The production of potato in the past few decades has increased many fold in West Bengal. But due to the perishability of the crop and the cash requirement of the producers, especially the smaller ones, they are forced to sell a large part of it almost at a throwaway price. Indigenous storing processes are fraught with the probability of wastage up to 5-50 per cent of the stored crop. But consumption demand for potato remains stable throughout the year. The persistence of the demand is reflected in the rise in prices of potato in between post harvest and lean periods. Here lies very important role of an institution providing scientific storage and liberal loans against stored crops on easy terms. That the existing market situation provides enough incentive for investment in setting up cold storage units is amply borne out by the rapid growth of this particular agro-industry to the exclusion of all other in West Bengal during the last two decades.

After harvest potatoes have to be stored for a shorter or a longer period in order to supply the market throughout the year for direct human consumption as well as for the processing industry. Also, seed potatoes have to be stored after harvest till the next planting time.

The aim of potato storage is to keep, in an economical manner, losses in quantity and in quality at the lowest possible level. (J.C. Hesen, 1987).
Therefore, Cold storages are most important for proper marketing of produce of perishable and semi-perishable nature like potato, fruits etc. because it has a definite season of production and the quality of the produce deteriorates quickly after harvest. The storage of such produce at low temperatures allows quality to be maintained and helps in extending the supply of the produce for a longer period. The functions of successful cold storages are: (R.S. Rana, 1985).

i) To retard the natural physiological processes and deterioration occurring in the living systems;

ii) To retard fungal activities;

iii) To reduce water loss and

iv) To maintain acceptable quality.

Thus, the cold stores have played a laudable role in uplifting perishable and semi-perishable produce growing areas by way of better return of the produce, employment to rural unemployed and services to the growers. Conservations of perishables, stabilization of the prices and making food and vegetable available to the consumers over a longer period are some of its other contributions to the society. The cold storage capacity in the country has been progressively increasing during the last decade. Despite the present development, it has not been possible to touch even a fringe of the enormous problems of preservation of the perishables. The potato glut of 1983-84 revealed that the available cold storage capacity was inadequate.
The development of cold storage industry, therefore, merits serious attention.

The National Commission on Agriculture in its report in 1976 observed that "in view of fall in prices of fruit and vegetables below economic levels immediately after harvest for lack of storage and transport facilities, adequate measures have to be taken by co-operative and public sector undertakings to provide cold storage facilities in production areas and terminal markets". The National Co-operative Development Corporation had organised a "potato Storage cum Marketing co-operative Project" for creation of cold storage capacity in the country to the extent of about five lakh tonnes by the end of the Sixth Five Year Plan (1980-81 to 1984-85) with financial assistance from the World Bank.

**Some Technical Aspects of Cold Storage:**

Cold Storage is the modern and scientific method of preserving all perishable products for varying periods depending upon the nature of commodity. A modern cold store consists of an enclosed chamber which has its floor, walls, roof and doors insulated with a suitable insulant of appropriate thickness and is mechanically cooled with liquid freon or ammonia. Liquid freon is preferred to ammonia as a refrigerant because ammonia in the event of leakage, could damage tubers irreparably apart from other hazards. The average recommended storage temperature for all varieties of potato is between 34°F to 38°F (1.1°C to 3.3°C) with marginal
variations for different varieties. The range of relative humidity is to be maintained between 80 to 90 per cent (D.K. Dixit, 1987). Maintenance of optimum temperature and humidity are essential factors to ensure proper storage of potato in cold stores.

Even in terms of technical development, the Cold storage industry in India, by and large, follows technology which is almost outdated. It is also observed that there is a lack of quality consciousness in cold storage construction and the plant engineering applied and there is also a resistance to adopting newer technology. What is necessary is a thoughtful application of modern technology keeping in view the economy in the cold storage construction, the energy economics and not the false economy which in turn, affects the quality, operational reliability and the energy economics of the Unit. (Arvind Surange, 1987).

