

BusinessLine

WEDNESDAY, MAY 3, 2017

SEBI's options

Having decided to allow options trading in commodities, SEBI will have to tighten the regulations to rein in rampant speculation

The first board meeting chaired by SEBI's new boss Ajay Tyagi last week seems to have been quite a productive one indeed. Out of the hotchpotch of decisions made, four stand out — amending securities contracts regulations to permit options trading in commodities, strengthening the monitoring of the utilisation of public issue proceeds, integration of equity and commodities broking businesses, and prohibiting resident Indians and NRIs from investing in participatory notes. The decision to permit options trading in commodities was first announced in September 2016 and the regulator has now taken the final step after public consultations. The move, however, is unlikely to help those whom it is apparently aimed at — farmers. Farmers are unlikely to benefit from the move given that they lack the expertise in complex financial instruments and importantly, do not have access to market intelligence to take timely decisions. Farmer producer companies and cooperatives are stepping in to fill the gap but they're still few and far between.

In the absence of a viable mechanism to determine national spot prices, permitting options trading is only likely to generate speculative fizz and help traders and speculators. The latter love options as the outlay is smaller compared to futures and the liability limited. The electronic National Agricultural Market which would have helped set a price benchmark is still a work in progress. Of the 91 commodities eligible for derivatives trading, 17 are cereals and pulses and 12 are oilseeds and oils. The effects of speculation on prices in these sensitive commodities will need to be closely monitored. The regulations that SEBI will be framing for options trading in commodities are very important in this context.

The move to increase the monitoring of companies raising money from the public is well-intentioned but could lead to an overload of work for the regulator. Not only has the limit for appointing a monitoring agency been lowered to those raising ₹100 crore and above (from ₹500 crore), the frequency for submission of reports by the agency has also been changed to quarterly from half-yearly. SEBI will have to carefully go through these reports, question, and if warranted, take penal action against those diverting funds for uses other than those specified while raising money from the public. In the absence of such action, the filing of periodic reports is likely to be dismissed by issuers as a mere clerical requirement to be fulfilled as a bureaucratic necessity. To help investors, the regulator should create a separate section on its website where it can publicise action taken against issuers who divert IPO funds. The integration of equities and commodities broking is an interesting move but it is not clear how it will benefit investors. It is probable that ease of regulation and transparency in broking operations will be casualties of this decision.

We should tax agriculture. But how?

While the idea is reasonable, the issue is so political that it will automatically ring in negative points for the implementer



MADAN SABNAVIS

The subject of taxation on farm income has once again taken centre stage not just because there have been some distinguished opinions voiced on this subject but also that this has been recognised as one area where money is channelled to avoid paying taxes. As the focus of the Government is on black money, looking at agriculture for enhanced tax collection appears a logical corollary.

The solution is evidently not simple for were it so, it would have been implemented by now. The major challenge is really political as any such tax would be interpreted as affecting the lives of 600-odd million people and can be perceived to be a disaster during elections. Logically one can argue that if we can sift the rich from the poor this can be done. But agriculture has a complex structure.

Pretty strong

The arguments for taxing agriculture are compelling. It is just like any other economic activity: if individuals and companies can be taxed, so should farmers, provided they go beyond the exemption limit. All other reasons put forward for not taxing farmers are more emotion-based given that the majority would be classified as socially and economically deprived. But then, this can hold for other sections too which are being taxed, especially at the lower-income level.

This said there are practical issues which have been hard to surmount so far. To begin with it must be realised that even if agriculture has to be taxed, it would be by the State as our federal structure would not permit the Centre to do so. The major

problem is identifying the individuals given that many of them own small pieces of land or are landless labourers.

The numbers involved are really large, some 600 million people. The latest data on tax collections shows that of the 42 million-odd people in the organised sector around 17 million are salaried and pay taxes. In the unorganised sector which has 56 million workers, another 18 million pay taxes. Hence, the strike rate for a population of 100 million workers is just 35 per cent. In the case of agriculture with 120 million potential assesses, it will be hard to identify them.

Tax what?

