Punjab Farmers affected by Glut in Potato Market

What is the issue?

\n\n

Farmers in Punjab are affected every alternate year by the glut in potato market.

\n\n

What is the current price scenario of potatoes in Punjab?

\n\n

\n
- Out of its total 2.3 MT production, 65 per cent comprises seed potatoes produced in 98,000-odd hectares across the Doaba region.
\n
- Production cost of seed potato is Rs 9 per kg, much higher than the table variety including the harvesting, packing, cold stores and transportation costs to mandis.
\n
- Seed potato is harvested in February-March and then kept in cold stores to supply to other states during the year.
\n
- The rest 35 per cent produced is the table potato, whose cost of production is Rs. 5.5 to Rs. 6 per kg and its harvesting begins in December.
\n
- Farmers get around 80-100 quintal potato from one acre of seed potato and 120 to 140 qunital per acre table potatoes.
\n
- Growers say their operations are not viable if the rate goes below Rs 1,000 per quintal potato, or Rs 10 per kg.
\n
- This year, with the cold stores still stocked with 25 per cent of last year’s harvest, the wholesale rate of the crop is Rs 2.50 to Rs 3.50 per kg, almost the same as in 2016 and 2017.
\n
- On the other hand, consumers are paying retail prices of Rs 15 to 20 per kg, difference taken up by the middlemen.
\n

\n\n

What is the reason for glut in Potato market in Punjab?

\n\n

\n
- Punjab is a major supplier of seed potato to farmers in Uttar Pradesh, West Bengal, Bihar, Madhya Pradesh, Gujarat and other producing states.
\n
- And Seed potato rate cost ranges from Rs 2500-3000 for branded and Rs 1800-2000 for unbranded varieties.
\n
- As seed purchasers of other states cannot afford to plant new seed every year, they use seed from their own potato crop for the second year.
\n
- This is what leads to the glut every alternate year and Potato growers in Punjab then face double loss - keeping potatoes in cold stores (rental cost of Rs 22-23 per quintal per month) for months.
\n
- And, disposing their costly seed potato as table potato in the market, as the stores need to make space for the new crop.
\n

\n\n

What is the way out?

\n\n

\n
- Government has to streamline the wholesale and retail prices by keeping a control on middlemen or traders, to recover the cost if not the profits.
\n
- The Government’s intervention is required to include Punjab in TOP (Tomato-Onion-Potato) Scheme so that it can purchase potato at fair price.
\n
- Like Kinnow crop, the government should help potato growers through e-markets and facilitate export to Middle East countries and to Russia.
\n
\n

\n\n

Source: The Indian Express

\n



SHANKAR
IAS PARLIAMENT
Information is Empowering