

## **Prakasam tobacco farmers stare at losses after auction date postponed due to coronavirus outbreak**

*Ryots a worried lot as ongoing tobacco purchase auction stalled from March 21 to 31 due to coronavirus effect.*

**Published: 22nd March 2020**



**By Express News Service**

ONGOLE: The increasing footprint of COVID-19 has had its adverse effect on many sectors till date and the tobacco farmers seem to be the latest addition to that list. The farmers are a worried lot as the ongoing tobacco purchase auction got stalled from March 21 to 31 due to corona effect. With this, thousands of Prakasam tobacco farmers are staring at losses as most of their quality tobacco leaf bales may get spoiled as the purchases have been stalled up to March 31.

As per official information, this year only four or five big companies are regularly attending the tobacco auctions at all 10 auction centres in the district. However, even those companies are not buying their entire quota from the farmers, instead they are rejecting many tobacco bales brought by the farmers branding those as substandard. As a result of this, the farmers are suffering huge losses.

“As per the indent placed by those companies, total 90 million quintals should be purchased from our region this season. But, since the beginning they are purchasing only 15 to 20 per cent of their daily target.

Moreover, the buyers are rejecting more number of tobacco bales, brought by the farmers saying that quality wise those bales are not up to the mark. Every day they are rejecting over 40 per cent of bales,” Mannam Srinivasa Rao, a tobacco farmer from Tangutur mandal told TNIE.

Last year from the beginning of the purchase season, some representatives of big Chinese firms were present, but this year due to coronavirus they are not there, thereby belying the hopes of farmers to get good prices. This also has added to the woes of farmers. For the last few years, tobacco farmers are incurring losses due to the vagaries of nature and lack of minimum support price (MSP).

For the last two years, tobacco farmers are incurring losses and with the ongoing COVID-19 outbreak, they may suffer more losses this year.

The fact that this year the tobacco purchasing firms are not offering good rates has also dampened the spirits of farmers. “The impact of Covid-19 outbreak would be there on tobacco purchases and exports this year. But we are hopeful that the situation may get better in a few days and our farmers may get better price for their produce,” G Umamaheswara Rao, Tobacco Board (SBC) Regional Manager (RM) said.

However, Tobacco Board chairman Yadlapati Raghunath Babu said so far, there was no adverse impact of COVID-19 on the tobacco sector. “After reviewing the situation on March 31, we will decide future course of action regarding the continuation of tobacco purchase auction,” he added.

**Source:** <https://www.newindianexpress.com/states/andhra-pradesh/2020/mar/22/prakasam-tobacco-farmers-stare-at-losses-after-auction-date-postponed-due-to-coronavirus-outbreak-2120078.html>