

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

LOK SABHA
UNSTARRED QUESTION NO. 2294
TO BE ANSWERED ON 02.08.2023

INCREASE IN THE PRICES OF VEGETABLES AND CEREALS

2294. SHRI ANTO ANTONY:

Will the Minister of **CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION**
उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether the Government has noticed a sharp increase in the prices of vegetables and cereals in the country especially vegetables like tomatoes, ginger and beans;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has decided to intervene in the market to contain the price of vegetables and provide them in a subsidized rate; and
- (d) if so, the details thereof and the steps taken by the Government in this regard so far?

ANSWER

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री
(श्री अश्विनी कुमार चौबे)

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI ASHWINI KUMAR CHOUBEY)

(a) to (d) : The Department of Consumer Affairs monitors the daily prices of 22 essential food commodities including potato, onion and tomato among vegetables; and rice, wheat and atta among cereals. The retail prices of rice, wheat and atta have increased, on year-on-year basis by 10.5%, 5.2% and 8.5%. Among vegetables, the all-India average retail price of potato is about 12% lower than that of last year while the price of onion about 5% higher than last year. The prices of tomato has increased in recent weeks on account of a combination of factors like crop seasonality, white fly disease in Kolar, instantaneous arrival of monsoon rains in northern part of the country which adversely affected tomato crops in Haryana and Himachal Pradesh and logistics disruptions in isolated areas due to heavy rains. The period from June to August is the lean months for tomato and when prices tend to rise. Besides, tomato is highly perishable commodity and not amenable to storage. The crop seasonality and vulnerability to damage together with excessive monsoon rains and logistics challenges make tomato highly vulnerable to price volatility.

In order to check the current increase in prices of tomato and make it available to the consumers at affordable prices, the Government has started the procurement of tomatoes under Price Stabilisation Fund (PSF) and is making it available at a highly subsidised rate to consumers. The National Cooperative Consumers Federation (NCCF) and National Agricultural Cooperative Marketing Federation (NAFED) are continuously procuring tomato from mandis in Andhra Pradesh, Karnataka and Maharashtra and making it available at affordable prices in major consuming centres in Delhi-NCR, Bihar, Rajasthan, etc. after subsidizing the price to the consumers. The tomatoes have been disposed initially at retail price of Rs.90/kg which has been reduced to Rs.80/kg from 16.07.2023 and further reduced to Rs.70/kg from 20.07.2023. In respect of onion, the Government maintains onion buffer under the PSF in order to check the volatility in prices and make onions available to consumers at affordable prices. The buffer size has been increased year after year from 1.00 lakh metric ton (LMT) in 2020-21 to 2.50 LMT in 2022-23. The onion buffer target for 2023-24 has been enhanced further to 3.00 LMT. Onions from the buffer have been released in major consumption centres during the lean season from September to December in a calibrated and targeted manner to cool down prices.

The Department of Consumer Affairs has launched in 2022, a grand challenge for development of technologies for primary processing, storage and valorization of onions with the overall objective of ensuring availability of onion to consumers at affordable prices. The 606 ideas submitted by various categories of participants had been evaluated by team of experts and 11 ideas have reached prototype development stage. Prototype development is in progress on ideas pertaining to improved storage, pre-harvesting treatment, primary processing and valorisation of onion. On a similar line, Tomato Grand Challenge has also been launched on 30.06.2023 to invite ideas on comprehensive and focused area interventions in tomato value chain, from cropping and market insights for the farmers to improved packaging, transportation and storage. The Tomato Grand Challenge is open to students, research scholars, faculty members, industry individuals, Indian start-ups, professionals etc.
