of stocks in the global tobacco market and rise in demand has increased the price of tobacco produce, which reached a staggering price of Rs 277 per kg on Tuesday. The average price of tobacco continued in the Rs 211-Rs 212 range as the competition among tobacco exporters spiked abnormally. It is for the first time in the board's history that the tobacco price has recorded Rs 277 per kg for the best quality tobacco stocks in the market.

Due to the covid pandemic's impact, large-scale tobacco cultivating countries decreased their crop extent enormously and it became a key factor in increasing demand for tobacco stocks resulting in record-level offering prices for the growers. Meanwhile, the Tobacco Board authorities are planning to close the auctions soon on all platforms for this season. The authorities are expected to close the tobacco auctions by August 12.

"The Board has given permission for 119 million kgs of produce for the present season and to date more than 113 million kg of stock was purchased through the official auctions. The auctions in Kanigiri, Kaligiri and DC Palli Tobacco auction platform centres concluded," said M Lakshmana Rao, regional manager for Ongole SBS and SLS regions.

Source: <https://www.newindianexpress.com/states/andhra-pradesh/2023/aug/10/tobacco-growers-in-prakasam-district-bag-record-price-of-rs-277-per-kg-in-auction-2603860.html#:~:text=Shortage%20of%20stocks%20in%20the,among%20tobacco%20exp%20rters%20spiked%20abnormally>