The other issue is what can be taxed? Should it be value of output or the net income earned by farmers? While the value of output sold can be gauged and tracked to the extent that it enters the market, this is not net income as there are expenses incurred in growing crops which include seeds, fertilisers, water, and so on. Also for those owning equipment a depreciation value has to be imputed. This means farmers have to be treated on a par with companies or self-employed professionals and not income tax assesses. How can one draw up such a profit and loss account?

Further, there is a lot of produce that does not enter the market and the marketable surplus can range from anywhere between 65 to 100 per cent depending on whether it is a food crop or a commercial product such as cotton and jute. Hence, a large part of the value will be hard to fathom on this score. Also there is a lot of under-reporting given the state of logistics in the country.

There is hence an anomalous situation where there could be a considerable amount of money that is channelled here to escape tax by diverting funds to agriculture on paper or showing property owned as farmland which may be used for a



Hard labour It's difficult to draw lines here REUTERS

penthouse. This is what needs to be plugged. To begin with this is what should be targeted by the department to weed out such leakages. This is akin to the amount siphoned out by the value-chain when it comes to food subsidy where ration shop owners sell grains in the open market and make fraudulent entries for this in their books. A way out is to tax the product which is presently also being done in some States through a mandi tax or some-

thing else. This tax will be finally passed on to the consumer who will then have to pay a higher price for the product. Such a move will ensure that the tax does not come in the way of the farmer's income. Strictly speaking this would be an indirect tax on commodities, like an excise or sales tax, which will get subsumed under GST. The income of the farmer will still be outside the ambit of income tax.

Out of the box

One may have to do something out of the box here. Theoretically, in the case of large farmers thresholds for exemption can be decided for specific crops. These can be worked out on the basis of an assumed cost of production which goes into a unit of the produce which can be extrapolated to the relevant level of income which merits a tax. Using biometric impressions all sale transactions in the mandi can be recorded and aggregated leading to subsequent taxation beyond the limit. This will not be easy because of the possibility of proxy impressions; however, mandatory registration of farmers at mandis will help. However, once the National Agricultural Market attains a reasonable density, then tracking such persons with large transactions becomes easier, and tax can be imposed at source.

Taxing farm income is the practice in developed countries; it is easier given the organised nature of farming. In developing countries, however, the information systems are not satisfactory and even crop estimates are based more on satellite imaging combined with arrivals which do not give the full picture. Further, the sellers in mandis are often not the farmers as the crop moves through a labyrinth of intermediaries before entering the market. This makes identification of the farmer difficult as the intermediary would be the 'face', who could be paying tax even today.

This issue is definitely politically sensitive with several vested interests involved. The Government has been bold enough to operate the National Agricultural Market which breaks the traditional stronghold. The next step would be to start reforms in the direction of taxes so as to bring about greater accountability in the system while plugging the lacuna.

The writer is the chief economist at CARE Ratings. The views are personal

India can lead, despite an uncertain world

It's many advantages can be strengthened through holistic strategies that incorporate cross-sectoral issues



CHANDRAJIT BANERJEE

The last year has seen consolidation of several trends that have impacted the economic and business environment for India. A pushback from globalisation presents a unique challenge to development, while technology advancements can disrupt conventional modes of production and consumption. Demographic changes with a growing workforce in some economies and contractions in others, the rise of new consumers and shifting supply chains are other systemic trends that India has to deal with.

On the plus side

Yet, India is well-positioned to capture a leadership position in many areas if it strategises correctly. Happily, the Government is keen to continue strongly on the reforms and liberalisation process.

India's inherent advantages include its expanding workforce and consumer markets, rapid urbanisation, growing education and skill capabilities, stronger technology adaptation, and potential for driving exports as a growth driver. Our vibrant entrepreneurial class is exploring avenues in new technologies and across the world. India is already a leader in several areas. The third largest economy in purchasing power parity and the fastest growing large economy of the world, it is home to some of the most thriving markets, from automobiles and aviation to mobile connectivity and renewable energy. It is also the third largest base of startups in the technology sector.

