

Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Consumer Affairs

RAJYA SABHA
UNSTARRED QUESTION No. 1851
TO BE ANSWERED ON 06/03/2020

HOARDING OF ONIONS

1851. SHRI SANJAY SINGH:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) the details of quintals of onions destroyed due to hoarding problems in 2019-20;
- (b) whether Government is making any efforts in reducing food inflation, including onion, in the country; and
- (c) if so, the details thereof?

ANSWER

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI DANVE RAOSAHEB DADARAO)

(a) : No such information is maintained by the Government.

(b) & (c) : Government takes various measures from time to time to stabilize prices of essential food items, including onion which, inter-alia, include appropriately utilizing trade and fiscal policy instruments like import duty, Minimum Export Price, export restrictions, imposition of stock limits and advising States for effective action against hoarders & black marketers etc. to regulate domestic availability and moderate prices. Besides, Government is also implementing Price Stabilization Fund (PSF) to help moderate the volatility in prices of agri-horticultural commodities like pulses, onion and potato. Details of steps taken by the Government to curb price rise in onion is given at **Annexure**.

ANNEXURE REFERRED IN REPLY TO PARTS (b) & (c) OF RAJYA SABHA UNSTARRED QUESTION NO.1851 FOR 06.03.2020 REGARDING HOARDING OF ONIONS.

Recent Steps taken by Government to control Rise in Prices of Onion

- I. During 2019-20, buffer stock of about 57,373 MT Rabi onion created and distributed to State Governments, other Central / State agencies, Cooperatives and also sold in various mandis through open auction.
- II. The benefit to exporters of onions under Merchandise Exports from India Scheme (MEIS) was withdrawn through notification dated 11.06.2019.
- III. Minimum Export Price (MEP) of \$850/MT was imposed on 13.09.2019.
- IV. On 29th September, 2019, export of onions was banned.
- V. Stock limits on onions were imposed on 29.09.19 on traders across the country under EC Act to curb hoarding, which was withdrawn on 27.02.2020 in view of moderation in its prices and high estimated production of onions in the Rabi 2020 season.
- VI. All States/UTs advised to indicate their demand for onion at several forums/levels including through National Consultative Meeting (NCM), video conferences and written communications.
- VII. State Governments requested to hold regular meetings with the traders of Onions at State and District level to prevent hoarding, speculative trading and profiteering, unfair and illegal trade practices like cartelling, etc.
- VIII. Onions from the buffer stock were supplied to State Governments of Haryana, Kerala, Andhra Pradesh and Uttar Pradesh at no-profit no-loss basis.
- IX. During July-Oct./Nov., 2019, onions were supplied from the buffer stock for direct retailing in Delhi-NCR through Mother Dairy, NCCF, NAFED and Govt. of NCT of Delhi at reasonable prices to the consumers.
- X. During Nov-Dec., 2019, NAFED was directed to undertake procurement of surplus Kharif onions from major producing States and its distribution/ supply to deficit/ consuming States.
- XI. To facilitate imports, fumigation norms for imported onions were relaxed by DACFW and importers were exempted from stock limits for imported stocks by DoCA.
- XII. MMTC directed to import onion under Price Stabilization Fund scheme and improve availability of onion in the country.
- XIII. During Dec. 15, 2019 to end-January, 2020, MMTC imported about 35,857 MT onions on the direction of Government.
- XIV. States requested to place demand for imported onions through several video conferences and written communications.
- XV. Imported onions supplied to States/ UTs as per their demand as well as are released in the market/mandi/online portal at prevailing rates to improve availability and help moderate its prices.