

Tobacco growers seek higher per barn quota

S. Murali | ONGOLE/NELLORE , JULY 14, 2021



A trader examining the quality of cured tobacco leaves at Ongole-II auction platform.

'We cannot benefit from the optimum production level recommended by CTRI'

Farmers in the traditional tobacco growing regions in Prakasam and Nellore districts are pressing for a higher per barn quota to take advantage of the economies of scale and remain competitive in the global market.

The farmers, ahead of the Tobacco Board's production policy for the 2021-22 financial year, complain that they have been incurring heavy losses owing to the decrease in the quota per barn, the primary processing unit of the produce.

"We have been denied the opportunity to benefit from the optimum production level recommended by the Central Tobacco Research Institute in the recent years," laments a group of farmers from the Southern Black Soil (SBS) and the Southern Light Soil (SLS) regions, saying that they are grappling with the situations in the wake of coronavirus pandemic that disrupted the tobacco trade during the peak marketing season.

The farmers explain that they cannot keep the barns idle after investing heavily on them and incurring additional expenses in making them more energy efficient every year to cut costs and stay afloat amid the intense competition from their counterparts elsewhere in the world.

"We have been burning our fingers since the quota was reduced by the crop regulator from 35 quintals per barn to 30 quintals per barn," says SLS Growers Association Secretary T. Ramanaiah while pressing for at least 45 quintals per barn as quota for this financial year.

'Hefty penalty'

"We end up paying hefty penalty in view of the reduction in per barn quota. We cannot cut down on extent of crop with a view to bring down the cost of cultivation including labour

cost which is constantly going up,” adds Ramaanjaneyulu, a farmer at the Ongole II auction platform.

A majority of the tobacco farmers spend more by taking additional barn on rent to avoid penalty, says V.V. Prasad, another farmer after a meeting with SBS Regional Manager B. Manjunath. The farmers can take the advantage of the situation only when they are allowed a quota of 55 quintals per barn for curing, he adds.

The commercial crop catering to both domestic and global market is grown in the drought-prone areas in the two districts, with no other alternative. A higher quota per barn does not necessarily mean higher crop production going by the authorised crop size approved by the crop regulator and the actual production, they argue.

Auction trends

The auction trends in the last five years suggest that the authorised quantity in 2016-17 was 130 million kg and the quantity sold in the various auction platforms was only 123 million kg, say sources in the Tobacco Board.

The quantity sold was 113 million kg in 2017-18 and 121 million kg in 2018-19 as against the authorised quantity of 136 million kg in both fiscal years. In 2020-21, the quantity sold came down to 110 million kg as against the permitted quantity of 115 million kg.

Source: <https://www.thehindu.com/news/national/andhra-pradesh/tobacco-growers-seek-higher-per-barn-quota/article35311977.ece>