The country faces numerous challenges that need to be resolved through holistic strategies that incorporate cross-sectoral issues. In the immediate term, revival of consumer demand is a challenge despite MGNREGA, the 7th Pay Commission and agricultural growth. Global demand too remains subdued. The spike in NPAs of banks at over 11 per cent is hindering new in-



Firm connections Across the board RADU BERGAN/SHUTTERSTOCK.COM

vestments. The administrative processes for a facilitative business climate continue to be lengthy and complex.

The Government's policies are helping to a significant extent. Recent measures such as progress on GST, reduction in corporate income taxes for smaller companies, mission mode work on ease of doing business and many sectoral actions together set a sound platform for leadership. Infrastructure pro-

grammes such as Sagarmala for port-led development, railway modernisation and upgradation, and new roads and highways are driving new connectivities across the country. Urban development and power sector too have receive attention.

Looking ahead

The critical challenge is technology advance which is ushering in a new economy. The fourth industrial revolution of technologies such as 3D printing, automation, robotics, big data, and so on will create new manufacturing processes. Increasing convergence of manufacturing, services and technology results in new products and new markets for a rising 'shared economy'.

At the CII annual session held this week, the discussions focussed on the future of globalisation, the areas where India can lead, and what needs to be done to achieve the goals. There was universal consensus that India can rapidly emerge as a global leader. Finance Minister Arun Jaitley noted that India's strengths — a large domestic market, a rich reservoir of human capital, steadfast commitment to

reforms — can help the country emerge as an attractive business destination. While our capability to deliver on services to the world is without question, this should be extended to improve our manufacturing capabilities as well.

Manufacturing, renewable energy, electric mobility, railways and aviation present substantial opportunities for global leadership. The States will play a growing role in India's development in the spirit of cooperative and competitive federalism. Strategic policies can change agricultural and industrial climate of a state. Speakers pointed out that protectionism is not new and India should be able to build its global presence through exports. India must internalise high standards and encourage digitisation and innovation.

Industry too must step up its R&D engagement. Currently, Indian companies spend just 0.3 per cent of GDP on R&D compared to the global average of 1.5 per cent. This needs to be scaled up five times. India's rise in an uncertain world will be the next big development.

The writer is the director-general of CII

FROM THE VIEWROOM

Can't write off AAP just yet

It was a peculiar election to lose, thanks to the Modi wave

The media has been busy writing off the Aam Aadmi Party after the Punjab and Goa assembly elections. After the MCD elections, the chorus has become louder. The party won just 48 seats in this civic body election and compared to the assembly elections of 2015, its vote share declined heavily. The Congress, while finishing third, gained the most in terms of vote-share, while the BJP, the clear winner, registered only a marginal increase in vote-share over the assembly elections.

However, there have been big comebacks in politics, and AAP's own comeback after its poor show in the 2014 Lok Sabha polls should not be forgotten.

What was the AAP's campaign plank this time? Along with welfare schemes such as cheap power and water, and good schools and hospitals, AAP took a position against violent Hindutva mobs — whether it was a buffalo trader being attacked in Kalkaji or, earlier, the Kerala House being under attack for serving beef. In the current climate, post Uttar Pradesh, this may not have worked.

This is not to say that AAP has not erred. Its campaigns in Punjab and Goa were based on emotive issues. Arvind Kejriwal's style was criticised by AAP's founders. AAP should democratise its way of functioning. It has allowed itself to be bogged down by conflicts with the Centre, even as the latter has left no stone unturned to create distractions. AAP should re-establish contact with the masses. Migrant workers have swung the BJP's way, with the latter roping in actor Manoj Tiwari as a star campaigner.

The BJP utilised the 'spillover effect' of the Modi wave in UP. As a result, this was a local election quite unlike any other. Normally, civic body polls are fought on water, power, roads, sanitation, cleanliness, health and education. The MCD election was fought on Kashmir, JNU, nationalism, Hindu, Muslim and communalism.

AM Jigeesh Senior Assistant Editor

LETTERS TO THE EDITOR

Send your letters by email to bleditor@thehindu.co.in or by post to 'Letters to the Editor', The Hindu Business Line, Kasturi Buildings, 859-860, Anna Salai, Chennai 600002.

