

Tobacco farmers press for Markfed intervention

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A farmer waiting for a buyer at the Ongole II auction platform in Prakasam district. | Photo Credit: [KOMMURI SRINIVAS](#)

Farmers had struggled to produce quality tobacco in the traditional growing areas of Nellore and Prakasam districts despite unseasonal rains under the influence of the very severe cyclonic storm, Nivar, which forced them to go for re-plantation.

Farmers in the Southern Black Soil (SBS) and Southern Light Soil (SLS) regions were hoping to get a decent returns, thanks to better than expected grade out-turn with the bright and medium grade varieties accounting for a majority of the crop.

But their hopes were dashed as the prices went southwards in the auctions that had been disrupted by the second wave of COVID-19 during the peak marketing season for the second year in a row.

The auctions remained suspended for over two weeks as the Tobacco Board employees and workers had contracted the virus.

While the bright grade varieties had attracted buyers at a premium price of up to ₹210 per kg the previous year, they fetched prices ranging between ₹165 and ₹180 per kg this year, which also saw the cost of cultivation going up by 20% to ₹1,20,000 per acre, said a group of farmers in the Ongole II auction platform.

Low grade varieties had fallen below the ₹100 kg mark after more than two months of auctions, said a farmer, V.V. Prasad.

Exporters shy away

Except for a leading domestic cigarette producer, which lifted about 70% of the produce from the market, other players, including exporters, had not turned up in good strength in view of the “uncertain international market condition.”

“It is time for the State government to press into service the Markfed to arrest the fall in prices,” demanded a progressive farmer from Kandukur, T. Ramanaiah.

Farmers in the two regions were yet to market about 20 million kg of tobacco, mostly low grade varieties, which had no takers at ₹100 per kg. As a result, the rejection rate was over 15%.

Meanwhile, anticipating an imminent third wave of coronavirus, the Tobacco Board had decided to hasten the offloading of bales to complete the auctions by July end.

“We plan to facilitate auctioning of about 1,000 bales daily to liquidate the stocks, now that the health situation has vastly improved,” said SLS Regional Manager D. Venugopal.

Though the auctions had begun in the middle of March with bright grade varieties fetching ₹180 per kg, the average prices for various grades had come down steadily.

Farmers in the SLS region have so far marketed 21.84 million kg at an average price of ₹152.97 per kg while their counterparts in the SBS region have sold 22.27 million kg at an average price of ₹154.95 per kg, according to auction reports compiled by the Tobacco Board.

Source: <https://www.thehindu.com/news/national/andhra-pradesh/tobacco-farmers-press-for-markfed-intervention/article35127750.ece>