

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:468
ANSWERED ON:07.07.2009
MSP FOR ONION
Chavan Shri Harischandra Deoram

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has received any request from the Government of Maharashtra to announce the Minimum Support Price (MSP) of onion for protecting the interest of onion producers;
- (b) if so, the details thereof alongwith the action taken by the Government thereon; and
- (c) if not, the reasons therefor?

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): Government of Maharashtra requested Government of India during February, 2008 to declare MSP for Onion like other agricultural commodities. In this regard, it was informed to Government of Maharashtra in April, 2008 that Government of India fixes Minimum Support Prices (MSPs) for 25 commodities and Onion is not covered under it. It was further clarified that the Government of India implements Market Intervention Scheme (MIS) on the request of State/UT Government for procurement of agricultural and horticultural commodities generally perishable in nature including Onion which are not covered under MSP. The objective is to protect the growers of those commodities from incurring losses due to distress sale in the event of bumper crop. Losses incurred, if any, by the procuring agencies are shared between Central Government and concerned State Government on 50:50 basis (75:25 in case of North Eastern States). The amount of loss to be shared is restricted to 25 per cent of the procurement cost. No proposal from the State Government of Maharashtra has been received in the Ministry of Agriculture for procurement of Onion under MIS Scheme.