No time for retribution

The mutilation of the bodies of two Indian soldiers by a Pakistani border action team must be unequivocally condemned as a barbaric act unworthy of men in uniform. The anger in India at the savagery is understandable. At the same time, the cry for retribution should not sway decision makers in New Delhi to match the provocation with overreaction. The grief of the families of the slain soldiers should dissuade the leadership from knee-jerk reactions resulting in similar grief for more families.

This is not to deny the Indian army's capability to inflict more casualties on the Pakistani army. The simple point is that diplomacy is better than war. Humanity is far more important than nationality and religion. Nothing breeds peace like peace. As a stronger nation with inexhaustible moral courage, we have to keep our

equanimity in the face of grave provocation. A full-scale war between two nuclear-armed powers spells disaster. The suggestion of Turkish President Recep Tayyip Erdogan for a multilateral dialogue to resolve the Kashmir issue has to be seen from this perspective.

G David Milton
Maruthancode, Tamil Nadu

We need determination

This is with reference to the edit, 'Making payments pay' (May 2). With 1.5 lakh post offices and dealing with around ₹6 lakh crore in annual savings, India Post caters to crores of people. All of them were brought under the digital platform. That enthusiasm for technological upgrade has lost steam. The training and skill upgrade of staff, vital in digital transactions, lacks both in funding and drive. To step up to the expectations of banking operations, there ought

to be a plan to extensively cover the manning, equipment and empowerment of all POs. The CIF number in an account book has little use as the signature of the customer is yet to be loaded on the central data platform. Thus the account remains captive in one location. The operation of debit cards could remain a dream. The advantage of India Post's nationwide coverage is lost. To realise the envisaged potential of POs, much toil and funding are required. Without putting the post bank in mission mode, customer enthusiasm will not take off. Either we abandon the idea of the post bank or determine to carry it through.

R Narayanan
Ghaziabad, Uttar Pradesh

Be a facilitator

This is with reference to 'NPAs are a mess but not a lost cause' by Ashima Goyal (May 2). NPAs of banks are backed by adequate se-

curity or by the provisions held by banks for the shortfall in securities. Out of the corporates that failed, businesses and assets have realisable values. With the thrust for Start-Up Stand-Up India, new ventures could realise latent potential. Cleaning up the mess and making NPAs workable units will be an attractive proposition.

For banks, proper resolution of NPAs will release substantial provisions which will go to boost the bottom line, besides improving capital adequacy, lending capacity and further business. The notion that all NPAs are irrecoverable and not realisable is wrong. The provisions are not cash outflows, they are held as reserves in the books of banks. NPA realisation need not be only through legal action and closure of businesses. It can be through redefining assets and take-over by potential entrepreneurs since the failed units will have the required statutory licences

and infrastructure. This will be a win-win situation for banks and borrowers. Government should act as a facilitator and encourage intermediaries to act as catalysts to match the demand and supply.

S Veeraraghavan
Coimbatore

Think before speaking

It is appalling that a senior Congress leader undermines the national interest and spreads a dangerous message ('Telangana police encouraging Muslim youth to join ISIS, May 2). Not only are these allegations malicious and baseless, casting aspersions on the Telangana police not only further dents the image of the Congress party but also is a national shame. Political leaders should be careful before making statements that could either flare up communal riots or undermine the national interest.

Jitendra G Kothari
Mumbai



What's that, again?

Why the Government should not impose Hindi



SL RAO

At time, I am unable to understand what our political officials are saying on television. Granted, they speak only in Hindi, in differing accents, varying speeds and using words that are beyond me.

I studied in Mumbai and Delhi and have, in my work, travelled to almost all parts of urban and rural India. I have managed even when I did not know the local language or dialect.

My upbringing ensured that I have no prejudice against any language.

Going places

My father, a matriculate whose mother tongue was Kannada and who studied in Tamil, moved at age 17 from Srirangam, a great temple town in Tamil Nadu, to Mumbai. His father had died and he had to support the family. Mumbai was where he knew he could find a job and send money home to support his mother and siblings.