Cold store is provided with racks or many closely spaced tiers with slotted floors to stack potato in bags. Potato is kept in cold stores either in loose or in packed form. In the former method, potato is kept on racks while in the latter method potato bags are stacked in such a way as to allow free flow of air around the packages. Potato is to be kept about 60 centimetres away from the walls while the distance between lines of potato is to be about 30 centimetres. The practice of storing of potato in loose form is being gradually given up in favour of storage in the form of packages of Weight of 50 to 80 Kg.
Cold stores have provided facilities to conserve potato with minimum losses in quantity and to preserve their quality according to the mode of their utilization for consumption or propagation. Besides, large scale preservation is possible in cold stores with advantage in contrast to indigenous storages. Potato can be stored safely for 6 to 8 months. However, the acute problem of power supply in the state has had its impact on the working of cold storage industry. Irregular power supply results in high degree of losses while alternative arrangement of generators operated with diesel adds to the operational costs. Further, it is difficult to maintain the temperatures constantly at the required level with the help of the generators. Low humidity causes loss in weight and high humidity results in mould growth and pulpiness of tubers. Tubers kept in low temperature under inadequate ventilation are damaged by the attack of black heart and those under high temperature with sprouting. Thus, sprouting rotting mould growth and pulpiness are the resultant damages and driage is a resultant loss during cold storage depending upon the operational efficiency.

In our study, it has been found that large farmers and traders generally utilize the cold storage space for potato. The rental charges are fixed arbitrarily. In the peak season, there is a marked demand to store potato in cold stores thereby creating a situation in which cold stores are filled with potato
beyond their capacity. In the event of heavy losses consequent upon power failure the producers are not paid adequate compensation by the cold stores owners, though the cold stores owners realise amounts from insurance company. Besides, the farmers are required to pay the full rental for the damaged crop.

Growth of Cold Storage Industry in the State:

Over the last three decades production of potato and availability of refrigerated space for storing potatoes have increased steadily to the present position where West Bengal has a net surplus of this commodity. Although the first ever cold storage in the whole country was set up as far back as 1892 in Calcutta, progress in setting up cold storages till the end of the second world war was rather tardy (Directorate of Agricultural Marketing, 1964). Since the Second World war appreciation of potato as an item of food increased steadily and the urgency of setting up cold storages for storing potatoes to make the stock available in the lean monsoon season also increased. In earlier days, potatoes used to be imported from the hills states for meeting the off season demands.

The cold storages till early fifties were used to store an assortment of commodities like fruits, fish, potato, meat, flower, egg, milk products and others while the new spurt in setting up cold storages after Second World War was mainly for
storing potatoes. In our country, the growth of Cold storage industry is closely linked to potato production. Over 90 per cent of the existing storage capacity is being utilised for potato preservation alone. (I.S. Deswal, 1987). Of late, quite a few stores have been set up exclusively for storing fish, mainly shrimps. Cold Storages set up earlier in the state were almost all in and around Calcutta and it is only from the fifties that cold stores spread out into the rural areas of the state—principally in the potato growing tracts.

The progress of this industry in the state was very slow up to 1955-56 when there were only 26 cold stores with an installed capacity of 0.37 lakh tonnes. With the launching of 'Grow More Food' campaign in the First Five Year Plan (1951-52 to 1956-57) and simultaneous increase in production of Potato attracted the attention of the entrepreneurs towards setting up of Cold Stores (A.P. Bhatnagar, 1985). The number of cold stores steadily, albeit slowly, increased to 62 by the end of the year 1960-61 with an installed capacity of 0.90 lakh tonnes. Realising that the growth was not fast enough, the Government of India provided a number of incentives to the Cold Storage Industry during the Third Five Year Plan (1961-62 to 1966-67). As a result, the number of Cold Stores increased to 135 with an installed capacity of 3.93 lakh tonnes by the end of the year 1970-71. After 1970-71 the production of potato increased steadily in this state.
and consequently the number of cold stores also increased steadily. The state Government also stimulated the development of cold stores industry in the state. At the end of 1987-88 the number of cold stores increased to 275 with an installed capacity of 14.98 lakh tonnes. (Table - 6.1).

