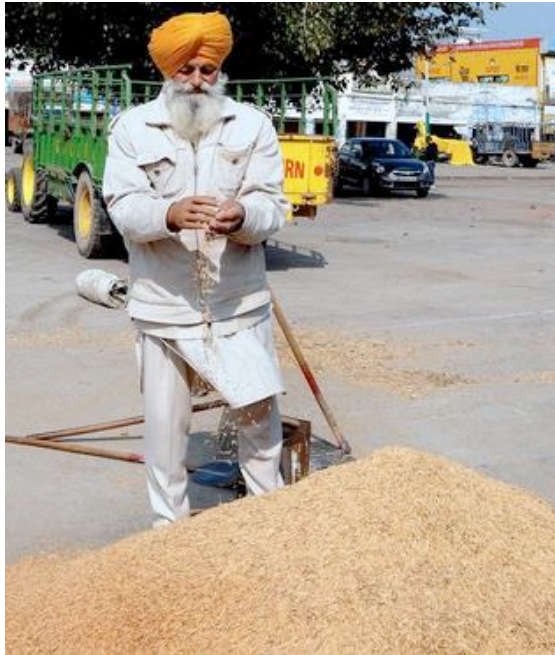


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Khanna mandi struggles to pick up after demonetisation slump



Kamal Narang Trilochan Singh, a farmer from Jhal Sahib at the Khanna mandi of Punjab. He came to sell his Basmati paddy but had to sell his crops at a lower price in November soon after the demonetisation announcement. The prices have picked up now in Punjab

Basmati price, which slumped to ₹2,400 a quintal after note ban, seen rebounding

Thanks to demonetisation, Khanna *mandi* (a large grain market in Punjab), a few yards away from the Grand Trunk Road, looks deserted. A few *arthiyas* (commission agents) and traders, who cater to farmers, sit around to help farmers with basmati, though the harvest season is almost over.

“Less than a dozen basmati farmers are now coming on a day with paddy. They are lucky. The prices have now picked up, compared with the harvest season of kharif two months ago, soon after the demonetisation,” says Karam Chand, a commission agent in the *mandi* for more than three decades.

On an average, commission agents were buying Basmati at ₹2,400 a quintal during the weeks after demonetisation. “Last season, and in the year before, farmers got about ₹4,000 for basmati. Demonetisation has put everyone into

trouble. The prices have now picked up,” says Raj Garg, another commission agent.

MSP, need of the hour

Trilochan Singh, a farmer from Jhal Sahib village, located 30 km away from the *mandi*, said he waited in the hope that prices would pick up. “I got a better price this time. Good that I waited for about two months,” Singh said. He got about ₹3,200 per quintal for basmati, an increase of ₹1,000.

Singh adds that there should be a system of MSP (minimum support price) for basmati, too. “A number of farmers in this region will benefit if the government fixes MSP for basmati paddy,” he said.

Another issue the market is facing is that workers who load, unload and clean have gone back. “I used to employ 30-40 workers. All of them went back to their home States since it had become difficult to pay their wages without cash,” said Chandra Sekhar, another commission agent.

Wheat faces uncertainty

In Khanna market, the traders and commission agents used to give cash, seeds, pesticides and fertilisers to farmers in advance. “They used to pay back as soon as they sold their harvest. Demonetisation has broken this cycle. We did not have much money or products to advance to farmers. They are in distress. “We really don’t know what will happen to the wheat crop. It will be ready for harvest in April. But we are not sure whether farmers have used adequate fertilisers and pesticides,” said Manpreet Singh, a trader of agri-input products in the market.

He adds that due to the cash crunch, co-operative societies also failed to help farmers.