

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3291
ANSWERED ON:11.02.2014
FALL IN ONION PRICES
Shetkar Shri Suresh Kumar

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the farmers have been badly hit due to falling prices of onions in the country;
- (b) if so, the details thereof; and
- (c) the corrective steps being taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (DR. CHARAN DAS MAHANT)

(a) to (c): No such report has been received from any state regarding falling onion prices. However, the Government is implementing the Market Intervention Scheme (MIS) for procurement of horticultural and agricultural commodities which are generally perishable in nature and not covered under Price Support Scheme (PSS) to provide remunerative prices to the growers and protect their interest. The MIS is implemented when the prices tend to fall below the economic levels/cost of production to avoid distress sale during the peak arrival period of the produce. The Scheme is implemented when there is at least 10% increase in production or 10% decrease in the ruling rates over the previous normal year. Proposal of MIS is approved on the specific request of State/UT Government ready to bear 50% loss (25% in case of North-Eastern States), if any, incurred on its implementation. However, the loss is restricted to 25% of the total procurement value which includes Market Intervention Price (MIP) paid to the farmers plus permitted overhead expenses. Profit earned, if any, in implementing the MIS is retained by the procuring agencies. Procurement is made by the Central and State agencies.