The relationship between expansion of cold storage space and extension of production of potato in West Bengal is somewhat in the pattern of the proverbial relationship between the egg and the hen. However, it can be said without any fear of contradiction that increase in cold storages and spurt in potato production each phenomenon received significant support from the other during the last two decades (P. Kutumba Rao, 1987). Trend of increase in production and storage capacity over the last 38 years is presented in table 6.1. From this table it can be seen that the current level of production of potato in the year 1987-88 is 37.87 lakh tonnes but the storage capacity in cold stores in the same year is 14.98 lakh tonnes i.e., 39.56 per cent on total production. Therefore, the state is forced to despatch to neighbouring states a good portion of it at the harvesting season. The present storage capacity in cold stores in West Bengal is not enough to meet the total demand from the consumer throughout the year. However, keeping in line with the nice ties of marketing of agricultural produce, West Bengal still imports potato from north Indian States at the end of the crop year, mainly in the months of November and December each year when the local supply fails to meet the consumer demand. (Directorate of Agricultural Marketing, 1983).
<table>
<thead>
<tr>
<th>Year</th>
<th>Area*</th>
<th>Production **</th>
<th>Percentage increase over preceding period</th>
<th>Percentage increase over preceding period</th>
<th>No.</th>
<th>Percentage increase over preceding period</th>
<th>Cold Store Space ***</th>
<th>Percentage of total production that can be stored</th>
</tr>
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<tr>
<td>1950-51</td>
<td>37.1</td>
<td>3.70</td>
<td>-</td>
<td>-</td>
<td>16</td>
<td>-</td>
<td>0.25</td>
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</tr>
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<td>46.7</td>
<td>25.88</td>
<td>3.92</td>
<td>5.95</td>
<td>26</td>
<td>62.5</td>
<td>0.37</td>
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<td>25.48</td>
<td>5.79</td>
<td>47.70</td>
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<td>138.46</td>
<td>6.90</td>
<td>143.24</td>
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<td>40.10</td>
<td>8.60</td>
<td>45.53</td>
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<td>74.52</td>
<td>20.74</td>
<td>163</td>
<td>20.74</td>
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<td>52.67</td>
</tr>
<tr>
<td>1980-81</td>
<td>115.6</td>
<td>1.05</td>
<td>19.72</td>
<td>21.50</td>
<td>218</td>
<td>33.74</td>
<td>9.81</td>
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<td>1981-82</td>
<td>120.2</td>
<td>3.98</td>
<td>19.85</td>
<td>0.66</td>
<td>227</td>
<td>4.13</td>
<td>10.30</td>
<td>4.99</td>
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<tr>
<td>1982-83</td>
<td>115.9</td>
<td>-3.58</td>
<td>23.20</td>
<td>16.88</td>
<td>232</td>
<td>2.20</td>
<td>10.54</td>
<td>2.33</td>
</tr>
<tr>
<td>1983-84</td>
<td>145.8</td>
<td>25.80</td>
<td>30.64</td>
<td>32.07</td>
<td>243</td>
<td>4.74</td>
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<td>248</td>
<td>2.06</td>
<td>11.78</td>
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<td>27.58</td>
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<td>2.42</td>
<td>12.44</td>
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<td>1986-87</td>
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<td>35.43</td>
<td>22.46</td>
<td>258</td>
<td>3.64</td>
<td>13.54</td>
<td>8.84</td>
</tr>
<tr>
<td>1987-88</td>
<td>179.9</td>
<td>3.93</td>
<td>37.87</td>
<td>6.89</td>
<td>275</td>
<td>4.56</td>
<td>14.56</td>
<td>10.64</td>
</tr>
</tbody>
</table>

* Area: In thousand hectares  
** Production: In lakh tonnes  
*** Cold Store Space: In lakh tonnes  

Source: Directorate of Agricultural Marketing, Department of Agriculture, Government of West Bengal.
As it exists today maximum concentration of Cold storages in the state is noticeable in the potato growing belt of Hooghly, Burdwan and Midnapore. Simultaneously, with the change in location of the newly set up stores, there has also been change in the operational size of cold storages. Cold storages set up earlier in and around Calcutta were relatively smaller in size. Over the years these stores found themselves operationally uneconomic and these who could not adjust themselves gradually went out of business.

Incentives Available:

Since the development of the cold storage industry has not been keeping pace with the production of perishables/semi-perishables the Government of India decided to give following concessions:- (A.P. Bhatnagar, 1987).

1) Concession in excise duty: - Refrigeration machinery used for cold stores is charged excise duty @ 40% advalorem against the normal rate of 125%.

   ii) Subsidy in back ward areas: - Cold stores are placed at par with other industries for the purpose of grant of 15 to 20 per cent subsidy to units located in identified backward areas. Subsidy is also provided in power rates in these areas.
**Institutional Financial Facilities:**

Financing of agricultural and allied activities are taken up considering the economic viability of the projects. Viability is an indicator of the capability of an investment to generate income sufficient to liquidate it over the period of its useful life (D.V. Rajendran, 1987). Following financial institutions advance loan to the entrepreneurs for construction of cold stores:

1) State Financial Corporation,

2) Nationalised Banks,

3) State Governments; and

4) National Co-operative Development Corporation.

