

## **Sell groundnut upon harvest: Price to remain around MSP**

Groundnut is considered to be one of the most important oilseed in the world. The seeds are good sources of edible oil and proteins. Last year in 2015-16, the groundnut production was estimated low about 67.71 lakh tonnes (*Kharif* 53.40 lakh tonnes) in the country, which was 8.52 per cent less than previous year. Hence, the groundnut price which was dropped to Rs. 770 per 20 kg in November, 2014 revived about Rs. 840 per 20 kg in November, 2015 and further to around Rs. 1100 in May, 2016. In current season of *kharif* 2016-17 the area under groundnut in India is estimated about 45.35 lakh ha as against 37.93 lakh ha in 2015-16 and the production is also estimated more about 65 lakh tonnes *i.e.* 21.72 per cent higher than last year (First Advanced Estimate dt. 22-09-2016).

In Gujarat, in current year, the monsoon was set up late in first week of July, 2016 but continued till first week of October, with evenly distributed normal rainfall, will result in normal to good yields of groundnut. The area under *kharif* groundnut in 2016-17 is estimated about 16.33 lakh ha, which is 20.52 per cent higher than last year (13.52 lakh ha) and production is also likely good around 35 lakh tonnes as against 19.25 lakh tonnes in previous *kharif* season. Baring some problem of white grubs, good precipitation received in first week of October, 2017 brightened the yield prospects in the state.

Last year 5.37 lakh tonnes groundnut was exported from India and in current it may be around 8 lakh tonnes, may be helpful slightly, but not provide more support to keep price up. Currently the groundnut price is ruling around Rs. 850 per 20 kg in various markets of Gujarat is likely to remain at this lower side around MSP. The Government has fixed the MSP Rs. 844 per 20 kg (4220 Rs/qtl), for the year 2016-17.

Total area under *kharif* oil seeds in the country in 2016-17 is estimated about 187.54 lakh ha same as in last year and total oil seeds production is likely to go up about 233.65 lakh tonnes as against 165.93 lakh tonnes in the last year. The import of edible oils is likely around 140 lakh tonnes in 2016-17.

Considering crop production situation and reviewing traders' reports, the research team of Department of Agricultural Economics, Junagadh Agricultural University has analysed the historical monthly price data of groundnut pods collected from Gondal Regulated Market. The econometric analysis revealed that **the prices of groundnut small (pods) may remain in the range of Rs. 820 to 880 (4100 – 4400 Rs/qtl) and bold (pods) Rs. 860 to 920 per 20 kg (4300 – 4600 Rs/qtl) during November, 2016 to January, 2017.** Hence, farmers are suggested to sell groundnut upon harvest (at MSP centres in APMCs), without going for storage, taking their own decision. It is also suggested that the Government may make arrangements to procure groundnut at MSP.