

FCV Tobacco Procurement Picks Up Pace as Rejections Decline

DC Correspondent | June 11, 2026

Vijayawada: FCV (Flue-Cured Virginia) tobacco procurement in Andhra Pradesh has improved significantly over the past 10 days, with increased buyer participation, better market liquidity and a decline in rejection levels.

This was stated by agriculture minister Kinjarapu Atchannaidu on Thursday.

The minister reviewed the procurement situation through a teleconference with ministers Gottipati Ravikumar, Anam Ramanarayana Reddy and D.B.S. Veeranjaneya Swamy, along with legislators from tobacco-growing districts.



Atchannaidu said 15.65 million kg of FCV tobacco had been marketed through the tobacco board auction platforms as of June 11. Around 8,000 bales are arriving daily at the state's 16 auction centres, contributing to smooth marketing operations and improved buyer participation.

He said rejection and “No Bid” levels had declined considerably. Rejections, which earlier ranged between 30 and 37 per cent, have now fallen to around 20 per cent. The improvement reflects stronger demand and better alignment of supplies with market requirements, he stated.

The minister said the tobacco board has been engaging with stakeholders to assess market conditions. Meetings with traders, exporters, buyers and farmer representatives were held on June 8 to review the situation and discuss measures to improve liquidity.

According to Atchannaidu, trade representatives indicated that procurement could increase further if all grades of tobacco are brought to auction in a balanced manner to meet domestic and export demand. Farmer representatives expressed willingness to market all grades if rejection levels remain low and procurement continues without interruption.

He said stakeholders had reached a consensus on ensuring balanced grade-wise supplies, increasing buyer participation and regulating arrivals at auction centres. The tobacco board is coordinating with purchasing companies, setting weekly procurement targets and streamlining marketing operations to help farmers clear stocks more quickly.

Reaffirming the government's commitment to safeguarding the interests of tobacco growers, Atchannaidu expressed confidence that continued coordination among stakeholders would further strengthen liquidity and accelerate procurement in the coming weeks.

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