

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2042
ANSWERED ON:08.03.2011
DECLINE IN ONION PRICES
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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the arrival of fresh onion crop in the major onion markets in the country has registered a constant decline from December, 2010 to February, 2011;
- (b) if so, the details thereof, State-wise;
- (c) the details of the effect on the prices of onion due to decreased arrival of the said commodity in the markets; and
- (d) the details of the steps taken/ proposed to be taken to ensure long term price stability of onion?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI ARUN YADAV)

(a) & (b): No, Madam. Overall arrivals of fresh onion crops in major onion markets in the country have increased from December, 2010 to February, 2011 as is evident from the table given below:-

(in qtl.)

State Major Markets Period
December, 2010 January, 2011 February, 2011

Delhi	Delhi	294006	197954	178494
WB	Kolkata	94520	80130	151540
TN	Chennai	90800	102000	110000
MS	Pune	150020	333902	464152
	Lasalgaon	151030	200600	228180
	Pimplegaon	116348	175103	254887
	Manmad	54373	93708	178820
GUJ	Bhavnagar	40048	424792	520651
	Mahuva	28403	409972	444775
KTK	Bangalore	579383	375695	347026
UP	Agra	33465	27385	40450
Total		1632396	2421241	2918975

Source:- National Horticultural Research and Development Foundation

(c): There has been decline in average model prices of onion from January, 2011 to February, 2011 as shown in the table below, which is due to increase in arrivals in major markets:-

(Rs. per qtl)

State	Major Markets	Period	December, 2010	January, 2011	February, 2011
Delhi	Delhi		2193	2657	1052
WB	Kolkata		2992	3382.	1274
TN	Chennai		3417	4082	1635
MS	Pune		3250	2623	843
	Lasalgaon		1771	2378	850
	Pimplegaon		1700	2190	884
	Manmad		1877	2248	879
GUJ	Bhavnagar		2445	2436	891
	Mahuva		1966	2247	946
KTK	Bangalore		2560	2731	1195
UP	Agra		2130	3005	1384

Source:- National Horticultural Research and Development Foundation

(d): The retail prices depend upon a large number of factors primarily the demand - supply position, cost of cold storage, etc. The most effective measure for stabilizing retail price of horticulture products including onion is to establish good Post Harvest Management infrastructure in the country for which Department of Agriculture & Cooperation provides assistance under National Horticulture Mission and Horticulture Mission for North-East and Himalayan States (HMNEH). This includes establishment of cold storages, 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. National Horticulture Board is also implementing a scheme `Capital Investment Subsidy for Construction / Expansion / Modernization of Cold Storages for Horticulture Produce`. As a short term measure to control the rising trend in prices of horticulture products especially in case of onion, the Government increases the Minimum Export Price (MEP) to restrict export and to ensure more availability in domestic market.