

Slump in demand hits tobacco farmers in Andhra Pradesh

Higher production also leads to slash in prices in the global markets; the selling price is currently ₹262 per KG against ₹231 per KG during the corresponding season the previous year, says official

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The average per-kg price of Virginia tobacco has been ₹230 to ₹350 during the last three to four years. But now, it stands at ₹240 per KG, which is non-remunerative, says farmers. File | Photo Credit: KOMMURI SRINIVAS

Due to higher production in countries such as Brazil and Zimbabwe, the demand for local tobacco in the international market has decreased to a certain extent. Amid over production of 80 million kg in India and 400 million KG in other countries, the prices are low across the global markets.

While the Tobacco Board had approved cultivation of 167 million KG in Andhra Pradesh, the farmers produced more than 240 million KG this year, said its Chairman Yashwanth Kumar Chidipothu.

However, he anticipated a price correction by the end of this month, and assured the farmers of procurement.

Tobacco Board Executive Director B. Vishwasree said 35 million KG had already been procured in A.P. "The selling price is currently ₹262 per KG against ₹231 per KG during the corresponding season the previous year. We are regularly in talks with the representatives of the procuring companies," she said.

Farmers cry foul

However, the local farmers said while the Tobacco Board had initiated auction in Mysuru and other areas of Karnataka in October last, it started from mid-April in A.P. As the companies had already procured the required quantities in the neighbouring State, they were rejecting the produce here citing "low quality."

“The average per-kg price of Virginia tobacco has been ₹230 to ₹350 during the last three to four years. But now, it stands at ₹240 per KG, which is non-remunerative. When compared to the previous year, the labour charges, lease costs and other expenses have increased this year,” Vaddella Prasad, president of a tobacco farmers’ union in Ongole, told The Hindu.

“A majority of the farmers who have produced Burley tobacco are facing more problems. This variety gives more yield, but its quality is low, and the board’s licence is not required for growing it. Again, there are two varieties in this. The price of white Burley tobacco stands at ₹120 to ₹150 per KG while the variety is as low as ₹40 per KG,” he said.

In a recent review meeting, Energy Minister G. Ravi Kumar and Social Welfare Minister Dola Sree Bala Veeranjanya Swamy suggested the buyers to support the farmers who were facing difficulties due to lack of proper demand and remunerative prices.

Prakasam District Collector A. Thameem Ansaria also directed the officials to ensure the farmers got remunerative prices for their produce.

Source: <https://www.thehindu.com/news/national/andhra-pradesh/slump-in-demand-hits-tobacco-farmers-in-andhra-pradesh/article69572206.ece#:~:text=Farmers%20cry%20foul&text=to%20four%20years.-,But%20now%2C%20it%20stands%20at%20%E2%82%B9240%20per%20KG%2C%20which,in%20Ongole%2C%20told%20The%20Hindu>