

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:93

ANSWERED ON:20.03.2012

SPECIAL FUND FOR ONION

Bavalia Shri Kuvarjibhai Mohanbhai;Premajibhai Dr. Solanki Kiritbhai

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has taken note of the crash in the prices of onion causing huge losses to the farmers;
- (b) if so, the details thereof alongwith the assessment of causes for the distress sale;
- (c) whether suggestions have been received from various quarters for setting up a special fund for onion on the lines of the Sugar Development Fund (SDF); and
- (d) if so, the reaction of the Government thereto?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 93 DUE FOR REPLY ON 20TH MARCH, 2012.

(a) & (b): Onion prices are function of demand and supply and vary over the year, depending upon a host of factors which influence production and arrivals in the market. Generally, prices are minimum during March to June, because of more arrivals of late Kharif followed by rabi crop. Since, late kharif onions are not ideally suited for storage and as such farmers are in a hurry to quickly bring the produce to the market and dispose it off before arrival of rabi onion leading to fall in prices. The decline in prices of onion during the current season against the corresponding period last year is mainly because of increased arrivals of onion in the markets. The details of arrivals and prices of onion is given at Annexure.

(c) & (d): Department of Agriculture & Cooperation has not received any suggestions for setting up a special fund for onion. However, Department of Agriculture & Cooperation upon receipt of proposals from State Governments implements Market Intervention Scheme (MIS) for procurement of agricultural and horticultural commodities, under which losses, if any, are shared between the Central Government and the State Government concerned on 50:50 basis. During the current year, MIS proposals from Government of Karnataka for procurement of 54,000 MT of onion @ Rs.6000 per MT, was agreed to, of which 40,775 MT have been procured through Karnataka State Cooperative Marketing Federation.