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fo Commerce min mulls removing onion MEP to increase exports

New Delhi, Apr 26: The commerce ministry has proposed removing the minimum export price (MEP) on onions for two months to boost exports and ensure better returns to farmers.

The Empowered Group of Ministers (EGoM) on sugar exports and other food-related issues was slated to discuss this issue on Wednesday but the meet was postponed due to some pressing engagements of finance minister Pranab Mukherjee, sources in the food ministry said.

"EGoM in its next meeting will discuss the commerce ministry's proposal on removing the MEP on onions for two months to boost exports. This proposal was to be discussed in Wednesdays' meeting, which had to be postponed," a food ministry official said.

At present the onion MEP stands at \$125 per tonne. The commerce min-

istry in its proposal has said that the move will help in increasing onion shipments as well as fetch a better price for the farmers in the domestic market, the official added.

The retail prices of the vegetable in the domestic market is currently in the range of ₹10-15 per kg in major metros.

According to another official in the food ministry, if this proposal is accepted then the onion MEP will be slashed for May-June or June-July. The government had in February 2012 slashed the MEP of onion by \$25 to \$125 per tonne to increase exports of the bulb. It had earlier, in January, cut the MEP to \$150 per tonne from \$250 per tonne in view of slack in exports. In the past also, several farmer associations, especially associations of Pimpalgaon and Lasalgaon in Nashik district have demanded removal of MEP on onion.

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