

ECONOMICS OF TOBACCO AND ITS ALTERNATIVE CROPS IN NELLORE AND PRAKASAM DISTRICTS OF ANDHRA PRADESH

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ABSTRACT

Present study investigates the economics of FCV tobacco and its alternative crops in southern light and southern black soils of Andhra Pradesh. Nellore and Prakasam districts were purposively selected for the study, where it was grown extensively in almost 958 villages across 13 Tobacco Auction Platforms (TAPs). 156 tobacco farmers and 78 non-tobacco farmers, a total of 234 farmers were surveyed across 13 TAPs in both districts using a pre-tested schedule adopting a multistage random sampling. Primary data collected was pertained to agricultural year 2013-14. Cost of cultivation aspects for tobacco and its alternative crops *viz.*, bengalgram, redgram and paddy were worked out per hectare and presented in tables. Cost of cultivation per hectare of FCV tobacco was ₹ 1,16,918, which was highest, followed by paddy (₹ 63,992), bengalgram (₹ 53,942) and redgram (₹ 41,672). When gross returns per hectare were compared FCV tobacco earns ₹ 1,47,000, which was highest when compared with paddy (₹ 78,000), bengalgram (₹ 60,112) and red gram (₹ 52,146). Net returns from FCV tobacco (₹ 30,081) was highest and followed by bengalgram, paddy and redgram i.e., ₹ 14,007, ₹ 10,473 and ₹ 6,170 respectively. Return per rupee expenditure was noticed to be highest in FCV tobacco (1.26) followed by redgram (1.25) paddy (1.22) and bengalgram (1.11). FCV tobacco was observed as more profitable, as it earned more net returns. The next best alternate crop is paddy in irrigated conditions and bengalgram in un-irrigated conditions.

KEYWORDS: FCV Tobacco, Alternative crops to Tobacco, Economics of Tobacco, Southern Black Cotton Soils, Nellore and Prakasam, Andhra Pradesh