

Government approves ₹10,000 interest free loan to tobacco farmers in Andhra Pradesh

STATESMANNEWSERVICE

NEW DELHI, 26 FEBRUARY

The Union government has approved Rs 10,000 interest free loan from the Grower Welfare Fund of Tobacco Board to grower members of the fund whose crops were damaged due to Cyclone Michaung in Andhra Pradesh.

This is a one-time interest free loan for Andhra Pradesh Crop Season 2023-24 only. This interest free loan amount will be recovered from the respective tobacco growers auctions sale proceeds of 2023-24 Andhra Pradesh crop season, the Ministry of Commerce said on Monday.

As per the ministry's state-



ment, currently, auctions of Flue Cured Virginia

(FCV) Tobacco are going on in the Karnataka. Till date, around 85.12 MKg FCV tobacco has already been marketed by the Board through its e-auction platforms in Karnataka.

There is a jump of 12.49% in the average price received by tobacco growers i.e. from Rs 228.01/- per kg last year to Rs 256.48/- per kg in the current year.

It is worth highlighting that the FCV Tobacco is mainly

produced in India in two states: Andhra Pradesh and Karnataka. Currently crop season is going in Andhra Pradesh, which has 42,915 FCV tobacco growers and auctions are going on in Karnataka which has 39,552 FCV tobacco growers.

In Karnataka, the State Government has declared drought in all except two FCV Tobacco growing taluks. This has affected the livelihood of FCV Tobacco growers.

Due to this, the Government of India has decided to permit the sale of FCV Tobacco on Tobacco Boards auction platform after waiving off the penalty on the sale of excess production of registered growers and unauthorized production

of unregistered growers for Karnataka Crop Season 2023-24 only, the Commerce Ministry said.

From December 3 to 5, 2023, MICHAUNG cyclone had caused heavy rains in Andhra Pradesh. The FCV tobacco crop grown in Andhra Pradesh covering Eluru, East Godavari, Kakinada, Prakasam, Nellore, Bapatla, Palnadu and Guntur districts has been severely affected due to these cyclonic rains.

The estimated area planted in the current crop season in Andhra Pradesh was 75,355 ha. and 14,730 ha. area i.e. around 20% of the total planted area has been affected due to these heavy rains.