State Financial Corporation advances loans against security of fixed assets to all private and co-operative cold stores; though the period of repayment of loans varies from state to state. Broadly, terms cover financing of 80% of the cost of the project. In the case of cold stores located in the identified backward areas, the terms are more favourable and provide for less than 20 per cent margin money.

All the units of nationalised bank have by and large the same pattern of financing the interest rate however keep on changing. Originally, refinance facility by Industrial Development Bank of India was not available in case of cold stores to be set up
by private sector, but from June 1979 the Reserve Bank of India has included the Cold Stores in the category of high priority industry and extended the refinancing facility also. In the case of backward areas, the interest rate, irrespective of refinancing by Industrial Development Bank of India is comparatively less. The loan is recoverable in 5 to 7 years with moratorium facility for one year. A minimum of 20 per cent of the project cost is to be borne by the entrepreneurs. In special cases the banks also provide working capital loans upto 25 per cent of the value of the stock.

In addition, the State Government also provides assistance in the form of share capital and loan to registered co-operative societies through the registrar of co-operative societies. Assistance in the form of share capital is limited to 4 times the paid up share capital of the society subject to certain maximum limit.

The National Co-operative Development Corporation provides financial assistance in the form of term loan to the extent of 80% of the total project cost for the establishment of co-operative cold stores under two schemes, viz.,

a) Central Sector Scheme for development of co-operative marketing processing storage (including Cold Storages) and supplies in relatively under developed states and Union Territories.

b) Corporation Sponsored Scheme for cold stores and processing units.
The assistance under both these schemes is given outside the State Plan ceiling and is in the form of refinance facility i.e., the initial financing is to be done by the State Government and/or by Apex Co-operative Bank and National Co-operative Development Corporation reimburses the expenditure thereafter.

Stores Owners as Intermediaries:

Our study reveals that the problem of marketing of potato is intimately connected with storing facilities due to seasonality of production and perishability of the crop stored under normal climatic conditions. Further, rapid development of cold stores institutions in West Bengal functioning simultaneously as stores as well as wholesale traders have made it necessary to discuss the inter-dependence of marketing and storage in order to get a realistic appraisal of situation obtaining today.

Table 6.1 indicates changes in acreage, production and cold storage capacity in West Bengal during the last three decades bring out the following noteworthy features:

i) Area under potato cultivation increased considerably.

ii) Total production increased.

iii) There was much faster increase in cold stores capacity compared to that in production.

It may be generally assumed that (i) & (ii) have some interrelationship though it is also possible to think of expansion of potato area even without the improvement in storing facilities
and vice-versa. The overall food gap in West Bengal remained considerably large throughout the period and other grains prices ruled pretty high to encourage production of a crop like potato which is noncompeting in area and considerably supplementary to the major food crop (i.e. Aman Paddy) in West Bengal.

It has already been mentioned that techno-economic constraints confined cultivation of potato to a limited area of West Bengal and that too as winter crop only. Further, though the demand for consumption continues throughout the year the high perishability of the crop necessitates quick disposal and/or scientific storing after harvest and very significantly restricts the bargaining position of individual producers. It is also revealed from our study that about 50 to 60 per cent of the marketed surplus comes from the farmers who belong to 0.01 - 2.0 hectares group. It goes without saying that these units lack in holding power. Thus the post harvest 'glut' remains the major problem in the marketing of potato. The extent of losses both for the producers as well as for the consumers can be summarised from the wide variation in potato prices between post harvest and lean season. Most of the farmers are, therefore, deprived of the price benefits accruing from sales in later months. Formerly produce of these growers used to 'glut' the market in February-March. Now a large part of these potatoes are being bought by owners of cold stores and traders and speculators operating with and through cold stores. The very considerable surplus accruing from sale of potatoes in leaner months in being enjoyed by the limited number of owners of cold stores and traders and financiers connected with these stores and rich farmers having sufficient holding power.
Ownership Pattern:

The existing cold storage capacity in West Bengal has been created predominantly in the private sector which owns 85.45 per cent of the cold stores and 92.26 per cent of the Cold storage capacity. The public and co-operative stores put together hold the remaining 14.55 per cent of the cold stores and 7.74 per cent of the total capacity in 1987-88. In the majority of cases the cold stores have been set up for the storage of potatoes and a few of them were set for storing milk, fruits and other vegetables exclusively. The growth of cold storage in West Bengal is mainly due to the initiative taken by the private sector. (Table - 6.2).

