

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:285

ANSWERED ON:26.02.2013

PRICES OF VEGETABLES

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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the prices of vegetables including onions have increased sharply throughout the country during the last few months;
- (b) if so, the details thereof along with the reasons therefor;
- (c) whether the Government is contemplating to impose a ban on the export of onions and take strict action against illegal hoarding of onions to check the price rise;
- (d) if so, the details thereof; and
- (e) the other remedial steps taken by the Government to bring down the prices of vegetables and onions?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (SHRI TARIQ ANWAR)

(a) & (b) Monthly Wholesale Price Index (WPI) (Base Year 2004-05=100) for vegetables for the period January, 2012 to January, 2013 indicates that the WPI of vegetables started rising from January, 2012 itself to June, 2012. Thereafter the WPI of vegetables have shown a declining trend upto January, 2013 with marginal fluctuation in the month of October and November, 2012. In case of onion, there has been sharp increase from October, 2012 onwards.

A statement showing variations in the monthly WPI of vegetables and onion over the last one year is given below:-

Monthly WPI for Vegetables

Month	Vegetables	Onion
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January, 12	146.9	151.0
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February, 12	161.0	133.8
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March, 12	190.0	136.0
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April, 12	237.6	139.6
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May, 12	224.7	138.2
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June, 12	245.9	157.9
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July, 12 230.1 180.7

August, 12 219.5 194.1

September, 12 202.2 194.0

October, 12 204.0 210.2

November, 12 206.2 259.8

December, 12 194.0 304.8

January, 13 188.7 319.4

Prices of vegetables including onion are mainly governed by the market forces of demand and supply, cost of transportation, cost of storage and rising demand due to increasing incomes, urbanization etc. In case of onion, the untimely rains in different onion growing areas, which has affected the crop and its supply chain, has contributed to sharp increase in its prices.

(c) & (d) There is no proposal to ban export of onion. In order to facilitate the farmers to sell their produce to direct consumers with a view to reduce intermediations, marketing costs and to improve farmers' share in the consumer price, several States have promoted farmers-consumers markets. These include Apni Mandi in Punjab & Haryana, Kissan Mandi in Rajasthan, Rythu Bazar in Andhra Pradesh, Uzhavar Sandai in Tamilnadu, Shetkari Bazar in Maharashtra, Raithara Santhe in Karnataka and Krushak Bazar in Orissa. These markets are beneficial to both farmers and consumers.

(e) Government has launched the National Horticulture Mission (NHM) from 2005-06 for holistic development of horticulture sector. Under NHM, financial assistance is provided for taking up various activities relating to horticulture crops including onion. Government has also launched a scheme on Vegetables Initiative for Urban Clusters (VIUC) during 2011-12 within the overall Rashtriya Krishi Vikas Yojana (RKVY) Scheme.

Market Intervention Scheme (MIS) which is being implemented on the request of a State / U.T. for procurement of agricultural and horticultural commodities generally perishable in nature and not covered under Price Support Scheme (PSS). The MIS is implemented in order to protect the growers of these commodities from making distress sale in the event of bumper crop when there is glut in the market and the prices tend to fall below economic levels/cost of production. Procurement under MIS is made by NAFED as Central Agency and by the State designated agencies.