

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1724

ANSWERED ON:22.07.2014

HIKE IN VEGETABLE PRICES

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Tukaram;Mahajan Smt. Poonam ;Nayak Shri B.V.;Reddy Shri Mekapati Rajamohan;Somaiya Dr. Kirit;Vichare Shri Rajan Baburao

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether there is shortage of onions, potatoes and other vegetables in the country;
- (b) if so, the reasons therefor;
- (c) whether the Government has noticed that there is huge difference between wholesale and retail prices of onion, potato and other vegetables in the markets;
- (d) if so, the details thereof along with the reasons in this regard, State-wise;
- (e) whether it is a fact that hoarding of onions, potatoes and other vegetables is taking place on a large scale in the entire country; and
- (f) if so, the action taken by the Government against these hoarders so that prices of vegetables come down?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (DR. SANJEEV KUMAR BALYAN)

(a) & (b): No, Madam. As per the figures received from State Governments, the estimated production of onions, potatoes and other vegetables in the country during the year 2013-14 has increased as compared to that in 2012-13 as may be seen from the table below:-

(Production in `000 MT)			
Crops	2012-13	2013-14	% change in 2013-14
(Provisional) over 2012-13			
Onion	16813	19299	14.78%
Potato	45344	46395	2.32%
Other Vegetables	100030	104555	4.52%
Source:- Indian Horticulture Database 2013 and Horticulture Division, DAC			

(c) to (f): The wholesale prices and retail prices of vegetables are determined largely by market forces. The difference in wholesale price and retail price is due to various cost components like transportation cost, loading and unloading charges, market fees, retailer's profit margin etc., being added to the wholesale price to arrive at retail price of different vegetables.

The wholesale and retail prices of onion, potato and tomato across major cities of the country is given in Annexure – I.

The price rise in vegetables is not solely due to hoarding but is attributed to several factors such as mismatch between demand and supply, seasonality factors, adverse weather conditions, increases in cost of inputs etc.

The steps taken by the Government to contain the price rise may be seen at Annexure – II.