

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1918

ANSWERED ON:01.12.2009

VEGETABLE PRICES

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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether there has been a massive rise in the prices of vegetables including potato, onion and tomato;
- (b) if so, the details thereof and the reasons therefor;
- (c) the steps taken to control the prices of vegetables;
- (d) whether black marketing and hoarding are the main reasons for the rise in prices;
- (e) if so, the steps taken by the Government in this regard;
- (f) whether the Government proposes to conduct a survey on due reasons for the price rise; and
- (g) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) to (g): Monthly Wholesale Price Index (WPI) (Base Year 1993-94=100) for Vegetables showed a mixed trend in the last one year, initially showing a declining trend from 271.2 in November, 2008 to 192.3 in March 2009 and again increasing to 365.2 in September, 2009. The WPI of vegetables declined to 305.2 in October, 2009. There was an increase of 17% in October 2009 over October, 2008 in the WPI. However, WPI for Potato showed the maximum increase of 96.4% during this period. Increases in WPI for Onion and Tomato during the same period were 37.6% and 4.3% respectively. The statement showing variations in the Monthly WPI of vegetables over the last one year is given below:-

	2008												2009											
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Vegetables	260.8	271.2	213.9	215.5	193.5	192.3	262.6	270.5	299.5	333.1	303.1	365.2	305.2	260.8	271.2	213.9	215.5	193.5	192.3	262.6	270.5	299.5	333.1	303.1
Potato	243.6	240.9	195.8	177.0	178.1	201.9	249.1	282.7	337.2	389.1	405.8	430.4	478.5	243.6	240.9	195.8	177.0	178.1	201.9	249.1	282.7	337.2	389.1	405.8
Onion	228.7	259.8	273.3	321.9	305.2	287.4	233.3	232.6	231.4	229.0	229.5	242.3	314.7	228.7	259.8	273.3	321.9	305.2	287.4	233.3	232.6	231.4	229.0	229.5
Tomato	233.1	258.0	163.3	186.3	163.7	159.2	NA	NA	NA	NA	255.1	394.7	243.1	233.1	258.0	163.3	186.3	163.7	159.2	NA	NA	NA	NA	255.1

The main reason for increase in the prices of vegetables is drought during kharif 2009 in 316 districts and excessive rain in southern and western parts of the country during August-September 2009. During 2008-09 potato production was estimated to be less in Bihar, West Bengal and Madhya Pradesh because of late blight disease.

The Minimum Export Price (MEP) of onion was increased from US\$ 215 Per Metric Tonne (PMT) to US\$ 300 PMT from 6.10.09. The MEP was further increased to US\$ 445 PMT from 1.11.2009 to restrict exports and improve availability of onion in the domestic market. National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) monitors onion prices on daily basis. Arrivals of fresh crop of potato and onion in the market will help to ease prices.

Government has launched the National Horticulture Mission (NHM) from 2005-06, for holistic development of horticulture sector duly ensuring horizontal and vertical linkages with the active participation of all the stake-holders. Under NHM, financial assistance is provided for taking up various activities related to horticulture including fruits and vegetables such as production of planting material, area coverage, rejuvenation/replanting of senile orchards, protected cultivation, organic farming, integrated pest management, development of post harvest management, marketing infrastructure, etc.

Since vegetables are perishable in nature the scope for hoarding and other related malpractices in the market is limited.

Prices of essential commodities are monitored regularly and necessary steps are taken to improve availability which helps to check rising prices.