In Mumbai, he married my mother who had the same background. He decided that since he was in another part of India where the language was Marathi, he and his wife and children would learn to speak, read and write in Marathi. We did. The point is that there was no hostility, but acceptance of language.

The language agitation that almost led to the secession of Tamil Nadu from the rest of India was because of bigots from Uttar Pradesh who wanted to impose one national language, Hindi. Rajaji had started a major movement to

teach Hindi to Tamilians. But there were many millions to whom it was an incomprehensible language.

No doubt, over time and with travel, Hindi will become more comprehensible to all in India. It is not yet so. Many other parts of India still have difficulty in speaking and understanding Hindi.

Don't force it

Meanwhile, English has become for many — rich and poor, urban and rural — a guarantee for better jobs and living standards. While a three-language (mother tongue, English and Hindi) is now in place, fluency in all of them is a long time away.

Ever since the BJP government took office in 2014, the Prime minister and his ministers communicate in public mostly in Hindi. Now it is to be used more extensively in road and railway signs, government notifications, etc.

There is dismay among many for who Hindi is not so familiar. As yet there is no public movement against it. If the Government is not sensitive to the underlying mood, it will come.

We must be more cautious about accelerating the use of Hindi. Our leaders must make more effort to communicate to people in languages that the people can understand.

With its emphasis on development for all, and the already simmering disaffection among the minorities, we do not need another reason for unrest to hold back development.

The writer is an economist and former chairman of the Central Electricity Regulation Commission

More farm credit is meaningless

It will only further farmers' indebtedness. Government must find sustainable ways to boost farm income and productivity

A NARAYANAMOORTHY/PALLI

An enhanced allocation in farm credit — ₹10 lakh crore, against ₹9 lakh crore in FY17 — was one of the most impressive announcements in Budget 2017-18. This looks like a promising step towards fulfilling the Government's objective of doubling farm income by 2022. This large budget allocation will help farmers to invest more and earn better profits in farm ventures.

That said, farmers' organisations have expressed dissatisfaction over the announcement. The bulk of small and marginal farmers are not at all pleased with the move. They say such policies will never augment their income because credit is not a sufficient condition to harvest better profits in crop cultivation.

What are farmers expecting from the policymakers then? Do they need more credit when they are already indebted? Does more credit mean more debt for farmers?

More than credit

An unprecedented agitation by farmers' groups has been hitting the headlines in recent years. Whether it is the silent crop holiday campaign by the paddy cultivators of Andhra Pradesh in 2011 or violent protests by the sugarcane farmers of Maharashtra in 2013, all that they have been demanding is a share of the proceeds that is commensurate with their efforts.

It is the demand for the right price for produce — and not for increase in farm credit — that has formed the core part of every agitation. However, there is overwhelming agreement across the political and economic spectrum that all such agrarian-related problems could be addressed by unclogging credit supply. A study by the Planning Commission indicates that except for enhanced credit, all other farm-related para-

meters have not grown proportionately. When credit is just a sub-component of inputs that goes into agriculture, how can more farm credit alone boost farm income or output?

The annual reports of the National Crime Records Bureau (NCRB) and results of the latest National Sample Survey Organisation reveal the dismal state of farmers. NCRB's 47th annual report on accidental death and suicides in India shows that 11,772 farm suicides were reported across the country in 2013 alone. Its 49th annual report shows such suicides rose over 41 per cent in 2015 over 2014. The NSSO's 59th survey revealed that about 48 per cent of agricultural households were indebted in 2003.

Almost a decade later, the NSSO's 70th round survey underlined that in 2014 about 52 per cent of agricultural households are estimated to be in debt, confirming the worsening of farm indebtedness.

These reports cited poor remuneration from agricultural produce as the prime reason for increasing farm suicides and indebtedness. The Radhakrishna Committee on Agricultural Indebtedness (2007) and the National Commission on Farmers (2006) have also reiterated the same.

NSSO data show that farmer households earned only ₹101 per day from crops during 2012-13. When income from crops cultivation is so meagre, what will the farmers do with enhanced farm credit? How will they repay the debt? Why is the Government not able to understand the fundamental flaw in its move?

