

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

LOK SABHA
UNSTARRED QUESTION No. 303
TO BE ANSWERED ON THE 20TH JULY, 2021

ONION CULTIVATION

303. SHRI VELUSAMY P.:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:-

- (a) the total quantity of onions produced in the country during the last three years and the current year;
- (b) whether the Government is considering any proposal to ban export of onions permanently since the demand is higher than supply in the country;
- (c) whether the amendment to Essential Commodities Act, 1955 by imposing stock limit will affect onion-producing farmers; and
- (d) if so, the steps taken by the Government to augment the income of the farmers who can stock their produce to get better price in future?

ANSWER

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a): The quantity of Onions produced in the country, during 2017-18, 2018-19, 2019-20, and 2020-21 (2nd Advance Estimates) is as under :-

Onion Production in the country			
			in Lakh Tonne
2017-18	2018-19	2019-20	2020-21 (2 nd Adv. Est.)
232.62	228.19	260.91	269.16

(b) & (c): Department of Consumer Affairs (DoCA) has intimated that there has been no proposal to ban export of onions, or impose stock limits on onions.

DoCA has further reported that The Essential Commodities Act, 1955 was amended in 2020. Though this amendment a new sub-section (1A) under Section 3 of the Essential Commodities (EC) Act, 1955 was inserted. Section 3(1A) (a) now provides that foodstuffs, including cereals, pulses, potato, onions, edible oil seeds and oils shall only be regulated under extra ordinary circumstances which may include war, famine, extra ordinary price rise and natural calamity of grave nature. Section 3(1A)(b) provides that any imposing stock limit would be based on price triggers such as hundred per cent increase in retail price of horticultural produce and fifty percent increase in retail price of non-perishable agricultural foodstuff over the immediately preceding twelve months or average retail price of last five years whichever is lower. The Amendment includes a definition of value chain participants covering all the entities who add value to each stage from production to consumption. It is a visionary step, one which would radically alter the incomes and growth prospects of farmers and incentivize investment in the entire agri-sector. However, Hon'ble Supreme Court Vide its order dated 12.01.2021 has stayed implementation of the Essential Commodities (Amendment) Act, 2020.

(d): In order to provide farmers remunerative prices for their produce, the Government has taken several steps:-

- The Government undertakes procurement of Onions for the buffer directly from farmers at farm gate prices.
- In order to promote creation of Scientific Storage infrastructure and Marketing infrastructure (other than Storage), the Ministry of Agriculture & Farmers Welfare, Govt. of India is implementing sub-scheme "Agricultural Marketing Infrastructure (AMI)" of Integrated Scheme for Agricultural Marketing (ISAM) across the country. The rural godowns enable small farmers to enhance their holding capacity in order to sell their produce at remunerative prices and avoid distress sale. AMI is demand driven, credit linked, back ended subsidy scheme. Subsidy support @ 25% and 33.33% is available for beneficiaries viz. Farmers, Individuals, Agri-preneurs, Farmer Producer Organizations (FPOs), Cooperatives, state agencies etc.

- Under Mission for Integrated Development of Horticulture (MIDH), a Centrally Sponsored scheme, several measures are being taken to augment the income of the farmers. Some of the steps may be seen as under:
 - Promoting Post Harvest Management through Cold storage (CS), cold chain supply chain including pack houses, ripening chamber, reefer vehicle, etc.
 - Promoting Primary and minimal processing
 - Market Linkages: Market infrastructure such as mobile vending cart, retail outlet, primary and wholesale markets. Creating direct market/farmers market.
 - Aggregating farmers into Farmer Producer Organization (FPO)/ Farmer Interest Group (FIG) and promoting their tie up with Market Aggregators (MAs) and Financial Institutions (FIs).
 - Under MIDH, assistance is also envisaged @ 50% of total cost of Rs. 1.75 Lakh per unit for low cost onion storage structure (25 MT).
