

## Tobacco farmers upbeat as penalty slashed by half for excess crop

S. Murli | Ongole , October 28, 2021

**‘Now, we need not take additional barn on lease to circumvent the decrease in per barn quota’**

Tobacco farmers in Prakasam and Nellore district are all smiles as the Union Government has cut the penalty on the excess crop by 50% and lifted the threshold limit, coinciding with the commencement of rabi season.

The decision taken by the Union Ministry of Commerce and Industry has come as a boon for the tobacco growers under the purview of Southern Light Soil (SLS) and Southern Black Soil (SBS) auction platforms in the two districts on the eve of the World Tobacco Growers’ Day.

“The authorised growers have to pay only ₹1 per kg and 5% of the value of the excess production as penalty during the 2021-22 cropping season when compared to ₹2 per kg and 10% of the value of excess production as penalty collected during the last season,” said SLS Regional Manager D. Venugopal.

However, the unregistered growers have to pay the old rates, he said while highlighting the ‘farmer-friendly’ decision announced by Union Commerce Secretary B.V.R. Subrahmanyam.

“The Tobacco Board wants the farmers to produce quality crops with more of bright grade varieties,” said Tobacco Board Executive Director Addanki Sridhar Babu in a voice mail to farmers.

The crop regulator has taken a timely decision following representation from the farmers that tobacco cultivation is increasingly becoming uncompetitive in the wake of intense competition in the global market, said a group of farmers under the purview of Ongole-II auction platform.

“Henceforth, we need not take additional barn on lease to circumvent the decrease in per barn quota,” Vadela Varaprasad, a tobacco farmer from Chekurapadu village said.

Another farmer, P. Venkateswara Rao said in the absence of rain, they had started the cultivation by watering the crops as further delay in cultivation would affect the quality. “Now, we need not shell out additional money up to ₹80,000 for taking additional barn, the primary curing unit of tobacco, on rent. We can confidently raise the crop without fearing the penalty to achieve the economies of scale,” said B. Ramanjaneyulu, a farmer, adding that the crop output, however, fluctuates depending on the weather condition.

Tobacco cultivation could be economically viable only if about 50 quintal per barn output was realised, added T. Ramanaiah. Penalty on excess crop augments the revenue of the Tobacco Board, a self-sufficient commodity regulator when other commodity boards are funded by the Centre on the one hand. The board also helps farmers take the advantage of the economies of scale.

### Crop acreage

Farmers began tobacco cultivation on a modest note in over 1,750 hectares in the SLS region and little more than 2,500 hectares in the SBS region. The Tobacco Board has fixed the authorised acreage of 27818 hectares in the SLS region and 22,014 hectares in the SBS region, according to sources.

**Source:** <https://www.thehindu.com/news/national/andhra-pradesh/tobacco-farmers-upbeat-as-penalty-slashed-by-half-for-excess-crop/article37202943.ece>