

## **Small Onion Prices will not Rise**

Shallots / small onions are originated from Central and South East Asia and used as one of the regular vegetable ingredient in food preparation of South Indian cuisine. The major small onion growing states are Tamil Nadu, Karnataka and Andhra Pradesh. In Tamil Nadu, major shallot producing districts are Dindigul, Tiruppur, Perambalur, Trichy, Namakkal, Theni and Madurai.

Most of the production of small onion is domestically consumed and the arrivals from Karnataka and Andhra Pradesh facilitate domestic demand as well as export demand. Major export destinations are Sri Lanka, Singapore, Malaysia and United Arab Emirates. Excess arrivals are stocked by traders to release the buffer according to the market trends.

With favourable rainfall and normal production of shallots, arrivals from major production centres will provide no scope for price increase. Traders also indicated that the reduction in export demand during current season is attributed to cultivation of small onion in Sri Lanka off - late. However, based on the likely onset of summer showers, and the demand for seed onion, the prices may firm up.

Price Forecasting Scheme of Centre for Agricultural and Rural Development Studies (CARDS), Tamil Nadu Agricultural University has analyzed the farm gate prices of small onion that prevailed during the last 13 years in Dindigul market. Results from the above analysis revealed that the farm gate price for the good quality small onion will prevail around Rs. 21-23 per kg during May - June, 2016. Hence, farmers are advised to take appropriate selling decision according to the market advisory.

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