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One week of veggie scheme: Govt rates rise as retail prices drop

'Difference In Prices Will Narrow To Just 10%'

Bella Jaisinghani TNN

Mumbai: It is a week since the government's vegetable supply scheme opened to warm response from consumers. However, even as more outlets are being added, the rates have risen steadily since the inaugural day of July 9. This, even as retail rates have fallen marginally.

Although the agriculture ministry's vision was to stem rates at 30% below market price, this standard may not apply. APMC officials say that eventually, there will merely be a 10% difference between the two rates. It remains to be seen whether people continue to find it viable to travel the distance to a government outlet and wait in queue to save but a few rupees.

The gap between retail rates and government outlets has narrowed considerably within a week. On Wednesday, unripe tomato sold for Rs 44 per kg at the centre while retailers charged Rs 50-60 for the robust red variety. Cabbage now costs Rs 26 as against Rs 19 on July 9 while cluster beans (gavar) have risen to Rs 52 from Rs 44. Of course, rates remain lower than neighbourhood stalls but there is a marked difference in quality as well. Official centres sell weak pods of green peas for Rs 48 while retailers stock healthy varieties for Rs 50-55. Fresh spinach, methi and coriander have become cheap in common bazaars as well.

A government official said, "The constant fluctuation in demand and supply makes us compute a daily price chart. Wholesale rates and arrivals change every day. Over the past few days arrivals have been slow and wholesale rates have risen steadily by a few rupees. We only include overhead costs of grading and transportation as the scheme is operated on a no profit-no loss basis."

An APMC officer said prices were also revised due to the wholesalers' "inexperience" in the retail segment. "We waste 25-30 kg of produce every day because housewives throw in that extra tomato into the weighing machine and select each lady finger. Moreover, extra hands must be employed and transportation costs factored in before we can determine the daily rate," he said.

ONION PRICES SPIRAL TO 33 A KG

The price of onion has risen to 24.50 per kg in the Lasalgaon market, causing retail rates to spiral to 32-33 in Mumbai. On Wednesday, the Maharashtra State Agriculture Marketing Board web site listed the wholesale price in Vashi at Rs 22-25. However, Ashok Walunj, director of the APMC onion-potato market, quoted 27-29. "Onion prices will remain high until the new crop arrives next month. However, people should not object to shortterm increase given that the farmer gains a better deal. Imagine what would happen if farmers decided to strike work and not sow seeds for an entire season," he said.



PLATEFUL OF PROMISES: The government scheme took off at Sahakari Bhandar in Colaba on Wednesday evening

VEG CRUNCH		
	JULY 17	JULY 9
Onion	29	24
Potato	16	15
Tomato	44	40
Cauliflower	38	28
Cabbage	26	19
Lady finger	44	40
French beans	44	34
Tendli	36	26
Cucumber	22	16
Capsicum	48	40
Coriander	10	10 (big)
Gavar	52	44*
*Price on July 10 (All prices in rupees per kg)		