

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:385

ANSWERED ON:27.07.2010

VARIATION IN MARKET AND RETAIL PRICES

Joshi Dr. Murli Manohar;Singh Shri Rajiv Ranjan (Lalan)

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether there is a huge difference between the market and retail prices of fruits and vegetables in various parts of the country;
- (b) if so, the details thereof and the reasons therefor, item-wise; and
- (c) the reaction of the Government in this regard?

**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) & (b): A comparison of wholesale and retail prices of fruits and vegetables for major commodities at major centres i.e. Bangalore, Chennai, Delhi, Hyderabad, Kolkata and Mumbai reveals that there is difference between wholesale and retail prices. Analysis of data for Delhi centre reveals that difference in retail over wholesale price was lower during July, 2010 than July, 2009 in case of tomato, potato, cabbage, brinjal and mosambi. The difference in details price over wholesale price was higher during July, 2010 than July, 2009 in case of onion, cauliflower, papaya, pomegranate and banana.

In case of tomato retail price over wholesale price was higher by 30 per cent in July 2009 and by 26 percent in July 2010.

In case of potato retail price over wholesale price was higher by 30 per cent in July 2009 and by 15 percent in July 2010.

In case of onion retail price over wholesale price was higher by 40 per cent in July 2009 and by 48 percent in July 2010.

In case of cauliflower retail price over wholesale price was higher by 18 per cent in July 2009 and by 26 percent in July 2010.

In case of cabbage retail price over wholesale price was higher by 36 per cent in July 2009 and by 30 percent in July 2010.

In case of brinjal retail price over wholesale price was higher by 41 per cent in July 2009 and by 21 percent in July 2010.

In case of papaya retail price over wholesale price was higher by 44 per cent in July 2009 and by 55 percent in July 2010.

In case of pomegranate retail price over wholesale price was higher by 18.4 per cent in July 2009 and by 18.7 percent in July 2010.

In case of mosambi retail price over wholesale price was higher by 23 per cent in July 2009 and by 15 percent in July 2010.

In case of banana retail price over wholesale price was higher by 29 per cent in July 2009 and by 47 percent in July 2010.

Details of average wholesale and retail price of important fruits and vegetables at major centres of the country are Annexed.

The reasons for difference in wholesale and retail price is largely due to supply chain inefficiency, inadequate post harvest infrastructure, post harvest losses, market deficiencies, higher margin by intermediaries, costly logistic chain, longer inventory holding, gap between demand and supply of fresh/processed fruits & vegetables and above all perishable nature of these crops. Further, model APMC Act, prepared by Department of Agriculture & Cooperation and forwarded to all States, has not been adopted through enactment by a number of States resulting into continuance of market related imperfections.

(c): Ministry of Agriculture is implementing National Horticulture Mission (NHM) and Horticulture Mission for North East and Himalayan States (HMNE) schemes for increasing production, productivity of fruits and vegetables. Under these schemes assistance is provided to farmers for production of planting material, expansion of area, creation of water sources, integrated nutrient and pest management, post harvest and market infrastructure like setting up of terminal markets, wholesale markets and rural primary markets/apni mandies to ensure adequate supply of fruits and vegetables to the consumers. Assistance is also provided for creation of storage facilities under Gramin Bhandaran Yojna. Development / strengthening as well as grading and standardization scheme is also available for market infrastructure. Besides, Ministry of Agriculture is implementing Rashtriya Krishi Vikas Yojna (RKVY) scheme to incentivize States to draw up plans for agriculture sector including horticulture more comprehensively. Further, National Horticulture Board (NHB) is implementing schemes for creation of post harvest infrastructure and development of commercial horticulture through production

and post harvest management. Ministry of Food Processing Industries is implementing programs, which include development of infrastructure for post harvest and processing. Agricultural and Processed Food Products, Export Development Authority (APEDA), Ministry of Commerce is also implementing programs for development of infrastructure for export of perishable horticulture crops.