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

LOK SABHA
UNSTARRED QUESTION NO. 330
TO BE ANSWERED ON THE 21st JULY, 2026

MSP FOR ONION

330. SHRI BHAUSAHEB RAJARAM WAKCHAURE

SHRI ANAND BHADAURIA

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

(a) whether the Government is aware that onion growers in the country, especially in Ahilyanagar and Nashik of Maharashtra State, have reached on the verge of severe economic ruin and suicide due to not getting profitable prices;
(b) the year-wise data on decline in the share of Indian onion in the global market due to restrictions imposed on onion exports and uncertain trade policies;
(c) whether the Government proposes to provide legal guarantee for the Minimum Support Price (MSP) of onion based on the cost of production, so as to protect farmers from exploitation by middlemen;
(d) whether the Government will provide any direct financial assistance to farmers to mitigate the unexpected increase in storage and transportation costs of onions; and
(e) what is the effective plan to permanently streamline onion export arrangements and provide immediate relief to farmers through Price Stabilization Fund (PSF)?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) to (e): As per the second advance estimates for 2025–26, the total onion production in the country is 307.37 lakh metric tonnes (LMT) out of which 151.10 LMT is produced in Maharashtra. The average market price in Maharashtra during the period from March to May 2026 ranged from Rs 900 to Rs 1150 per quintal.

To provide remunerative price to the farmers for agricultural and horticultural commodities including onion which are perishable in nature and are not covered under the Minimum Support Price regime, the Government under Pradhan Mantri Annadata Aay Sanrakshan Abhiyan implements Market Intervention Scheme (MIS) across the country. The objective of the Scheme is to protect the farmers from distress sale in the event of a bumper crop during the peak arrival, when the prices tend to fall below economic levels and the cost of production. There should be at least a 10% decrease in the ruling market prices over the previous normal year. The scheme is implemented at the request of a State/UT Government, which is ready to bear 50% of the loss (25% in case of North-Eastern States), if any, incurred on its implementation. The maximum quantity of procurement is allowed upto 25% of estimated production of the State for particular crop in a particular season. Total amount of loss is shared on a 50:50 basis between the Central Government and the State Government (75:25 for North East States).

A new component of Price Differential Payment (PDP) with an option to make direct payment of the price difference between the Market Intervention Price (MIP) and the selling price to the farmers for the crops traded in the Agricultural Produce Market Committee (APMC) Mandis has also been added. Additionally, reimbursement for transportation and storage cost of TOP crops (Tomato, Onion and Potato) to Central Nodal Agencies & State Designated Agencies for storing and transporting TOP crops from producing state to consuming state is allowed.

To control extreme volatility of prices in essential commodities, under Price Stabilisation Fund (PSF) scheme, the Government creates an annual buffer stock of onions, with the buffer target decided each year. Onions are procured from producing States through Implementing Agencies (NAFED and NCCF) at market price linked, Minimum Assured Procurement Price (MAPP) on the basis of Maximum and Modal prices prevailing during previous 3 trading days. The quantity procured in 2025-26 was 2.87 Lakh MT. Under the Price Stabilisation Fund (PSF) scheme, Department of Consumer Affairs has approved the procurement target of 2 Lakh MT for the year 2026-27, out of which 0.37 LMT procured.

The details of the year-wise data in the share of Indian onion in the global market for export during the last five years is as under:

					(quantity in 1000 MT)
Description	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**
Onion fresh or chilled	1538.61	2527.35	Dis-continued		
Rose onion fresh or chilled	--	--	110.76	38.65	38.28
Other onion fresh or chilled	--	--	1606.68	1109.17	1509.66
Total	**1538.61**	**2527.35**	**1717.44**	**1147.82**	**1547.94**

Since 1st April, 2025 there is no restriction/duty/minimum export price on onion export.

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