Rise in vegetable prices

What is the issue?

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- The prices of vegetables with short shelf - life are rising.
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- A better infrastructure for marketing is required.
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What is the status of vegetable prices in India?

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- Price of tomato is spiralling, along with other food items.
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- Tomatoes saw a sharp inflation of over 209.5% from 29.4%
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- The prices of onion and potato have increased in recent months owing to disparity between demand and supply.
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What is the reason for high price?

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- The rise in the retail prices of tomato is being associated with low supply from key growing States.
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- Heavy rain in a few regions that damaged the crop and hindered transport as well.
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- The mismanagement in the supply chain is another reason for the huge gap in prices that growers sell perishable agricultural commodities for and what the consumer pays.
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- The cost of packaging, grading, transporting and fees, besides the margins of the middlemen, are some of the elements that determine the final price the consumer has to bear.
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How can these issues be addressed?

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- **Storage facility -** Upgraded storage infrastructure will keep a check on price volatility.
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- India’s cold storage capacity at present is nearly 3.5 crore tonnes, which is short by 30 - 40 lakh tonnes, and it needs to be increased.
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- **Transportation -** There are 7,000 -8,000 refrigerated trucks plying in India, mostly transporting pharmaceuticals and dairy products.
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- Transport of perishable vegetables in refrigerated trucks could be one of the options that would help in better supply and availability of the produce.
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- **Marketing -** Creation of co -operative groups and societies are probably an alternative that could assist in minimising the marketing channel.
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- **Co - operative farming -** Most farmers in India have small landholdings, nearly 85% farmers are ‘small,’ who have less than 2 hectares.
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- Co-operative farming will stabilise prices and benefit consumers.
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Source: The Hindu

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