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Wholesale onion prices spike on low supplies

AVERAGE WHOLESALE ONION prices at Lasalgaon, the country's largest wholesale onion market, crossed the ₹3,800 per quintal mark for the first time this season, the highest in the last six months. Retail onion prices have gone up to ₹50 per kg as against earlier prices of ₹35-40 per kg in major cities like Delhi and Mumbai due to crop damages caused by heavy rainfall.

Narendra Wadhavane, secretary, Lasalgaon Agriculture Produce Market Committee (APMC) attributed the rise to the drop in supplies due to the incessant rains that had hit several states in the last fortnight. On Wednesday, average wholesale prices at Lasalgaon touched ₹3,700 per quintal and were ₹3,800 per quintal on Tuesday. Last month, prices were in the range of ₹1,450 per quintal same time.

"The early Kharif crop which was to hit the market on Dusshera has been damaged due to heavy rains and the

summer onion stock has been both exhausted and damaged due to rains. It is not possible for farmers to visit the fields which are still in water due to the rains and therefore the arrivals have dropped to some 5,400 per quintals on a daily basis from 15,000 quintals to 20,000 quintals earlier last month," Wadhavane said. Prices should stabilise once the late Kharif crop begins to arrive in markets from mid-November, he said.

PK Gupta, director, National Horticultural Research and Development Foundation (NHRDF) termed this as a temporary phenomenon. There have been heavy rains in onion growing belts of Karnataka, Andhra Pradesh, Gujarat and Rajasthan causing damage to the early Kharif crop, he said. However, the area under onion cultivation has gone up by nearly 25% this season and the late Kharif crop looks good in Andhra Pradesh, Karnataka and Telangana. — **FE BUREAU**