

## **AP to announce MSP for tobacco**

Our Bureau Hyderabad | Updated on June 18, 2020 Published on June 18, 2020

---

To buy produce directly; threatens to cancel licences of traders

The tobacco farmers in Andhra Pradesh will get a base MSP (minimum support price) soon. The State has promised to purchase the produce, if need be.

Andhra Pradesh Chief Minister Y S Jagan Mohan Reddy has said the State will come out with an MSP and it would be displayed at all the purchasing centres.

He threatened to cancel the licences of tobacco companies if they fail to take part in the auctions.

The State government would set up a panel, which would be headed by an IAS officer, in a few days to look into the problems of the tobacco farmers.

“The auction should begin from a higher price than the one fixed by the Government,” a statement from the Andhra Pradesh Chief Minister’s Office in Amaravati has said.

At a review meeting held at Amaravati on Thursday, he said the Government would protect the interests of the farmers.

He assured them that the government will intervene and support them in times of distress. “In such situations, the Government will buy their produce through the Marketing Department,” he said.

He interacted with tobacco farmers to understand their problems. With lockdowns abruptly halting the auctions, tobacco farmers suffered heavy losses as the quality of the produce came down due to the changes in the weather.

They alleged that only 15 out of the 920 traders with licences participated in the auctions, leaving the farmers disappointed.

**Source:** <https://www.thehindubusinessline.com/news/national/ap-to-announce-msp-for-tobacco/article31863224.ece>