

Groundnut Outlook – July 2019

Groundnut (*Arachishypogaea L.*) is an important oilseed crop in India which occupies first in terms of area and second position in terms of production. China is the largest producer as well as consumer of groundnut in the world with 166.24 lakh tonnes followed by India (68.57 lakh tonnes), Nigeria (30.28 lakh tonnes) and United States (25.78 lakh tonnes). According to the 3rd Advance Estimates of production of major crops, groundnut production is estimated at 65.02 lakh tonnes for both kharif and rabi 2018-19.

Table 1: State wise area under groundnut in India

State	2018-19		2019-20	
	Area (lakh ha)	% to total area	Area (lakh ha)	% to total area
Gujarat	1.49	17.13	9.91	63.61
Rajasthan	3.47	39.89	4.19	26.89
Andhra Pradesh	1.12	12.87	0.36	2.31
Karnataka	0.92	10.57	0.24	1.54
Maharashtra	0.46	5.29	0.21	1.35
Others	1.24	14.25	0.67	4.30
All India	8.70	100.00	15.58	100.00

Source: www.agricoop.com

According to the all India kharif crop coverage report, Government of India, as on 5th July 2019, groundnut was sown in around 15.58 lakh hectares compared last year (8.70 lakh ha). Among the states, Gujarat stood first in area coverage with 9.91 lakh ha followed by Rajasthan (4.19 lakh hectares), Andhra Pradesh (0.36 lakh ha), Karnataka (0.24 lakh ha) and Maharashtra (0.21 lakh ha).

Table 2: District wise area under groundnut in Telangana State

District	2018-19		2019-20	
	Area (ha)	% to total area	Area (ha)	% to total area
Warangal (Rural)	2061	70.97	965	79.88
Gadwal(Jogulamba)	32	1.10	127	10.51
Wanaparthy	9.3	0.32	12	0.99
Janagoan	0	0.00	4	0.33
Others	801.7	27.61	100	8.28
Total	2904	100.00	1208	100.00

Source: www.agritelangana.gov.in

In Telangana, groundnut has been sown in around 1,208 hectares as on 3rd July 2019. Among the districts, Warangal (Rural) stood first in groundnut sown area with 965 hectares followed by Gadwal (127 ha) and Wanaparthy (12 ha).

Table 3: Arrivals and Prices of Groundnut at Gadwal Market in the Month of June 2019

Date	Arrivals (Quintals)	Minimum Price (Rs/quintal)	Maximum Price (Rs/quintal)	Modal Price (Rs/quintal)
1	49	3,961	4,926	4,770
7	144	3,629	6,020	4,116
8	25	3,670	5,212	5,212
15	41	4,170	5,430	5,430
19	19	3,730	5,470	5,470
20	19	3,730	5,470	5,470
21	5	3,380	4,330	4,330
22	95	3,469	5,817	5,132
25	9	4,230	4,570	4,570
26	39	3,740	4,790	4,100
27	54	4,570	4,970	4,670
28	49	4,012	5,492	5,170
29	55	3,319	5,652	4,488

Source: <http://agrimarketing.telangana.gov.in/indexnew.jsp>

About 603 quintals of groundnut was traded in price range of Rs. 4100 – 5470 per quintal at Gadwal major market during June 2019. The central government has increased the minimum support price of groundnut for the year 2019-20 by Rs.200 from Rs. 4890 to Rs. 5090 per quintal.

Groundnut Price Outlook

In Gujarat, 10-15% area under cotton is going to be replaced by groundnut due to delayed monsoon. Moreover the state and central government policies are encouraging farmers to cultivate more area under oilseeds.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that groundnut may trade in a range of **Rs.4400 – 4700** per quintal during the month of July, 2019.