

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 101**  
**TO BE ANSWERED ON 02.02.2021**

**RISE IN PRICES OF DOMESTIC PRODUCTS**

101. SHRI THIRUNAVUKKARASAR SU:

**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 is aware of the steep rise in the prices of pulses, onion, tomato, and potato in the domestic market in the recent months;
- (b) if so, whether there is a gap between demand and supply of onion, tomato and potato in the country;
- (c) whether the Government has imposed stock limits on wholesalers and retailers, put ban on its export and resorted to import; and
- (d) if so, the details thereof and the steps taken by the Government to provide remunerative prices to onion and potato farmers and make them available at a reasonable price to consumers along with the action taken by the Government against the hoarders and black marketers of onion in various States?

**ANSWER**

**उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री**  
**(श्री दानवे रावसाहेब दादाराव)**

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

(a) to (d) : The retail prices of pulses, Onion, Potato & Tomato which were on upward trend from September, 2020 are on a declining trend from December, 2020.

In terms of Consumer Price Index (CPI), the inflation rate for Pulses and Products in December, 2020 was 15.98% as against 18.05% in November, 2020. In case of vegetables which include onion, potato and tomato, the inflation rate in December 2020 was (-)10.41% as against 15.48% in November, 2020.

Seasonality in the arrival of onion, tomato and potato, rather than overall demand-supply gap, is a major determining factor of the availability and prices of these highly perishable commodities.

To ensure the availability of onion to domestic consumer at affordable prices, the Government imposed a ban on export of onion with effect from 14.09.2020. As the retail price of onion breached the Price Trigger for imposition of stock limit under Essential Commodities (Amendment) Act, 2020, the Government imposed stock limit of 25 Metric Ton for wholesaler and 2 Metric Ton for retailer with effect from 23.10.2020. Further, to augment the domestic availability of onion and potato, the Government relaxed quarantine and fumigation norms for imports, and onions were also procured and disposed of through NAFED from the Indian seaports. As the prices of onion stabilised, the ban on onion export was lifted w.e.f. 01.01.2021 and also the stock limit notified for the period up to 31.12.2020 was allowed to lapse.

The Government operates buffer stock of onion under the Price Stabilisation Fund (PSF) as a measure to moderate prices. Under this scheme, stock of rabi onion is procured directly from the farmers and Farmer Producer Organizations (FPOs) during harvest time to ensure remunerative prices to the farmers. The stock is released during the lean season through retail outlets of the State and Central Governments and also in the open market in a calibrated manner to make onion available to the consumers at reasonable prices. With a view to maintaining supplies of essential commodities, State Governments as well as Central Government exercise powers under the Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980 which provides for detention in such cases for the purpose of prevention of black-marketing, hoarding, speculative trading etc.

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