Rising cost of cultivation

High cultivation costs seem to be a major reason for poor farm earnings. Recent studies including that of the Commission for Agricultural Costs and Prices have emphatically stated that the cost of cultivation escalated almost four



Left in lurch Indian farmers need long-term solutions KK MUSTAFAH

times during the first half of the current decade alone. To tackle this, the Government has been providing direct institutional credit to agriculture and allied sectors since 1970.

Although the data from the RBI's Handbook of Statistics of Indian Economy show that direct institutional credit to agriculture and allied sectors rose from ₹818 crore in 1970-71 to ₹4.5 lakh crore in 2011-12, a higher amount of the credit has been supplied as indirect credit in recent years. For instance, of the total credit issued to agriculture during 1990-91, about 20 per cent was accounted for by indirect finance in the form of loans to companies that make farm inputs, State electricity boards, agribusiness companies, etc. This has increased to over 50 per cent during 2007-08 (data on this aspect is not released regularly). So, what is the consequence of such misdirected farm credit?

The Rangarajan Committee on Financial Inclusion (2008) observed that about 66 per cent of the marginal farmers preferred rural moneylenders over banks as the latter charge numerous fees, the cost of which often cancels whatever benefit they get on account of interest subsidy. The Re-

port of the Task Force on Credit-Related Issues of Farmers (2009), too, categorically stated that the hegemony of moneylenders has been continuing even after the introduction of doubling of farm credit policy. When there is already a serious physical limitation to the delivery of farm credit, an additional farm credit makes no sense.

Stop working on the periphery

The reality is clear — farmers are not able to derive sufficient income to pay even the cost incurred on crop cultivation. Farmers can benefit only when income from agriculture takes care of input costs for which they take loans. Before embarking on enhancing farm credit further, the Government must correct the market imperfections that remain unaddressed till date.

No doubt, enhanced farm credit is needed to boost farm productivity, but if coupled with affordable farm inputs and a viable minimum support prices, it will indeed provide the desired results.

A prudent mix of required farm inputs especially through investing and popularising modern methods of irrigation (drip and

sprinkler) can cut cultivation cost and boost productivity. Also needed are efforts to restructure MGNREGS by linking it with agriculture operations as it reportedly takes away the bulk of the agricultural labour force during the peak season, tightening the rural labour market.

The farmers' outcry is also directed towards MSP, which is neither announced in advance nor is in tune with cultivation costs. Farmers will continue to cultivate only if their entire cost of cultivation is covered. Increased farm credit will only increase their indebtedness further, if arrangements are not made to increase the farm income sufficiently.

If policymakers start focusing seriously on these initiatives, the doubling of farm income will be guaranteed. That will take care of the needs of farmers' families and leave them with a little surplus to sow the next crop.

Narayanamoorthy is Professor and Head, Department of Economics and Rural Development, Alagappa University and Alli is Assistant Professor, Department of Social Sciences, Vellore Institute of Technology

5 THINGS to WATCH OUT for TODAY

■ **IRB** Infrastructure's public offer in the infrastructure investment trusts (InvITs) category opens today. The IPO, which is the first in this segment, closes on May 5 and commands a price band of ₹100-102 per unit. IRB's InvIT fund expects to raise over ₹5,000 crore through the offer.

■ **Piyush Goyal**, Union Coal and Power Minister, will inaugurate a two-day conference of State power ministers in New Delhi today. The conference will discuss implementation of various ongoing schemes. It will also deliberate on a host of issues pertaining to power, mining, coal and renewable energy sectors.

■ **The US** Federal Reserve will spell out its policy decision today. While it is widely expected that the Fed will hold interest rates steady as it pauses to parse more economic data, investors will watch for hints to see if the central bank is on track for an increase in June. The Fed is in its first tightening cycle in more than a decade.

■ **Turkish** President Recep Tayyip Erdogan and Russian President Vladimir Putin are set to meet in Sochi. The Syrian situation is likely to be high on the agenda. Putin may discuss consolidating the ceasefire in Syria.

