

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:213

ANSWERED ON:23.02.2010

PRICES OF FRUITS AND VEGETABLES

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Will the Minister of AGRICULTURE be pleased to state:

(a) whether the prices of fruits and vegetables have registered a sharp increase in the country in the recent past especially in Delhi area;

(b) if so, the details thereof;

(c) whether the involvement of middlemen in the supply chain of such products and lack of any regulatory mechanism in this regard have been reported to be behind the soaring prices of fruits and vegetables in the country; and

(d) if so, the reaction of the Government thereto including remedial measures being taken in this regard and steps taken in coordination with State Governments to check price rise?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) to (c): It is true that prices of fruits and vegetables have shown upward trend till December, 2009 including Delhi. The prices of vegetables have registered an increase on account of lower production due to deficiency in monsoon rainfall, damage due to heavy rains, damage due to blight disease including inadequate supply chain which is regulated by State Governments and infrastructure. The prices have fallen in January, 2010 for many vegetables. A statement on monthly wholesale price index of fruits & vegetables is given at Annexure-I.

(d): Government of India has been implementing few Centrally Sponsored Schemes namely, Technology Mission on Integrated Development of Horticulture in North Eastern States, Jammu & Kashmir, Uttarakhand and Himachal Pradesh (TMNE) and National Horticulture Mission (NHM) in other States for the holistic development of horticulture which includes creation of adequate infrastructure for marketing. Besides, the schemes like Development / Strengthening of Market Infrastructure, Standardization and Grading, Capital Investment subsidy for Construction / Renovation of Rural Godowns schemes also provide assistance for market infrastructure.

Under NHM and TMNE schemes, assistance is provided through State Governments for taking up various production improvement programmes for increasing production and also in improving market infrastructure such as setting up of terminal markets, wholesale markets and rural primary markets/apni mandies to ensure adequate supply of fruits and vegetables to the consumers at reasonable prices and also to provide remunerative returns to the farmers.

The State Governments have been advised to carry out market reforms, amendment in Agricultural Produce Marketing Committee (APMC) Act and more investment in creation of market infrastructure in the State through schemes like NHM, TMNE, Rashtriya Krishi Vikas Yojana (RKVY), Development / Strengthening of Market Infrastructure, Standardization and Grading, Capital Investment subsidy for Construction / Renovation of Rural Godowns schemes of Ministry of Agriculture, Department of Agriculture so that farmers are benefited with better market facilities and consumer are benefited by having easier access to agricultural produce at lower price.

In order to address the various kinds of challenges in Agricultural Sector including price rise, more than Rs.6000 crore has been provided to the States under major schemes of Government of India during 2009-10. Details of funds provided to States under major schemes are given at Annexure-II.