



# Centre allows States/UTs to take control measures to ensure adequate availability of onion at reasonable prices

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As part of its efforts to ensure that the prices of essential commodities are kept under control, Government has taken a decision to enable the States/UTs to impose control measures on traders/dealers of onion to ensure adequate availability of essential commodity at reasonable prices. On 25.08.2017, Government has notified this decision vide Order SO No. 2785 (E). States may now impose stock limits on onions and undertake various measures like de-hoarding operations, action against speculators and profiteers.

This has been necessitated due to the abnormal rise in prices of onions in recent weeks particularly from July end of this year onwards, though the production and supply of onions in the market is better than last year during the same period. As per all India average retail price, the prices have increased from Rs. 15 per kg to Rs. 28.94 per kg. In the Metros the rise has been even steeper, Rs. 31 per kg in Chennai, Rs. 38 per kg in Delhi, Rs. 40 per kg in Kolkata and Rs. 33 per kg in Mumbai.

After examination of all the circumstances, Government has inferred that there are some other reasons than shortage of onions, contributing to the abnormal price rise of onions like hoarding, speculation etc. Therefore the States/UTs were required to be enabled to take action against those traders who are engaged in speculative trading, hoarding and profiteering in onions. The measure is expected to bring the prices of onions down to a reasonable level to give an immediate relief to the consumers.

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