The quick development of private cold stores in West Bengal was possible because the owners of them simultaneously could function as store owners as well as wholesale traders thus creating a nexus between marketing and storage. The existing market situation and the rate of earning by the cold store owners both from storing charges and also from wholesale trade provided enough incentive for investment in setting up cold storages. Therefore, now a large part of the potatoes are being purchased by the private cold store owners, Wholesale traders, Aratdars and Speculators (new emerging group). The Aratdars and the Speculators can continue their trade smoothly only with the willing cooperation of the store owners. Thus, the private cold store owners by virtue of their command over very large stock of stored potatoes are wielding decisive control over the market mechanism. The private cold stores are earning more through trading operations than through
<table>
<thead>
<tr>
<th>YEAR</th>
<th>GOVERNMENT</th>
<th>COOPERATIVE</th>
<th>PRIVATE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of cold stores (in lakh tonnes)</td>
<td>Capacity of total stores</td>
<td>Percentage of total capacity</td>
</tr>
<tr>
<td>1950-51</td>
<td>1</td>
<td>0.0004</td>
<td>0.16</td>
</tr>
<tr>
<td>1955-56</td>
<td>1</td>
<td>0.0004</td>
<td>0.11</td>
</tr>
<tr>
<td>1960-61</td>
<td>2</td>
<td>0.007</td>
<td>0.78</td>
</tr>
<tr>
<td>1965-66</td>
<td>4</td>
<td>0.06</td>
<td>3.75</td>
</tr>
<tr>
<td>1970-71</td>
<td>5</td>
<td>0.07</td>
<td>1.78</td>
</tr>
<tr>
<td>1975-76</td>
<td>6</td>
<td>0.08</td>
<td>1.33</td>
</tr>
<tr>
<td>1980-81</td>
<td>8</td>
<td>0.09</td>
<td>0.92</td>
</tr>
<tr>
<td>1981-82</td>
<td>8</td>
<td>0.09</td>
<td>0.87</td>
</tr>
<tr>
<td>1982-83</td>
<td>8</td>
<td>0.09</td>
<td>0.85</td>
</tr>
<tr>
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<td>0.09</td>
<td>0.80</td>
</tr>
<tr>
<td>1984-85</td>
<td>8</td>
<td>0.09</td>
<td>0.76</td>
</tr>
<tr>
<td>1985-86</td>
<td>8</td>
<td>0.09</td>
<td>0.72</td>
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<td>1986-87</td>
<td>8</td>
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<td>0.86</td>
</tr>
<tr>
<td>1987-88</td>
<td>8</td>
<td>0.09</td>
<td>0.90</td>
</tr>
</tbody>
</table>

Source: Directorate of Agricultural Marketing, Department of Agriculture, Govt. of West Bengal.
storing (rent income). Considerable surplus is earned by the store owners, traders and rich farmers by controlling the flow of supply particularly during the lean season. A part of the surplus is invested in the construction of stores. As a result a particular person or a group of persons has emerged as the owners of a large number of cold stores in West Bengal. Owing to the absence of desirable number of public and co-operative cold stores in West Bengal private cold stores controlled by the above mentioned group play a vital role in potato market mechanism in the following way:

a) By delaying the opening of the stores after harvest:

From the above discussion we know that after harvest the small and marginal farmers sell their produce in the local market because they have no holding capacity. Therefore, 53 per cent of the marketed surplus of potato is sold during post harvest period and remaining 47 per cent of marketable surplus is kept in cold storages for consumption during lean period. If the Whole-salers, Aratdars, Speculators and others who buy space in the store find that the stores are not yet ready to accept potato will not start buying potato till the stores are opened. In the process the primary market is satiated with supply and price goes down very fast. The sharp fall in price is a boon to all the traders

* A part of this chapter has been published by the present researcher under the caption, 'The Role of Cold Storage in the Marketing of Potato in West Bengal'. Agricultural Marketing, July-September, 1989; Vol. XXXII, No. 2, Page - 33 to 37.
including the store owners who keep 47% of the marketable surplus. Delaying tactics serve the interests of all who are connected with the stores. The collusion of interests results in the formation of a strong group of potato traders. The delaying tactics ultimately make the store owners the leader of the potato trading group.

b) Store Owners as Lenders to the Poor Farmers:

The cost of potato cultivation is high in comparison to other grains and cereals. The total cost per hectare was estimated to be Rs.20,342.91 and paid out cost per hectare was Rs.14,665.44 in 1986-87. The poor farmers face difficulties in potato cultivation due to lack of short term finance. The private cold store owners play a vital role as a lender to the poor farmers with high interest rate and with the guarantee of supply of potato immediately after harvest by the borrowing farmers at a fixed contract price which is normally below the prevailing market price.

c) By Misrepresenting the Actual Storage Space:

The capacity of storing of every cold stores is fixed, it is alleged that private cold stores is generally overloaded.

