

Andhra Pradesh farmers demand better prices for low-grade tobacco

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Tobacco farmers in Andhra Pradesh are distressed over the low prices that their low-grade tobacco is fetching in the ongoing auctions. They want the trade to pay at least ₹100 per kg for such tobacco.

According to Tobacco Board officials here, till now around 64 million kgs of Virginia tobacco has been sold on the auction floors in Andhra Pradesh, at an average price of ₹132 per kg. The actual production in the State is expected to be around 130 million kgs as against the authorised crop size of 136 million kgs (mkg).

There is no surplus production, but the main cause for worry is that in the current season the output of low-grade tobacco is due to drought conditions and other factors in some of the tobacco-growing districts such as Nellore and Prakasam. The low-

grade tobacco is fetching less than ₹100 a kg on the auction floors and farmers complain that they will incur heavy losses.

Low-grades constitute roughly 60-65 per cent of the total tobacco produced in Nellore and Prakasam districts and therefore, even if the trade pays a fairly high price for the bright grades, the math does not work out for the farmers.

In West Godavari district, where tobacco is grown in the northern light soils, roughly 20 mkg of tobacco has been sold, at an average price of ₹150 per kg. The tobacco grown in the district usually fetches the highest price. The total production in West Godavari is expected to be around 45 million kgs.

According to Tobacco Board officials, the auctions may go on for two more months as more than half the crop is yet to be sold.