

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:400

ANSWERED ON:07.12.2010

PRICES OF ONION

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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether there is a steep rise in the prices of onion in the country including Delhi and Mumbai during the current year;
- (b) if so, the details thereof and the reasons therefor;
- (c) the steps taken by the Government to check the prices of onion;
- (d) whether the production of onion has declined in the recent past; and
- (e) if so, the details thereof and the reasons therefor?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 400 DUE FOR REPLY ON 7TH DECEMBER, 2010.

(a) to (c): Onion prices are a function of demand and supply and vary over the year, depending upon a host of factors which influence production and arrivals in the market. The price of onion during the current year has been fluctuating and is presently higher than last year, as shown in the table below:

Prices (as on) In Delhi In Mumbai All India Avg.

2/12/2010

Current Date Retail (Rs/kg)	33.00	NR	28.36
WS (Rs/ctl.)	1750.00	2650.00	2438.00

2/11/2010

One month back Retail (Rs/kg)	29.50	38.00	20.41
WS (Rs/ctl.)	1812.50	2425.00	1576.00

2/12/2009

One year back Retail (Rs/kg)	22.00	25.00	21.37
WS (Rs/ctl.)	875.00	1250.00	1291.00

WS- Whole Sale

Source: Department of Consumer Affairs

Higher prices reflect lower arrivals in the market which are mainly attributable to untimely rains during November, 2010 in Maharashtra, Gujarat, M.P. and Rajasthan. While onion price are market determined, the Minimum Export Price (MEP) of onion has been increased to \$ 525 per tonne, in order to maintain domestic availability.

(d) & (e): The production of onion has been seen to decline recently, as shown in the statement annexed. This may be attributed to the incentives and disincentives of the market place interacting with seasonal factors.