Despite the very important role of cold stores this industry is still today operating without any social control whatsoever. After much delay only in 1968 February, cold storage (Licensing and Regulation) Act was passed in West Bengal for the first time since the inception of the industry. In spite of the above act the
cold store owners on the basis of consent and support of the followers have recently entered into a war of attrition with the State Government. Analysing the sources of initial capital needed by the cold stores we can claim that sixty to sixty five percent of it has been supplied by the public financial institutions like State Financial Corporation, Industrial Development Bank of India, Nationalised Banks and Co-operative Banks etc. and only rest i.e., forty to thirty five percent has come from the store owners themselves. As the largest contributor to the capital fund of the stores government claims that it has rightful authority to control store space. The government also believes that it has moral obligation of protecting the interests of the primary producers. Consequently in January 1986 the State Government decided to control sixty five percent of the stores space and accordingly issued bonds for the purpose through the local government such as Panchayat and Municipal Corporations. The State Government allowed the store owners to deal with the rest thirty five percent of store space as they like.

Since the wholesale traders in the metropolitan market are the owners of the majority cold stores they with the help of their followers such as Aratdars, Speculators etc. are trying to sabotage the government policy through various tacties.

From our study it is clear that about 50 to 60 per cent of marketted surplus comes from the marginal and small farmers who are forced to sell their produce after harvest due to lack of finance. Therefore, they were not able to accept cold stores bond (space) from Panchayats and Municipal Corporations.
The main object of the decision taken by the government regarding issuing of cold stores bond is to control the glut situation after harvest and to help the farmers that they can take advantage of the lean season. Therefore, the above decision without loan facilities proved impractical. According to the Cold Storage (Licencing and Regulation) Act 1968 no owners of cold store is allowed to store potato in his own store. As has been said earlier the cold store owners are also potato merchants. The rigid implementation of the provisions of the Act deprives the cold store owners of the profit that they can earn as wholesalers. To elude the provisions of the Act the store owners-cum-wholesalers adopted a tortuous way. The potato traders, it has come to our notice, started exporting potato to other states just after harvest with a view to create scarcity during the lean season. Government being alarm at the prospect of shortage of supply willy-nilly issued an interim administrative circular to the effect that cold store owners could also store potato in their own stores for that year only. This has become an annual feature for some time past.

The story clearly conveys the message that the store owners with the aid and abetment of their associates have successfully won the war of attrition with state Government and have projected themselves as the most powerful entity in the potato marketing system.
The situation therefore demands an amount of social control on the cold store institution. But to make social control effective we consider the following measures as essential.

i) Declaration of floor space before each harvesting season by the store owner.

ii) A number of cold stores spread over the whole potato belt should be set up in the public and co-operative sector. The number should be sufficient to make the presence felt on the industry as a whole.

iii) The co-operative and state units should act as model units in respect of scientific storing, supply of better material inputs and mechaneries. Arrangements through Bank should be so made as to allow potato deposit receipts to be treated as negotiable instruments. The loan percentage should be 75-80 per cent of the value of stock at harvest prices. These stores should also be ready to buy up potatoes at harvest prices to prevent artificial glut.

iv) To creat the competition among the private cold stores the Government should take initiative at the time of issuing the license.

The private cold stores should be legally obliged to conform the following practices:

i) No overloading beyond the technically certified capacity of a store.
ii) Strict adherence to standards of disinfection inside stores.

iii) Frequent inspection by government agency to prevent spread of infection in seeds.

iv) Provision of loans upto 75-80 per cent of stored value at the harvest price. The stores in this respect, may make use of commercial Banks desire to enter the field of agricultural finance.

v) Stores should be used as sales organisations for state certified seeds and fertilisers.

vi) All cold stores should be prevented from offering advances to producers against future crops.

Besides the above suggestions it is felt necessary for the benefit of potato business all inter state movements should be routed through government or State Co-operative Marketing Agencies specially set up for the purpose.