

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

STARRED QUESTION NO:29

ANSWERED ON:25.11.2014

PRICE RISE OF VEGETABLES AND FRUITS

Hegde Shri Anant Kumar Dattatreya;Muddahanumegowda Shri S.P.

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether prices of vegetables and fruits have registered a sharp increase in the country during the last six months despite increase in the availability of vegetables and fruits;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether it is a fact that hoarding of vegetables and fruits is taking place on a large scale in the country;
- (d) if so, the action taken by the Government against these hoarders and middlemen; and
- (e) the other steps taken/proposed to be taken by the Government to check spiralling prices of vegetables and fruits and to increase its production?

**Answer**

MINISTER OF AGRICULTURE (SHRI RADHA MOHAN SINGH)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 29 DUE FOR REPLY ON 25TH NOVEMBER, 2014.

(a) & (b): The monthly Wholesale Price Index (WPI) (Base year 2004-05) for Fruits and Vegetables as a group increased from 235.5 in May 2014 to 303.4 in August 2014 but has declined thereafter to 290.8 in September and further to 272.8 in October 2014. The month-wise and commodity-wise details are at Annexure.

Trends and seasonal variations in prices of fruits and vegetables are impacted by both demand and supply factors. Price fluctuation of fruits and vegetables can be attributed to several factors such as seasonality, adverse weather conditions, delayed monsoon, mismatch in localised production and increased demand due to improvement in income and living standards with resultant changes in dietary habits.

Production of fruits in the country during 2013-14 is estimated to have increased to 86.8 million tonnes compared to 81.3 million tonnes in 2012-13 and that of 2.2 million tones over the same period.

(c) & (d): To preempt hoarding in onion and potato, Government has included onion and potato under the purview of the Essential Commodities Act, 1955 to empower State Governments to notify stock limits and, if needed, undertake de-hoarding operations.

(e): Government has taken various steps to rein in the prices of fruits and vegetables. These include, inter-alia, allowing the duty free import of onion under Open General License (OGL), calibrating exports of onion and potato through Minimum Export

Price (MEP), and promoting alternative marketing channels to reduce intermediaries in order to contain marketing costs. States have been requested to exempt levy of market fee on fruits and vegetables, and to allow establishment of "Kisan Mandis", or Farmers' Markets, where producers and Farmer Producer Organizations (FPOs) can directly market their produce to wholesalers, organized retailers and ordinary consumers.

To increase production of horticultural crops, Government is implementing a Centrally Sponsored scheme, namely, Mission for Integrated Development of Horticulture (MIDH) in all States/UTs w.e.f 2014-15. The objective of MIDH is the holistic growth of horticulture sector, including fruits and vegetables. States are also empowered to utilise the funds allocated to them under Rashtriya Krishi Vikas Yojana (RKVY) for implementing projects to increase production of fruits and vegetables.