

# Onion prices set to keep rising

Karnataka crop affected by floods, but prices seen easing by October

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Onion prices are on the rise and may leave consumers in tears in the days ahead. As incessant rains in parts of North Karnataka have hit the standing kharif crop, wholesale prices have spiked over the past fortnight in major markets such as Lasalgaon and Bengaluru.

Trade sources said farmers, mainly in Maharashtra, who are aware of the current situation of floods impacting crops in Karnataka, are holding back their produce anticipating better prices in the days ahead.

In Lasalgaon, the largest market for onions, modal prices have moved up by over 40 per cent since early August. The increase is over 50 per cent over the past one month.

Jaydutt Holkar, Chairman, Lasalgaon APMC, attributes the increase in prices to good demand. This jump in prices will not last long as in the next 60 days a new crop will start arriving from the fields,

which will again bring down prices, he added.

## 'No large-scale damage'

Holkar, however, said that farmers have a lot of stock in storage. "Though some amount of onions have gone bad due to higher moisture in the air, there is no large-scale damage to the crop in Nashik," he added. The regions around Nashik have also witnessed excess rains this year.

Normally, for the period between May and October, Maharashtra is the biggest supplier of stored onions.

Farmers in Maharashtra store onions in specially designed structures called Kanda Chals (open air storage). Onions require aeration for long-term storage. "The Kanda Chals are built on a raised plat-



form, which has prevented any water ingress and effect of flood waters in Nashik region on the onion storage is minimal," Holkar added.

Maharashtra is the largest producer of onion, accounting for a third of the country's produce, while Karnataka has the second largest area under the bulb. Madhya Pradesh is the second largest producer of onions, ahead of Karnataka, due to higher yields.

Saleem Bayhatti, secretary of the Onion Merchants Association in Hubballi, said the kharif crop in Karnataka has been impacted due to the erratic rainfall pattern. While scanty rains in June and July

resulted in lower acreage, the flooding caused by swollen rivers and streams in North Karnataka have hit the standing crop. "About 20 per cent of the standing crop could have been hit by floods," he added.

Also the sowing was lower in Central Karnataka due to the delayed start of the monsoon and its slow progress. "Only 70 per cent of the sowing has taken place this year," Bayhatti said, adding that there could be some shortages in the October-November period this year. Meanwhile, the new crop from Andhra Pradesh — mainly from the Kurnool region — has started reaching parts of Southern Karnataka. Andhra Pradesh is also a major source for Tamil Nadu.

## Firming up

(prices in ₹/quintal)

APMC markets	July 15	August 2	August 17
Lasalgaon	1,201	1,320	1,850
Hubballi	900	1,400	1,650
Bengaluru	1,310	1,480	1,920

Source: NHRDF