

Peanut Blog

An ounce of information



Groundnut farmers in Kendrapada struggle to meet prodn costs as prices go down

Over 20,000 groundnut farmers in Kendrapada district are struggling to recover their production costs, despite a bumper harvest, because prices have gone down to Rs 5,000 per quintal.

The absence of govt procurement systems and minimum support price (MSP) have now made farmers consider abandoning groundnut cultivation altogether. "We expected to sell our produce at Rs 6,000–7,000 per quintal, but traders are offering only Rs 5,000," Ratikanta Behera, a farmer from Garadapur village, said. Govt has set the MSP for the 2024–25 kharif season at Rs 6,783 per quintal, an increase of Rs 406 from previous year. But the govt's failure to set up procurement mandis s forced farmers into distress sales in the domestic market.

"The price has never been this low in the past decade," Prahallad Jena from Srirampur village said.

Farmers attribute the crisis to the lack of oil mills and food processing plants in the district, despite repeated appeals to authorities.

Rising production costs, including expensive fertilizers and irrigation, have further complicated the situation. "Without proper market linkages and processing facilities, farmers are left with no choice but to sell at whatever price they can get," Nalinikanta Jena, a local farmer, said.

Umesh Chandra Singh, president of the district unit of Krishak Sabha, a farmers' organization, has demanded immediate govt intervention through the establishment of procurement mandis.

When contacted, chief district agriculture officer Kalyan Ray said, "We have advised farmers to store their produce for a few months to get better prices," he said, adding that the state currently has no procurement system in place.

Source: <https://timesofindia.indiatimes.com/city/bhubaneswar/groundnut-farmers-in-kendrapada-struggle-to-meet-prodn-costs-as-prices-go-down/articleshow/119806282.cms>