

### [Opening up retail will help growth, curb inflation: RBI](#)

India's growth story is still "credible" and the move to open up the economy to global supermarket chains will help growth and control inflation, says RBI governor.

I found the following reply very sensible, and so I reproduce it for the benefit of my visitors.

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Sudhir Karnik (Pali Hill , Mumbai)

1 hr ago (10:21 PM)

Have any of you been to the farmers markets in the Rural areas ? The farmer gets paid Rs 2/- Kg. of Tomatoes when the retail price in Mumbai is 40- 45 /- Rs 0.5 /- Kg. for potatoes and Onions , Mumbai retail = Rs15-20/- Where is this Rural market ? One of the largest in Maharashtra is in Chakan which I have quoted as an example for live prices , ONLY 140 Kms. from Bombay . The scene is so pathetic and cruel that it has to be seen to be believed . The farmer lays out his goods and the trader goes around putting slips in the lots . This lot of potatoes is 40 P next 38 P etc. His word is final .Take it or leave it . What choice does the poor farmer have ? Take it back to his village Where it will rot ? This is because the trade is in the hands of ruthless unethical traders whose only strength is ready cash , which the poor farmer needs . When farming becomes unremunerative , India will stop producing food and become net importers . Then whither food security ? Supply chain management practiced by the Supermart chains ensures fair prices for the farmer .And that too on a long term on going basis . Down stream applications ensure price cushions . eg. When Tomato supplies are in excess , it is converted to Sauce . Expensive Strawberries to Jams and crush . That is one of the main reasons why the Farmers in the US are rich and in India are poor . Why dont the farmers take up arms ON BEHALF of the supermarts and neutralise the traders and their paid buffons , who have become used to super normal profits , ( eg. above , Cost Rs. 2.0 Selling price Rs 40/-) from protesting against supermarts . Politicians , please understand the Arithmetic . For every trader there are at least 100 customers who will benefit from lower prices. That is a 100 Votes won for every 1 vote lost ? ! ?