

Interim Market Advisory on Small Onion Prices

Small onion (Shallot) is one of the most important vegetable crops grown in Southern India. Unlike the previous years, now shallot is raised continuously in all seasons both using seedlings and seed bulb. The major small onion growing states are Tamil Nadu, Karnataka and Andhra Pradesh. Dindigul, Tiruppur, Perambalur, Trichy and Namakkal are the major shallot producing districts in Tamil Nadu. At present, small onion from Dindigul, Dharapuram, Theni, Perambalur, Trichy and Tirunelveli districts are arriving to the local markets as well as from Mysore of Karnataka. Arrivals of shallots from Mysore are extending upto August this year, which is unseen ever earlier. Shallot production in Sri Lanka also good which shrinks our export demand, further.

Generally, shallot price may vary based on the size, colour and storability. The storability of Mysore onion is poor i.e. it can be stored only upto 2-3 days after arrival. This led to clear off the existing stock even at a lower price of Rs.7-10 per kg. In case of local onion, the price is Rs. 13-16 per kg due to its storability and regular arrivals from major onion belts. For seed onion, the price is Rs.20 per kg and for onion which is more than 18 mm in size and high storability can be used for export purpose fetches Rs.25-30 per kg in major shallot markets of Tamil Nadu. The small onion traders opined that the demand would be expected to be in the increasing trend from September to October both demand for seed onion and

commencement of festival season which may push the price of shallots. But the increased acreage under shallots in Tamil Nadu and continuously growing them without any distinct season make the demand-supply gap narrower.

In this situation, Price Forecasting Scheme of Centre for Agricultural and Rural Development Studies has analyzed the farm gate price of shallot that prevailed during last 13 years in Dindugal Market. The result of the analysis revealed that the farm gate price of good quality onion would revolve around Rs.23-25 per kg during September – October, 2016. Further the price fluctuations may depend upon the onset of monsoon. Hence, farmers are advised to take marketing decision according to the market advisory.

For details contact:

Domestic and Export Market Intelligence Cell
Centre for Agricultural and Rural development Studies
Tamil Nadu Agricultural University
Coimbatore - 641 003
Phone No: 0422-2431405

For Technical Details please contact:

Professor and Head
Department of Vegetable crops
Tamil Nadu Agricultural University
Coimbatore-641 003
Phone No: 0422-2450812