■ **Technology** firm Smartron will launch its second Android smartphone, the srt.phone, today. Legendary cricketer Sachin Tendulkar, a strategic shareholder and brand ambassador of the company, will launch the phone. The company's first phone was the t-phone, a mid-range handset, that retails for about ₹24,000.

A THOUSAND WORDS



Fancy a drink? A man in 'Bhagiratha' costume drinks water during a procession organised as part of Bhagiratha Jayanthi programme in Shivamogga in Karnataka. Several parts of the State witness severe water shortage as the summer progresses VAIDYA

EASY

ACROSS

01. Keyboard instrument (11)
07. One living retired from the world (7)
09. Fortified wine (4)
11. Originate, endow (5)
12. Caned (6)
14. That which is ascribed (11)
18. Feverish, agitated (6)
20. Sung musical work (5)
22. Very uncommon (4)
23. Lotion; humbug, deception (3-4)
24. Of rustic work with ridges (11)

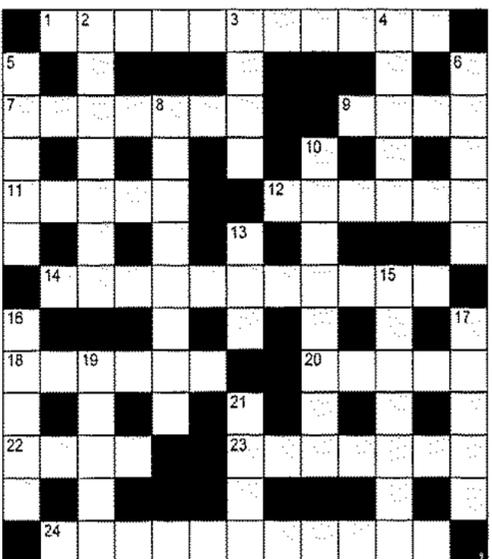
DOWN

02. Statement of money dealings (7)
03. Separate article in list (4)
04. Perch for sleeping bird (5)
05. Corruption in official life (5)
06. Pebble (5)
08. Support by building underneath (8)
10. Glucose (8)
13. Decline, retiring of the tide (3)
15. Perform surgical act (7)
16. Amulet (5)
17. Arithmetic, algebra, etc (abbr) (5)
19. Rounded feature (5)
21. Fop, dandy (4)

SOLUTION: BL Two-way Crossword 840

- ACROSS 1. Chamber 5. Haver 8. Decorum 9. Thump 10. Trumpeter 12. Her 13. Rigid 17. Off 19. Index-link 21. Midge 22. Convert 24. Treat 25. Stretch
DOWN 1. Cadets 2. Accrues 3. Bar 4. Remit 5. Heterodox 6. Vouch 7. Report 11. Pertinent 14. Evident 15. Commit 16. Sketch 18. Fudge 20. Docks 23. Nor

BL TWO-WAY CROSSWORD 841



NOT SO EASY

ACROSS

01. One instrument is backing combination of notes by another (11)
07. An anchorite will reemploy about a hundredth of a litre (7)
09. Harbour left for a sailor (4)
11. Discovered how to establish it on a basis (5)
12. Has been, at heart, defeated (6)
14. The assignment to Britain tout arranges (11)
18. Feverish way he got critic to drop right one (6)
20. Such as Madam Butterfly a rope is thrown to (5)
22. It is not common to be so lightly cooked (4)
23. It should give one a clear sight of such nonsense (3-4)
24. With lozenge-shaped stones alter die cut out for it (11)

DOWN

02. Give a reason for the bill (7)
03. One met up with something listed (4)

04. Small marsupial on the steet that chickens come borne to (5)
05. To make a transplant is hard work (5)
06. The weight of a hard fruit kernel (5)
08. Nun could take pride and offer support from below (8)
10. Almost a bit more in a dose of glucose (8)
13. Decline to be up before breakfast starts (3)
15. Work a machine, as would chirurgeon (7)
16. Personal magnetism may act like a spell (5)
17. School subject for changing hat in manuscript (5)
19. A graph will not be straight (5)
21. A dandy with gold will be first (4)