

Why are Maharashtra's onion farmers protesting? | Explained

Is the government's buffer stock policy hurting farmers?

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Maharashtra has produced more onions than needed this year, and the quality of stored Rabi onions has deteriorated, lowering market prices | Photo Credit: B JOTHI RAMALINGAM

The story so far:

Since September 12, thousands of farmers from Maharashtra, India's largest onion-producing State, have been holding a phone protest. The main reason for the agitation is the distress caused by the fall in market prices of onions. Farmers are demanding immediate government intervention and aid of ₹1,500 per quintal. Experts say the problem is systemic. Maharashtra has produced more onions than needed this year, and the quality of stored Rabi onions has deteriorated, lowering market prices. They argue that the government must streamline onion exports, establish a uniform export policy,

build trust among importers, and hold discussions with key buyers to secure stable markets.

Why are farmers protesting?

At present, farmers say they earn only ₹800 to ₹1,000 per quintal for their onions, while the production cost stands at ₹2,200 to ₹2,500 per quintal. The Rabi onions stored by farmers in the hope of better rates are deteriorating, forcing them to sell at even lower prices. At the same time, the government has released its buffer stock in the market at cheaper prices, further dragging down rates.

“NCCF and NAFED should be stopped from selling their stocks in cities across the country,” one of the key demands put forth by the Maharashtra State Onion Producer Farmers’ Organisation said. National Cooperative Consumers’ Federation of India Ltd. (NCCF), a major consumer cooperative in India; and National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED), the apex cooperative organisation for promoting and developing the cooperative marketing of agricultural produce for the benefit of farmers, jointly procure, store and thereafter sell the onions in the market as a part of the Government of India’s price stabilisation policy.

How is the onion price stabilisation policy affecting the farmers?

India’s onion price stabilisation policy focuses on maintaining a strategic buffer stock under the Price Stabilisation Fund (PSF) to manage price volatility. The government procures onions to build this buffer, and during periods of high prices or lean supply, they are released from the stock into major consumption centres through outlets and mobile vans to ensure affordability for consumers and prevent hoarding.

However, at present, farmers are still sitting on the stocks of Rabi onions and are trying to sell them in the market.

At a time when their produce is receiving a market price lower than the production cost, the prices are brought down further due to the NAFED and NCCF stocks.

What solutions are farmers and experts proposing?

According to government data, 25.25 lakh tonnes of onions were exported in the year 2022-23, a significant surge compared to previous years. But within two years, exports fell by more than half — in 2024-25, only 11.47 lakh tonnes were exported. “There is an urgent

need to restore competitiveness and secure India's position in global onion markets. Bangladesh and Sri Lanka were the two main importers of Indian onions. Today, both of them have looked away from us. The government needs to have a stable export policy. Any flip-flops lead to a loss of credibility for the country in the international market," an exporter who did not wish to be named said.

Farmers and exporters want the government to incentivise exports, as India is one of the leading growers of onions in the world. During the flux in the government's export policy, countries like China and Pakistan have taken over India's export market, farmers said.

Meanwhile, the Andhra Pradesh government has announced procurement of onions at ₹1,200 per quintal, a base price considered crucial to protecting farmers. One of the suggestions given to the government of Maharashtra is to emulate the Andhra model and incentivise the onion farmers.

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