

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:9
ANSWERED ON:26.02.2007
HIKE IN PRICE OF ONION
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Will the Minister of AGRICULTURE be pleased to state:

- (a) the total production of onion recorded during 2006-07 in the country, State-wise;
- (b) the quantity of onion exported in each of the last three years and till date, country-wise alongwith the foreign exchange earned therefrom;
- (c) whether there has been a steep hike in the price of onion recently in the country;
- (d) if so, the factors responsible therefor;
- (e) the quantum of onion imported during the said period, country-wise and the amount spent thereon;
- (f) the extent to which such import is likely to bring down the prices in the domestic market; and
- (g) the measures proposed to be taken to contain the price of onion?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (g) OF LOK SABHA STARRED QUESTION NO. 9 DUE FOR REPLY ON 26TH FEBRUARY, 2007.

(a): There are three seasons for onion, namely, Kharif, Late-Kharif and Rabi. Almost 60% of the total production of onion is contributed by Rabi crop that will be harvested during April -June 2007. As such, the production recorded during 2006-07 shall be available only after the crop is harvested.

(b): The position of export of onions during the last 3 years and till date is given below. The country-wise figures are given in Annexure.

Year Quantity of Value of exports
exports (M.Ts.) (Rs. in Lakh)

| | | |
|------------------|-----------|-----------|
| 2003-04 | 8,40,666 | 82,171.00 |
| 2004-05 | 9,41,448 | 81,749.13 |
| 2005-06 | 7,78,134 | 71,596.71 |
| 2006-07 | 10,22,833 | 87,000.00 |
| (Till 17.2.2007) | | |

NB: Data are tentative

Source: (i) NAFED, (ii) DGCIS

(c): Yes, Sir. There has been a rise in the prices of onion in the recent pas as shown below:

AVERAGE (MODAL) WHOLESALE PRICES

ONION (Rs./QTL)

Delhi Kolkata Mumbai Bangalore Chennai Hyderabad

| | | | | | |
|--------|-----|-----|-----|-----|---------|
| Oct-06 | | | | | |
| Avg | 560 | 658 | 507 | 493 | 550 434 |
| Nov-06 | | | | | |

Avg 568 735 717 743 618 476
Dec-06
Avg 842 862 788 897 774 569
Jan-07
Avg 978 1013 923 1088 1053 857
Feb-07
Avg 1132 1388 1150 990 1360 1010
(Week - 1: 1st to 7th February)
Avg 1063 1447 1098 983 1204 983
(Week-2: 8th to 15th February)

(d): The major factors responsible for recent rise in prices of onion are the low market arrivals due to lean season as compared to demand.

(e) & (f): As per the latest available information, there was no import of onion during April- August, 2006. During 2005-06, import was 6,570.23 tons valued at Rs. 822.36 lakh. Of the said quantum, 6485.9 tons valued at Rs. 784.84 lakh was from Pakistan, 64.15 tons valued at Rs. 30.6 lakh was from Spain, 20.10 tons valued at Rs. 6.84 lakh from Belgium and the rest 0.08 tons valued at Rs. 0.07 lakh was from Netherland. During 2004-05, India's total import of onion was only 0.03 tons valued at Rs. 0.04 lakh and it was from the USA.

(g): Some of the measures taken to contain the price rise of onions include procurement and distribution of onion by National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED), and monitoring of exports by NAFED. NAFED has also raised the Minimum Export Price (MEP) from \$ 220 per MT prevailing on 19-12-2006 to \$ 345 per MT with effect from 19- 02-2007 in order to improve domestic availability. Prices of onions and market arrivals also are being monitored regularly.