

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1694

ANSWERED ON:16.12.2013

EXPORT PRICE OF ONION

Joshi Dr. Murli Manohar;Singh Shri Rajiv Ranjan (Lalan)

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government proposes to discourage the export of onion from the country;
- (b) if so, the reasons therefor along with steps taken/being taken by the Government in this regard;
- (c) whether the Government has reviewed the minimum export price for onion during the last one year;
- (d) if so, the details thereof and the reasons therefor along with its impact on the quantum of onion export and their export prices during the said period; and
- (e) whether the prices of the onion has declined in the domestic market immediately after the revision of its minimum export prices and if so, the details thereof and the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN)

(a) & (b) The Government takes stock of the arrival of onion and modal prices prevailing in the important production and consumption centres from time to time before deciding upon the imposition of a Minimum Export Price (MEP) on export of onions. Considering the supply constraints and increase in the rates of onion in recent months, the Government discouraged the export of onions by imposing MEP three times since August, 2013 to augment the domestic supply.

(c) Yes, Madam

(d) Since, January, 2013, the Inter-Ministerial Committee on onions comprising of representatives of Ministry of Commerce, Ministry of Agriculture, Department of Consumer Affairs and NAFED met 12 times to calibrate MEP for export of onions. In their meeting held on 14th August, 2013, the IMC recommended MEP of USD 650 PMT which was later increased to USD 900 PMT on 18th September, 2013. Subsequently on 31st October, 2013, the IMC recommended to fix MEP at USD 1150 PMT. The impact of MEP was that the export of only 7,25,360 MT of onions could be made during the year 2013-14 (till November, 2013) as compared to the 10,91,982 MT of corresponding period of 2012. The average realisation on export of onion during April-November, 2013 was Rs.24/- per kg. as compared to Rs 11/- per kg. for the corresponding previous year.

(e) No, Madam. The present spurt in prices of onion was not directly linked with export but was on account of supply constraints, untimely rains, market closures, speculative activities etc.